



U.S. Scrutinizes Chip Imports as Semiconductor Demand Grows

Global semiconductor sales soared by 18.8% last quarter, driven by strong growth in the Americas even as import scrutiny and policy shifts emerge.

Global demand for semiconductors continues to strengthen even amid the tariff uncertainty and other events that are impacting the electronics sector. According to the [Semiconductor Industry Association \(SIA\)](#), global sales were \$167.7 billion for semiconductors during the first quarter of 2025—an increase of 18.8% compared to the first quarter of 2024.

For the month of March, SIA reported total global semiconductor sales of \$55.9 billion—an increase of 1.8% compared to February’s total of \$54.9 billion. “Global semiconductor demand remains high, with first-quarter sales substantially outpacing the first quarter of last year,” said John Neuffer, president and CEO at SIA, which represents 99% of the U.S. semiconductor industry by revenue and nearly two-thirds of non-U.S. chip firms.

“Year-to-year sales increased by more than 17% for the 11th consecutive month, driven by a year-to-year sales increase of

roughly 45% in the Americas,” Neuffer continued.

Regionally, year-over-year sales in March were up in the Americas (45.3%), Asia Pacific/All Other (15.4%), China (7.6%) and Japan (5.8%), but down in Europe (–2.0%), SIA reports. Month-to-month sales in March increased in Europe (5.7%), Asia Pacific/All Other (3.6%), and China (2.4%), but decreased in the Americas (–0.4%) and Japan (0.4%).

Imports Come Under Scrutiny

As the global semiconductor sector continues to expand, the U.S. Commerce Department recently announced that it would begin “scrutinizing” chip imports, evaluating the domestic chip industry’s potential and enforcing export controls. In [Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Semiconductors and Semiconductor Manufacturing Equipment](#), the agency says it will start evaluating how far domestic manufacturers have evolved in meeting the demand for cutting-edge nodes.

“The Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of semiconductors and semiconductor manufacturing equipment (SME), and their derivative products,” the notice explains. “This investigation has been initiated under section 232 of the Trade Expansion Act of 1962, as amended.” The notice also identifies issues on which the U.S. Commerce Department is “especially interested in obtaining the public’s views.”

Earlier this month, the Building Advanced Semiconductors Investment Credit (BASIC) Act was introduced in the House of Representatives. The BASIC Act aims to strengthen the revitalization of U.S. semiconductor manufacturing by increasing the rate of the Advanced Manufacturing Investment Credit (AMIC) from 25% to 35% and extending the credit for four years.

SIA says it welcomes new legislation aimed at strengthening domestic chip manufacturing. In a statement, Neuffer says the Building Advanced Semiconductors Investment Credit (BASIC) Act supports the continued revitalization of U.S. semiconductor manufacturing by increasing the rate of the Advanced Manufacturing Investment Credit (AMIC) from 25% to 35% and extending the credit for four years.

“To win the chip race, the U.S. must continue to reinforce domestic chip production and advance innovation,” Neuffer says. “The BASIC Act is a welcome effort to strengthen this proven driver of investment by increasing the credit’s rate and extending its duration, spurring continued investment in America’s growing ecosystem. This proposal, along with the expansion of the credit to include chip R&D and design, is critical to America’s competitiveness and sustained technology leadership.”

The Future Looks Bright

Looking ahead, StartUs Insights’ [2025 Semiconductor Market Outlook](#) paints a picture of a global semiconductor industry that’s braced for even more growth, innovation and advancement over the next few years. It says the sector achieved 0.58% annual growth. Over 34,000 established companies and 1,400 startups contributed to advancements in chip design, packaging and materials engineering. The market is on track to reach \$1.2 trillion by 2034 and is currently experiencing a compound annual growth rate (CAGR) of 7.5%.