

**JOINT STATEMENT CONCERNING SEMICONDUCTORS BY THE EUROPEAN COMMISSION AND
THE GOVERNMENTS/AUTHORITIES OF THE UNITED STATES, JAPAN, KOREA, CHINESE TAIPEI,
AND CHINA**

VERSION 29/9/2011

1. Semiconductors are the building blocks of the information age. They are making possible continuing revolutionary progress in all facets of life, including communications, transportation, health care, scientific research, education and commerce, and are critical to raising global standards of living and contributing to sustainable economic growth
2. The Parties ¹ to this Joint Statement have achieved virtually barrier-free trade in semiconductors among themselves, including the elimination of tariffs. They jointly seek a world environment devoid of barriers to trade and investment, and support and co-ordinate initiatives in the World Trade Organization (WTO) – including the Information Technology Agreement (ITA) – to achieve this objective. They endorse policies – including the protection of intellectual property, positive approach to basic scientific research, positive approaches to global environmental protection, and promotion of the information society through appropriate regulatory and other policies – that will foster sound and increased economic growth, and continued expansion of the benefits of the information age. These policies are intended to expand the global demand for semiconductors.
3. Relations among the Parties over issues affecting semiconductors are characterized increasingly by mutual understanding and cooperation, and the absence of friction. Cooperative efforts to respond to global challenges are likely to become more common and more important.
4. Representatives from the Governments / Authorities of the United States, Japan, Korea and the European Commission, constituting the Founding Members, have met together regularly since 1996, since 1999 joined by Chinese Taipei and since 2006 by China, to discuss and agree on issues affecting their semiconductor industries, and to receive and discuss reports and recommendations on policy matters from their industries which meet jointly in the World Semiconductor Council (WSC).

Article I. PRINCIPLES

5. The Parties share the view that cooperation concerning semiconductors should be carried out based on the following principles:

¹ Governments / Authorities of the United States, Japan, Korea, the European Commission, Chinese Taipei, and China.

- 5.1. The Parties should seek barrier-free trade in semiconductors in markets worldwide.
- 5.2. The competitiveness of companies and their products, not the intervention of governments and authorities, should be the principal determinant of industrial success and international trade.
- 5.3. Government and Authorities' measures should be fully consistent with the letter and spirit of the WTO Agreements. Government and Authorities should avoid any form of discrimination.
- 5.4. The Parties recognize that the GATT 1994 condemns injurious dumping, and reaffirm the need to avoid the problem of injurious dumping through fair and effective anti-dumping measures consistent with GATT 1994 and the WTO Agreement on Implementation of Article VI of GATT 1994 (Anti-dumping Agreement). The Parties also recognize that the WTO Agreement on Subsidies and Countervailing Measures ("SCM Agreement") requires the notification of and prohibits or renders actionable certain forms of subsidies. They reaffirm the need for fair and effective countervailing duty measures, consistent with GATT 1994 and the SCM Agreement, to offset injurious subsidization.
- 5.5. The Parties will promote an open, equitable, rules-based, predictable and non-discriminatory trading system that benefits all Parties in the pursuit of sustainable development.
- 5.6. The promotion, implementation and adequate enforcement of effective standards for intellectual property rights protection.

Article II. GOVERNMENTS AND AUTHORITIES MEETING ON SEMICONDUCTORS

6. A Governments and Authorities Meeting on Semiconductors (GAMS) composed of representatives from each of the Parties at Director General or lower rank official level is established. The Parties will notify to the Chair the names and seniority of representatives in advance of the meeting. The GAMS shall meet as often as necessary but not less than once a year for the purpose of affording Parties the opportunity to consult on any matters related to the principles of the Joint Statement and respond to the recommendations elaborated by the WSC.
7. The GAMS will discuss and engage in cooperation concerning global issues related to semiconductors such as standardization, customs nomenclature, environment, health and safety at work, intellectual property rights, trade and investment liberalization, and worldwide market development. In order to increase transparency among GAMS members and in line with the above principles, GAMS members are encouraged to supply appropriate information to GAMS on relevant government support programs in the semiconductor sector.
8. The Chair of the GAMS will be held in turn by each Founding Member for a term of twelve months in the order to be decided by consensus. The Chair will invite the Parties to

the annual meeting after the annual meeting of the WSC or at the request of any other Party.

9. The Chair will circulate a draft agenda to the Parties, taking account of previous GAMS conclusions and recommendations made by the WSC. The Chair will draft meeting conclusions to be adopted by common agreement of all Parties.
10. The Parties will meet with representatives of the WSC to receive and discuss the recommendations of the WSC regarding policies of governments and authorities which may affect the future outlook of the global semiconductor industry. After receiving the recommendations of the WSC, the parties will meet among themselves to discuss issues affecting semiconductor industries, industry recommendations and appropriate policies and actions of governments and authorities.
11. The Chair may, upon agreement with the other GAMS Members, organise a workshop on a specific issue of impact to the semiconductor industry. The workshop would be open to the participation of representatives from governments, authorities, international organizations, industry, and the scientific / academic world, as appropriate.

Article III. NEW MEMBERSHIP

12. Other Governments or authorities whose national/regional industry associations have joined the WSC may become Parties upon agreement of all GAMS members, and if they confirm their support for the objectives of this Joint Statement and conclusions adopted by the GAMS, and their commitment to adhere to any specific agreement concluded among GAMS members.

Article IV. REVIEW

13. This Joint Statement will be subject to review every five years. It may also be modified in whole or in part at any time by mutual consent of the parties.