

Memorandum of Cooperation

on Semiconductors

SCOPE

This Memorandum of Cooperation (MoC) describes how the Ministry of Economy, Trade and Industry (METI) of Japan and the European Commission, hereinafter referred to as "Participants", subject to the laws and regulations that govern each Participant and to the availability of resources, intend to enhance bilateral collaboration on: i) an early warning mechanism for the semiconductor supply chain; ii) research and development for semiconductors, iii) advanced skills for the semiconductor industry, iv) use cases of semiconductor applications; and, v) transparency of subsidies to the semiconductor sector.

EARLY WARNING MECHANISM FOR THE SEMICONDUCTOR SUPPLY CHAIN

The Participants intend to develop a joint early warning mechanism for the semiconductor supply chain, with a view to sharing information about and cooperate in addressing disruptions to the semiconductor supply chain. The Participants endeavour to develop specific arrangements between the two administrations to implement the early warning mechanism by establishing points of contacts and an information sharing mechanism.

RESEARCH AND DEVELOPMENT FOR SEMICONDUCTORS

The Participants intend to establish in-depth cooperation on research and development in essential components for the manufacturing of chips and the next generation of semiconductor technologies, such as:

- Joint approaches on alternatives to fluorinated chemicals, such as PFAS¹, given the importance of these components for the manufacturing of semiconductors, and
- Additional topics of common interest that the Participants intend to identify following the signature of the Memorandum of Cooperation.

In order to pursue research and development cooperation, the Participants intend to put in place collaborative research programmes, for which the Participants endeavour to find the best funding possibilities. They tentatively propose to plan such cooperation with the support of the Chips Joint Undertaking on the EU side and under Japan's relevant system on the Japanese side.

In order to identify further topics for research and development cooperation, the Participants intend to meet regularly.

¹ Per- and poly-fluoroalkyl substances.

Research and development cooperation for semiconductors aims at facilitating cooperation among relevant organisations in the respective jurisdictions of the Participants, such as universities, research and technology organisations, key industry actors and other relevant stakeholders.

ADVANCED SKILLS FOR THE SEMICONDUCTOR INDUSTRY

The Participants intend to establish in-depth cooperation to promote advanced skills for the semiconductor industry, with a specific focus on the following aspects:

- Engaging in an in-depth exchange on respective approaches and related skills programmes;
- Acquiring a better knowledge of respective skills strengths and weaknesses and to that end on aspects of commonalities and complementarities from which the Participants can mutually benefit and/or on which we can build up together;
- Organising EU-Japan workshops on skills for semiconductors, with a view to working towards facilitating and promoting joint EU-Japan skills-building initiatives in fields of mutual benefit and interest.

USE CASES OF SEMICONDUCTOR APPLICATIONS

The Participants recognise the importance of cutting-edge semiconductors in enabling a wide range of applications. The Participants intend to promote exchanges on use case creation for cutting-edge semiconductors through EU-Japan workshops.

TRANSPARENCY OF SUBSIDIES FOR THE SEMICONDUCTOR SECTOR

The Participants acknowledge that transparency of subsidies is a key tool to level the playing field and thus intend to share specific information about public support being granted in the semiconductor sector. The Participants intend to set up a common mechanism for informing each other on such public support, with a view to increasing transparency.

OTHER MATTERS

The Memorandum of Cooperation does not create legal obligations or rights on either side under international or domestic law but will be based on voluntary cooperation. It aims to implement and leverage existing cooperation mechanisms, not to replace them, and it does not have any financial implications on either side.

The Memorandum of Cooperation may continue until both sides confirm that the objectives of this instrument have been achieved or until one side discontinues its participation in this instrument.

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**Minister of Economy, Trade and Industry
of Japan**

**Commissioner for Internal Market
European Commission on behalf of the
European Union**