



From capacity to competitiveness: Making the European Chips Act deliver

Brussels, 2 March 2026 - CLEPA recognises the European Chips Act as an important first step in reinforcing Europe's semiconductor research and manufacturing base. However, early implementation experience shows that capacity expansion alone is not sufficient to ensure security of supply industrial resilience, or global competitiveness. The upcoming review provides an opportunity to move towards a more integrated and deployable semiconductor strategy, fully aligned with Europe's needs for the automotive sector. CLEPA has published a [new position paper](#) outlining key recommendations, building on automotive suppliers' expertise and lessons learned over recent years.

"Chips are essential for vehicle electronics and up to 700 other critical components. The first phase of Europe's semiconductor strategy has sent an important signal and mobilised investment", said CLEPA Secretary General, Benjamin Krieger. "Now the next phase must go further. Europe needs a coherent approach that strengthens the entire value chain, from design to manufacturing and integration, empowering automotive suppliers to harness emerging technologies and drive innovation across connected, adaptive, and software-defined systems."

As one of Europe's largest semiconductor users, automotive suppliers call for a more comprehensive approach that strengthens the entire value chain. CLEPA's position paper identifies the key challenges and sets out the European automotive supply industry's priorities and recommendations for the Chips Act 2:

- **Make industrial deployment and full value-chain integration a central objective of the Chips Act 2**
- **Create competitive and predictable investment conditions beyond direct funding**
- **Promote standardisation of automotive chiplets and advanced packaging technologies**
- **Establish a dedicated EU-level budget for semiconductors under the European Competitiveness Fund**

- **Simplify and accelerate funding and administrative procedures**
- **Use public procurement in strategic sectors to strengthen European semiconductor demand**
- **Strengthen governance through permanent and trust-based industry dialogue**
- **Maintain openness and strengthen strategic international partnerships**

About CLEPA

CLEPA represents over 3,000 companies supplying state-of-the-art components and innovative technology for safe, smart and sustainable mobility, investing over €30 billion yearly in research and development. Automotive suppliers directly employ about 1.7 million people in Europe.