

## **PRESS RELEASE**

Brussels, November 27th, 2006

**Good for ICT and good for semiconductors - ESIA welcomes final ICT Report as an “encouraging platform for Europe to assert an industrial policy that aims at increasing competitiveness in the global arena”.**

Today the CEO Members of the EU ICT Task Force presented their final Report entitled “Fostering the Competitiveness of Europe’s ICT Industry” to Commission Vice-President Günter Verheugen (Enterprise & Industry) and to Commissioner Viviane Reding (Information Society & Media). This report comes a year after ESIA presented its own Semiconductor Industry 2005 Competitiveness Report and was subsequently invited to participate in this broader ICT Task Force.

Participating in the Task Force provided an excellent opportunity for ESIA both to support Europe’s wider ICT industry and to highlight the key enabling role the semiconductor industry plays within it, especially in areas such as innovation. Indeed, it cannot be emphasized enough that “*the ICT industry is critical to Europe’s future both as a major industrial sector in its own right and as a driver of productivity and improved service quality in virtually all other industrial sectors and public services*”, and that “*the competitive challenge is sharper still in the face of a new wave of technological change and market opportunities*”.

ESIA is pleased to see that the report discusses and recognizes vital semiconductor issues such as the need to ensure conditions for a global level playing field matching that of other regions. In striving for this, the report recommends that the EU should not shy away from considering similar tools and measures: for example the EU’s State Aid regime, tax incentive schemes that reward R&D and innovation, as well as the creation of a specific sectoral framework for Europe’s semiconductor industry, facilitating better access to, and availability of, short and long term risk capital and encouraging new and ongoing investments to be made in strategic leading edge electronic manufacturing areas.

A further highly relevant point addresses the importance of leveraging innovation in leading edge process technologies for which *the fab is the lab*. Says **Carlo Bozotti**, President and CEO of STMicroelectronics and EECA-ESIA President: “*Stressing that the relationship between advanced R&D, innovation and leading edge manufacturing is a prerequisite for competitive success in the global market recognizes the efforts accomplished by the semiconductor industry in forming effective collaborative R&D partnerships. The ICT report represents an encouraging platform for Europe to assert an industrial policy that aims at increasing competitiveness in the global arena.*”

ESIA was represented in the EU ICT Task Force by a team of major European players including AMD, Freescale, Infineon, Micron, NXP and STMicroelectronics. The primary focus of the ESIA workgroup was on the section dedicated to innovation (R&D and manufacturing). Summing up the workgroup’s overall contribution to the ICT Task Force ESIA Director Martin Spät says: “*Provided Europe is able to act and act quickly on the recommendations at both European and national levels, this quite unique exercise will have been good for ICT and good for the semiconductor industry.*”

**Industry Association of :**

**EECA : European Electronic Component manufacturers’ Association**

“Diamant” Building, Boulevard A. Reyers 80, B-1030 Bruxelles

Tél: + 32 2 706 86 00 • Fax: + 32 2 706 86 05 • E-mail: [secretariat.gen@eeca.be](mailto:secretariat.gen@eeca.be) • Web: [www.eeca.org](http://www.eeca.org)