

Semiconductors

Japan to restrict semiconductor equipment exports as China chip war intensifies

Tokyo aligns with Washington in move expected to significantly curtail activity by Beijing



Japan's trade minister said the controls would cover six categories of equipment used in chipmaking that include the most specialised areas of lithography and etching © Adam Glanzman/Bloomberg

Leo Lewis and **Kana Inagaki** in Tokyo 9 HOURS AGO

Japan plans to impose export restrictions on 23 types of equipment used to make semiconductors, following similar curbs by the US designed to restrict China's access to cutting-edge chips in an intensifying battle over the technology.

The move by Japan fulfils its side of a [three-way agreement](#) with the US and Netherlands that would significantly curtail China's ability to import equipment used to produce the most advanced types of semiconductors.

[Japan](#) has avoided any formal public reference to that agreement, as geopolitical tensions and US-China decoupling have raised pressure on Japanese companies to work out a strategy that allows them to straddle both markets.

Japan's trade minister Yasutoshi Nishimura told a press conference on Friday that the controls would cover six categories of equipment used in [chipmaking](#) that include the most specialised areas of lithography and etching.

The ministry did not explicitly mention China in its statement, but Nishimura said the restrictions were part of Japan's responsibility as a technological nation to contribute to international peace and stability.

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Japanese officials said the scope of its restrictions went further than those imposed last year by the US. Equipment exporters would need licences for all regions, giving the ministry oversight on the sale of equipment to third-party countries that could, in theory, produce high-end chips for military use.

“By expanding the regions that will be covered by the measures, we wanted to address a broader range of risks associated with advanced semiconductor technology,” one of the officials said. “China is not the only risk out there.”

Applied Materials in the US, ASML in the Netherlands and Tokyo Electron in Japan globally dominate in equipment for producing the highest-end chips used in supercomputers and artificial intelligence.

The restrictions, which come into effect in July, will affect a broader range of companies than previously expected. People familiar with negotiations previously said the controls would mostly affect Tokyo Electron and Nikon, but people with knowledge of the measure said the list of affected companies would be roughly 10 and could include blue-chip tech group Advantest.

In January, the Netherlands and Japan reached a deal with the US aimed at cutting off China from the most advanced chips that could be used in sophisticated weaponry and machines, but Japanese and Dutch officials had disclosed few details until this month.

Before the January agreement, the US imposed a series of draconian restrictions on the export of chipmaking equipment to China, but officials had said privately that the overall impact of the scheme would only bite if it were matched by similar moves from Japan and the Netherlands.

Rahm Emanuel, the US ambassador to Japan, welcomed what he said was the third example this week of the strengthening US-Japan alliance after earlier deals on critical minerals and ethanol. “I love a good hat trick . . . It’s another win for economic security and secure supply chains,” he said on Twitter.

As US export restrictions tightened, Chinese chip companies have relied on equipment made by companies such as Tokyo Electron and Nikon. Industry experts say the equipment on the Japanese list is essential for the manufacture of sophisticated chips and the rules are consistent with the US controls introduced last October.

“The US has been very clear that it is not looking for a one-sided arrangement,” he said.

“It will be difficult for SMIC and other second-tier fabs in China to move into advanced manufacturing processes in the short term,” said Lucy Chen, vice-president of Taipei-based Isaiah Research.

Semiconductor companies in China have been stockpiling key materials in anticipation of the Japanese export controls. “The 23 devices were basically what we expected, and we thought there would be more equipment exports affected,” said one Chinese fab manager.

A Japanese equipment distributor, who did not want to be named, said they had rushed to ship orders to Chinese customers in anticipation of the ban coming into effect in the second half of the year.

Additional reporting by Qianer Liu in Hong Kong

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