



Funding Opportunity – Commercial Fabrication Facilities
FACT SHEET:
Engaging with U.S. Partners and Allies

The United States will work to strengthen global supply chains in close coordination with allies and partners. Given the complexity of global supply chains, the United States does not seek to become self-sufficient in semiconductor manufacturing. Instead, it aims to support a healthy global semiconductor ecosystem that drives innovation and is resilient to a range of disruptions, from cybersecurity threats to natural disasters to pandemics.

Alongside other agencies, the Department of Commerce will therefore coordinate with international allies and partners to achieve the following objectives:

- **Coordinating government incentive programs.** With semiconductor demand projected to grow from roughly \$600 billion today to more than \$1 trillion in 2030, governments around the world are deploying incentives to facilitate needed investment. The CHIPS Program Office is engaging allies and partners to share projected supply and demand forecasts across nodes; increase transparency about planned government incentives; and coordinate incentive programs, all in the name of avoiding competition and working together to achieve the shared goal of enhancing global supply chain resilience.
- **Building resilient cross-border semiconductor supply chains.** Increased demand for semiconductors will provide opportunities for emerging economies to develop or expand upstream and/or downstream production and participate in integrated global supply chains. The Department of Commerce, alongside other agencies, will engage with allies and partners to identify bottlenecks in existing supply chains and build out new capacity in regions with an eye toward diversifying risk. For example, the Department of Commerce will support ongoing work with allies and partners, including countries in the Americas and those participating in the Indo-Pacific Economic Framework for Prosperity, to ensure the adequacy of conventional packaging capacity outside countries of concern.
- **Promoting knowledge exchange and collaboration in developing the next generation of semiconductor technologies.** The National Semiconductor Technology Center, to be established by the Secretary of Commerce, will serve as the focal point for research and engineering throughout the semiconductor ecosystem, including research programs and prototyping capabilities across a network of directly funded and affiliated entities. International companies and research organizations will be encouraged to participate in and work collaboratively with the NSTC on shared goals.
- **Implementing safeguards to protect national security.** The CHIPS and Science Act of 2022 requires successful applicants to enter into an agreement not to engage in any significant transaction involving the material expansion of semiconductor manufacturing capacity in any foreign country of concern for the 10-year period beginning on the date of the award, except under certain limited conditions. The CHIPS Program Office will work with multinational firms and foreign governments to provide clarity on the purpose and practical impact of these guardrails.