



2022/0032(COD)

19.10.2022

AMENDMENTS

117 - 346

Draft report

Dan Nica

(PE731.655v01-00)

Establishing a framework of measures for strengthening Europe's semiconductor ecosystem (Chips Act)

Proposal for a regulation

(COM(2022)0046 – C9-0039/2022 – 2022/0032(COD))

Amendment 117

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Draft legislative resolution

Citation 8 a (new)

Draft legislative resolution

Amendment

— *having regard to the Commission communication of 5 May 2021 entitled ‘Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery’ (COM(2021)0350),*

Or. en

Amendment 118

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Draft legislative resolution

Citation 8 b (new)

Draft legislative resolution

Amendment

— *having regard to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Critical Raw Materials Resilience: Charting a Path towards greater Security and Sustainability COM(2020) 474*

Or. en

Amendment 119

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Draft legislative resolution

Citation 8 c (new)

— **having regard to the Decision of the European Parliament and of the Council establishing the 2030 Policy Programme “Path to the Digital Decade” 2021/0293 (COD)**

Or. en

Amendment 120

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. ***The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union’s semiconductor value and supply chain. The*** disruptions have exposed ***long-lasting vulnerabilities in this respect, notably*** a strong third-country dependency in manufacturing and design of chips.

Amendment

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Or. en

Amendment 121

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. ***The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain.*** The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

Amendment

(1) Semiconductors are at the core of any digital device ***and the Union's digital transition***: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy, ***security*** and society, the Union has witnessed unprecedented disruptions in their supply, ***the consequences of which are significant***. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips. ***Therefore, action is needed to address existing and potential structural deficiencies in the semiconductor ecosystem and supply chain.***

Or. en

Amendment 122

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a ***symptom***

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of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

panic purchasing, coupled with last-minute order changes or cancellations, supplier shutdowns in Asia, and political instability in parts of the world. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

Or. en

Justification

The chip shortage is not simply a symptom of a defunct value and supply chain, which is enormously complex. It was caused by many contributing factors, and in no small part was fuelled by the customer industry's not-so-best-practices (e.g. low inventories, panic purchasing and cancellations). Finding the right solutions to a problem starts with a thorough understanding of the problem at hand.

Amendment 123 **Massimiliano Salini**

Proposal for a regulation **Recital 1**

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

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Or. en

Amendment 124

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

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Or. en

Amendment 125

Patrizia Toia

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the

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Or. en

Amendment 126
Tiziana Beghin

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, communications and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

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Or. en

Amendment 127
Miapetra Kumpula-Natri, Ilan De Basso

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, **communications** and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

Amendment

(1) Semiconductors are at the core of any digital device: from smartphones and cars, through critical applications and infrastructures in health, energy, **telecommunications** and automation to most other industry sectors. While semiconductors are essential to the functioning of our modern economy and society, the Union has witnessed unprecedented disruptions in their supply. The current supply shortage is a symptom of permanent and serious structural deficiencies in the Union's semiconductor value and supply chain. The disruptions have exposed long-lasting vulnerabilities in this respect, notably a strong third-country dependency in manufacturing and design of chips.

Or. en

Amendment 128

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1 a) Reinforcing Europe's semiconductor capacity is key to achieve strategic autonomy, by reducing dependencies, enhancing digital sovereignty and contributing to the green transition.

Or. en

Amendment 129

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States and the Commission.

Amendment

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States and the Commission, ***as well as diversifying the semiconductor supply chains at the global level through international cooperation on innovation and trade.***

Or. en

Amendment 130

Eva Kaili

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States and the Commission.

Amendment

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States and the Commission, ***and strengthening cooperation between the European semiconductor industry and international partners.***

Or. en

Amendment 131

Tiziana Beghin

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, ***stimulating*** investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States ***and*** the Commission.

Amendment

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, ***attracting*** investment, ***enhancing production capacities***, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation ***and consultations*** among the Member States, the Commission ***and relevant third countries***.

Or. en

Amendment 132

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities of the Union's semiconductor supply chain, and increasing cooperation among the Member States ***and*** the Commission.

Amendment

(2) A framework for increasing the Union's resilience in the field of semiconductor technologies should be established, stimulating investment, strengthening the capabilities, ***security, adaptability and resilience*** of the Union's semiconductor supply chain, and increasing cooperation among the Member States, the Commission, ***and international partners***.

Or. en

Amendment 133

Tom Vandenkendelaere, Pascal Arimont

Proposal for a regulation
Recital 3

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ensure the adjustment of the industry to structural changes due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience and security of supply in the field of semiconductor technologies.

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Or. en

Amendment 134

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation Recital 3

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ensure the adjustment of the industry to structural changes due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ensure the adjustment of the industry to structural changes due to fast innovation cycles and the need for sustainability ***as well as to ensure supply of chips to core sectors for the Union's economy.*** The second objective, separate and complementary to the first one, is to improve the functioning of the internal

Union's resilience and security of supply in the field of semiconductor technologies.

market by laying down a uniform Union legal framework for increasing the Union's resilience and security of supply in the field of semiconductor technologies.

Or. en

Amendment 135
Marc Botenga

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary *for the competitiveness and innovation capacity of the Union and* to ensure the *adjustment* of the industry to structural changes due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to *improve the functioning of the internal market by laying* down a uniform Union legal framework *for* increasing the Union's resilience and security of supply in the field of semiconductor technologies.

Amendment

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary to ensure the *transformation* of the industry *according* to structural changes due to *increasing social needs*, fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to *lay* down a uniform Union legal framework increasing the Union's resilience and security of supply in the field of semiconductor technologies.

Or. en

Amendment 136
Tiziana Beghin

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ensure the adjustment of the industry to structural changes due to

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fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience and security of supply in the field of semiconductor technologies ***and its global market share.***

Or. en

Amendment 137

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ***ensure the adjustment of*** the industry ***to*** structural changes due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience and security of supply in the field of semiconductor technologies.

Amendment

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union and to ***evaluate*** the industry ***competitiveness and*** structural changes due to fast innovation cycles and the need for sustainability ***of supply and production.*** The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience and security of supply in the field of semiconductor technologies.

Or. en

Amendment 138

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union **and** to ensure the ***adjustment of the industry to structural changes*** due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience **and** security of supply in the field of semiconductor technologies.

Amendment

(3) This framework pursues two objectives. The first objective is to ensure the conditions necessary for the competitiveness and innovation capacity of the Union to ensure the ***semiconductor ecosystem can adapt at pace*** due to fast innovation cycles and the need for sustainability. The second objective, separate and complementary to the first one, is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's resilience, ***and ability to innovate and provide*** security of supply in the field of semiconductor technologies.

Or. en

Amendment 139

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3 a) The resilience of the internal market should be built up on Union's key strengths in the global semiconductor ecosystem and cutting red tape for businesses active in the semiconductor supply chain, rather than by selecting a Union's semiconductor winners. The regulation cannot isolate European businesses, but help them establish business relationships with other global participants in the semiconductor ecosystem.

Or. en

Amendment 140

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3 a) Critical raw materials are a key element of the Union's chip ecosystem, thus, a framework for increasing the Union's resilience of critical raw materials supply should be established. Moreover, supporting research and innovation on materials and increasing cooperation between the Member States, the Commission and likeminded partners will also be necessary.

Or. en

Amendment 141
Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3 b) The internal market's resilience should also consider other factors, such as the demand side of the semiconductor market, long-term sustainability of production, and the resilience price premium. The Commission should analyse the key drivers of resilience and assess the optimal level of resilience effectively delivering the added value for consumers and businesses.

Or. en

Amendment 142
Clara Ponsatí Obiols

Proposal for a regulation
Recital 4

(4) It is necessary to take measures to build capacity and strengthen the Union's semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce advanced components. The Chips for Europe Initiative (the 'Initiative') should support these aims by bridging the gap between Europe's advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

(4) It is necessary to take measures to build capacity and strengthen the Union's semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce advanced components, ***while promoting sustainable manufacturing processes, mainly those that reduce the amount of water and energy used.*** The Chips for Europe Initiative (the 'Initiative') should support these aims by bridging the gap between Europe's advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Or. en

Amendment 143

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Sara Skyttedal, Tomas Tobé, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation

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Or. en

Amendment 144

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Nicola Danti

Proposal for a regulation

Recital 4

Text proposed by the Commission

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Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce **advanced components**. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe’s semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce **next generation semiconductor technologies**. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production, **equipment, packaging, testing** and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe’s semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Or. en

Justification

Suggest to use existing and defined language, and not introduce undefined terms. Equipment, packaging and testing are components of the value chain.

Amendment 145

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) It is necessary to take measures to build capacity and strengthen the Union’s semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness

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and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation *and manufacturing capacities* of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce advanced components. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation *in terms of manufacturing*. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Or. en

Amendment 146

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) It is necessary to take measures to build capacity and strengthen the Union’s semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and

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strengthening its capacity to design *and* produce advanced components. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

strengthening its capacity to design, produce, *package, reuse and recycle* advanced components. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Or. en

Amendment 147

Alex Agius Saliba, Josianne Cutajar

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) It is necessary to take measures to build capacity and strengthen the Union’s semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce advanced components. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial exploitation. It

Amendment

(4) It is necessary to take measures to build capacity and strengthen the Union’s semiconductor sector in line with Article 173(3) of the Treaty. These measures do not entail the harmonisation of national laws and regulations. In this regard, the Union should reinforce the competitiveness and resilience of the semiconductor technological and industrial base, whilst strengthening the innovation capacity of its semiconductor sector *across the Union*, reducing dependence on a limited number of third country companies and geographies, and strengthening its capacity to design and produce advanced components. The Chips for Europe Initiative (the ‘Initiative’) should support these aims by bridging the gap between Europe’s advanced research and innovation capabilities and their sustainable industrial

should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

exploitation. It should promote capacity building to enable design, production and systems integration in next generation semiconductor technologies, enhance collaboration among key players across the Union, strengthening Europe's semiconductor supply and value chains, serving key industrial sectors and creating new markets.

Or. en

Justification

The innovation capacity of the semi-conductor industry should be supported and promoted across the EU and across all the Member States' various semi-conductor industry types and sizes, without discrimination.

Amendment 148

Evžen Tošenovský, Eugen Jurzyca

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience **and security** of supply of semiconductors can be **best** addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain.

Amendment

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience of supply of semiconductors can be addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain. ***Given the lack of the impact assessment accompanying***

the Commission proposal and proposed untested method of subsidizing production, the Commission should regularly and carefully publish and deliver relevant information and assessments about the impact of this regulation on internal market, competitiveness and the Union budget and national budgets.

Or. en

Amendment 149

Tom Vandenkendelaere, Pascal Arimont

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience and security of supply of semiconductors can be best addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain.

Amendment

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. ***The only way to strengthen the European semiconductor market in a global interdependent semiconductor supply chain is to work towards a pan-European ecosystem within the internal market where knowledge, expertise, resources and existing strengths are pooled.*** Given the wide circulation of semiconductor products across borders, the resilience and security of supply of semiconductors can be best addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border

semiconductor value chain.

Or. en

Amendment 150

Tomas Tobé, Sara Skytvedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience and security of supply of semiconductors can be best addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain.

Amendment

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders ***world wide***, the resilience and security of supply of semiconductors can be best addressed through ***international cooperation, trade, support to innovation and creating attractive environment for European companies and industry***. Union harmonising legislation based on Article 114 of the Treaty ***is an additional possibility***. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain.

Or. en

Amendment 151

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience and security of supply of semiconductors can be best addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. ***The proposed monitoring and crisis response mechanism should be uniform to enable a coordinated approach to crisis preparedness for the cross-border semiconductor value chain.***

Amendment

(5) The use of semiconductors is critical for multiple economic sectors and societal functions in the Union and therefore, a resilient supply is essential for the functioning of the internal market. Given the wide circulation of semiconductor products across borders, the resilience and security of supply of semiconductors can be best addressed through Union harmonising legislation based on Article 114 of the Treaty. With a view to enabling coordinated measures for building resilience, harmonised rules for facilitating the implementation of specific projects that contribute to the security of supply of semiconductors in the Union are necessary. ***Based on an approved methodology, a subsequent mapping of the semiconductor value chains should form the basis for in depth impact assessment for the measures proposed within the crisis response mechanism.***

Or. en

Amendment 152

Miapetra Kumpula-Natri, Ilan De Basso

Proposal for a regulation

Recital 5 a (new)

Text proposed by the Commission

Amendment

(5 a) Strengthening the Union's critical infrastructure and security as well as technological leadership requires leading-edge and custom chips, in particular for future-proof and strategic sectors such as telecommunication infrastructure as well as 5G and 6G technologies.

Or. en

Amendment 153

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States and chaired by the Commission. The European Semiconductor Board **will** provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups.

Amendment

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States, ***the European Parliament*** and chaired by the Commission. The European Semiconductor Board, ***granting stakeholders the possibility to become official observers and to provide expert input, will approve the methodology for the mapping of the semiconductor value and supply chain,*** provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups ***ensuring access to members and observers of the European Semiconductor Board.***

Or. en

Amendment 154

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation

Recital 6

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups.

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States, ***industry and research organisations representing the semiconductor value chain***, and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups.

Or. en

Justification

The Semiconductor Board currently has too limited participation from industry actors, while the latter is crucial to inform the decisions of the Board. It should therefore have stronger inclusion of the relevant semiconductor industry actors and research organisations to inform the decisions of the Board.

Amendment 155

Tiziana Beghin

Proposal for a regulation

Recital 6

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of

representatives of the Member States and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups.

representatives of the Member States and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation, ***involving and consulting, where necessary, relevant third countries.*** The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different compositions of the high-level representatives and the Commission may establish subgroups.

Or. en

Amendment 156

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different meetings may include different

Amendment

(6) The achievement of these objectives will be supported by a governance mechanism. At Union level, this Regulation establishes a European Semiconductor Board, composed of representatives of the Member States ***and industry***, and chaired by the Commission. The European Semiconductor Board will provide advice to and assist the Commission on specific questions, including the consistent application of this Regulation, facilitating cooperation among Member States ***and industry stakeholders***, and exchanging information on issues relating to this Regulation. The European Semiconductor Board should hold separate meetings for its tasks under the different chapters of this Regulation. The different

compositions of *the high-level* representatives and the Commission may establish subgroups.

meetings may include different compositions of representatives and the Commission may establish subgroups.

Or. en

Amendment 157
Andrius Kubilius

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain.

Amendment

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. ***Trade and partnership agreements with third countries must remain a priority element of the Union's strategy to address chip shortages. Such agreements are instrumental to bolstering the resilience of global supply chains and must be reached preferentially with like-minded third countries that have advantages in the semiconductor industry, to meet the growing demand for semiconductors.*** The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain.

Or. en

Amendment 158
Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Sara Skytvedal, Tomas Tobé, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element **to achieve a** resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain.

Amendment

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element **in achieving** resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain. **Therefore, at the invitation of the European Semiconductor Board, international partners and third parties should be able to attend meetings, provide consultation, and exchange information within the structures of the European Semiconductor Board.**

Or. en

Amendment 159
Clara Ponsatí Obiols

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a

Amendment

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a

better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain.

better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, to the extent possible, disruptions of the semiconductor supply chain. ***International collaboration, especially with like-minded partners, is crucial to bridge the current gap between research and design and manufacturing. Such collaboration should also help to develop a market of recycled semiconductors.***

Or. en

Amendment 160

Tomas Tobé, Sara Skyttedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should cooperate and build partnerships with third countries with a view to seeking solutions to address, ***to the extent possible***, disruptions of the semiconductor supply chain.

Amendment

(7) Given the globalised nature of the semiconductor supply chain, international cooperation with third countries is an important element to achieve a resilience of the Union's semiconductor ecosystem. The actions taken under this Regulation should also enable the Union to play a stronger role, as a centre of excellence, in a better functioning global, interdependent semiconductors ecosystem. The Commission, assisted by the European Semiconductor Board, should ***work together towards both immediate and long-term supply solutions for the semiconductor market***; cooperate and build partnerships with third countries with a view to seeking solutions to address disruptions of the semiconductor supply chain ***and work together towards both immediate and long-term supply solutions for the semiconductor market and industry affected by supply shortages***;

Amendment 161

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

**Proposal for a regulation
Recital 7 a (new)**

Text proposed by the Commission

Amendment

(7 a) The Commission, on behalf of the Union, should pursue cooperation with strategic partners such as the United States, Japan, South Korea and Taiwan and other like-minded partners, with a view to strengthening the semiconductor supply chain and addressing future supply chain disruptions through a 'Chips Diplomacy Initiative'. To this end, Commission should promote international cooperation with strategic partners through future investment and trade agreements, the EU-US and EU-India Trade and Technology Councils, as well as relevant international fora, where the strengthening of the semiconductor supply chain and addressing future supply chain disruptions should be a key priority. In addition, where necessary, the Commission should enter into a dialogue, consultations or cooperation framework with relevant third countries with a view to seeking solutions to address supply chain disruptions or third country decisions that could cause such disruptions, such as those related to extraterritorial export restrictions, in line with international obligations. This could involve coordination in relevant international fora or other diplomatic measures, while ensuring robust engagement with the stakeholder community.

Justification

The importance for trade and investment agreements cannot be overstated in the context of the semiconductor supply chain security. Europe cannot become completely self-reliant but should seek out cooperation with like-minded partner countries to diversify its supply chains. It should also be taken into consideration that third country decisions, such as extra-territorial export restrictions, can have a negative impact on the European semiconductor value chain and can lead to a potential semiconductor crisis. The EU should then leverage its diplomatic weight vis-a-vis that respective third country with the aim of mitigating or preventing such a crisis from taking place.

Amendment 162

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's competitiveness, resilience and innovation capacity by setting up the Initiative.

Amendment

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's ***existing strengths, thus increasing its relative*** competitiveness, resilience and innovation capacity by setting up the Initiative.

Or. en

Amendment 163

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's competitiveness, resilience **and** innovation capacity by setting up the Initiative.

Amendment

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's competitiveness, resilience, innovation capacity **and manufacturing** by setting up the Initiative.

Or. en

Amendment 164

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation

Amendment

(8) The semiconductor sector is characterised by very high development and innovation costs and very high costs for building state of the art testing and experimentation facilities to support the industrial production. This has direct impact on the competitiveness and innovation capacity of the Union industry, as well as on the security and resilience of the supply. In light of the lessons learnt from recent shortages in the Union and worldwide and the rapid evolution of technology challenges and innovation

cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's competitiveness, resilience and innovation capacity by setting up the Initiative.

cycles affecting the semiconductor value chain, it is necessary to strengthen the Union's competitiveness, resilience and **research and** innovation capacity by setting up the Initiative.

Or. en

Amendment 165
Clara Ponsatí Obiols

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and scale of the innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level.

Amendment

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and scale of the innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level. ***The goals of this Regulation should be supported with specific and significant new financial provisions. Such funds should be used also for the research, design and testing of advanced and evolving existing and complementary technologies and products within the Union's semiconductor industry.***

Or. en

Amendment 166
Tomas Tobé, Sara Skytvedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and

Amendment

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and

scale of the innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level.

scale of the innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level
without distorting the internal market for technology, preventing innovation or research on future chip technology.

Or. en

Amendment 167

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and scale of the innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level.

Amendment

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature and scale of the ***and research*** innovation challenge in the semiconductor sector requires action to be taken collaboratively at Union level.

Or. en

Amendment 168

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the nature ***and scale of the innovation challenge in*** the semiconductor sector requires action to be taken collaboratively at Union level.

Amendment

(9) Member States are primarily responsible for sustaining a strong Union industrial, competitive, sustainable and innovative base. However, the ***importance, scale, complexity, and cross-border*** nature of the semiconductor sector requires action to be taken collaboratively at Union level.

Amendment 169
Angelika Winzig

Proposal for a regulation
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9 a) In order to counter the emerging territorial distortion triggered by imbalances in economic means for investments in the semiconductor ecosystem between Member States and to enable the further development and regional diffusion of the semiconductor ecosystem also in smaller Member States, an instrument shall be established to create a financial balancing mechanism.

Or. en

Justification

Economically stronger Member States have the opportunity to make large investments in companies based in their own country or to get new companies to settle in their own territory. Such a subsidy race should be avoided. The instrument should be used in such a way, that smaller Member States with less financial capabilities for co-financing of projects on the national level have the opportunity to gain a financial balance through financing measures on EU level. This will be necessary to counter structural disadvantages between the Member States. This measure would also be in correspondence with Article 4 – paragraph 2 – point b – point 2 a (new) of the draft report, which reads “(b) operational objective 2: enhancing existing and developing new advanced pilot lines. This operational objective shall be achieved through: (2a new) aiming to ensure geographical balance and an adequate representation of different Member States;”

Amendment 170
Henrike Hahn
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 10

Text proposed by the Commission

Amendment

(10) The Horizon Europe Framework

(10) The Horizon Europe Framework

programme established by Regulation (EU) 2021/695 of the European Parliament and of the Council⁵¹ (Horizon Europe) – the Framework Programme for Research and Innovation, has the objective to strengthen the European research area (ERA), encouraging it to become more competitive, including in its industry, while promoting all research and innovation (R&I) activities to deliver on the Union's strategic priorities and commitments, which ultimately aim to promote peace, the Union's values and the well-being of its peoples. *As a major priority of the Union, the total financial resources allocated to the programme should not be reduced and the reduction of the financial resources of the programme, aimed to reinforce the financial envelope of the Digital Europe programme with the aim of contributing to the Chips initiative, should be compensated by another source. Consequently, without prejudice to the institutional prerogatives of the European Parliament and of the Council, an amount of commitment appropriations equivalent to the reduction should be made available to Horizon Europe over the period 2023-2027, resulting from total or partial non-implementation of projects belonging to that programme or its predecessor, as provided for in Article 15(3) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council⁵² (the Financial Regulation). This amount will be in addition to the EUR 0.5 billion (in 2018 prices) already mentioned in the Joint Declaration by the European Parliament, the Council and the Commission on the re-use of decommitted funds in relation to the research programme.*

⁵¹ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and

programme established by Regulation (EU) 2021/695 of the European Parliament and of the Council⁵¹ (Horizon Europe) – the Framework Programme for Research and Innovation, has the objective to strengthen the European research area (ERA), encouraging it to become more competitive, including in its industry, while promoting all research and innovation (R&I) activities to deliver on the Union's strategic priorities and commitments, which ultimately aim to promote peace, the Union's values and the well-being of its peoples. *Since the Initiative was not envisaged when the multiannual financial framework (MFF) for 2021-2027 was established, and to avoid any cuts to other Union initiatives and programmes, the amount of the financial envelope should be drawn from the unallocated margins under the MFF ceilings or mobilised through the non-thematic MFF special instruments.*

⁵¹ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and

repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013. (OJ L 170, 12.5.2021, p. 1).

⁵² ***Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).***

repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013. (OJ L 170, 12.5.2021, p. 1).

Or. en

Amendment 171

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The Horizon Europe Framework programme established by Regulation (EU) 2021/695 of the European Parliament and of the Council⁵¹ (Horizon Europe) – the Framework Programme for Research and Innovation, has the objective to strengthen the European research area (ERA), encouraging it to become more competitive, including in its industry, while promoting all research and innovation (R&I) activities to deliver on the Union's strategic priorities and commitments, which ultimately aim to promote peace, the Union's values and the well-being of its peoples. As a major priority of the Union, the total financial resources allocated to the programme should not be reduced and the reduction of the financial resources of the programme, aimed to reinforce the financial envelope of the Digital Europe

Amendment

(10) The Horizon Europe Framework programme established by Regulation (EU) 2021/695 of the European Parliament and of the Council⁵¹ (Horizon Europe) – the Framework Programme for Research and Innovation, has the objective to strengthen the European research area (ERA), encouraging it to become more competitive, including in its industry, while promoting all research and innovation (R&I) activities to deliver on the Union's strategic priorities and commitments, which ultimately aim to promote peace, the Union's values and the well-being of its peoples. As a major priority of the Union, the total financial resources allocated to the programme should not be reduced ***or repurposed to fund activities outside of research and innovation*** and the reduction of the financial resources of the

programme with the aim of contributing to the Chips initiative, should be compensated by another source. Consequently, without prejudice to the institutional prerogatives of the European Parliament and of the Council, an amount of commitment appropriations equivalent to the reduction should be made available to Horizon Europe over the period 2023-2027, resulting from total or partial non-implementation of projects belonging to that programme or its predecessor, as provided for in Article 15(3) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council⁵² (the Financial Regulation). This amount will be in addition to the EUR 0.5 billion (in 2018 prices) already mentioned in the Joint Declaration by the European Parliament, the Council and the Commission on the re-use of decommitted funds in relation to the research programme.

⁵¹ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013. (OJ L 170, 12.5.2021, p. 1).

⁵² Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

programme, aimed to reinforce the financial envelope of the Digital Europe programme with the aim of contributing to the Chips initiative, should be compensated by another source. Consequently, without prejudice to the institutional prerogatives of the European Parliament and of the Council, an amount of commitment appropriations equivalent to the reduction should be made available to Horizon Europe over the period 2023-2027, resulting from total or partial non-implementation of projects belonging to that programme or its predecessor, as provided for in Article 15(3) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council⁵² (the Financial Regulation). This amount will be in addition to the EUR 0.5 billion (in 2018 prices) already mentioned in the Joint Declaration by the European Parliament, the Council and the Commission on the re-use of decommitted funds in relation to the research programme.

⁵¹ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013. (OJ L 170, 12.5.2021, p. 1).

⁵² Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

Or. en

Amendment 172
Clara Ponsatí Obiols

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) In order to equip the Union with the semiconductor technology research and innovation capacities needed to maintain its research and industrial investments at a leading edge, and bridge the current gap between research and development and manufacturing, the Union and its Member States should better coordinate their efforts and co-invest. To achieve this, the Union and Member States, should take into consideration the twin digital and green transition goals. The Initiative throughout all components and actions, to the extent possible, should mainstream and maximise the benefits of application of semiconductor technologies as powerful enablers for the sustainability transition that can lead to new products and more efficient, effective, clean and durable use of resources, including energy and materials necessary for production and the whole lifecycle use of semiconductors.

Amendment

(11) In order to equip the Union with the semiconductor technology research and innovation capacities needed to maintain its research and industrial investments at a leading edge, and bridge the current gap between research and development and manufacturing, the Union and its Member States should better coordinate their efforts and co-invest. ***In those cases where an undertaking proposes a groundbreaking project that would foster the entire Union's resilience, total investment from the Union should be considered in order to avoid excluding such crucial projects due to the lack of investment from Member States.*** To achieve this, the Union and Member States, should take into consideration the twin digital and green transition goals. The Initiative throughout all components and actions, to the extent possible, should mainstream and maximise the benefits of application of semiconductor technologies as powerful enablers for the sustainability transition that can lead to new products and more efficient, effective, clean and durable use of resources, including energy and materials necessary for production and the whole lifecycle use of semiconductors.

Or. en

Amendment 173
Henrike Hahn
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 11

(11) In order to equip the Union with the semiconductor technology research and innovation capacities needed to maintain its research and industrial investments at a leading edge, and bridge the current gap between research and development and manufacturing, the Union and its Member States should better coordinate their efforts and co-invest. ***To achieve this, the Union and Member States, should take into consideration the twin digital and green transition goals.*** The Initiative throughout all components and actions, to the extent possible, should mainstream and maximise the benefits of application of semiconductor technologies as powerful enablers for the sustainability transition that can lead to new products and more efficient, effective, clean and durable use of resources, including energy and materials necessary for production and the whole lifecycle use of semiconductors.

(11) In order to equip the Union with the semiconductor technology research and innovation capacities needed to maintain its research and industrial investments at a leading edge, and bridge the current gap between research and development and manufacturing, the Union and its Member States should better coordinate their efforts and co-invest ***and shall align all investments with the goals of the twin green and digital transition.*** The Initiative throughout all components and actions, to the extent possible, should mainstream and maximise the benefits of application of semiconductor technologies as powerful enablers for the sustainability transition that can lead to new products and more efficient, effective, clean and durable use of resources, including energy and materials necessary for production and the whole lifecycle use of semiconductors.

Or. en

Amendment 174

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Othmar Karas

Proposal for a regulation
Recital 12

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual

property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to

property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components, *and other future orientated technologies in the area of semiconductors*. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including

broader ***cross-fertilisation*** and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. ***The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.***

for international research and commercial partners, can lead to broader ***cross fertilisation*** and gains in know-how and excellence, while contributing to cost recovery. Fifth, the Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Or. en

Amendment 175

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation Recital 12

Text proposed by the Commission

Amendment

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State.

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. ***Overlapping and duplication of efforts with the Quantum Technologies Flagship should be avoided.*** Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative

Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Amendment 176**Tom Berendsen****Proposal for a regulation****Recital 12***Text proposed by the Commission*

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in *alternative* technologies, such as quantum technologies, conducive to the development of the semiconductors

Amendment

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in *novel* technologies, such as *integrated photonics and* quantum technologies, conducive to the

sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and

development of the semiconductors sector, the Initiative should support actions including on design libraries for ***photonic and*** quantum chips, pilot lines for building, ***and scaling the production of photonic and*** quantum chips and testing and experimentation facilities for ***photonic and*** quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this

equity investments to high risk, market creating innovators.

context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Or. en

Amendment 177

Alex Agius Saliba, Josianne Cutajar

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental

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impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national

impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State, ***by enhancing existing centres or creating new facilities***. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with

promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Or. en

Amendment 178

Mauri Pekkarinen, Bart Groothuis

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe’s design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in

Amendment

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe’s design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in

order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated

order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should ***have a broad geographic coverage and*** provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The

semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Or. en

Amendment 179

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current

Amendment

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current

semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while reducing environmental impacts as much as possible. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to

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a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

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a wide range of users and must be granted on a transparent and non-discriminatory basis and on market terms (or cost plus reasonable margin basis) for large undertakings, while SMEs *and academic research centers* can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

Or. en

Amendment 180

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) In order to achieve its general objective, and address both the supply and demand side challenges of the current semiconductor ecosystem, the Initiative should include five main components. First, to reinforce Europe's design capacity, the Initiative should support actions to build a virtual platform that is available across the Union. The platform should connect the communities of design houses, SMEs and start-ups, intellectual property and tool suppliers, with research and technology organisations to provide virtual prototype solutions based on co-development of technology. Second, in order to strengthen the security and resilience of supply and reducing the Union's dependency on third country production, the Initiative should support development and access to pilot lines. The pilot lines should provide for the industry a facility to test, experiment and validate semiconductor technologies and system design concepts at the higher technology readiness levels beyond level 3 but under level 8 while **reducing** environmental impacts **as much as possible**. Union investments along Member States investment and with the private sector in pilot lines is necessary to address the existing structural challenge and market failure where such facilities are not available in the Union hindering innovation potential and global competitiveness of the Union. Third, in order to enable investments in alternative technologies, such as quantum technologies, conducive to the development of the semiconductors sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum

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chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis ***and on market terms (or cost plus reasonable margin basis)*** for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to high risk, market creating innovators.

sector, the Initiative should support actions including on design libraries for quantum chips, pilot lines for building quantum chips and testing and experimentation facilities for quantum components. Fourth, in order to promote the use of the semiconductor technologies, to provide access to design and pilot line facilities, and to address skills gaps across the Union, the Initiative should support establishment of the competence centres on semiconductors in each Member State. Access to publicly funded infrastructure, such as pilot and testing facilities, and to the competence network, should be open to a wide range of users and must be granted on a transparent and non-discriminatory basis for large undertakings, while SMEs can benefit from preferential access or reduced prices. Such access, including for international research and commercial partners, can lead to broader cross-fertilisation and gains in know-how and excellence, while contributing to cost recovery. Fifth, The Commission should set-up a dedicated semiconductor investment facility support (as part of the investment facilitation activities described collectively as the ‘Chips Fund’) proposing both equity and debt solutions, including a blending facility under the InvestEU Fund established by Regulation (EU) 2021/523 of the European Parliament and Council⁵³, in close cooperation with the European Investment Bank Group and together with other implementing partners such as national promotional banks and institutions. The ‘Chips Fund’ activities should support the development of a dynamic and resilient semiconductor ecosystem by providing opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investments across the value chain, including for other companies in the semiconductor value chains. In this context, the European Innovation Council will provide further dedicated support through grants and equity investments to

high risk, market creating innovators.

⁵³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017 (OJ L 107, 26.3.2021, p. 30).

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Or. en

Amendment 181

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12 a) The Commission should provide clear guidelines in the form of a specific Chips Fund Work Programme. It should include guidance on admissibility and eligibility, clear deadlines, the criteria for financial operational capacity and exclusion, information on mandatory documents to be provided, the evaluation procedures, and guidance on preparing the applications. Information on the structure, budget and political priorities of the Chips Fund should also be included. The Commission should also provide guidance on procedures to register and submit applications online via a specific and dedicated EU Chips Fund Portal.

Or. en

Amendment 182

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation Recital 12 b (new)

(12 b) The Chips Fund activities should support the development of a dynamic and resilient semiconductor ecosystem. It should provide opportunities for increased availability of funds to support the growth of start-ups and SMEs as well as investment across the entire value chain. The European Innovation Council should provide further dedicated support through grants and equity investments to high-risk, market-creating innovators. Support and guidance should be provided, in particular, to SMEs on how to access public and private investment, including venture capital, with an aim of speeding up not only access, but also the application and approval process.

Or. en

Amendment 183

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

**Proposal for a regulation
Recital 12 c (new)**

(12 c) The Commission should provide clear and readily available guidelines on the terms and conditions for the development of, and third party access to pilot lines, as well as the compatibility and accessibility of the Union virtual design platforms.

Or. en

Amendment 184

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Sara Skytvedal, Tomas Tobé, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation
Recital 12 d (new)

Text proposed by the Commission

Amendment

(12 d) Given the importance of collaboration with third parties in the area of R&D&I, the European Semiconductor Board and the Commission should establish clear and readily available guidelines on access modes, software and hardware for their participation in projects within the scope of this Regulation. Within the structures of the European Semiconductor Board, the EU-US Trade and Technology Council and other Union agreements and strategies with third countries, guidance should be provided to overcome existing obstacles to international cooperation in the field of R&D&I.

Or. en

Amendment 185
Marc Botenga

Proposal for a regulation
Recital 13

Text proposed by the Commission

Amendment

(13) In order to overcome the limitations of the current fragmented public and private investments efforts, facilitate integration, cross-fertilisation, and return on investment on the ongoing programmes and to pursue a common strategic Union vision on semiconductors as a means to realising the ambition of the Union and of its Member States to ensure a leading role in the digital economy, the Chips for Europe Initiative should facilitate better coordination and closer synergies between the existing funding programmes at Union and national levels, ***better coordination and collaboration with industry*** and key private sector stakeholders and additional

(13) ***The Chips sector as a strategic sector is too important to be left in the hands of the private for-profit sector.*** In order to overcome the limitations of the current fragmented public and private investments efforts, facilitate integration, cross-fertilisation, and return on investment on the ongoing programmes and to pursue a common strategic Union vision on semiconductors as a means to realising the ambition of the Union and of its Member States to ensure a leading role in the digital economy, the Chips for Europe Initiative should facilitate better coordination and closer synergies between the existing funding programmes at Union and national

joint investments with Member States. The implementation set up of the Initiative is built to pool resources from the Union, Member States and third countries associated with the existing Union Programmes, as well as the private sector. The success of the Initiative can therefore only be built on a collective effort by Member States, with the Union, to support both the significant capital costs and the wide availability of virtual design, testing and piloting resources and diffusion of knowledge, skills and competences. Where appropriate, in view of the specificities of the actions concerned, the objectives of the Initiative, specifically the ‘Chips Fund’ activities, should also be supported through a blending facility under the InvestEU Fund.

levels, ***public control and coordination of the sector*** and key private sector stakeholders and additional joint ***public*** investments with Member States. The implementation set up of the Initiative is built to pool resources from the Union, Member States and third countries associated with the existing Union Programmes, as well as the private sector. The success of the Initiative can therefore only be built on a collective effort by Member States, with the Union, to support both the significant capital costs and the wide availability of virtual design, testing and piloting resources and diffusion of knowledge, skills and competences. ***The central role public initiative and funding, including to industrial de-risking, should come with commensurate public ownership of process and/or end-products.*** Where appropriate, in view of the specificities of the actions concerned, the objectives of the Initiative, specifically the ‘Chips Fund’ activities, should also be supported through a blending facility under the InvestEU Fund.

Or. en

Amendment 186

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) In order to overcome the limitations of the current fragmented public and private investments efforts, facilitate integration, cross-fertilisation, and return on investment on the ongoing programmes and to pursue a common strategic Union vision on semiconductors as a means to realising the ambition of the Union and of its Member States to ensure a leading role in the digital economy, the Chips for

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Europe Initiative should facilitate better coordination and closer synergies between the existing funding programmes at Union and national levels, better coordination and collaboration with industry and key private sector stakeholders and additional joint investments with Member States. The implementation set up of the Initiative is built to pool resources from the Union, Member States and third countries associated with the existing Union Programmes, as well as the private sector. The success of the Initiative can therefore only be built on a collective effort by Member States, with the Union, to support both the significant capital costs and the wide availability of virtual design, testing and piloting resources and diffusion of knowledge, skills and competences. Where appropriate, in view of the specificities of the actions concerned, the objectives of the Initiative, specifically the ‘Chips Fund’ activities, should also be supported through a blending facility under the InvestEU Fund.

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Or. en

Amendment 187

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) Support from the Initiative should be used to address market failures or ***sub-optimal*** investment situations in a proportionate manner, and actions should

Amendment

(14) Support from the Initiative should be used to address market failures or ***suboptimal*** investment situations ***as a consequence of the high capital intensity,***

not duplicate or crowd out private financing or distort competition in the internal market. Actions should have a clear added value for the Union.

high risk, and complex landscape of the semiconductor ecosystem in a proportionate manner, and actions should not duplicate or crowd out private financing or distort competition in the internal market. Actions should have a clear added value for the Union.

Or. en

Amendment 188

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) Support from the Initiative should be used to address market failures or sub-optimal investment situations in a proportionate manner, and actions should not duplicate or crowd out private financing or distort competition in the internal market. Actions should have a clear added value for the Union.

Amendment

(14) Support from the Initiative should be used to address market failures or sub-optimal investment situations in a proportionate ***cost-effective*** manner, and actions should not duplicate or crowd out private financing or distort competition in the internal market. Actions should have a clear added value for the Union.

Or. en

Amendment 189

Marc Botenga

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) Support from the Initiative should be used to address market failures or sub-optimal investment situations in a proportionate manner, and actions should not duplicate or crowd out private financing ***or distort competition in the internal market***. Actions should have a clear added value ***for*** the Union.

Amendment

(14) Support from the Initiative should be used to address market failures or sub-optimal investment situations in a proportionate manner, and actions should not duplicate or crowd out private financing. Actions should have a clear ***social and environmental*** added value ***across*** the Union.

Amendment 190
Alex Agius Saliba

Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) With a view to accelerating implementation of the actions of the Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new Union body and should not be targeted at one specific action under the Initiative. It should address the gap in the Union's **toolbox** to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over

Amendment

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its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium. ***With a view to ensure better involvement of all industrial players in these private-public partnerships, ECICs should seek to have a diverse composition, including the participation of SMEs.***

Or. en

Justification

There need to be minimum participation requirement of SMEs involvement in the Consortia.

Amendment 191

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) With a view to accelerating implementation of the actions of the Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new

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Union body and should not be targeted at one specific action under the Initiative. It should address the gap in the Union's toolbox to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

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Or. en

Amendment 192
Clara Ponsatí Obiols

Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) With a view to accelerating implementation of the actions of the Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can

Amendment

(16) With a view to accelerating implementation of the actions of the Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can

be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new Union body and should not be targeted at one specific action under the Initiative. It should address the gap in the Union's toolbox to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new Union body and should not be targeted at one specific action under the Initiative. ***The ECIC should also be able to assist in obtaining semiconductor materials from primary and secondary sources, and to assist in the development of recycled semiconductors.*** It should address the gap in the Union's toolbox to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

Or. en

Amendment 193

Tom Vandenkendelaere, Pascal Arimont

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) With a view to accelerating implementation of the actions of the

Amendment

(16) With a view ***to creating a pan-European ecosystem within the internal***

Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new Union body and should not be targeted at one specific action under the Initiative. It should address the gap in the Union's toolbox to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

market where knowledge, expertise, resources and existing strengths are pooled and to accelerating implementation of the actions of the Initiative, it is necessary to provide an option of implementing some of the Initiative actions, in particular on pilot lines, through a new legal instrument, the European Chips Infrastructure Consortium (ECIC). The ECIC should have legal personality. This means that when applying for the actions to be funded by the Initiative, the ECIC itself, and not individual entities forming the ECIC, can be the applicant. The main aim of the ECIC should be to encourage effective and structural collaboration between legal entities, including Research and Technology Organizations. For this reason, the ECIC has to involve the participation of at least three legal entities from three Member States and be operated as a public-private sector consortium for a specific action. The setting up of ECIC should not involve the actual setting up of a new Union body and should not be targeted at one specific action under the Initiative. It should address the gap in the Union's toolbox to combine funding from Member States, the Union budget and private investment for the purposes of implementing actions of the Initiative. In particular, strong synergies can be attained through combined development of the different pilot lines in an ECIC, pooling the Union's contribution with the collective resources of the Member States and other participants. The budget of the ECIC that would be made available by Member States and private sector participants over its projected period of operation should respect the timeframes of the actions implemented under this Initiative. The Commission should not be directly a party in the Consortium.

Or. en

Amendment 194

Josianne Cutajar, Alex Agius Saliba

**Proposal for a regulation
Recital 16 a (new)**

Text proposed by the Commission

Amendment

(16 a) With a view to facilitating the SMEs efforts to innovate and grow and to support the Union's strategic autonomy, the Commission should continue to reinforce the Enterprise Europe Network.

Or. en

Amendment 195

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

**Proposal for a regulation
Recital 18**

Text proposed by the Commission

Amendment

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, and thereby ensure the security of supply in the Union, public support may be appropriate. In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities, namely: Integrated Production Facilities and Open EU Foundries.

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, and thereby ensure the security of supply in the Union, public support may be appropriate. In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities, namely: Integrated Production Facilities and Open EU Foundries. ***Public support should be in line with the Commission Communication on a competition policy fit for new challenges, taking note of the exceptional situation as regard semiconductors. Public support should be subject to strong competition safeguards, and ensure the benefits are shared widely across the Union economy.***

Or. en

Amendment 196
Mauri Pekkarinen

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, and thereby ensure the security of supply in the Union, public support may be appropriate. In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities, namely: Integrated Production Facilities and Open EU Foundries.

Amendment

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, and thereby ensure the security of supply in the Union, public support may be appropriate. ***That public support should be proportionate and limited in time.*** In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities, namely: Integrated Production Facilities and Open EU Foundries.

Or. en

Amendment 197
Tom Berendsen

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, and thereby ensure the security of supply in the Union, public support may be appropriate. In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities, namely: Integrated Production Facilities

Amendment

(18) In order to encourage the establishment of the necessary manufacturing and related design capabilities, ***including manufacturing equipment***, and thereby ensure the security of supply in the Union, public support may be appropriate. In that respect, it is necessary to set out the criteria for facilitating the implementation of specific projects that contribute to achieving the objectives of this Regulation and distinguish between two types of facilities,

and Open EU Foundries.

namely: Integrated Production Facilities
and Open EU Foundries.

Or. en

Amendment 198

Tom Vandenkendelaere, Pascal Arimont

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to **a resilient** ecosystem in the internal market. **The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale** should not yet substantively be present or committed to be built within the Union, **excluding** facilities for research and development or small-scale production sites.

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to **the resilience of the semiconductor** ecosystem in the internal market. **An important factor for “first-of-a-kind” is to bring an innovative element to the internal market regarding the manufacturing processes or the final product. Relevant innovation elements** could be the **use of a new** technology node, **or a new** substrate material (such as Gallium Nitride **or Silicon Carbide**), **or approaches that lead to performance improvements in computing power, energy efficiency, level of security, safety or reliability, as well as integration of new functionalities, such as AI, memory capacity or other. Integration of different processes and devices leading to efficiency gains or packaging and assembly automation are also examples of innovation. With regard to environmental gains, innovation elements include the reduction in a quantifiable way of the amount of energy, water or chemicals used, or increasing recyclability of materials. Such innovation** should not yet substantively be present or committed to be built within the Union, **so that similar innovation provided by** facilities for research and development or small-scale production sites **would not prevent**

industrial semiconductor manufacturing sites from qualifying as “first-of-a-kind”. Qualification as “first-of-a-kind” holds both for new facilities, as for industrialization and volume scale-up, and modernization of existing facilities. “First-of-a-Kind” within an integrated production facility should not prevent an Open Foundry available to multiple customers from also qualifying as “first-of-a-kind” and vice versa.

Or. en

Amendment 199

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Christophe Grudler

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a **resilient** ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be **with regard to** the technology node, substrate material, such as silicon carbide and gallium nitride, **and other product innovation that can offer better** performance, **process technology or** energy **and** environmental **performance**. **A facility of a comparable capability on an industrial scale** should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities, **or manufacturing capabilities in material and/or equipment exclusively used in semiconductor manufacturing** that are “first-of-a-kind” in the Union and contribute to the security of supply and to a **resilience of the semiconductor** ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility **is to bring an innovative element to the internal market regarding the manufacturing processes or the final product. Relevant innovation elements** could be the **use of a new** technology node, **or** substrate material such as silicon carbide, **indium, phosphide** and gallium nitride, **or approaches that lead to** performance **improvements in computing power, energy efficiency, level of security, safety or reliability, as well as integration of new functionalities, such as AI, memory capacity or other.** **Integration of different processes leading to efficiency**

gains or packaging and assembly automation are also examples of innovation. With regard to environmental gains, innovation elements include the reduction in a quantifiable way of the amount of energy, water, chemicals or gasses used, or increasing recyclability of materials. Such innovation should not yet substantively be present or committed to be built within the Union, *so that similar innovation provided by* excluding facilities for research and development or small-scale production sites *would not crowd outqualifying as “first-of-a-kind”*.

Or. en

Amendment 200
Clara Ponsatí Obiols

Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance, *such as reducing the amount of energy and water used in the manufacturing process*. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites. *First-of-a-kind facilities should be able to source primary and secondary raw*

materials, hence leading towards the development of recycled semiconductors. The manufacturing process of semiconductors requires large amounts of Ultrapure Water (UPW) and energy. In order to enable the green transition while achieving the goals of this Regulation, the Integrated Production Facilities and Open EU Foundries should commit with their energy supplier to expand its renewable energy production by the same amount of the total energy employed by the undertaking, including the energy used to treat the wastewater and produce UPW.

Or. en

Amendment 201

Alex Agius Saliba, Josianne Cutajar

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to **a resilient** ecosystem in the internal market. The qualifying factor **for the production of a** first-of-a-kind **facility** could be with regard to the technology node, substrate material, **such as silicon carbide and gallium nitride, and other product innovation** that can **offer better** performance, **process technology or** energy **and** environmental **performance**. **A facility of a comparable capability on an industrial scale** should not yet substantively be present or committed to be built within the Union, **excluding** facilities for research and development or small-scale production sites.

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to **the resilience of the semiconductor** ecosystem in the internal market. The qualifying factor “first-of-a-kind” **is to bring an innovative element to the internal market regarding the manufacturing processes or the final product. Relevant innovation elements** could be with regard to the technology node, **or** substrate material, **or approaches** that can **lead to** performance, **improvements in computing power, energy efficiency, level of security, safety or reliability, as well as integration of new functionalities, such as AI, memory capacity or other. Integration of different processes leading to efficiency gains or packaging and assembly automation are**

also examples of innovation. With regard to environmental gains, innovation elements include the reduction in a quantifiable way of the amount of energy, water or chemicals used, or increasing recyclability of materials. Such innovation should not yet substantively be present or committed to be built within the Union, so that similar innovation provided by facilities for research and development or small-scale production sites would not crowd out qualifying as “first-of-a-kind”.

Or. en

Justification

The definition of “first-of-a-kind” should have as its output not only the final device, but also the substrate, equipment, and everything else that contributes to the production of the final device.

Amendment 202

Marc Botenga

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the ***highest social and environmental value, or*** technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and

sites.

development or small-scale production sites. ***First-of-a-kind” facilities should comply with requirements stemming from Union and Member State legislation especially those related to social and environmental legislation, emissions to air, water and soil, including the risk and prevention of industrial accidents, and seek to ensure high energy and resource and water efficiency.***

Or. en

Amendment 203

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply ***and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be*** with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, ***process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.***

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply. ‘first-of-a-kind facility’ ***means a new or retrofitted industrial facility capable of semiconductor manufacturing or design, including front-end or back-end, or both, or capable of manufacturing materials or equipment specifically used in semiconductor manufacturing, that is not substantively already present or committed to be built within the Union, for instance*** with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, ***or*** and other product ***or production*** innovation that can offer ***state-of-the-art*** better performance, ***increases the recyclability of semiconductors, reduces significantly and demonstrably the required production inputs, such as energy, water, toxic chemicals and heavy metals, demonstrably enables energy savings in other industries and sectors and enables***

*the deployment of renewable energy,
storage and transmission capacities.*

Or. en

Amendment 204

Tom Berendsen

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor *and photonics* manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as *indium phosphide*, silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.

Or. en

Amendment 205

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 19

Text proposed by the Commission

Amendment

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. *The qualifying factor for the production of a first-of-a-kind facility could be with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product innovation that can offer better performance, process technology or energy and environmental performance. A facility of a comparable capability on an industrial scale should not yet substantively be present or committed to be built within the Union, excluding facilities for research and development or small-scale production sites.*

(19) Integrated Production Facilities and Open EU Foundries should provide semiconductor manufacturing capabilities that are “first-of-a-kind” in the Union and contribute to the security of supply and to a resilient ecosystem in the internal market. *These should be projects that are highly ambitious and innovative, aimed at developing technologies and processes that go beyond current technology or that will allow major improvements in performance, process, energy consumption, safety, and environmental impact. The project should contribute to a common objective, by enabling security of supply for the future of the Union's semiconductor industry, and where relevant, the security of the global semiconductor supply chain.*

Or. en

Amendment 206

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) Where an Open EU Foundry offers production capacity to undertakings not related to the operator of the facility, the Open EU Foundry should establish, implement and maintain adequate and effective functional separation in order to prevent the exchange of confidential information between internal and external production. This should apply to any information gained in the design and in the front-end or back-end manufacturing processes.

Amendment

(20) Where an Open EU Foundry offers production capacity to undertakings not related to the operator of the facility, the Open EU Foundry should establish, implement and maintain adequate and effective functional separation in order to prevent the exchange of confidential information between internal and external production. This should apply to any information gained in the design and in the front-end or back-end manufacturing processes *including trade secrets or content protected by intellectual property rights.*

Or. en

Amendment 207

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Christophe Grudler

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union. ***The operator of the Open EU Foundry should retain the right to decide at its own discretion the specific share of capacity dedicated to serve unrelated undertakings. Such business decisions should remain open to changes by the operator, subject to evolving market dynamics.***

Or. en

Justification

While the focus of Open EU Foundries remains to fabricate chips on behalf of other customers, this amendment clarifies that the operator of those Foundries can still dedicate part of the available capacity to production of next- generation chips for its own purposes. Flexible business planning is critical to ensure they are to optimise their capacity utilisation rate and shift capacity based on evolving market dynamics.

Amendment 208

Alex Agius Saliba, Josianne Cutajar

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, ***in particular with regard to providing a resilient supply of semiconductors to users on the internal market.*** The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the ***Union's economy, as well as on the*** semiconductor value chain in the Union. ***The operation of the facility should increase the security of and the resilience of the semiconductor ecosystem and should contribute significantly to the creation of decent and sustainable quality jobs, increased qualified workforce and the objectives of the Union's green and digital transition.*** The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Or. en

Amendment 209

Marc Botenga

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. ***Any European or other public funds used should result in proportionate public ownership. Member States should establish non-for-profit entities. Equally,*** the impact on several Member States,

EU Foundry on the semiconductor value chain in the Union.

including cohesion *and employment* objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Or. en

Amendment 210

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union *and, where relevant, the ability to contribute to the stability of global supply.*

Or. en

Amendment 211

Tom Berendsen

Proposal for a regulation

Recital 21

Text proposed by the Commission

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of **current and next generation** semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered as one of the indicators of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Or. en

Amendment 212
Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered **as one of the indicators** of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Amendment

(21) In order to qualify as Integrated Production Facilities or Open EU Foundries, the establishment and operation of the facility should have a clear positive impact on the semiconductor value chain in the Union, in particular with regard to providing a resilient supply of semiconductors to users on the internal market. The impact on several Member States, including cohesion objectives, should be considered **a particularly important indicator** of a clear positive impact of an Integrated Production Facility and Open EU Foundry on the semiconductor value chain in the Union.

Or. en

Amendment 213
Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) It is important that Integrated Production Facilities and Open EU Foundries are not subject to extraterritorial application of public service obligations imposed by third countries ***that could undermine their ability to use their infrastructure, software, services, facilities, assets, resources, intellectual property or knowhow needed to fulfil the obligation on priority rated orders under this Regulation***, which they would have to guarantee.

Amendment

(22) It is important that Integrated Production Facilities and Open EU Foundries are not subject to extraterritorial application of public service obligations imposed by third countries, which they would have to guarantee.

Or. en

Amendment 214

Eva Kaili

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Amendment

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others. ***Additionally, the Commission should concretely assist private investors in performing the funding gap analysis and aid in deciding the level of evidence undertakings need to produce to satisfy the counterfactual***

scenario, following consultations with the private investors.

Or. en

Amendment 215

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Amendment

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the ***existing and*** next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others. ***The Union's semiconductor ecosystem should be fairly developed across every Member State, including islands and peripheral regions, which have more difficulties in attracting funds as well investments.***

Or. en

Amendment 216

Tom Berendsen

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated

Amendment

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated

Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, ***such as integrated photonics***, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Or. en

Amendment 217

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through ***priority*** access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Amendment

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others, ***especially of SMEs and start-ups***.

Or. en

Amendment 218

Alex Agius Saliba

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Amendment

(23) In light of the fast development of semiconductor technologies and to strengthen the future industrial competitiveness of the Union, Integrated Production Facilities and Open EU Foundries should commit to continued and efficient investment into the ***existing and*** next generations of semiconductors, including by testing and experimenting new developments through priority access to the pilot lines set up by the Chips for Europe Initiative, without prejudice to effective access by others.

Or. en

Amendment 219

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability of the business plan, the Commission could take into account the overall record of the applicant. In light of the privileges attached to recognition as an Integrated Production Facility or Open EU Foundry, the

Amendment

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability of the business plan, the Commission could take into account the overall record of the applicant, ***the clear and demonstrable contribution of the eligible action proposed to be implemented to the long***

Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out in this Regulation.

term competitiveness of the Union's semiconductor industry and the objectives described in Article 4, the cost-effectiveness of the eligible action proposed to be implemented, the contribution to achieving the twin transition of the eligible action proposed to be implemented, the environmental impact of the eligible action proposed to be implemented and the commitment to prevent any damages to the environment and biodiversity as well as the participation of SMEs and start-ups. In light of the privileges attached to recognition as an Integrated Production Facility or Open EU Foundry, the Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out in this Regulation.

Or. en

Amendment 220

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability

Amendment

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. ***The recognition is open for both the installation of a new semiconductor manufacturing facility and the significant scale up of an existing semiconductor manufacturing facility.*** To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its

of the business plan, the Commission *could* take into account the overall record of the applicant. In light of the privileges attached to recognition as an Integrated Production Facility or Open EU Foundry, the Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out in this Regulation.

assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability of the business plan, the Commission *should* take into account the overall record of the applicant. In light of the privileges attached to recognition as an Integrated Production Facility or Open EU Foundry, the Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out in this Regulation.

Or. en

Amendment 221

Jens Geier

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability of the business plan, the Commission could take into account the overall record of the applicant. In light of the privileges attached to recognition as an Integrated Production Facility or Open EU Foundry, the Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out

Amendment

(24) To allow for a uniform and transparent procedure to attain recognition as an Integrated Production Facility and Open EU Foundry, the recognition decision should be adopted by the Commission following the application by an individual undertaking or a consortium of several undertakings. To account for the importance of a coordinated and cooperated implementation of the planned facility, the Commission should take into account in its assessment the readiness of the Member State or Member States where the applicant intends to establish its facilities to support the set-up. Furthermore, when assessing the viability of the business plan, the Commission could take into account the overall record of the applicant. ***The Commission should consider the particular needs and possibilities of start-ups, scale-ups and SMEs when becoming an Integrated Production Facility or an Open EU Foundry.*** In light of the privileges attached

in this Regulation.

to recognition as an Integrated Production Facility or Open EU Foundry, the Commission should monitor whether facilities that have been granted this status continue to comply with the criteria set out in this Regulation.

Or. en

Justification

The Chips act rightfully gives particular consideration to start-ups, scale-ups and SMEs as an integral part of the semiconductor environment. It is important that the potentially ground-breaking and transformative potential of start-ups, scale-ups and SMEs is also considered in the establishment of Integrated Production Facilities or Open EU Foundries. This however requires to consider the particular needs of start-ups, scale-ups and SMEs when designating Integrated Production Facilities or Open EU Foundries.

Amendment 222

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 25

Text proposed by the Commission

(25) In light of their importance for ensuring the security of supply and enabling a resilient semiconductor ecosystem, Integrated Production Facilities and Open EU Foundries should be considered to be in the public interest. Ensuring the security of supply of semiconductors is important also for digitalisation that enables the green transition of many other sectors. To contribute towards security of supply of semiconductors in the Union, Member States may apply support schemes and provide for administrative support in national permit granting procedures. This is without prejudice to the competence of the Commission in the field of State aid under Article 107 and 108 of the Treaty, where relevant. Member States should support the set-up of Integrated Production Facilities and Open EU Foundries in

Amendment

(25) In light of their importance for ensuring the security of supply and enabling a resilient semiconductor ecosystem, Integrated Production Facilities and Open EU Foundries should be considered to be in the ***Union's economic, security, and*** public interest. Ensuring the security of supply of semiconductors is important also for digitalisation that enables the green transition of many other sectors. To contribute towards security of supply of semiconductors in the Union, Member States may apply support schemes and provide for administrative support in national permit granting procedures. This is without prejudice to the competence of the Commission in the field of State aid under Article 107 and 108 of the Treaty, where relevant. Member States should support the set-up of Integrated Production Facilities and Open EU Foundries in

accordance with Union law.

accordance with Union law.

Or. en

Amendment 223

Ilan De Basso, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 25

Text proposed by the Commission

(25) In light of their importance for ensuring the security of supply and enabling a resilient semiconductor ecosystem, Integrated Production Facilities and Open EU Foundries ***should*** be considered to ***be in the public*** interest. Ensuring the security of supply of semiconductors is important also for digitalisation that enables the green transition of many other sectors. To contribute towards security of supply of semiconductors in the Union, Member States may apply support schemes and provide for administrative support in national permit granting procedures. ***This is without prejudice to the competence of the Commission in the field of State aid under Article 107 and 108 of the Treaty, where relevant.*** Member States should support the set-up of Integrated Production Facilities and Open EU Foundries in accordance with Union law.

Amendment

(25) In light of their importance for ensuring the security of supply and enabling a resilient semiconductor ecosystem, Integrated Production Facilities and Open EU Foundries ***could*** be considered to ***provide services of general*** interest. Ensuring the security of supply of semiconductors is important also for digitalisation that enables the green transition of many other sectors. To contribute towards security of supply of semiconductors in the Union, Member States may apply support schemes and provide for administrative support in national permit granting procedures, to the ***extent that such support schemes are compatible with applicable state aid rules.*** Member States should support the set-up of Integrated Production Facilities and Open EU Foundries in accordance with Union law.

Or. en

Justification

Exemptions from state aid rules should remain exceptional and be based on objective and precise criteria, applied in a non-discriminatory and proportionate manner. Services of general interest has a solid basis in EU competition law as well as the Treaties. It is also difficult to define any precise pan-EU “public” interest. Member States pursue a wide spectrum of differing values that are not always aligned. Furthermore, including a direct reference to the prohibition against state aid in the Treaties is unprecedented and disproportionate.

Amendment 224

Ilan De Basso, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum. For that reason, Member States should treat applications related to the planning, construction and operation of Integrated Production Facilities and Open EU Foundries in the most rapid manner possible. They should appoint an authority which will facilitate and coordinate the permit granting processes and appoint a coordinator, serving as a single point of contact for the project. ***Moreover, where necessary for granting a derogation under Council Directive 92/43/EEC⁵⁶ and Directive 2000/60/EC of the European Parliament and Council⁵⁷, the establishment and operation of these facilities may be considered as being of overriding public interest within the meaning of the aforementioned legal texts, provided that the remaining other conditions set out in these provisions are fulfilled.***

⁵⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora.

⁵⁷ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy.

Amendment

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum. For that reason, Member States should treat applications related to the planning, construction and operation of Integrated Production Facilities and Open EU Foundries in the most rapid manner possible. They should appoint an authority which will facilitate and coordinate the permit granting processes and appoint a coordinator, serving as a single point of contact for the project.

Or. en

Justification

Semiconductor manufacturing uses many hazardous chemicals. The existing EU safeguards concerning environmental and freshwater protection should be applied.

Amendment 225

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum. ***For that reason***, Member States ***should treat applications related to the planning, construction and operation of Integrated Production Facilities and Open EU Foundries in the most rapid manner possible. They should appoint an authority which will facilitate and coordinate the permit granting processes and appoint a coordinator, serving as a single point of contact for the project. Moreover, where necessary for granting a derogation under Council Directive 92/43/EEC⁵⁶ and Directive 2000/60/EC of the European Parliament and Council⁵⁷, the establishment and operation of these facilities may be considered as being of overriding public interest within the meaning of the aforementioned legal texts, provided that the remaining other conditions set out in these provisions are fulfilled.***

⁵⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora.

⁵⁷ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy.

Amendment

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum, ***which should not prevent the necessary conducting of a climate and environmental impact assessment for every new or retrofitted facility. Extreme weather events, such as the droughts experienced in many Member States in Summer of 2022 together with the significant quantities of water and energy necessary for the production of semiconductors highlight the importance of such climate and environmental impact assessments.***

Or. en

Amendment 226

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum. For that reason, Member States should treat applications related to the planning, construction and operation of Integrated Production Facilities and Open EU Foundries in the most rapid manner possible. They should appoint an authority which will facilitate and coordinate the permit granting processes and appoint a coordinator, serving as a single point of contact for the project. Moreover, where necessary for granting a derogation under Council Directive 92/43/EEC⁵⁶ and Directive 2000/60/EC of the European Parliament and Council⁵⁷, the establishment and operation of these facilities may be considered as being of overriding public interest within the meaning of the aforementioned legal texts, provided that the remaining other conditions set out in these provisions are fulfilled.

Amendment

(26) It is necessary that Integrated Production Facilities and Open EU Foundries are set-up as quickly as possible, while keeping the administrative burden to a minimum. For that reason, Member States should treat applications related to the planning, construction and operation of Integrated Production Facilities and Open EU Foundries in the most rapid manner possible. ***The Commission, in cooperation with Member States and the European Semiconductor Board, should seek to agree a deadline for approving applications in order to ensure coherence and market agility across the Union in the application of the provisions within this Regulation.*** They should appoint an authority which will facilitate and coordinate the permit granting processes and appoint a coordinator, serving as a single point of contact for the project. Moreover, where necessary for granting a derogation under Council Directive 92/43/EEC and Directive 2000/60/EC of the European Parliament and Council, the establishment and operation of these facilities may be considered as being of overriding public interest within the meaning of the aforementioned legal texts, provided that the remaining other conditions set out in these provisions are fulfilled.

⁵⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora.

⁵⁷ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water

policy.

Or. en

Amendment 227

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 27

Text proposed by the Commission

Amendment

(27) *The internal market would greatly benefit from common standards for green, trusted and secure chips. Future smart devices, systems and connectivity platforms will have to rely on advanced semiconductor components and they will have to meet green, trust and cybersecurity requirements which will largely depend on the features of the underlying technology. To that end, the Union should develop reference certification procedures and require the industry to jointly develop such procedures for specific sectors and technologies with potential high social impact.* *deleted*

Or. en

Amendment 228

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 27

Text proposed by the Commission

Amendment

(27) The internal market would greatly benefit from common standards for green, trusted and secure chips. Future smart devices, systems and connectivity platforms will have to rely on advanced semiconductor components and they will

(27) The internal market would greatly benefit from common standards for green, trusted and secure chips. Future smart devices, systems and connectivity platforms will have to rely on advanced semiconductor components and they will

have to meet green, trust and cybersecurity requirements which will largely depend on the features of the underlying technology. To that end, the Union should develop reference certification procedures and require the industry to jointly develop such procedures for specific sectors and technologies with potential high social impact.

have to meet green, trust and cybersecurity requirements which will largely depend on the features of the underlying technology. To that end, the Union should develop reference certification procedures and require the industry to jointly develop such procedures for specific sectors and technologies with potential high social impact. ***Standards should be set and evaluated in line with comparable international standards, after consultation with international partners, industry stakeholders, and relevant national competent authorities. They should give due regard to the different metrics associated with the assessment of green and cybersecurity credentials. Any benchmarks should also reflect and be compatible with existing standards, legislation and targets of the Union in relevant fields.***

Or. en

Amendment 229
Marc Botenga

Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) The internal market would greatly benefit from common standards for green, trusted and secure chips. Future smart devices, systems and connectivity platforms will have to rely on advanced semiconductor components and they will have to meet green, trust and cybersecurity requirements which will largely depend on the features of the underlying technology. To that end, the Union should develop reference certification procedures and require the industry to jointly develop such procedures for specific sectors and technologies with potential high social impact.

Amendment

(27) The internal market would greatly benefit from common standards for green, trusted and secure chips. Future smart devices, systems and connectivity platforms will have to rely on advanced semiconductor components and they will have to meet green, trust and cybersecurity requirements which will largely depend on the features of the underlying technology. ***Particular attention should be paid to the development of sustainable practices in the manufacturing of chips in Europe. Comprehensive monitoring and due diligence requirements at all stages of the value chain should allow on one hand to curb, mitigate and aim to nullify the***

environmental impact, while on the other hand guaranteeing quality employment, avoid social dumping and ensure respect of International Labour Organization conventions. To that end, the Union should develop reference certification procedures and require the industry to jointly develop such procedures for specific sectors and technologies with potential high social impact.

Or. en

Amendment 230

Patrizia Toia

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) In light of this, the Commission, in consultation with the European Semiconductor Board, should prepare the ground for a certification of green, trusted and secure chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification.

Amendment

(28) In light of this, the Commission, in consultation with the European Semiconductor Board, should prepare the ground for a certification of green, trusted and secure chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification. ***The certification of trusted and secure chips should be based on international standards and realized in an open process. In case there is no certification scheme available in order to meet the sector specificities, the Commission should require ENISA to draft a specific certification scheme.***

Or. en

Amendment 231

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) ***In light of this***, the Commission, in consultation with the European Semiconductor Board, should ***prepare the ground*** for a certification of ***green, trusted and secure*** chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification.

Amendment

(28) The Commission, in consultation with the European Semiconductor Board ***and relevant stakeholders***, should ***assess and evaluate the need*** for a certification of chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification. ***The added value of the Union certification should be quantified, accompanied with the cost-benefit analysis and confirmed by the independent assessment which should be published.***

Or. en

Amendment 232

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) In light of this, the Commission, in consultation with the European Semiconductor Board, should prepare the ground for a certification of green, trusted and secure chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification.

Amendment

(28) In light of this, the Commission, in consultation with the European Semiconductor Board, should prepare the ground for a certification of green, trusted and secure chips and embedded systems that rely on or make extensive use of semiconductor technologies. In particular, they should discuss and identify the relevant sectors and products in need of such certification. ***The scheme should be self-certifying and in line with international standards. After 24 months the viability for a mandatory system of certification should be evaluated.***

Or. en

Amendment 233

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 29

Text proposed by the Commission

Amendment

(29) In light of the structural deficiencies of the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

deleted

Or. en

Amendment 234

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 29

Text proposed by the Commission

Amendment

(29) In light of the structural deficiencies of the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

(29) When assessing and monitoring the market, the distinction should be made between the structural shortage and the short- or long-term shortage and the fact that the market is growing in cycles of oversupply and shortages. In light of the structural **and long-term** deficiencies of the semiconductor supply chain and the resulting risk of future **structural or long-term** shortages, this Regulation provides instruments for a coordinated approach to **assessing**, monitoring and effectively tackling possible market disruptions.

Or. en

Amendment 235

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) In light of the structural deficiencies of the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

Amendment

(29) In light of the structural deficiencies of the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions ***and related impact on the competitiveness of European industry.***

Or. en

Amendment 236

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tomas Tobé, Tom Berendsen, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) In light of the structural ***deficiencies of*** the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

Amendment

(29) In light of the ***global structural challenges and strategic vulnerabilities in*** the semiconductor supply chain and the resulting risk of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

Or. en

Amendment 237

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti

Proposal for a regulation
Recital 29

Text proposed by the Commission

Amendment

(29) In light of the **structural deficiencies** of the semiconductor supply chain and the **resulting risk** of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

(29) In light of the **complexity** of the semiconductor supply chain and the **risks** of future shortages, this Regulation provides instruments for a coordinated approach to monitoring and effectively tackling possible market disruptions.

Or. en

Justification

Similarly to Amendment 1, this amendment highlights the complexity and the fact that multiple factors contribute to shortages, rather than describing the entire value chain as defunct.

Amendment 238

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 30

Text proposed by the Commission

Amendment

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular **monitoring** is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. **Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.**

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated **and approved** approach to regular **mapping** is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors.

Or. en

Amendment 239

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

Amendment

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States, ***in close cooperation with industry stakeholders across the semiconductor ecosystem*** should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

Or. en

Amendment 240

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key

Amendment

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ***understanding of the value chain as well as the*** ability to mitigate risks that may negatively affect the supply of semiconductors. Member States ***and the Commission*** should monitor the semiconductor value chain focusing on early warning indicators and the

market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

Or. en

Amendment 241

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

Amendment

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a coordinated approach to regular monitoring is necessary to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors **and European industrial end-users**, in such a way that it would not represent an excessive administrative burden for undertakings.

Or. en

Amendment 242

Evžen Tošenovský, Eugen Jurzyca

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a

Amendment

(30) Due to the complex, quickly evolving and interlinked semiconductor value chains with various actors, a

coordinated approach to regular monitoring **is necessary** to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

coordinated approach to regular monitoring **might be helpful** to increase the ability to mitigate risks that may negatively affect the supply of semiconductors. Member States should monitor the semiconductor value chain focusing on early warning indicators and the availability and integrity of the services and goods provided by key market actors, in such a way that it would not represent an excessive administrative burden for undertakings.

Or. en

Amendment 243

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 31

Text proposed by the Commission

(31) Any relevant **findings, including** information provided by relevant stakeholders and industry associations, should be provided to the European Semiconductor Board to allow for a regular exchange of information between high-level representatives of Member States and for integration of the information into a **monitoring overview** of the semiconductor value chains.

Amendment

(31) Any relevant information, **inter alia** provided by relevant stakeholders and industry associations, should be provided to the European Semiconductor Board to allow for a regular exchange of information between high-level representatives of Member States, **the European Parliament and official observers** and for integration of the information into a **mapping** of the semiconductor value chains.

Or. en

Amendment 244

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti

Proposal for a regulation

Recital 31

Text proposed by the Commission

Amendment

(31) *Any relevant findings, including information provided by relevant stakeholders and industry associations,* should be provided to the European Semiconductor Board to allow for a regular exchange of information between high-level representatives of Member States and for integration of the information into a monitoring overview of the semiconductor value chains.

(31) *Findings that are relevant for the purpose of mitigating risks and/or signalling disruptions in the supply chain,* should be provided to the European Semiconductor Board to allow for a regular exchange of information between high-level representatives of Member States and for integration of the information into a monitoring overview of the semiconductor value chains.

Or. en

Justification

Sharing of information and data should only be mandatory when in ‘crisis’ (as per definition of crisis in this legislation).

Amendment 245

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Sara Skyttedal, Tomas Tobé, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation Recital 31 a (new)

Text proposed by the Commission

Amendment

(31 a) The European Semiconductor Board and the Commission should seek to invite international partners to cooperate in this process, and discuss findings and identify shared strategies in forums such as the EU-US Trade and Technology Council, and in bilateral and multilateral meetings with like-minded Indo-Pacific nations. Where relevant, representatives of third countries should be invited to address and cooperate with the European Semiconductor Board or sub-groups.

Or. en

Amendment 246

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Nicola Beer, Andreas Glück

Proposal for a regulation
Recital 32

Text proposed by the Commission

(32) It is important to take into account the specific insights into the supply situation of users of semiconductors. Therefore, Member States should identify and regularly exchange with the main user categories on their national markets. Furthermore, Member States ***should*** offer the possibility for relevant stakeholder organisations, including industry associations and representatives of the main user categories, to provide information regarding significant changes in demand and supply, and known disruptions of their supply chain, this could include the unavailability of critical semiconductors or raw materials, longer than average lead-time, delays in delivery and exceptional price surges.

Amendment

(32) It is important to take into account the specific insights into the supply situation of users of semiconductors. Therefore, Member States should identify and regularly exchange with the main user categories on their national markets. Furthermore, Member States ***could*** offer the possibility for relevant stakeholder organisations, including industry associations and representatives of the main user categories, to provide information regarding significant changes in demand and supply, and known disruptions of their supply chain, this could include the unavailability of critical semiconductors or raw materials, longer than average lead-time, delays in delivery and exceptional price surges.

Or. en

Justification

Sharing of information and data should only be mandatory when in ‘crisis’ (as per definition of crisis in this legislation).

Amendment 247

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation
Recital 32 a (new)

Text proposed by the Commission

Amendment

(32 a) In order to ensure a coordinated and holistic monitoring mechanism, the European Semiconductor Board should seek to consider the objectives of the EU Critical Raw Materials Initiative as part of its supply chain monitoring, including coordination on this issue through the European Semiconductor Board. Such

monitoring should also include assessment of the impact of any relocation of raw materials and component suppliers outside of the Union, in the context of the Regulation (EC) No 1907/2006 of the European Parliament and of the Council.

Or. en

Amendment 248

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

**Proposal for a regulation
Recital 32 b (new)**

Text proposed by the Commission

Amendment

(32 b) The European Semiconductor Board should seek to examine other market forces and events central to the operation of the semiconductor industry, such as energy prices and energy shortages. Where appropriate and in coordination with the Commission, recommendations for remedying the situation should be provided.

Or. en

Amendment 249

Henrike Hahn

on behalf of the Verts/ALE Group

**Proposal for a regulation
Recital 33**

Text proposed by the Commission

Amendment

(33) In order to carry out these monitoring activities, the competent authorities of Member States may need certain information, which may not be publicly accessible, such as information on the role of an individual undertaking along the semiconductor value chain. In

deleted

those limited circumstances in which it is necessary and proportionate for the purpose of carrying out the monitoring activities, the competent authorities of Member States should be able to request this information from the undertaking in question.

Or. en

Amendment 250

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 33

Text proposed by the Commission

(33) In order to carry out these monitoring activities, the competent authorities of Member States may need certain information, which may not be publicly accessible, such as information on the role of an individual undertaking along the semiconductor value chain. In those limited circumstances in which it is necessary and proportionate for the purpose of carrying out the monitoring activities, the competent authorities of Member States should be able to request this information from the undertaking in question.

Amendment

(33) In order to carry out these monitoring activities, the competent authorities of Member States may need certain information, which may not be publicly accessible, such as information on the role of an individual undertaking along the semiconductor value chain. In those limited circumstances in which it is necessary and proportionate for the purpose of carrying out the monitoring activities, the competent authorities of Member States should be able to request this information from the undertaking in question. *Where relevant, such information should be treated with strict confidentiality and in accordance with an established and clear set of guidelines, in order to protect sensitive business, economic and security related information.*

Or. en

Amendment 251

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 34

Text proposed by the Commission

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

Amendment

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor crisis ***and, if feasible, evaluate and quantify the risk of the potential semiconductor crisis and its impact on the internal market.*** In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. ***In case the joint procurement is considered, the Commission should evaluate and prepare a cost-benefit analysis of how the joint procurement measure helps in mitigating the risks and improving the resilience of the internal market.*** The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

Or. en

Amendment 252

Tomas Tobé, Sara Skytvedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 34

Text proposed by the Commission

(34) Member States should alert the

Amendment

(34) Member States should alert the

Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

With globalised supply and value chains European resilience is not possible without well-functioning multilateral and bilateral agreements with third countries. The European openness to trade, cooperation and investment leads to economic growth and resilience for the Union.

Or. en

Amendment 253
Bart Groothuis

Proposal for a regulation
Recital 34

Text proposed by the Commission

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an

Amendment

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor ***crisis. The factors should include third country extra-territorial measures, such as trade embargoes and export restrictions, that halt semiconductor-related supply lines to the Union or its Member States and lead***

extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

to a crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

Or. en

Amendment 254

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 34

Text proposed by the Commission

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement. The Commission should engage in consultations and cooperation with relevant third countries with a view to

Amendment

(34) Member States should alert the Commission if relevant factors indicate a potential semiconductor crisis. In order to ensure a coordinated response to address such crises, the Commission should upon the alert by a Member State or through other sources, including information from international partners, convene an extraordinary meeting of the European Semiconductor Board for assessing the need to activate the crisis stage and for discussing whether it may be appropriate, necessary and proportionate for Member States to carry out coordinated joint procurement, ***based on the findings of the impact assessment specified in this act.*** The Commission should engage in

addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

consultations and cooperation with relevant third countries with a view to addressing any disruptions in the international supply chain, in compliance with international obligations and without prejudice to procedural requirements under the Treaty on international agreements.

Or. en

Amendment 255
Bart Groothuis

Proposal for a regulation
Recital 34 a (new)

Text proposed by the Commission

Amendment

(34 a) The Union should be able to issue technological defence measures through its semiconductor companies and technology, such as halting software updates and other export controls, in accordance with the principle of necessity and proportionality, in a situation of an illegal hostile takeover of a semiconductor sector abroad.

Or. en

Justification

Semiconductors are the backbone of the modern economy and the cornerstone of emerging technologies. As a result, they have found their way at the center of geopolitical tensions. Given the unstable geopolitical climate following the invasion of the Ukraine, Union companies need to be able to take defence measures in case of a illegal hostile takeover of a semiconductor sector abroad.

Amendment 256
Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Christophe Grudler

Proposal for a regulation
Recital 35

Text proposed by the Commission

Amendment

(35) As part of the monitoring, ***national competent authorities*** should also do a mapping of ***undertakings operating in the Union along the semiconductor supply chain established in their national territory and notify this information to the Commission.***

(35) As part of the monitoring, ***the Semiconductor Board*** should also do a ***long-term*** mapping of ***the dynamics in, as well as the strengths and weaknesses of the semiconductor value chain, including a holistic understanding of the market, the barriers to entry and technology characteristics. Once complete, the mapping could be updated and revised every six months if necessary.***

Or. en

Amendment 257

Eva Kaili

Proposal for a regulation

Recital 35

Text proposed by the Commission

Amendment

(35) As part of the monitoring, ***national competent authorities*** should also do a mapping of undertakings operating in the Union along the semiconductor supply chain ***established in their national territory and notify this information to the Commission.***

(35) As part of the monitoring, ***the Semiconductor Board*** should also do a ***long-term*** mapping of ***the*** undertakings operating in the Union along the semiconductor supply chain, ***including identifying the strengths and weaknesses of the semiconductor value chain. The mapping should be updated every six months, if necessary.***

Or. en

Amendment 258

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 35

Text proposed by the Commission

Amendment

(35) As part of the monitoring, national competent authorities should also do a mapping of undertakings operating in the

(35) As part of the monitoring, national competent authorities should also do a mapping of undertakings operating in the

Union along the semiconductor supply chain established in their national territory and notify this information to the Commission.

Union along the semiconductor supply chain established in their national territory and notify this information to the Commission ***taking into account professional secrecy.***

Or. en

Amendment 259

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Recital 35

Text proposed by the Commission

(35) As part of the monitoring, national competent authorities should also do a mapping of undertakings operating in the Union along the semiconductor supply chain established in their national territory and notify this information to the Commission.

Amendment

(35) As part of the monitoring, national competent authorities should also do a mapping of ***key*** undertakings operating in the Union along the semiconductor supply chain established in their national territory and notify this information to the Commission.

Or. en

Amendment 260

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 35

Text proposed by the Commission

(35) ***As part of the monitoring,*** national competent authorities should also do a mapping of undertakings operating in the Union along the semiconductor supply chain established in their national territory and ***notify*** this information to the Commission.

Amendment

(35) National competent authorities should also do a mapping of undertakings operating in the Union along the semiconductor supply chain established in their national territory and ***provide*** this information to the Commission.

Or. en

Amendment 261

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to facilitate effective ***monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.***

Amendment

(36) In order to facilitate effective ***mapping the Commission shall propose a methodology for mapping the relevant*** semiconductor value chains. ***This methodology shall be approved*** by the European Semiconductor Board.

Or. en

Amendment 262

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Mauri Pekkarinen, Christophe Grudler

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to facilitate effective monitoring, in-depth assessment of the

Amendment

(36) In order to facilitate effective monitoring, in-depth assessment of the

risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain, ***including availability in the Union of parasitic copies, slavish imitations or otherwise infringing semiconductors produced by exploiting unauthorized access of trade secrets or copyrighted works embedded in original semiconductors, after circumventing any applied technological protective measures.*** Those risks could ***also*** include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment. ***Moreover, appropriate measures, procedures and remedies must be provided to ensure the availability of civil redress against the unauthorized acquisition or use of trade secrets or copyrighted works embedded in semiconductors.***

Or. en

Justification

The Commission's proposal contains a degree of legal uncertainty by not referencing clearly enough different categories of confidential information and IP, a particularly sensitive area for the IP-heavy semiconductor sector. This is particularly important since infringements in third-country markets through theft, industrial espionage, unauthorised copying or the breach of confidentiality agreements are increasingly an issue in high-technology areas such as the semiconductor sector. This practice does not just harm Europe commercially, but, given the central role of semiconductor technology in our daily lives, could also impinge upon European defence interests and national security.

Amendment 263

Eva Kaili

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

Amendment

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment. ***In case of unauthorised acquisition or use of trade secrets or copyrighted works embedded in semiconductors, suitable measures and procedures should be provided to give the possibility of civil redress to affected parties, without prejudice to Directive (EU) 2019/790.***

Or. en

Amendment 264

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

Amendment

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities, ***inventory level of semiconductors in the critical sectors*** and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

Or. en

Amendment 265

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may

Amendment

(36) In order to facilitate effective monitoring, in-depth assessment of the risks associated with different stages of the semiconductor value chain is needed, including on the origins and sources of supplies beyond the Union. Such risks may

be related to critical inputs and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

be related to critical inputs (***raw materials, intermediate product***) and equipment for the industry, including digital products that may be vulnerable, possible impact of counterfeit semiconductors, manufacturing capacities and other risks that may disrupt, compromise or negatively affect the supply chain. Those risks could include supply chains with a single point of failure or which are otherwise highly concentrated. Other relevant factors could include the availability of substitutes or alternative sources for critical inputs and resilient and sustainable transport. The Commission should, assisted by the European Semiconductor Board and taking also into account information received from the main user categories, develop a Union level risk assessment.

Or. en

Amendment 266

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) In order to ***forecast and*** prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, identify early warning indicators ***in the*** Union risk assessment. ***Such indicators could include the availability of raw materials, intermediate products and human capital needed for manufacturing semiconductors, or appropriate manufacturing equipment, the forecasted demand for semiconductors on the Union and global markets, price surges exceeding normal price fluctuation, the effect of accidents, attacks, natural disasters or other serious events, the effect***

Amendment

(37) In order to prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, ***and based on the mapping of the semiconductor value chain,*** identify early warning indicators ***and conduct a*** Union risk assessment.

of trade policies, tariffs, export restrictions, trade barriers and other trade related measures, and the effect of business closures, delocalisations or acquisitions of key market actors. Member States should monitor these early warning indicators.

Or. en

Amendment 267

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) In order to forecast and prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, identify early warning indicators in the Union risk assessment. Such indicators could include the availability of raw materials, intermediate products and human capital needed for manufacturing semiconductors, or appropriate manufacturing equipment, the forecasted demand for semiconductors on the Union and global markets, price surges exceeding normal price fluctuation, the effect of accidents, attacks, natural disasters or other serious events, the effect of trade policies, tariffs, export restrictions, trade barriers and other trade related measures, and the effect of business closures, ***delocalisations*** or acquisitions of key market actors. Member States should monitor these early warning indicators.

Amendment

(37) In order to forecast and prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, identify ***and establish*** early warning indicators in the Union risk assessment. Such indicators could include the availability of raw materials, intermediate products and human capital needed for manufacturing semiconductors, or appropriate manufacturing equipment, the forecasted demand for semiconductors on the Union and global markets, price surges exceeding normal price fluctuation, the effect of accidents, attacks, natural disasters or other serious events, the effect of trade policies, tariffs, export restrictions, trade barriers and other trade related measures, and the effect of business closures, ***de-localisations*** or acquisitions of key market actors. Member States should monitor these early warning indicators. ***Industry stakeholders should be encouraged to do the same. The European Semiconductor Board and the Commission should establish mechanisms to provide guidance to industry on monitoring and reporting, in particular***

Amendment 268

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) In order to forecast and prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, identify early warning indicators in the Union risk assessment. Such indicators could include the availability of raw materials, intermediate products and human capital needed for manufacturing semiconductors, or appropriate manufacturing equipment, the forecasted demand for semiconductors on the Union and global markets, price surges exceeding normal price fluctuation, the effect of accidents, attacks, natural disasters or other serious events, the effect of trade policies, tariffs, export restrictions, trade barriers and other trade related measures, and the effect of business closures, delocalisations or acquisitions of key market actors. Member States should monitor these early warning indicators.

Amendment

(37) In order to forecast and prepare for future disruptions of the different stages of the semiconductor value chain in the Union, the Commission should, assisted by the European Semiconductor Board, identify early warning indicators in the Union risk assessment. Such indicators could include the availability of raw materials, intermediate products and human capital needed for manufacturing semiconductors, or appropriate manufacturing equipment, the forecasted demand for semiconductors on the Union and global markets, price surges exceeding normal price fluctuation, the effect of accidents, attacks, natural disasters or other serious events, the effect of trade policies, tariffs, export restrictions, trade barriers and other trade related measures, and the effect of business closures, delocalisations or acquisitions of key market actors. Member States should monitor these early warning indicators ***based on available information cooperating with businesses on a voluntary basis. The indicators should be published and regularly reviewed.***

Amendment 269

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation
Recital 37 a (new)

Text proposed by the Commission

Amendment

(37 a) In order to increase the Union's global role in the semiconductor ecosystem and its value chain, due consideration must be paid to the demand for the underlying critical raw materials and gasses. Member States and the Commission should ensure that the Union does not create a new dependency, but rather a sustainable supply chain for critical raw materials and gasses that is prioritized and in line with the Statement on Critical Raw Materials Act.

Or. en

Justification

A well-functioning semiconductor value chain depends on critical raw materials and gasses, such as palladium, silicon, gallium, germanium, cobalt and rare earths. These should be taken into consideration in the upcoming Critical Raw Materials Act.

Amendment 270
Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation
Recital 39 a (new)

Text proposed by the Commission

Amendment

(39 a) In order to prevent the disruption in market competitiveness, the Commission should analyse the long-term effects of the subsidies granted in relation to this Regulation on innovations as subsidies and other forms of support can encourage complacency at recipient firms, therefore acting against technological upgrading in the semiconductor industry. The analysis should be publicly available and updated at least every 3 years.

Or. en

Amendment 271

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) As part of the monitoring, Member States could specifically consider the availability and integrity of the services and goods of key markets actors. Such issues could be brought to the attention of the European Semiconductor Board by the Member State concerned.

Amendment

(40) As part of the monitoring Member States **and the Commission** could specifically consider the availability and integrity of the services and goods of key markets actors. Such issues could be brought to the attention of the European Semiconductor Board by the Member State concerned.

Or. en

Amendment 272

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) As part of the **monitoring**, Member States could specifically consider the availability and integrity of the services and goods of key markets actors. Such issues could be brought to the attention of the European Semiconductor Board by the Member State concerned.

Amendment

(40) As part of the **mapping**, Member States could specifically consider the availability and integrity of the services and goods of key markets actors. Such issues could be brought to the attention of the European Semiconductor Board by the Member State concerned.

Or. en

Amendment 273

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 42

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, and reliable evidence of such a crisis. A semiconductor crisis occurs ***in case of serious disruptions to the supply of semiconductors leading to significant shortages which entail significant delays and negative effects on one or more important economic sectors in the Union, either directly or through ripple effects of the shortage, given that the Union's industrial sectors represent a strong user base of semiconductors. Alternatively or in addition, a semiconductor crisis also occurs when serious disruptions of the supply of semiconductors lead to significant shortages which prevent the supply, repair and maintenance of essential products used by critical sectors, for instance medical and diagnostic equipment.***

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, and reliable evidence of such a crisis. A semiconductor crisis occurs ***if there is a serious and extraordinary disruption to the supply of semiconductors, leading to a significant shortage of products or services, which poses a serious and immediate threat to the functioning, health, economy, and security and defence of the Member States and Union citizens;***

Or. en

Amendment 274

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 42

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, and reliable evidence of such a crisis. A semiconductor crisis ***occurs in case of serious disruptions to the supply of semiconductors leading to significant shortages which entail significant delays and negative effects on one or more important economic sectors in the Union, either directly or through ripple effects of the shortage, given that the Union's industrial sectors represent a***

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, and reliable evidence of such a crisis. A 'semiconductor crisis' ***means the existence of serious disruptions in the semiconductor supply chain, leading to significant shortages of semiconductors, intermediate products or raw and processed materials, at any link of the semiconductor value chain, which demonstrably prevents the supply, repair and maintenance of essential products of***

strong user base of semiconductors. *Alternatively or in addition, a semiconductor crisis also occurs when serious disruptions of the supply of semiconductors lead to significant shortages* which *prevent* the supply, repair and maintenance of essential products *used by* critical sectors, *for instance medical and diagnostic equipment*.

the semiconductor supply chain itself or the normal functioning of critical sectors *in providing essential goods and services to Union citizens*.

Or. en

Amendment 275

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 42

Text proposed by the Commission

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, and reliable evidence of such a crisis. A semiconductor crisis occurs in case of serious disruptions to the supply of semiconductors leading to significant shortages which entail significant delays and negative effects on one or more important economic sectors in the Union, either directly or through ripple effects of the shortage, given that the Union's industrial sectors represent a strong **user base** of semiconductors. Alternatively or in addition, a semiconductor crisis also occurs when serious disruptions of the supply of semiconductors lead to significant shortages which prevent the supply, repair and maintenance of essential products used by critical sectors, for instance medical and diagnostic equipment.

Amendment

(42) The semiconductor crisis stage should be triggered in the presence of concrete, serious, **quantified or, in the absence of sufficient information, duly estimated** and reliable evidence of such a crisis. A semiconductor crisis occurs in case of serious disruptions to the supply of semiconductors leading to significant **long-term structural** shortages which entail significant delays and negative effects on one or more important economic sectors in the Union, either directly or through ripple effects of the shortage, given that the Union's industrial sectors represent a strong **userbase** of semiconductors. Alternatively or in addition, a semiconductor crisis also occurs when serious disruptions of the supply of semiconductors lead to significant **long-term structural** shortages which prevent the supply, repair and maintenance of essential products used by critical sectors, for instance medical and diagnostic equipment.

Or. en

Amendment 276

Eva Kaili

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board.

Amendment

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board. ***Additionally, the Commission should conduct an assessment to determine the possibility of an early termination of the crisis stage, after considering the opinion of the European Semiconductor Board.***

Or. en

Amendment 277

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and

Amendment

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and

prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board.

prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board. ***It should also assess the need to terminate early the crisis stage, should such a necessity be ascertained, and taking into account the opinion of the European Semiconductor Board.***

Or. en

Justification

It should be possible to terminate a crisis stage before the predetermined period, as the extraordinary crisis measures have sweeping effects on market dynamics.

Amendment 278

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of ***an implementing acts*** and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board.

Amendment

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage ***only after having consulted the European Semiconductor Board and after fully having taken into consideration its opinion***, by means of ***delegated act*** and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, ***based on an additional delegated act***, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board.

Or. en

Amendment 279

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board.

Amendment

(43) In order to ensure an agile and effective response to such a semiconductor crisis, the Commission should be empowered to activate the crisis stage by means of an implementing acts and for a predetermined duration period, taking into account the opinion of the European Semiconductor Board ***and relevant market stakeholders***. The Commission should assess the need for prolongation and prolong the duration of the crisis stage for a predetermined period, should such a necessity be ascertained, taking into account the opinion of the European Semiconductor Board ***and relevant market stakeholders***.

Or. en

Amendment 280

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission ***and*** the Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly

Amendment

(44) Close cooperation between the Commission the Member States and ***relevant industrial stakeholders, representing both the semiconductors sector and critical sectors where semiconductors are used,*** for coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and

limited to the duration period of the crisis stage.

effectiveness, *while ensuring the confidentiality of information and data obtained in carrying out these tasks*. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Or. en

Amendment 281

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission and the Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Amendment

(44) Close cooperation between the Commission and the Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage *and should be evidence-based with quantified or, in the absence of sufficient information, duly estimated impact on the internal market*.

Or. en

Amendment 282

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission and the Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures ***taken*** should be strictly limited to the duration period of the crisis stage.

Amendment

(44) Close cooperation between the Commission and the Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any ***such*** measures should be ***fully based on the findings of the impact assessment outlined in this Regulation and*** strictly limited to the duration period of the crisis stage.

Or. en

Amendment 283

Eva Kaili

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission ***and the*** Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Amendment

(44) Close cooperation between the Commission, Member States ***and industry stakeholders,*** and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Or. en

Amendment 284

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan

Štefanec, Tomas Tobé, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation
Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission **and the** Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Amendment

(44) Close cooperation between the Commission, Member States **and industry stakeholders**, and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Or. en

Amendment 285

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation
Recital 44

Text proposed by the Commission

(44) Close cooperation between the Commission **and the** Member States and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Amendment

(44) Close cooperation between the Commission, Member States **and industry stakeholders** and coordination of any national measures taken with regard to the semiconductor supply chain is indispensable during the crisis stage with a view to addressing disruptions with the necessary coherence, resiliency and effectiveness. To this end, the European Semiconductor Board should hold extraordinary meetings as necessary. Any measures taken should be strictly limited to the duration period of the crisis stage.

Or. en

Amendment 286

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 45

Text proposed by the Commission

(45) Appropriate, effective and proportionate measures should be **identified and** implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. **Where appropriate, the Commission should request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission could limit the measures to certain critical sectors. In addition, the European Semiconductor Board may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after**

Amendment

(45) Appropriate, effective and proportionate measures should be **fully based on the findings of the impact assessment outlined in this Regulation and should be** implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation.

consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

⁶⁰ *Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).*

Or. en

Amendment 287

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen

Proposal for a regulation Recital 45

Text proposed by the Commission

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission should request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission *could* limit the measures to *certain* critical sectors. In addition, the European Semiconductor Board may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate

Amendment

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission should request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission *should* limit the measures to *the* critical sectors *listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities and the defence sector. This priority order mechanism should be considered a last resort measure. The beneficiary of such a priority order has a*

and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

due-diligence obligation and should be able to show that it has exhausted all other preventative mitigation measures, such as finding alternative suppliers or creating stockpiles. In addition, the European Semiconductor Board may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

⁶⁰ Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).

⁶⁰ Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).

Or. en

Justification

The Priority Orders are very intrusive interventions that will upset the existing market dynamics, with disruptive domino-effects across the European supply chains that risk stifling business continuity and innovation. It should therefore be limited to the critical sectors defined in the respective directive, which have a due diligence obligation to show that they have exhausted all other means.

Amendment 288

Ilan De Basso, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 45

(45) Appropriate, effective and proportionate measures **should** be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission **should** request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, **where necessary and proportionate**, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, **and to act as a central purchasing body when mandated by Member States**. The Commission could limit the measures to certain critical sectors. In addition, the European Semiconductor Board may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

(45) Appropriate, effective and proportionate measures **that do not exceed what is necessary to rectify the immediate crisis could** be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission **could** request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to **act as a central purchasing body when mandated by Member States. In extraordinary circumstances, the Commission should be able to** oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, **in such cases where it is necessary and proportionate to ensure the basic operation of critical sectors. Before enacting any such decision**, the Commission **should consult the European Semiconductor Board. Furthermore, the Commission should consult the European Semiconductor Board on the proportionality of all proposed emergency actions and** could limit the measures to certain critical sectors. In addition, the European Semiconductor Board may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further

guidance on the implementation and use of the emergency measures.

⁶⁰ Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).

⁶⁰ Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).

Or. en

Amendment 289

Tomas Tobé, Sara Skyttedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 45

Text proposed by the Commission

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission *should* request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission *could* limit the measures to certain critical sectors. In addition, the European Semiconductor Board *may advise on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council*⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures

Amendment

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission *may have the authority to* request information from undertakings along the semiconductor supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission *must* limit the measures to certain critical sectors. In addition, the European Semiconductor Board *should engage in consultations and cooperation with business representatives and relevant third countries with a view to addressing any disruptions in the international supply chain*. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency

should be proportionate **and** restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

measures **must** be proportionate, **restricted and be carried out in the manner which is the least disruptive to international cooperation and trade. The restrictions must** restricted to what is **absolutely** necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures. **Requests to access information, which may be company secrets, must be used responsibly, not putting inappropriate administrative burden on companies and minimizing risks for affected companies.**

⁶⁰ *Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).*

Or. en

Amendment 290

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Tom Berendsen, Angelika Niebler

Proposal for a regulation Recital 45

Text proposed by the Commission

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission should request information from undertakings along the semiconductor

Amendment

(45) Appropriate, effective and proportionate measures should be identified and implemented when the crisis stage is activated without prejudice to possible continued international engagement with relevant partners with the view to mitigating the evolving crisis situation. Where appropriate, the Commission should request information from undertakings along the semiconductor

supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission could limit the measures to certain critical sectors. In addition, the European Semiconductor Board may **advise** on the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council⁶⁰. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

supply chain. Furthermore, the Commission should be able to, where necessary and proportionate, oblige Integrated Production Facilities and Open EU Foundries to accept and prioritise an order of the production of crisis-relevant products, and to act as a central purchasing body when mandated by Member States. The Commission could limit the measures to certain critical sectors. In addition, the European Semiconductor Board may on ***the basis of clear evidence following detailed consultation with representatives of the semiconductor industry and where necessary international partners, recommend*** the necessity of introducing an export control regime pursuant to Regulation (EU) 2015/479 of the European Parliament and of the Council. The European Semiconductor Board may also assess and advise on further appropriate and effective measures. The use of all these emergency measures should be proportionate and restricted to what is necessary to address the significant disturbances at stake insofar as this is in the best interest of the Union. The Commission should regularly inform the European Parliament and the Council of the measures taken and the underlying reasons. The Commission may, after consulting with the Board, issue further guidance on the implementation and use of the emergency measures.

⁶⁰ Regulation (EU) 2015/479 of the European Parliament and of the Council of 11 March 2015 on common rules for exports (OJ L 83, 27.3.2015, p. 34).

Or. en

Amendment 291

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) ***A number of sectors are critical for the proper functioning of the internal market. Those*** critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector. ***Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.***

⁶¹ COM(2020) 829. 16.12.2020.

Amendment

(46) Critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹ ***as well as the producers of renewable energy, storage and distribution and transmission equipment.*** For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector.

⁶¹ COM(2020) 829. 16.12.2020.

Or. en

Amendment 292

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security ***should*** be additionally considered as ***a critical sector. Certain***

Amendment

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security ***may*** be additionally considered as critical sectors. ***Those***

measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

critical sectors should be defined by the Commission in cooperation with the European Semiconductor Board.

⁶¹ COM(2020) 829. 16.12.2020.

Or. en

Amendment 293

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Amendment

(46) A number of sectors are critical for the proper functioning of the internal market **and to preserve the competitiveness of European industries**. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence, **automotive** and other activities that are relevant for public safety and security **as well as economic wellness of Europe** should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Or. en

Amendment 294

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission *may* limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Amendment

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹. For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors ***in a crisis stage***. The Commission ***should*** limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Or. en

Amendment 295

Miapetra Kumpula-Natri, Ilan De Basso

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the

Amendment

(46) A number of sectors are critical for the proper functioning of the internal market. Those critical sectors are the sectors listed in the Annex of the

Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹ . For the purposes of this Regulation, defence and other activities that are relevant for public safety and security should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Commission proposal for a Directive of the European Parliament and of the Council on the resilience of critical entities⁶¹ . For the purposes of this Regulation, defence, **telecommunication** and other activities that are relevant for public safety and security should be additionally considered as a critical sector. Certain measures should only be enacted for the purpose of securing supply to critical sectors. The Commission may limit the emergency measures to certain of these sectors or to certain parts of them when the semiconductor crisis has disturbed or is threatening to disturb their operation.

⁶¹ COM(2020) 829. 16.12.2020.

Or. en

Amendment 296

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 47

Text proposed by the Commission

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products

Amendment

deleted

produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should be obliged to comply with the request and may be subject to penalties if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission so to enable an assessment whether an information request by the Commission is warranted.

Or. en

Amendment 297

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Recital 47

Text proposed by the Commission

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and

Amendment

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level ***and to support, in perspective, the independence from third country suppliers.*** Such information may include

bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should be obliged to comply with the request and may be subject to penalties if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission so to enable an assessment whether an information request by the Commission is warranted.

production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should be obliged to comply with the request and may be subject to penalties if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission so to enable an assessment whether an information request by the Commission is warranted.

Or. en

Amendment 298

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Angelika Niebler

Proposal for a regulation

Recital 47

Text proposed by the Commission

Amendment

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should be obliged to comply with the request and may be subject to penalties if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission *so to enable an assessment whether an information request by the Commission is warranted.*

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should be obliged to comply with the request and may be subject to penalties if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission.

Or. en

Amendment 299

Proposal for a regulation

Recital 47

Text proposed by the Commission

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should ***be obliged to*** comply with the request ***and may be subject to penalties*** if they fail to comply or provide incorrect information. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission so to enable an assessment whether an information request by the Commission is

Amendment

(47) The purpose of requests for information from undertakings along the semiconductor supply chain established in the Union in the crisis stage is an in-depth assessment of the semiconductor crisis in order to identify potential mitigation or emergency measures at Union or national level. Such information may include production capability, production capacity and current primary disruptions and bottlenecks. These aspects could include the typical and current actual stock of crisis-relevant products in its production facilities located in the Union and third country facilities which it operates or contracts or purchases supply from; the typical and current actual average lead time for the most common products produced; the expected production output for the following three months for each Union production facility; reasons that prevent the filling of production capacity; or other existing data necessary to assess the nature of the semiconductor crisis or potential mitigation or emergency measures at national or Union level. Any request should be proportionate, have regard for the legitimate aims of the undertaking and the cost and effort required to make the data available, as well as set out appropriate time limits for providing the requested information. Undertakings should comply with the request. If they fail to comply or provide incorrect information ***without any reasonable explanation given, may be subject to penalties***. Any information acquired should be subject to confidentiality rules. Should an undertaking be subject to a request for information related to its semiconductor activities from a third country, it should inform the Commission so to enable an assessment whether an information request

warranted.

by the Commission is warranted.

Or. en

Amendment 300

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 48

Text proposed by the Commission

Amendment

(48) *In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.* **deleted**

Or. en

Amendment 301

Tomas Tobé, Sara Skytvedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 48

Text proposed by the Commission

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries ***could be obliged by the Commission*** to accept and prioritise orders of crisis-relevant products. ***This obligation may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support.*** The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. ***The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence.*** Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

Amendment

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries ***should be able, on a voluntary basis,*** to accept and prioritise orders of crisis-relevant products. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

Or. en

Amendment 302

Ilan De Basso, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 48

Text proposed by the Commission

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation

Amendment

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation

may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders. ***Priority rated orders should only be used to ensure basic operation of all or certain critical sectors, meaning a minimum level of required production.***

Or. en

Justification

Priority rated orders should not, in such cases that they are justified, be used to maintain business-as-usual operations of critical sectors. They should be used as a last resort, to ensure basic operations or a minimum level of required production.

Amendment 303

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation Recital 48

Text proposed by the Commission

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation may also be extended to semiconductor

Amendment

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation may also be extended to semiconductor

manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations ***and in consultation with the European Semiconductor Board and following a crisis assessment report***, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

Or. en

Amendment 304

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation Recital 48

Text proposed by the Commission

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence over any performance obligation under

Amendment

(48) In order to ensure that critical sectors can continue to operate in a time of crisis and when necessary and proportionate for this purpose, Integrated Production Facilities and Open EU Foundries could be obliged by the Commission to accept and prioritise orders of crisis-relevant products. This obligation may also be extended to semiconductor manufacturing facilities which have accepted such possibility in the context of receiving public support ***to create or enlarge manufacturing capacity***. The decision on a priority rated order should be taken in accordance with all applicable Union legal obligations, having regard to the circumstances of the case. The priority rating obligation should take precedence

private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

over any performance obligation under private or public law while it should have regard for the legitimate aims of the undertakings and the cost and effort required for any change in production sequence. Undertakings may be subject to penalties if they fail to comply with the obligation for priority rated orders.

Or. en

Amendment 305

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 49

Text proposed by the Commission

Amendment

(49) The undertaking concerned should be obliged to accept and prioritise a priority rated order. In exceptional and duly justified cases, the undertaking could request the Commission to review the imposed obligation. This applies either where the facility is unable to fulfil the order even if prioritised, be it due to insufficient production capability or production capacity, or because this would place an unreasonable economic burden and entail particular hardship on the facility. **deleted**

Or. en

Amendment 306

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 49

Text proposed by the Commission

Amendment

(49) The undertaking concerned should **(49) The undertaking concerned should**

be obliged to accept and prioritise a priority rated order. In exceptional and duly justified cases, the undertaking could request the Commission to review the imposed obligation. This applies either where the facility is unable to fulfil the order even if prioritised, be it due to insufficient production capability or production capacity, **or** because this would place an unreasonable economic burden and entail particular hardship on the facility.

be obliged to accept and prioritise a priority rated order. In exceptional and duly justified cases, the undertaking could request the Commission to review the imposed obligation. This applies either where the facility is unable to fulfil the order even if prioritised, be it due to insufficient production capability or production capacity, because this would place an unreasonable economic burden and entail particular hardship on the facility, ***be technically unfeasible and not possible to enact in a time sensitive manner, or have a negative impact on the wider semiconductor supply chain.***

Or. en

Amendment 307

Tomas Tobé, Sara Skytvedal, Pernille Weiss, Henna Virkkunen

Proposal for a regulation

Recital 49

Text proposed by the Commission

(49) The undertaking concerned should ***be obliged to*** accept and prioritise a priority rated order. In exceptional and duly justified cases, the undertaking could request the Commission to review the imposed obligation. This applies either where the facility is unable to fulfil the order even if prioritised, be it due to insufficient production capability or production capacity, or because this would place an unreasonable economic burden and entail particular hardship on the facility.

Amendment

(49) The undertaking concerned should ***on a voluntary basis be able*** accept and prioritise a priority rated order. In exceptional and duly justified cases, the undertaking could request the Commission to review the imposed obligation. This applies either where the facility is unable to fulfil the order even if prioritised, be it due to insufficient production capability or production capacity, or because this would place an unreasonable economic burden and entail particular hardship on the facility.

Or. en

Amendment 308

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 50

Text proposed by the Commission

Amendment

(50) Under the exceptional circumstance that an undertaking operating along the semiconductor supply chain in the Union receives a priority rated order request from a third country, it should inform the Commission of this request, so as to inform an assessment of whether, if there is a significant impact on the security of supply to critical sectors, and the other requirements of necessity, proportionality and legality are satisfied in the circumstances of the case, the Commission should likewise enact a priority rated order obligation.

deleted

Or. en

Amendment 309

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation
Recital 50

Text proposed by the Commission

Amendment

(50) Under the exceptional circumstance that an undertaking operating along the semiconductor supply chain in the Union receives a priority rated order request from a third country, it should inform the Commission of this request, so as to inform an assessment of whether, if there is a significant impact on the security of supply to critical sectors, and the other requirements of necessity, proportionality and legality are satisfied in the circumstances of the case, *the Commission should likewise enact a priority rated order obligation.*

(50) Under the exceptional circumstance that an undertaking operating along the semiconductor supply chain in the Union receives a priority rated order request from a third country, it should inform the Commission of this request, so as to inform an assessment of whether, if there is a significant impact on the security of supply to critical sectors, and the other requirements of necessity, proportionality and legality are satisfied in the circumstances of the case.

Or. en

Amendment 310

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 51

Text proposed by the Commission

Amendment

(51) *In light of the importance to ensure the security of supply to critical sectors that perform vital societal functions, compliance with the obligation to perform a priority rated order should not entail liability for damages towards third parties for any breach of contractual obligations that may result from the necessary temporary changes of the operational processes of the concerned manufacturer, limited to the extent the violation of contractual obligations was necessary for compliance with the mandated prioritisation. Undertakings potentially within scope of a priority rated order should anticipate this possibility in the conditions of their commercial contracts. Without prejudice to the applicability of other provisions, the liability for defective products, as provided for by Council Directive 85/374/EEC of 25 July 1985⁶², is not affected by this liability exemption.* *deleted*

⁶² Council Directive 85/374/EEC of 25 July 1985 on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products (85/374/EEC) (OJ L 210, 7.8.1985, p. 29).

Or. en

Amendment 311

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 52

Text proposed by the Commission

Amendment

(52) *The obligation to prioritise the production of certain products respects the essence of and will not disproportionately affect the freedom to conduct a business and the freedom of contract laid down in Article 16 of the Charter of Fundamental Rights of the European Union ('the Charter') and the right to property laid down in Article 17 of the Charter. Any limitation of those rights in this Regulation will, in accordance with Article 52(1) of the Charter, be provided for by law, respect the essence of those rights and freedoms, and comply with the principle of proportionality.*

deleted

Or. en

Amendment 312
Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation
Recital 52 a (new)

Text proposed by the Commission

Amendment

(52 a) *The decision to impose an obligation to prioritise the production of certain products should not negatively affect the competitiveness of undertakings operating on the internal market. In this respect, special consideration should be given to the importance of trust in commercial relations as well as to business services reliability.*

Or. en

Amendment 313
Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation
Recital 53

Text proposed by the Commission

(53) When the crisis stage is activated, two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate could authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should inform the concerned Member States and the Board and **give** its reasons. Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

Amendment

(53) When the crisis stage is activated, two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate could authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. ***The Commission should also assess and quantify the effectiveness of other available measures in order to limit the threat to the functioning of the internal market, including critical entities.*** Where it intends to not follow the request, it should inform the concerned Member States and the Board and **publish** its reasons. Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

Or. en

Amendment 314

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation
Recital 53

(53) When the crisis stage is activated, **two or more** Member States **could** mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate **could** authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should inform **the concerned** Member States and the Board and give its reasons. Furthermore, **the participating** Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. **The deployment and use of purchased products should remain within the remit of the participating Member States.**

(53) When the crisis stage is activated, Member States **may** mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate **may** authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality, **and relevance and importance for the Union,** in consultation with the Board. Where it intends to not follow the request, it should inform Member States and the Board and give its reasons. Furthermore, Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements.

Or. en

Amendment 315

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 53

(53) When the crisis stage is activated, two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate could authorise the

(53) When the crisis stage is activated, **fully based on the findings of the impact assessment outlined in this Regulation,** two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and

Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should inform the concerned Member States and the Board and give its reasons. Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

procedures, leveraging its purchasing power. The mandate could authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should inform the concerned Member States and the Board and give its reasons. Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

Or. en

Amendment 316

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation Recital 53

Text proposed by the Commission

(53) When the crisis stage is activated, two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate could authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should inform the concerned Member States and

Amendment

(53) When the crisis stage is activated, two or more Member States could mandate the Commission to aggregate demand and act on their behalf for their public procurement in the public interest, in accordance with existing Union rules and procedures, leveraging its purchasing power. The mandate could authorise the Commission to enter into agreements concerning the purchase of crisis-relevant products (***raw material, intermediate products***) for certain critical sectors. The Commission should assess for each request the utility, necessity and proportionality in consultation with the Board. Where it intends to not follow the request, it should

the Board and give its reasons.
Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

inform the concerned Member States and the Board and give its reasons.
Furthermore, the participating Member States should be entitled to appoint representatives to provide guidance and advice during the procurement procedures and in the negotiation of the purchasing agreements. The deployment and use of purchased products should remain within the remit of the participating Member States.

Or. en

Amendment 317

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) During a semiconductor shortage crisis, ***it might become necessary that the*** Union ***considers*** protective measures. The European Semiconductor Board ***may*** express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479.

Amendment

(54) During a semiconductor shortage crisis, ***the findings of the impact assessment outlined in this Regulation should indicate whether*** Union ***protective measures can significantly contribute to solving the semiconductor crisis, taking also into consideration potential second round effects of such*** protective measures. The European Semiconductor Board ***should*** express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479 ***and whether it agrees with the conclusion of the Commission, which are based the findings of the impact assessment outlined in this act, regarding the necessity of protective measures.***

Or. en

Amendment 318

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) During a semiconductor shortage crisis, ***it might become necessary that*** the Union ***considers*** protective measures. The European Semiconductor Board may express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479.

Amendment

(54) During a semiconductor shortage crisis, the Union ***may only consider*** protective measures ***if all other measures have been investigated. Measures damaging international cooperation, trade agreements and relations with third countries must be avoided at all costs, as they will damage the Union's relations with third countries and can have unpredictable consequences.*** The European Semiconductor Board may express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479.

Or. en

Amendment 319

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) During a semiconductor shortage crisis, it might become necessary that the Union considers protective measures. The European Semiconductor Board may express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479.

Amendment

(54) During a semiconductor shortage crisis, it might become necessary ***and proportionate*** that the Union considers protective measures. The European Semiconductor Board may express its views to inform the Commission's assessment of whether the market situation amounts to a significant shortage of essential products pursuant to Regulation (EU) 2015/479.

Or. en

Amendment 320

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 55

Text proposed by the Commission

(55) In order to facilitate a smooth, effective and harmonised implementation of this Regulation, cooperation and the exchange of information, the European Semiconductor Board should be established. The European Semiconductor Board should provide advice to and assist the Commission on specific questions. ***These*** should ***include providing*** advice on the Chips for Europe Initiative to the Public Authorities Board of the Chips Joint Undertaking; exchanging information on the functioning of the Integrated Production Facilities and Open EU Foundries; discussing and preparing the identification of specific sectors and technologies with potential high social impact and respective security significance in need of certification for trusted products and addressing coordinated monitoring and crisis response. Furthermore, the European Semiconductor Board should ensure the consistent application of this Regulation, facilitate cooperation between Member States as well as exchange of information on issues relating to this Regulation. The European Semiconductor Board should support the Commission in international cooperation in line with international obligations, including in information gathering and crisis assessment. In addition, the European Semiconductor Board should coordinate, cooperate and exchange information with other Union crisis response and crisis preparedness structures with a view to ensure a coherent and coordinated Union approach as regards crisis response and crisis preparedness measures for semiconductor crises.

Amendment

(55) In order to facilitate a smooth, effective and harmonised implementation of this Regulation, cooperation and the exchange of information, the European Semiconductor Board should be established. The European Semiconductor Board should provide advice to and assist the Commission on specific questions ***and provide a forum for Member States and industry stakeholders from across the Union to coordinate and cooperate in the monitoring and development of the Union's semiconductor ecosystem. The European Semiconductor Board*** should ***provide*** advice on the Chips for Europe Initiative to the Public Authorities Board of the Chips Joint Undertaking; exchanging information on the functioning of the Integrated Production Facilities and Open EU Foundries; discussing and preparing the identification of specific sectors and technologies with potential high social impact and respective security significance in need of certification for trusted products and addressing coordinated monitoring and crisis response. Furthermore, the European Semiconductor Board should ensure the consistent application of this Regulation, facilitate cooperation between Member States as well as exchange of information on issues relating to this Regulation. The European Semiconductor Board should support the Commission in international cooperation in line with international obligations, including in information gathering, ***dialogue***, and crisis assessment. In addition, the European Semiconductor Board should coordinate, cooperate and exchange information with other Union

crisis response and crisis preparedness structures with a view to ensure a coherent and coordinated Union approach as regards crisis response and crisis preparedness measures for semiconductor crises.

Or. en

Amendment 321

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 55

Text proposed by the Commission

(55) In order to facilitate a smooth, effective and harmonised implementation of this Regulation, cooperation and the exchange of information, the European Semiconductor Board should be established. The European Semiconductor Board should provide advice to and assist the Commission on specific questions. These should include providing advice on the Chips for Europe Initiative to the Public Authorities Board of the Chips Joint Undertaking; exchanging information on the functioning of the Integrated Production Facilities and Open EU Foundries; discussing and preparing the identification of specific sectors and technologies with potential high social impact and respective security significance in need of certification for trusted products and addressing coordinated monitoring and crisis response. Furthermore, the European Semiconductor Board should ensure the consistent application of this Regulation, facilitate cooperation between Member States as well as exchange of information on issues relating to this Regulation. The European Semiconductor Board should support the Commission in international cooperation in line with international obligations, including in information gathering and crisis assessment. In

Amendment

(55) In order to facilitate a smooth, effective and harmonised implementation of this Regulation, cooperation and the exchange of information, the European Semiconductor Board should be established. The European Semiconductor Board should provide advice to and assist the Commission on specific questions. These should include providing advice on the Chips for Europe Initiative to the Public Authorities Board of the Chips Joint Undertaking; exchanging information on the functioning of the Integrated Production Facilities and Open EU Foundries; discussing and preparing the identification of specific sectors and technologies with potential high social impact and respective security significance in need of certification for trusted products and addressing coordinated monitoring and crisis response. Furthermore, the European Semiconductor Board should ensure the consistent application of this Regulation, facilitate cooperation between Member States as well as exchange of information on issues relating to this Regulation. The European Semiconductor Board should support the Commission in international cooperation in line with international obligations, including in information gathering and crisis assessment. In

addition, the European Semiconductor Board should coordinate, cooperate and exchange information with other Union crisis response and crisis preparedness structures with a view to ensure a coherent and coordinated Union approach as regards crisis response and crisis preparedness measures for semiconductor crises.

addition, the European Semiconductor Board should coordinate, cooperate and exchange information with other Union crisis response and crisis preparedness structures with a view to ensure a coherent and coordinated Union approach as regards crisis response and crisis preparedness measures for semiconductor crises. ***The European Semiconductor board should approve the methodology, proposed by the Commission, for the mapping of the relevant semi conductor value chains.***

Or. en

Amendment 322

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Sara Skyttedal, Tomas Tobé, Angelika Niebler, Othmar Karas, Pernille Weiss

Proposal for a regulation Recital 56

Text proposed by the Commission

(56) A representative of the Commission should chair the European Semiconductor Board. Each Member State's national single point of contact should appoint at least one high-level representative to the European Semiconductor Board. ***They*** could also appoint different representatives in relation to different tasks of the European Semiconductor Board, for example, depending on which Chapter of this Regulation is discussed in the meetings of the European Semiconductor Board. The Commission may establish sub-groups and should be entitled to establish working arrangements by inviting experts to take part in the meetings on an ad hoc basis ***or by inviting organisations representing the interests of the Union semiconductor industry, such as the Industrial Alliance on Processors and Semiconductor Technologies, in its sub-groups as observers.***

Amendment

(56) A representative of the Commission should chair the European Semiconductor Board. Each Member State's national single point of contact should appoint at least one high-level representative to the European Semiconductor Board. ***The Board should include representatives from the semiconductor industry, such as the Industrial Alliance on Processors and Semiconductor Technologies, who should not possess voting rights. Member States*** could also appoint different representatives in relation to different tasks of the European Semiconductor Board, for example, depending on which Chapter of this Regulation is discussed in the meetings of the European Semiconductor Board. The Commission may establish sub-groups and should be entitled to establish working arrangements by inviting experts, ***industry stakeholders, or representatives from third countries*** to take part in the meetings on an ad hoc basis.

Amendment 323

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 56

Text proposed by the Commission

(56) A representative of the Commission should chair the European Semiconductor Board. Each Member State's national single point of contact should appoint at least one high-level representative to the European Semiconductor Board. They could also appoint different representatives in relation to different tasks of the European Semiconductor Board, for example, depending on which Chapter of this Regulation is discussed in the meetings of the European Semiconductor Board. The Commission may establish sub-groups and should be entitled to establish working arrangements by inviting experts to take part in the meetings on an ad hoc basis or by inviting organisations representing the interests of the Union semiconductor industry, such as the Industrial Alliance on Processors and Semiconductor Technologies, in its sub-groups as observers.

Amendment

(56) A representative of the Commission should chair the European Semiconductor Board. Each Member State's national single point of contact ***as well as the European Parliament*** should appoint at least one high-level representative to the European Semiconductor Board. They could also appoint different representatives in relation to different tasks of the European Semiconductor Board, for example, depending on which Chapter of this Regulation is discussed in the meetings of the European Semiconductor Board. The Commission may establish sub-groups and should be entitled to establish working arrangements by inviting experts to take part in the meetings on an ad hoc basis or by inviting organisations representing the interests of the Union semiconductor industry, such as the Industrial Alliance on Processors and Semiconductor Technologies, in its sub-groups as observers.

Or. en

Amendment 324

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 57

Text proposed by the Commission

Amendment

(57) The European Semiconductor Board will hold separate meetings for its tasks under Chapter II and for its tasks under Chapter III and IV. Member States should endeavour to ensure effective and efficient cooperation in the European Semiconductor Board. The Commission should be able to facilitate exchanges between the European Semiconductor Board and other Union bodies, offices, agencies and advisory groups. In light of the importance of the supply of semiconductors for other sectors and the resulting need for coordination, the Commission should ensure participation by other Union institutions and bodies as observers in meetings of the European Semiconductor Board *where relevant and appropriate in relation to the monitoring and crisis response mechanism established under Chapter IV. In order to continue and make use of the work following the implementation of Commission Recommendation on a common Union toolbox to address semiconductor shortages, the European Semiconductor Board should carry out the tasks of the European Semiconductor Expert Group. Once the European Semiconductor Board is operational, this expert group should cease to exist.*

(57) The European Semiconductor Board will hold separate meetings for its tasks under Chapter II and for its tasks under Chapter III and IV. Member States should endeavour to ensure effective and efficient cooperation in the European Semiconductor Board. The Commission should be able to facilitate exchanges between the European Semiconductor Board and other Union bodies, offices, agencies and advisory groups. In light of the importance of the supply of semiconductors for other sectors and the resulting need for coordination, the Commission should ensure participation by other Union institutions and bodies as observers in meetings of the European Semiconductor Board.

Or. en

Amendment 325

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 58

Text proposed by the Commission

(58) Member States hold a key role in the application and enforcement of this Regulation. In this respect, each Member State should designate one or more national competent authorities for the

Amendment

(58) Member States hold a key role in the application and enforcement of this Regulation. In this respect, each Member State should designate one or more national competent authorities for the

purpose of effective implementation of this Regulation **and** ensure that **those authorities are** adequately empowered and resourced. Member States could designate an existing authority or authorities. In order to increase organisation efficiency in the Member States and to set an official point of contact vis-a-vis the public and other counterparts at Member State and Union levels, including the Commission and the European Semiconductor Board, each Member State should designate, within one of the authorities it designated as competent authority under this Regulation, one national single point of contact responsible for coordinating issues related to this Regulation and cross-border cooperation with competent authorities of other Member States.

purpose of effective implementation of this Regulation. **The Commission and Member States should** ensure that **the relevant administrative bodies have the necessary level of expertise and** adequately empowered and resourced. Member States could designate an existing authority or authorities. In order to increase organisation efficiency in the Member States and to set an official point of contact vis-a-vis the public and other counterparts at Member State and Union levels, including the Commission and the European Semiconductor Board, each Member State should designate, within one of the authorities it designated as competent authority under this Regulation, one national single point of contact responsible for coordinating issues related to this Regulation and cross-border cooperation with competent authorities of other Member States.

Or. en

Amendment 326

Eva Maydell, Pilar del Castillo Vera, Maria da Graça Carvalho, Angelika Winzig, Ivan Štefanec, Marion Walsmann, Tom Berendsen, Angelika Niebler, Othmar Karas

Proposal for a regulation

Recital 59

Text proposed by the Commission

(59) In order to ensure trustful and constructive cooperation of competent authorities at Union and national level, all parties involved in the application of this Regulation should respect the confidentiality of information and data obtained in carrying out their tasks. The Commission and the national competent authorities, their officials, servants and other persons working under the supervision of these authorities as well as officials and civil servants of other authorities of the Member States should not disclose information acquired or

Amendment

(59) In order to ensure trustful and constructive cooperation of competent authorities at Union and national level, all parties involved in the application of this Regulation should **strictly** respect the confidentiality of information and data obtained in carrying out their tasks. The Commission and the national competent authorities, their officials, servants and other persons working under the supervision of these authorities as well as officials and civil servants of other authorities of the Member States should not disclose information acquired or

exchanged by them pursuant to this Regulation and of the kind covered by the obligation of professional secrecy. This should also apply to the European Semiconductor Board and the Semiconductor Committee established in this Regulation. Where appropriate, the Commission should be able to adopt implementing acts to specify the practical arrangements for the treatment of confidential information in the context of information gathering.

exchanged by them pursuant to this Regulation and of the kind covered by the obligation of professional secrecy. This should also apply to the European Semiconductor Board and the Semiconductor Committee established in this Regulation. Where appropriate, the Commission should be able to adopt implementing acts to specify the practical arrangements for the treatment of confidential information in the context of information gathering. ***Any breach of this confidentiality should result in a full investigation by the Commission, and if and where necessary, the Commission should revise the practical arrangements and guidance for the treatment of confidential information.***

Or. en

Amendment 327

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation Recital 59

Text proposed by the Commission

(59) In order to ensure trustful and constructive cooperation of competent authorities at Union and national level, all parties involved in the application of this Regulation should respect the confidentiality of information and data obtained in carrying out their tasks. The Commission and the national competent authorities, their officials, servants and other persons working under the supervision of these authorities as well as officials and civil servants of other authorities of the Member States should not disclose information acquired or exchanged by them pursuant to this Regulation and of the kind covered by the obligation of professional secrecy. This should also apply to the European

Amendment

(59) In order to ensure trustful and constructive cooperation of competent authorities at Union and national level, all parties involved in the application of this Regulation should respect the confidentiality of information and data, ***including trade secrets or content protected by intellectual property rights***, obtained in carrying out their tasks. The Commission and the national competent authorities, their officials, servants and other persons working under the supervision of these authorities as well as officials and civil servants of other authorities of the Member States should not disclose information acquired or exchanged by them pursuant to this Regulation and of the kind covered by the

Semiconductor Board and the Semiconductor Committee established in this Regulation. Where appropriate, the Commission should be able to adopt implementing acts to specify the practical arrangements for the treatment of confidential information in the context of information gathering.

obligation of professional secrecy. This should also apply to the European Semiconductor Board and the Semiconductor Committee established in this Regulation. Where appropriate, the Commission should be able to adopt implementing acts to specify the practical arrangements for the treatment of confidential information, ***including trade secrets or content protected by intellectual property rights***, in the context of information gathering.

Or. en

Amendment 328

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Christophe Grudler

Proposal for a regulation Recital 59 a (new)

Text proposed by the Commission

Amendment

(59 a) Innovative businesses are increasingly exposed to unlawful or anticompetitive practices aimed at misappropriating intellectual property and trade secrets, such as theft, unauthorised copying, industrial espionage or the breach of confidentiality requirements from outside the Union, particularly in high-technology fields like the semiconductor sector. Intellectual property theft or the unlawful use of trade secrets in the semiconductor sector could compromise the objectives of the Chips Act by inhibiting the ability of private holders of intellectual property to obtain legitimate first-mover returns from their innovation-related efforts and thus diminish incentives for private investment. In the absence of the effective enforcement of the existing rules for the protection of intellectual property in third countries, incentives to engage in innovation-related activity beyond the borders of the internal market could

therefore be undermined. This Regulation should therefore ensure the effective enforcement of intellectual property law in the semiconductor sector, in full respect of Directives (EU) 2016/9431a and 2004/48/EC1b of the European Parliament and of the Council. Furthermore, it introduces stricter terms for beneficiaries for engaging in significant transactions in third countries with an intellectual property theft programme directed at the Union of a Member State.

Or. en

Justification

The Commission's proposal contains a degree of legal uncertainty by not referencing clearly enough different categories of confidential information and IP, a particularly sensitive area for the IP-heavy semiconductor sector. This is particularly important since infringements in third-country markets through theft, industrial espionage, unauthorised copying or the breach of confidentiality agreements are increasingly an issue in high-technology areas such as the semiconductor sector. This practice does not just harm Europe commercially, but, given the central role of semiconductor technology in our daily lives, could also impinge upon European defence interests and national security.

Amendment 329

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 60

Text proposed by the Commission

Amendment

<p>(60) <i>Compliance with the obligations imposed under this Regulation should be enforceable by means of fines and periodic penalty payments. To that end, appropriate levels of fines and periodic penalty payments should also be laid down for non-compliance with the obligations. Limitation periods should apply for the impositions of fines and periodic penalty payments, in addition to limitation periods for the enforcement of penalties. In addition, the Commission should give the concerned undertaking or</i></p>	<p><i>deleted</i></p>
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*representative organisations of
undertakings the right to be heard.*

Or. en

Amendment 330

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 61

Text proposed by the Commission

(61) The power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in order to amend Annex I to this Regulation to reflect technological change and market developments, with regard to the actions set out therein in a manner consistent with the objectives *of* this Regulation ***and to amend Annex II thereto with regard to the measurable indicators where considered to be necessary as well as to supplement this Regulation with provisions on the establishment of a monitoring and evaluation framework.*** It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making⁶³. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

⁶³ OJ L 123, 12.5.2016, p. 1.

Amendment

(61) The power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in order to amend Annex I to this Regulation to reflect technological change and market developments, with regard to the actions set out therein in a manner ***fully*** consistent with the objectives ***specified in*** this Regulation. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making⁶³. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

⁶³ OJ L 123, 12.5.2016, p. 1.

Or. en

Amendment 331

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation

Recital 62

Text proposed by the Commission

(62) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards the selection of ECICs and as regards the procedure for establishing and defining the tasks of competence centres and the procedure for establishing the network, so that the objectives of the Initiative are achieved. Furthermore, implementing powers should be conferred on the Commission as regards activating the crisis stage in a semiconductor crisis, to allow a rapid and coordinated response, and for specifying the practical arrangements for the treatment of confidential information. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶⁴ of the European Parliament and of the Council.

⁶⁴ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, (OJ L 55, 28.2.2011, p. 13).

Amendment

(62) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards the selection of ECICs and as regards the procedure for establishing and defining the tasks of competence centres and the procedure for establishing the network, so that the objectives of the Initiative are achieved. Furthermore, implementing powers should be conferred on the Commission as regards activating the crisis stage in a semiconductor crisis, to allow a rapid and coordinated response, and for specifying the practical arrangements for the treatment of confidential information, ***including trade secrets or content protected by intellectual property right.*** Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶⁴ of the European Parliament and of the Council.

⁶⁴ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, (OJ L 55, 28.2.2011, p. 13).

Or. en

Amendment 332

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 62

Text proposed by the Commission

(62) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards the selection of ECICs and as regards the procedure for establishing and defining the tasks of competence centres and the procedure for establishing the network, so that the objectives of the Initiative are achieved. Furthermore, implementing powers should be conferred on the Commission as regards activating the crisis stage in a semiconductor crisis, to allow a rapid and coordinated response, **and for specifying the practical arrangements for the treatment of confidential information.** Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶⁴ of the European Parliament and of the Council.

⁶⁴ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, (OJ L 55, 28.2.2011, p. 13).

Amendment

(62) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards the selection of ECICs and as regards the procedure for establishing and defining the tasks of competence centres and the procedure for establishing the network, so that the objectives of the Initiative are achieved. Furthermore, implementing powers should be conferred on the Commission as regards activating the crisis stage in a semiconductor crisis, to allow a rapid and coordinated response, **which should be fully based on the findings of the impact assessment outlined in this Regulation.** Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶⁴ of the European Parliament and of the Council.

⁶⁴ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, (OJ L 55, 28.2.2011, p. 13).

Or. en

Amendment 333

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 63

Text proposed by the Commission

(63) Since the objective of this Regulation cannot be sufficiently achieved by the Member States and can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

Amendment

(63) Since the objective of this Regulation cannot be sufficiently achieved by the Member States and can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may ***only*** adopt measures ***that are fully based on the findings of the impact assessment outlined in this Regulation and that are*** in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

Or. en

Amendment 334

Alex Agius Saliba, Josianne Cutajar

Proposal for a regulation

Article 1 – paragraph 1 – point b

Text proposed by the Commission

(b) setting the criteria to recognise and to support first-of-a-kind Integrated Production Facilities and Open EU Foundries that foster the security of supply ***of semiconductors*** in the Union;

Amendment

(b) setting the criteria to recognise and to support first-of-a-kind ***or of a common interest*** Integrated Production Facilities and Open EU Foundries that foster the security of supply ***and the resilience of the semiconductor ecosystems and deployment of novel and innovative semiconductor technologies*** in the Union;

Or. en

Justification

It is important to stress that the role of the open foundries and first-of-a-kind facilities is not only security of supply but also deploying innovative and novel technology in the Union.

Amendment 335

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Article 1 – paragraph 1 – point b

Text proposed by the Commission

(b) setting the criteria to recognise and to support first-of-a-kind Integrated Production Facilities and Open EU Foundries that foster the security of supply of semiconductors in the Union;

Amendment

(b) setting the criteria to recognise and to support first-of-a-kind Integrated Production Facilities and Open EU Foundries that foster the security of supply of semiconductors ***and the deployment of novel and innovative semiconductor technologies*** in the Union;

Or. en

Amendment 336

Lina Gálvez Muñoz, Adriana Maldonado López, Carlos Zorrinho, Marcos Ros Sempere, Nicolás González Casares

Proposal for a regulation

Article 1 – paragraph 1 – point b

Text proposed by the Commission

(b) setting the criteria to recognise and to support first-of-a-kind Integrated Production Facilities and Open EU Foundries that foster the security of supply of semiconductors in the Union;

Amendment

(b) setting the criteria to recognise and to support first-of-a-kind Integrated Production Facilities and Open EU Foundries that foster the security of supply of semiconductors ***and the semiconductor ecosystem*** in the Union;

Or. en

Amendment 337

Henrike Hahn

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 1 – point c

Text proposed by the Commission

(c) setting up a coordination mechanism between the Member States

Amendment

(c) setting up a coordination mechanism between the Member States the

*and the Commission **for monitoring** the supply of semiconductors **and crisis response to semiconductor shortages.***

*Commission, **stakeholders from the semiconductor supply chain as well as stakeholders from critical sectors that might be affected by disruptions to the supply of semiconductors for mapping and monitoring the semiconductor supply chain and identify potential bottlenecks with publicly and commercially available data as well as data voluntarily provided by the stakeholders, and articulating crisis prevention and management tools.***

Or. en

Amendment 338
Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation
Article 1 – paragraph 1 – point c

Text proposed by the Commission

(c) setting up a coordination mechanism between the Member States *and the Commission for monitoring the supply of semiconductors and crisis response to semiconductor shortages.*

Amendment

(c) setting up a coordination mechanism between the Member States, the Commission *and the actors in the semiconductor value chain, for mapping the semiconductor value chain and for monitoring the supply of semiconductors and crisis **prevention and** response to semiconductor shortages, including support for manufacturing and supply of existing technology semiconductors which are used in critical infrastructures.*

Or. en

Amendment 339
Tiziana Beghin

Proposal for a regulation
Article 1 – paragraph 1 – point c

Text proposed by the Commission

(c) setting up a coordination

Amendment

(c) setting up a coordination

mechanism between the Member States **and** the Commission for monitoring the supply of semiconductors and crisis response to semiconductor shortages.

mechanism **and consultations** between the Member States, the Commission **and relevant third countries** for monitoring the supply of semiconductors and crisis response to semiconductor shortages.

Or. en

Amendment 340

Evžen Tošenovský, Robert Roos, Eugen Jurzyca

Proposal for a regulation

Article 1 – paragraph 1 – point c

Text proposed by the Commission

(c) setting up a coordination mechanism between the Member States and the Commission for monitoring the supply of semiconductors and crisis response to semiconductor shortages.

Amendment

(c) setting up a coordination mechanism between the Member States and the Commission for monitoring the supply of semiconductors and crisis response to semiconductor shortages **in specific cases**.

Or. en

Amendment 341

Tom Berendsen

Proposal for a regulation

Article 2 – paragraph 1 – point 1 – point a

Text proposed by the Commission

(a) a material, either elemental, such as Silicon, or compound, such as Silicon Carbide, whose electrical conductivity can be modified, or

Amendment

(a) a material, either elemental, such as Silicon, or compound, such as Silicon Carbide **or Indium Phosphide**, whose electrical conductivity **or optical performance** can be modified, or

Or. en

Amendment 342

Adriana Maldonado López, Lina Gálvez Muñoz, Maria-Manuel Leitão-Marques, Tsvetelina Penkova, Nicolás González Casares, Marcos Ros Sempere, Alicia Homs Ginell

Proposal for a regulation

Article 2 – paragraph 1 – point 2

Text proposed by the Commission

(2) ‘chip’ means an electronic device comprising various functional elements on a single piece of semiconductor material, typically taking the form of memory, logic, processor and analogue devices, also referred to as ‘integrated circuit’;

Amendment

(2) ‘chip’ means an electronic device comprising various functional elements on a single piece of semiconductor material, typically taking the form of memory, logic, processor, ***light information or signal detector, signal generator*** and analogue devices, also referred to as ‘integrated circuit’;

Or. en

Amendment 343

Bart Groothuis, Ivars Ijabs, Klemen Grošelj, Andrus Ansip, Alin Mituța, Nicola Beer, Andreas Glück, Mauri Pekkarinen, Nicola Danti, Christophe Grudler

Proposal for a regulation

Article 2 – paragraph 1 – point 4

Text proposed by the Commission

(4) ‘semiconductor supply chain’ means the system of activities, organisations, actors, technology, information, resources and services involved in the production of semiconductors, including raw materials, manufacturing equipment, design, fabrication, assembly, testing ***and*** packaging;

Amendment

(4) ‘semiconductor supply chain’ means the system of activities, organisations, actors, technology, information, resources and services involved in the production of semiconductors, including raw materials ***and gases***, manufacturing equipment, design, fabrication, assembly, testing, ***packaging and advanced*** packaging;

Or. en

Amendment 344

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Article 2 – paragraph 1 – point 4

Text proposed by the Commission

(4) ‘semiconductor supply chain’ means the system of activities, organisations, actors, technology, information, resources and services involved in the production of semiconductors, including raw materials, manufacturing equipment, design, fabrication, assembly, testing and packaging;

Amendment

(4) ‘semiconductor supply chain’ means the system of activities, organisations, actors, technology, information, resources and services involved in the production of semiconductors, including raw materials, ***intermediate product***, manufacturing equipment, design, fabrication, assembly, testing and packaging;

Or. en

Amendment 345

Marie Dauchy, Thierry Mariani, Paolo Borchia, Elena Lizzi, Matteo Adinolfi, Markus Buchheit, Isabella Tovaglieri

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Text proposed by the Commission

(5) ‘semiconductor value chain’ means the set of activities in relation to a semiconductor product from its conception to its end use, including raw materials, manufacturing equipment, research, design, fabrication, testing, assembly and packaging to embedding and validation in end products;

Amendment

(5) ‘semiconductor value chain’ means the set of activities in relation to a semiconductor product from its conception to its end use, including raw materials, ***intermediate product***, manufacturing equipment, research, design, fabrication, testing, assembly and packaging to embedding and validation in end products;

Or. en

Amendment 346

Josianne Cutajar, Alex Agius Saliba

Proposal for a regulation

Article 2 – paragraph 1 – point 10

Text proposed by the Commission

(10) ‘first-of-a-kind facility’ means ***an industrial facility capable of*** semiconductor manufacturing, including front-end or back-end, or both, that is not

Amendment

(10) ‘first-of-a-kind facility’ means ***a semiconductor manufacturing facility, including front-end or back-end, or both, capable of manufacturing materials or***

substantively already present or committed to be built within the Union, *for instance with regard to the technology node, substrate material, such as silicon carbide and gallium nitride, and other product* innovation that *can offer better* performance, *process innovation or* energy and environmental performance;

passive components or equipment specifically used in semiconductor manufacturing or process improvements in terms of efficiency and innovation, with regard to the manufacturing process or final product, that is not yet substantively already present or committed to be built within the Union. *This includes, but is not limited to*, innovation that *concerns* performance, *improvements in computing power or in the level of security, safety or reliability, or in* energy and environmental performance, *or in the use of a new technology node or processing of raw and substrate material, contributing to the security of chips supply in the internal and export markets or in the implementation of production processes that lead to efficiency or competitiveness gains*;

Or. en