



Call 2 Briefing

CSconnected Supply Chain Development Programme



Tues 1 July 2025

Hazel Hung, Business Development Manager




A growing Cluster...


BusinessNewsWales

6 JUNE 2025

INNOVATION / TECH

KLA's \$138 Million Investment Brings New Jobs, Innovation, and Global Opportunity to Newport





Newport is celebrating a major boost to its economy and its f hub.

This follows the recent announcement that KLA Corporation, a semiconductor process control and enabling technology, has o \$138 million research and development (R&D) and manufacturi

GOV.UK

Home > Business and industry

VISHAY

News story

Hundreds of millions of pounds to turbocharge manufacturing sector in Wales

Wales to see new £250m investment into UK's largest semiconductor facility, supporting hundreds of highly-skilled jobs in Newport and supporting the government's Plan for Change.

From: HM Treasury, The Rt Hon Rachel Reeves MP, The Rt Hon Jo Stevens MP and The Rt Hon Jonathan Reynolds MP

Published 27 March 2025

BusinessNewsWales



cadence

CATAPULT

Compound Semiconductor Applications

Llywodraeth Cymru Welsh Government

'World-Leading' Semiconductor Design Centre Will 'Strengthen Wales' Leadership in Chip Design'



A new semiconductor design centre will address long-term skills needs and support the industry's growth by providing critical design services to SMEs and scale-up companies across the UK.

The centre in Cardiff is a joint venture between Welsh Government, Compound Semiconductor Applications (CSA) Catapult, and Cadence Design Systems, Inc.

CS COMPOUND SEMICONDUCTOR

Cardiff will lead UK manufacturing hub

Monday 20th May 2024



University to share £99M in funding to lead new compound semiconductor hub

Cardiff University will receive a share of £99M in funding to lead a new compound semiconductor manufacturing hub.

BusinessNewsWales

23 JUNE 2025

CARDIFF CAPITAL REGION

Cardiff Capital Region Investment Zone to Focus on Semiconductor Cluster



The Cardiff Capital Region Investment Zone has taken a major step forward with the announcement of its industrial and key sites.

The Investment Zone – a joint initiative between the UK and Welsh Governments – will drive innovation and growth across the advanced manufacturing and digital and technology sectors, with a focus on the region's world-class compound semiconductor cluster.

12 JUNE 2025

CSCONNECTED

Semiconductor Cluster Welcomes Hub Designed to Support Sector Growth





An empty building in Cardiff has been bought by the Welsh Government for £5.8m

The Centre 7 building at Cardiff Gate Business Park is earmarked as a hub for semiconductor businesses. News. Sion Barry Media Wales...

7 Mar 2024



Llywodraeth Cymru Welsh Government

South Wales' world-leading Compound Semiconductor cluster continues to grow with the establishment of Centre 7, a new hub designed to support innovation, collaboration, and expansion across the sector.

New tenants at the hub, which was acquired by the Welsh Government in 2024, such as CSconnected Ltd. and MicroLink Devices UK (MLD UK), have already moved into and begun operating within the building.

Centre 7 is based in Cardiff Gate Business Park. The building is 51,000 square feet and is

semiconductor TODAY

COMPOUNDS & ADVANCED SILICON

News: Microelectronics

5 June 2025

Micro-gravity manufacturing firm Space Forge to be CISM's first incubation client

Swansea University has signed a deal that makes Space Forge Ltd of Cardiff, South Wales, UK (which is pioneering space-based advanced materials manufacturing via fully returnable satellites) the first firm to be physically hosted in the Centre for Integrative Semiconductor Materials (CISM), where it will undertake work on manufacturing in micro-gravity. Space Forge will be CISM's first incubation client v cleanroom incubation bay and access to a semiconductor processing and characteriz



Prifysgol Abertawe

Compound Semiconductor Supply Chain

Equipment

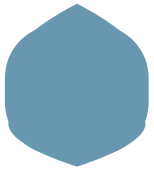


KLA+

Photonics, Power, RF, Quantum for:

- Consumer electronics
- Automotive
- Telecommunications
- Data centres
- Defence and Aerospace
- Healthcare

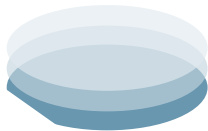
Boule



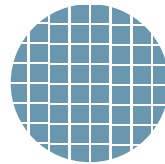
Wafer



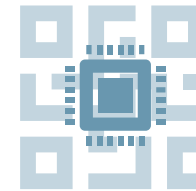
Epitaxy



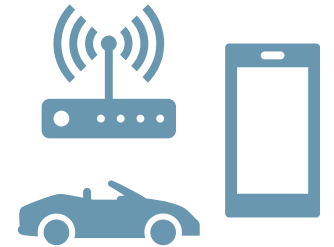
Wafer
Fabrication



Packaging &
Module integration



Systems & End Users



ioe



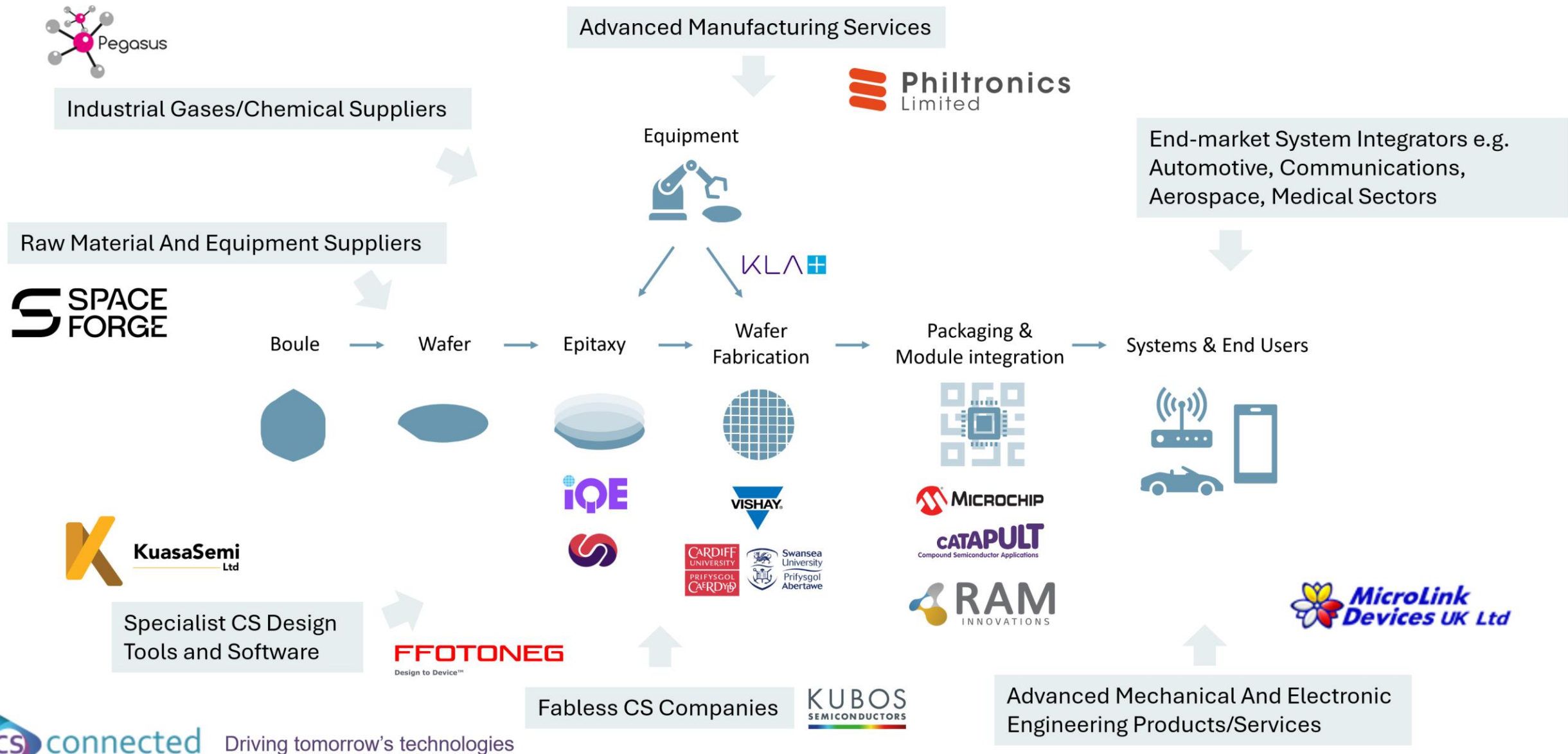
VISHAY



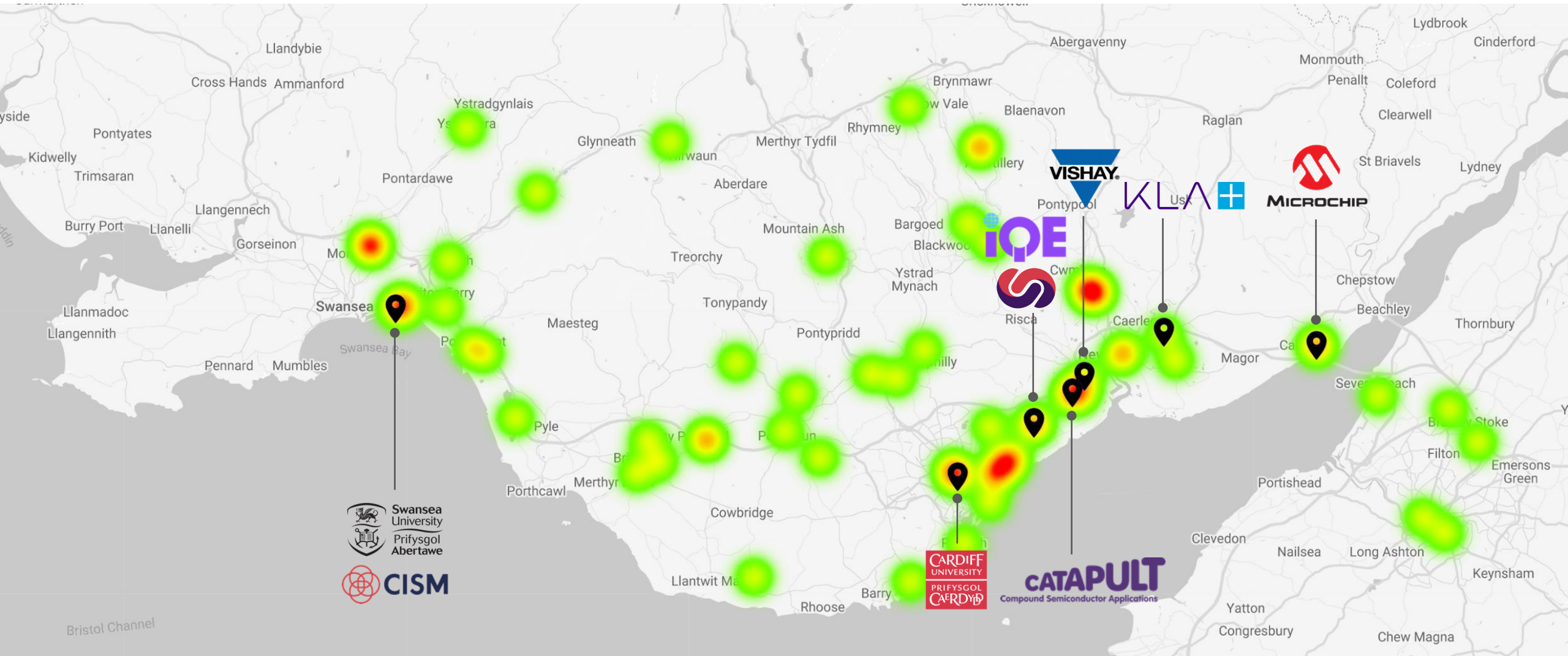
MICROCHIP

CATAPULT
Compound Semiconductor Applications

Compound Semiconductor Supply Chain



South Wales organisations in the semiconductor sector



Project Announcements



**First projects awarded under
CSconnected's £1m Supply Chain
Development Programme**

Funded through Cardiff Capital Region, this initiative supports innovative UK-based companies supplying or buying from the CS sector in South Wales, including advanced manufacturing, semiconductor materials, system integration, and specialist design tools/software.



*This programme supports **exactly the type of innovation and supply chain resilience** that's vital to securing the UK's strategic position in compound semiconductors. These projects highlight the **strength and diversity of our regional capability** and reflect the ambition we share with CCR to grow the sector's impact at home and internationally.*

Howard Rupprecht, Managing Director of CSconnected



*This is a **unique funding opportunity for the development of strategic partnerships** locally to Wales and the UK and is a critical element of the continued growth of the Compound Semiconductor Cluster in South Wales. The investment announced today allows companies to **develop and expand their in-house capabilities** as well as bring direct economic benefits to the compound semiconductor organisations in the region.*

Hazel Hung, Business Development Manager at CSconnected

Call 2 - At a glance

Objective

Drive the expansion of the **semiconductor supply chain** in South Wales, to boost jobs creation and GVA growth in Wales and the UK.

- ➡ Increase linkages to the PCOs
- ➡ Create jobs in South Wales
- ➡ Increase spending in South Wales/UK
- ➡ Increase sales including in South Wales/UK



£1M
Total Grant[†]

Grant value per project

Companies of any size: Up to £100k at 50% match

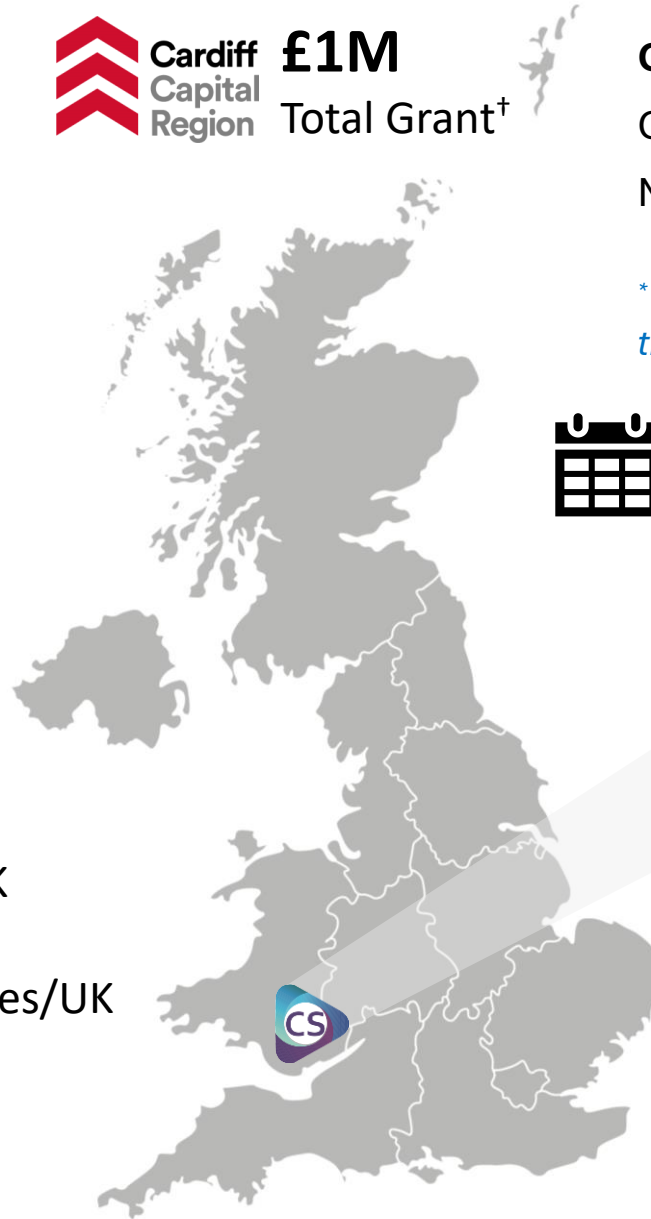
Micro companies: Up to £30k at 70% grant rate*

**Micro companies may use a hybrid approach of 70% for the first £30k and 50% up to a max. £100k grant value.*



Closing Date

Fri 15 Aug 2025 at 4pm



PCO

Primary Cluster Organisations



MICROCHIP



KLA



Swansea University
Prifysgol Abertawe

CATAPULT
Compound Semiconductor Applications



Driving tomorrow's technologies

[†] Remaining funds: >£650k

Priorities of the Investment

PRIORITY A: Upstream

*Existing or Potential **Suppliers** into the PCOs*

- Increase productivity and competitiveness in the regional upstream supply chain.
- Increase capacity inline with the planned growth of the primary Cluster organisations.
- Fill gaps in the upstream regional supply chain.



- Projects must be led by a UK registered limited company
- Projects cannot be led by a Primary Cluster Organisation

PRIORITY B: Downstream

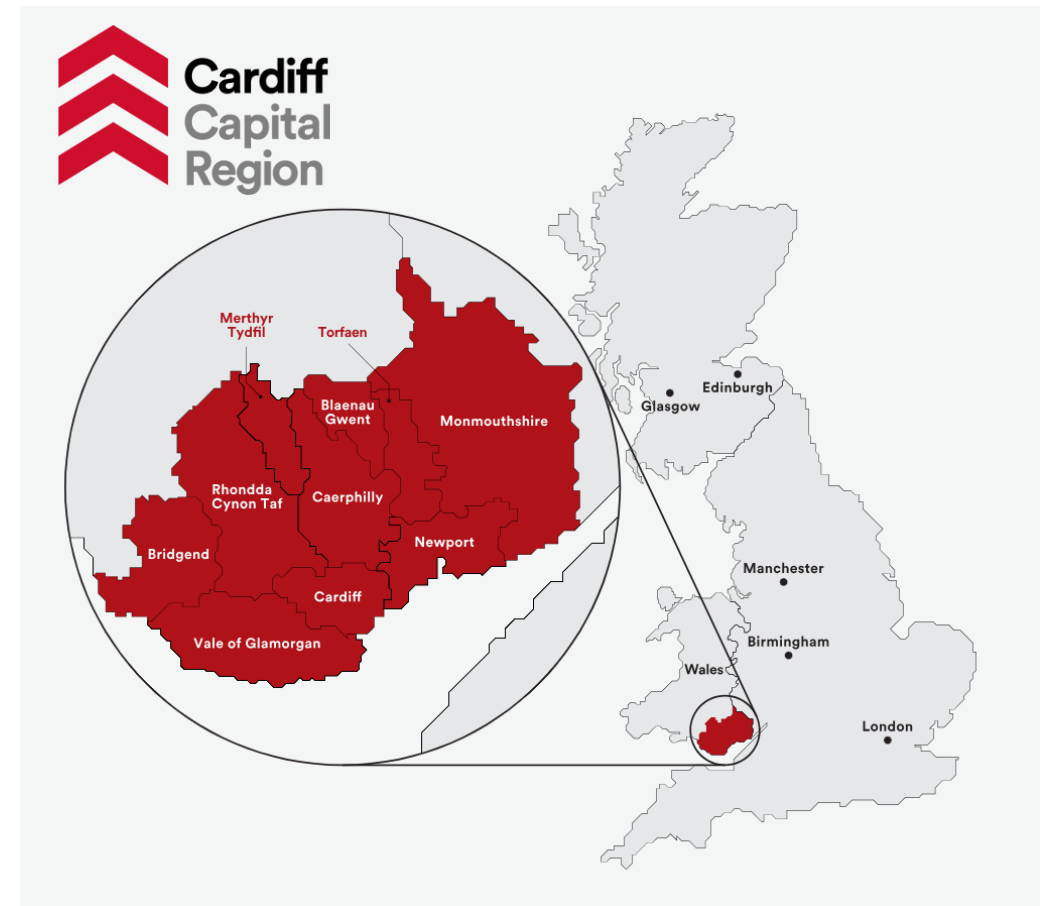
Existing or Potential Customers of the PCOs

- Increase downstream activity in the region
- Develop and embed linkages with primary Cluster organisations.

Eligibility Criteria

1. Aim to support the expansion of the semiconductor supply chain by **enhancing or creating linkages to the PCOs**.
2. Clearly outline how the project will **address Priority A or Priority B** of the investment.
3. Address **a specific need or opportunity** with a PCO.
4. Proposals require a **letter of support** from at least one of the PCOs detailing level of commitment.
5. Deliver economic impacts that **wholly/substantially benefit the ten local authorities of the CCR region**.
6. Demonstrate how the intervention will lead to economic growth such as, **new employment and productivity improvements** within their organisation.
7. Expect **commercial outputs/benefits** within a reasonable timescale after project completion.
8. Demonstrate how the project supports **innovation or a market differentiator** that provides a competitive edge within the sector.

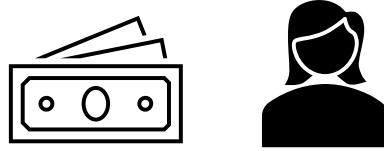
Grants will be awarded as Minimum Financial Assistance (MFA) subsidies of the Subsidy Control Act 2022.



Project KPIs

- Jobs created
- Jobs safeguarded
- In-Kind contributions to the project
- Increase in sales within Wales/UK/Total (% and value)
- Increase in purchasing within Wales/UK (% and value)
- Creation of Intellectual Property e.g. invention disclosure, trade secrets, documented processes, patents and trademarks.

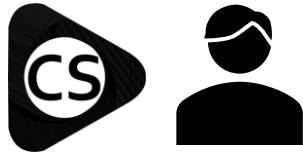
What a Project Team looks like



Recipient

The **sole beneficiary of direct funding** from the grant

The lead organization must be located in the UK



Supporting PCO

PCO(s) provide support for proposal

Letter of Support to outline reason for support and level of commitment such as in-kind contributions.



Subcontractor (OPTIONAL)

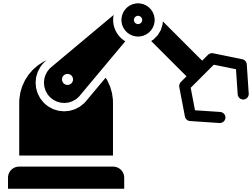
An organisation that is directly involved in specific tasks against the deliverables or milestones on the project.

PCOs as subcontractors: value should not exceed 10% of the total grant value.

Other Partner(s) providing contributions via in-kind support, or otherwise, may also be included.

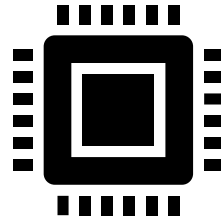
Project Examples

Purchase/upgrade, installation and commissioning of equipment.



Capital Equipment will require prior authorisation from CSconnected and CCR.

Qualification of products, services or equipment.



Onshoring of a new supplier in CCR region, Wales or the UK



Out of Scope

- Projects that do not meet ALL eight eligibility criteria.
- Research and development projects perceived as low TRL.
- Projects where substantial/significant project costs are allocated to a PCO as a subcontractor, e.g. device fabrication runs, epitaxial growth campaigns, other intensive fabrication costs.
- Scoping activities in order to identify/justify project feasibility, e.g. market analysis, business engagement, technical review.
- General business development.

How to Apply

Download the **Guidance Document** and **Application Form** from the CSconnected website:

<https://csconnected.com/projects/projects/csconnected-supply-chain-development-programme/>

Submission to hazelhung@csconnected.com by the closing date.

For queries, please contact Hazel Hung: hazelhung@csconnected.com

Timeline

Launch date: Tue 1 Jul 2025

Closing date: Fri 15 Aug 2025 at 4pm

Panel assessment: mid-Aug/early Sep 2025

Applicants notified by mid Sep 2025

Projects aiming to commence from Oct or Nov 2025

