

The European Commission

Subject: Chips Act, Call for evidence for an impact assessment - Ares(2025)7293034

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Public consultation feedback on the new EU Chips Act 2.0

The Estonian Electronics Industries Association appreciates the opportunity to provide feedback in the process of preparation of the new EU Chips Act 2.0. It is a welcomed development, considering that the Commission did not carry out either a full impact assessment or a public consultation on the first Chips Act, as noted by the European Court of Auditors in Special [Report](#) 12/2025.

1. While adoption of the EU Chips Act in 2023 was a commendable step for stimulating semiconductor industry of Europe through activities foreseen in pillars 1 and 2, value of the still inoperative monitoring and crisis response measures in pillar 3 remains questionable for the industries. It has also been pointed out by several industry representatives and associations that focusing the support merely on design and manufacturing of semiconductors results in a reduced positive effect on the electronics industries as well as economies in the EU. Vulnerabilities in the value chain like diminishing printed circuit board (PCB) manufacturing and R&D in Europe that has a significant intellectual property leakage/security risk, as well as investments into innovation related to systems development and PCB assembly in Electronics Manufacturing Services (EMS) innovation, were not properly addressed.
2. In order to achieve economic growth in Europe based on increased global competitiveness of the electronics industries, **the scope of the Chips Act 2.0 should extend the focus from chips to the wider electronics value chain – “from silicon to systems”**, as the Global Electronics Association have succinctly formulated.
3. At the same time, **benefits of the pillar 3 monitoring and crisis response activities for the industries must be rationally evaluated**, which most likely might result in the whole pillar 3 to be removed from the Chips Act 2.0. We have not noticed any industrial parties advocating for pillar 3 based on arguments sourced from the real world; **imposing any mandatory reporting obligations on the companies must be avoided**.
4. Since filling in the whole feedback questionnaire of the public consultation would have left too many questions unanswered, we hereby provide **our position on the key section 3.3** in order to help avoiding future activities of pillar 3 that would bring more unsubstantiated administrative burden than clear benefits to the industries. Positive answers are marked using a “+” while negative answers are marked using a “-”:

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

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

YES

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

- + Increase stocks and inventories
- + Diversify trade partners
- + Investing in innovation for recycling, advanced materials, or substitutes
- Reporting to national authorities on potential shortages
- Reporting to national authorities on ongoing shortages
- Reporting to EU authorities on potential shortages
- Reporting to EU authorities on ongoing shortages
- + Other: ***Design products in readiness for component interchangeability as far as reasonably possible.***

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

Considering the extremely wide spectrum of different semiconductor types and models (hundreds of thousands), multitudes of supply agreements and differing need times that would require extensive administrative efforts on national or EU level, it is hard to imagine a joint purchasing mechanism to be useful for the industries in practice.

In the event of a semiconductor crisis and in case of a market situation which corresponds to a significant shortage of an essential product pursuant to Regulation (EU) 2015/479, would you consider it useful to impose protective measures on the Union's semiconductor sector?

- Yes
- + No

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

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

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

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

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

Value of activities currently foreseen under pillar 3 for the industry is questionable, with the proposal emitting a scent of state capitalism and planned economy. Discontinuing the whole pillar 3 is worth considering, unless clearly supported or demanded by majority of the industry feedback.

We hope that our comments were helpful at preparing an effective and realistic Chips Act 2.0.

Sincerely,

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