

CONSULTATION SUMMARY

CSconnected Compound Semiconductor Supply Chain Development Scheme

January 2025

CSconnected are managing an investment programme to deploy £1m of matched grants by Cardiff Capital Region (CCR) to facilitate the growth of the semiconductor supply chain in the South Wales region, leading to economic growth in jobs creation and GVA uplift. We are seeking consultation from potential applicants ahead of the call launching in mid/end-Feb 2025.

This call is relevant to buyers and suppliers to the Compound Semiconductor (CS) sector in South Wales, including:

- advanced manufacturing services
- advanced mechanical and electronic engineering products/services
- industrial gases/chemical suppliers
- raw material and equipment suppliers
- specialist compound semiconductor design tools and software
- fabless compound semiconductor companies
- End-market system integrators such as in automotive, communications, aerospace, medical sectors

Current details of the call are in this document. Please complete the below form to share your views and register your interest:

<https://forms.office.com/e/Hca4KXLX5A>

For further discussion, please contact Hazel Hung (hazelhung@cscconnected.com).

To book a Teams meeting directly with Hazel, please use this link:

<https://meetings-eu1.hubspot.com/hazel-hung/supplychainconsultation>

Priorities of the Investment

The Priorities of the investment are:

PRIORITY A: Upstream

*Existing or Potential **Suppliers** into the Primary Cluster Organisations*

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

PRIORITY B: Downstream

*Existing or Potential **Customers** of the Primary Cluster Organisations*

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

The **Primary Cluster organisations** are:

- Industry: Compound Semiconductor Centre, IQE, KLA (SPTS Technologies), Microchip Technology, MicroLink Devices UK, Vishay Newport.
- HEI: Cardiff University, Swansea University
- RTO: CSA Catapult

Scope and Eligibility

Funding:

- The programme will support projects of up to £100k in grant value with a maximum intervention rate of 50%.
- However for micro companies (fewer than 10 employees) we may consider up to 70% intervention rate at a capped grant of £30,000.
- Grants will be awarded as Minimum Financial Assistance (MFA) subsidies of the Subsidy Control Act 2022.
- Projects cannot be led by a Primary Cluster Organisation and may only receive capped portion of the total project value – exact value TBC.

Proposals must:

- aim to support the expansion of the semiconductor supply chain by enhancing or creating linkages to the Primary Cluster Organisations.
- address a specific need or opportunity with a Primary Cluster Organisation.
- demonstrate how the intervention will lead to economic growth, new employment and productivity improvements within their organisation.
- Clearly outline how the project will address Priority A or Priority B of the investment.
- deliver economic impacts that wholly/substantially benefit the CCR region.
- Expect commercial outputs/benefits.
- Proposals require a letter of support from at least one of the Primary Cluster organisations detailing level of commitment.
- be between 6 to 18 months in duration.

Projects can be in the following example areas:

- Purchase/upgrade, installation and commissioning of equipment.
- Qualification of products, services or equipment.
- Onshoring of a new supplier in CCR region, Wales or the UK

Timeline

Draft timeline as follows. Exact dates TBC:

- Consultation Phase – Jan to early Feb
- Launch event in Newport: mid/end Feb
- Competition closes: end Mar