

Qualcomm’s response to the Call of evidence – Review of the (EU) Regulation 2023/1781 - Chips Act

1. Introduction

Qualcomm welcomes the opportunity to contribute to the European Commission’s review and evaluation of the European Chips Act. As a global leader in wireless innovation, semiconductor design, and system-on-chip (SoC) technologies, Qualcomm shares the European Union’s ambition to strengthen its semiconductor ecosystem including fabrication, advanced packaging testing and design, all of which are indispensable to enhance technological sovereignty, and foster resilience in critical supply chains.

The adoption of the Chips Act in 2023 marked an important milestone, successfully mobilizing political will and private investment to address Europe’s strategic dependence on global semiconductor supply chains. However, the evolving technological and geopolitical landscape — together with the joint declaration of all 27 Member States as the *Semicon Coalition* on 29 September 2025 — demonstrates that the current framework must now evolve into a more ambitious and integrated strategy, a “Chips Act 2.0”.

Europe’s economic competitiveness and security depend on semiconductors. In order to remain an influential global actor at the forefront of innovation, the EU must not only scale its manufacturing capacity and lead in the technologies that will define the next decade — artificial intelligence (AI), advanced connectivity (6G), edge computing, and trusted low-power processing.

2. Evaluation of the current Chips Act

The initial implementation of the Chips Act sparked significant momentum and attracted substantial investment - estimated at €80 billion - firmly establishing semiconductors as a strategic pillar of the EU’s industrial and digital strategies. Yet the Regulation’s implementation has revealed structural weaknesses that limit its effectiveness, efficiency, and long-term coherence.

The political goal of reaching 20% of global semiconductor manufacturing capacity by 2030 was an important signal of intent, but progress to date on this goal has been limited. For the same 2030 timeframe, the European Court of Auditors projects a share closer to 11–12%, underlining the need for measurable, realistic, and innovation-oriented indicators. Production goals should be supplemented with additional indicators such as design capability, advancing packaging, testing, and R&D intensity. The objective should not be to replace production metrics- Europe needs more fabrication- but to ensure they are embedded within a comprehensive innovation strategy.

Moreover, by focusing primarily on large-scale fabs, the Regulation has neglected critical parts of the semiconductor value chain — design, IP, EDA tools, packaging, materials, and equipment — where Europe already holds or could develop strong expertise and a significant competitive advantage.

In particular, IP design is a cornerstone of semiconductor innovation, enabling differentiated architectures, energy efficiency, and performance optimization across applications. Europe’s ability to foster a strong ecosystem for IP - including support for fabless companies, design houses, and licensing models – is an important differentiator for the EU and is crucial to reducing reliance on less trusted non-EU players and securing long-term technological sovereignty.

In addition, better coordination on national funding schemes, clearer subsidy rules, and streamlined approving procedures will increase efficiencies and enhance legal certainty.

On another front, Europe should increase efforts to attract more skilled engineers, scale up the deployment of affordable clean energy solutions, and secure access to critical raw materials to strengthen its competitiveness in the semiconductor sector. At the same time, the Commission’s visibility into total funding flows and their outcomes remains partial, limiting its ability to effectively monitor progress and identify overlaps or inefficiencies across national programs.

Finally, the Regulation’s tools are still heavily skewed toward large-scale industrial players, leaving SMEs, start-ups, and fabless innovators — key drivers of global semiconductor design and IP development — with limited support from the program. To unlock their potential, the Regulation should increase accessibility by reducing excessive paperwork and cutting red tape, ensuring these innovators can fully contribute to strengthening Europe’s position in high-value segments of the value chain.

3. Qualcomm’s perspective

As a fabless semiconductor company and a global leader in wireless, AI, and edge computing technologies, Qualcomm plays a central role in the semiconductor design ecosystem. Qualcomm develops advanced chipsets and IP portfolios powering 5G connectivity, leading the 6G development, low-power AI processing, and secure computing platforms across smartphones, automotive, industrial IoT, and other end markets. Since its founding in 1985, Qualcomm has invested over 105 billion in R&D to develop these foundational and ground-breaking technologies.

Europe is an important partner for Qualcomm — a hub for research collaboration, a source for advanced engineering talent, and a center for developing industrial applications. Qualcomm’s interest in the Chips Act review lies in ensuring that Europe builds a predictable, innovation-driven, and globally competitive semiconductor ecosystem, spanning design, manufacturing, and

advanced R&D. To achieve this, addressing Europe’s skills gap is essential: Chips Act 2.0 should include dedicated programs for talent development and international researcher exchanges, building on global commitments with trusted partners (such as Qualcomm) to meet workforce needs and sustain competitiveness across the semiconductor supply chain. In this context, Qualcomm strongly supports the objectives set out in the German federal government’s *Microelectronics Strategy 2025*¹ notably the expansion of chip design capabilities, the strengthening of advanced packaging and heterogeneous integration, and the acceleration of technology transfer “from lab to fab” - are highly relevant to the broader evolution of the Chips Act. These initiatives underscore the need for Europe to complement manufacturing support with robust, design-led innovation ecosystems that connect research, development, and industrial deployment. Enhanced coordination between national strategies, EU-level programs such as the Chips Joint Undertaking, and industrial partnerships will be essential to leverage Europe’s comparative strengths in research excellence, resources and trusted manufacturing.

The next phase of the Chips Act should also promote open and secure chip design frameworks, with a focus on the support for the instruction set architecture RISC-V. Embedding “*secure-by-design*” principles, interoperability, and sustainability across these measures would strengthen Europe’s technological sovereignty and ensure that semiconductor policy supports the full innovation cycle — from conception to industrial realization — in alignment with the EU’s broader economic security and digital competitiveness objectives. As an open standard, RISC-V enables cost-effective, flexible, and customizable chip design, lowering barriers for SMEs and start-ups. Its modular architecture allows tailored optimization for emerging workloads, including AI, IoT, and edge computing, while promoting interoperability and energy efficiency. Global adoption of RISC-V is accelerating rapidly, with other regions outside Europe designating significant resources into RISC-V and major industry players integrating it into AI computing and automotive platforms. By embedding support for open hardware standards such as RISC-V into Chips Act 2.0 as well as further regulation, the EU should reduce dependency on proprietary architectures and position Europe as a leader in RISC-V and next-generation semiconductor design for its strategic sectors such as automotive, robotics, and energy.

A key challenge for the coming years will be to ensure effective alignment between EU level strategy and national implementation. The success of a mature and competitive European chips

¹*The Federal Government's Microelectronics Strategy – Research, Skilled Workers, and Manufacturing for the Microelectronics Ecosystem in Germany.*

ecosystem depends on avoiding duplication, improving coherence between national programs, and establishing strong enforcement and coordination mechanisms at the EU level. A single, transparent governance framework — with clear visibility over funding flows, project outcomes, and strategic priorities — would maximize efficiency and accountability across Member States.

In parallel, the future “Chips Act 2.0” should adopt a broader and more integrated innovation agenda, recognizing that semiconductors underpin Europe’s ambitions in AI, advanced connectivity, quantum, and green technologies. The Chips Act should therefore be closely linked to initiatives such as the *EU Apply AI Strategy*², the *AI Factories Plan*³, and the *Digital Europe Programme*⁴, enabling cross-sector synergies and ensuring that Europe leads globally in the design and deployment of intelligent, energy-efficient, and trustworthy computing systems.

Building on this strategic direction, Qualcomm considers that this review of the Chips Act offers an opportunity to establish a more coherent, innovation-driven policy architecture at the European level. By aligning national initiatives such as Germany’s *Microelectronics Strategy 2025* with EU-wide instruments, the EU can create a single, integrated framework that supports design excellence, advanced R&D, and sustainable industrial capacity. Such alignment should ensure predictability for investors, promote efficient use of public resources, and reinforce Europe’s capacity to deliver trusted and energy-efficient semiconductors.

The recommendations set out below outline practical measures to shape a more coherent and innovation-driven “Chips Act 2.0.”

Finally, Qualcomm welcomes the goals expressed by the Semicon Coalition declaration as well, which calls for a revision of the Chips Act to “*strengthen and revitalize Europe’s position in the global semiconductor industry.*”⁵

The Coalition’s three strategic objectives - prosperity, indispensability, and resilience - provide a clear roadmap for Chips Act 2.0:

- **Prosperity:** Build a competitive semiconductor ecosystem that generates long-term economic value through innovation, design leadership, and industrial excellence.

² [Apply AI Strategy | Shaping Europe’s digital future](#)

³ [AI Factories | Shaping Europe’s digital future](#)

⁴ [The Digital Europe Programme | Shaping Europe’s digital future](#)

⁵ [Semicon Declaration](#)

- **Indispensability:** Secure Europe’s leadership at critical points of the semiconductor value chain, including design, materials, packaging, and specialized applications such as AI and communications.
- **Resilience:** Ensure a stable and trustworthy chip supply for Europe’s critical industries, supported by diversified global partnerships and sustainable infrastructure.

These objectives align with Qualcomm’s conviction that Europe’s strength lies in its capacity for innovation, while increasing production capacity remains equally important. The EU should measure success by leadership in advanced design, IP generation, and specialized, high-value technologies - in addition to wafer share and production of semiconductors across all node sizes.

4. Recommendations for a “Chips Act 2.0”

From Qualcomm’s standpoint, a revised Chips Act should take a more holistic and innovation-driven approach:

- ❖ **Supplement goals and metrics:** supplement production-volume targets with innovation-based indicators — including R&D investment and intensity, cutting-edge design capability, IP creation, high-skilled semiconductor workforce development, and leadership in emerging domains such as AI, 5G/6G, edge computing, and secure low-power SoCs.
- ❖ **Support the full semiconductor value chain:** funding should extend beyond fabrication to include design ecosystems, prototyping, software-hardware co-design, packaging, materials, and equipment. Fabless companies must have predictable access to foundry capacity in Europe through structured public-private partnerships.
- ❖ **Simplify governance and regulation:** empowering the existing **European Semiconductor Board (“ESB”)** to coordinate EU-level strategy, permitting, and funding, moving beyond its current advisory role to become a driver of integrated decision-making. Introducing a one-stop-shop for project approval to harmonize criteria across Member States and accelerate strategic investments, ensuring industry-wide alignment and reducing administrative complexity.
- ❖ **Investing in skills:** launch a new European chips skills program to boost programs such as STEM education and training⁶ and to incentivize international talent mobility.
- ❖ **Invest in infrastructure:** Improve access to clean energy, reliable water supply, and critical raw materials through better EU coordination and strategic trade partnerships.

⁶ <https://education.ec.europa.eu/focus-topics/stem>

- ❖ **Embed sustainability and energy efficiency:** supporting the development of energy-efficient chips and semiconductors designed for renewable energy integration, smart grids and sustainable industrial applications.
- ❖ **Secure predictable and coordinated funding:** aligning EU, national, and private financing streams; broadening the scope of IPCEIs; and establishing a dedicated semiconductor budget line in the next Multiannual Financial Framework (2028–2034).
- ❖ **Promote international cooperation:** building strong partnerships globally diversified to enhance supply chain resilience, facilitate technology exchange, and support joint ventures consistent with Europe’s goal of “open strategic autonomy.”
- ❖ **Enable SME and innovation participation:** introduce simplified access to R&D support and IPCEI participation also for smaller firms and start-ups, ensuring a balanced and dynamic ecosystem.
- ❖ **Foster chip design capabilities in the EU with RISC-V:** with a particular focus on supporting the RISC-V standard as a strategic European asset, which will particularly benefit chip design for European key industries such as automotive, robotics or energy. Moreover, governments should ensure that computer instruction set architectures that have been propagated through licensing and on which developers rely to build their products, remain accessible on reasonable and non-discriminatory terms.
- ❖ **Apply a holistic view:** on what drives European innovation and competitiveness by leveraging Europe’s strong industrial base to lead in applying AI at the edge —enabling scalable AI deployment across industries—while laying the groundwork for the future roll-out of 6G.

Conclusion

The European Chips Act has laid out the groundwork for a stronger semiconductor ecosystem. To further increase its impact in a rapidly evolving global industry, the framework of this Regulation has to be shaped into a more innovative-led strategy. Chips Act 2.0 should again set a strong focus on scaling production capacity but also establish the institutional coherence, coordination, and accountability necessary to align EU-level objectives with national implementation. This alignment is essential to avoid duplication, ensure efficient allocation of public resources, and maximize Europe’s collective technological potential.

Chips Act 2.0 should embrace a broader innovation agenda, recognizing that semiconductors underpin Europe’s ambitions in AI, advanced connectivity, quantum computing, and sustainable digitalization. By integrating the Chips Act with initiatives such as the *EU Apply AI Strategy*, the



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AI Factories Plan and the *Digital Europe Programme* and broader sustainability and decarbonization goals, Europe can ensure that semiconductor policy can support Europe's position in key technology areas.

Through coordinated governance, design-led innovation, and international cooperation grounded in open strategic autonomy, Europe can position itself not merely as a manufacturing hub, but as a global leader in semiconductor conception, design, and deployment.

To achieve this, Chips Act 2.0 should go beyond symbolic targets and focus on the core strengths that make Europe competitive: innovation, diversification, design leadership, trusted supply chains, sustainability and education. The goal should be not only to manufacture semiconductors in Europe, but also to lead within a broader framework - from conception and design to smart integration across all sectors of the economy. In this context, embracing open standards such as RISC-V is strategically vital, as it fosters innovation, reduces dependency on proprietary architectures, and enables Europe to shape global norms while accelerating ecosystem development.

Qualcomm looks forward to continued engagement with the European Commission and is pleased to contribute to this important dialogue.