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Simon Coveney TD
Minister for Enterprise, Trade and Employment
23 Kildare Street
Dublin 2
D02 TD30

27th February 2023

RE: European Chips Act 2022

Dear Minister,

County Kildare Chamber is the business organisation in Kildare, proactively working to identify and progress developments that are facilitative of economic and sustainable growth. Representing an employer base of 400 businesses and over 42,000 employees across the county, County Kildare Chamber is the largest business organisation in the mid-east region of Ireland.

Given the significant breadth and depth of our membership, and our representation on various bodies at local and national level, County Kildare Chamber constitutes the representative voice for business in Kildare. County Kildare Chamber is committed to improving the business environment and quality of life in Kildare and the wider region. Our direction is guided by our formal pledge to uphold the United Nations Sustainable Development Goals, five of which have been identified by the Chambers Ireland network.

In February 2022 the European Commission published the European Chips Act, an ambitious plan to invest in the production of microchips, and research and development in the sector. It came at a time of deep concern in many member states, including Ireland at the lack of secure supply of microchips within the Union.

Under the Act, a fund of over €45 billion will be available to member states aimed at doubling the production of chips by 2030, enabling Europe to challenge Taiwan, Japan, South Korea and The United States. It is timely considering the geopolitical sensitivities between China and Taiwan which is a real threat to a supply chain under pressure.

A secure supply of semiconductor chips is a key component to both Digitalisation and Green Strategies for Europe. Microchips are used in everyday activities such as work, education and entertainment, for critical applications in wind turbines cars, trains, aircraft, healthcare and automation, as well as in energy, data and communications. Microchips are crucial for technologies driving the digital transformation, such as artificial intelligence, low power computing, 5G/6G communications, as well as the Internet of Things and edge, cloud and high-performance computing platforms.

We write to you Minister, asking that every step is taken by the Irish Government to ensure Ireland accesses the maximum from this funding stream for research and innovation and investment in ever changing requirement for a skilled work force for the semiconductor industry. Kildare is well positioned to establish itself as a key European player in the global semiconductors arena. Given the success of Intel in the north of the county with its associated sectoral service contracting industries, which themselves employ hundreds of technical professionals in support of the thousands already engaged by the multinational in Leixlip.

Global macroeconomic and geopolitical factors are emerging as the dominant forces shaping the semiconductor industry. Rising interest rates, high inflation and lower consumer confidence are extremely challenging. To secure funding in this sector will enable Kildare, with its semi-conductor sector already well established in the north of the county, to become a major force within Europe. A large supply of available zoned land is on hand in the immediate area, with investors in situ to ensure Kildare becomes a leading driver within the semi-conductor industry in Europe.

We have the capability in Kildare to work towards advanced European chip design and production facilities. With this in mind, Kildare is an ideal location, with a world class university in Maynooth, a young highly skilled workforce, the attractiveness of our region coupled with the quality of life we enjoy; our excellent infrastructure provision and connectivity ensures we are well placed to drive innovation.

We ask that the Government sets out an ambitious plan, from design of chips to advanced manufacturing in order to secure a large proportion of the €45 billion EU fund.

Establishing Ireland as a semiconductor manufacturing powerhouse will be the establishment of strong relationships between Governments, technology owners, manufacturers, and end-users. As a country at the forefront in the development of semi-conductor chips, particularly in the R & D space, enables Ireland to be a leading member state and Kildare a key benefactor with our capability in terms of existing sectoral experts, available zoned land and an abundance of talent.

I look forward to hearing from you.

Your sincerely,



Sinéad Ronan
Public Affairs Manager