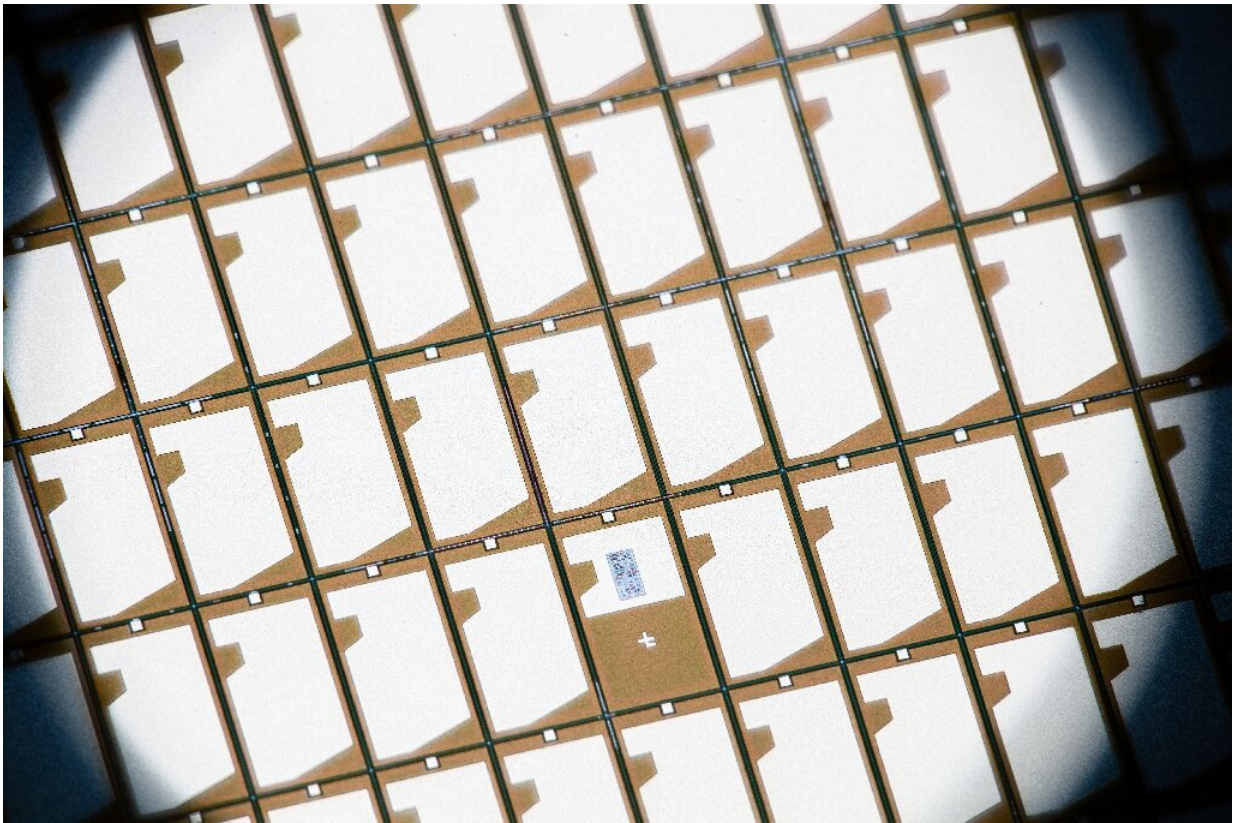


GlobalWafers announces plans for massive US plant

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300 millimeter silicon wafers are a vital component to produce semiconductor chips, and are mostly imported from Asia.

Taiwan's GlobalWafers on Monday unveiled plans to establish a massive plant in northern Texas to produce a component vital to making

semiconductors with an investment of up to \$5 billion.

However, the plan to produce silicon wafers, which would reinforce fragile supplies of computer chips, is contingent largely on legislation pending in the US Congress.

"With the global chips shortage and ongoing geopolitical concerns, GlobalWafers is taking this opportunity to address the United States semiconductor supply chain resiliency," GW Chairperson and CEO Doris Hsu said in a statement.

"Instead of importing wafers from Asia, GlobalWafers U.S. (GWA) will produce and supply wafers locally."

The material is used to produce chips needed for everything from cars to smartphones, and the global shortage in recent months has been a factor in driving up US prices.

Construction of the new facility—the first of its kind in more than two decades—is due to begin this year in Sherman, Texas, with the first production coming off the line as early as 2025, creating as many as 1,500 jobs, the statement said.

However, GW President Mark England said the impasse in Congress over the \$52 billion "CHIPS Act" designed to boost the US industry could hinder the plans.

"The size and possibly the actuality of the Texas investment" are at stake, he said in an email to AFP.

Democrats and Republicans are wrangling over the differing versions passed by the Senate and House of Representatives and have not agreed on the final form of the legislation that would provide subsidies to

manufacturers.

England said in a statement that the legislation would help "level the global incentive playing field," and would be instrumental in ensuring semiconductor investments and supply.

US and state officials cheered the announcement but Commerce Secretary Gina Raimondo urged quick passage of the CHIPS Act.

"We are at a make-or-break moment to expand domestic semiconductor production," she said. "Moving quickly to pass this bill will demonstrate America's commitment to robust domestic semiconductor capacity and provide more companies throughout the supply chain the confidence they need to move forward with investments here."

The 300-millimeter silicon wafers are the starting material for all advanced semiconductor fabrication sites (or fabs), including recently announced US expansions by GlobalFoundries, Intel, Samsung, Texas Instruments and TSMC, but most are imported from Asia.

On Monday, Intel said that it was postponing a ceremony to celebrate the start of construction of two semiconductor plants in Ohio, at a cost of \$20 billion, due to a lack of concrete progress in Congress.

Construction work continues at the site, an Intel spokesman told AFP, but a groundbreaking ceremony scheduled for July 22 had been postponed.

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