

US restricts technology sales to Chinese semiconductor giant

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Washington has ordered US companies to seek permission before selling their technologies to Chinese semiconductor giant SMIC, its latest salvo in the battle for technological dominance over Beijing, the Wall Street Journal reported Saturday.

The Department of Commerce "has told US computer-chip companies that they must obtain licenses before exporting certain technology to China's largest manufacturer of semiconductors," according to the business daily.

The new rules were announced in a letter to the industry Friday, which says that "exports to Semiconductor Manufacturing International Corp. or its subsidiaries risk being used for Chinese military activities," the report continued.

The newspaper said the administration of US President Donald Trump has "grown more concerned about Beijing's practice of leaning on [private companies](#) to advance its military aims."

The Commerce Department would not comment on the matter specifically, but a spokesperson with its Bureau of Industry and Security said they are "constantly monitoring and assessing any potential threats to US [national security](#) and foreign policy interests" and "will take appropriate action as warranted."

The report comes as the White House says it will not back down from a

plan to ban new US downloads of TikTok, the popular Chinese-owned video-sharing app, over what it says are national security concerns, setting up a court showdown ahead of a Sunday deadline.

For years China and the United States have been scrapping for tech dominance.

SMIC is key to Beijing's ambition to someday achieve [semiconductor](#) self-reliance. Analysts say China's dependence on foreign—including US-made—chips hinders that national goal.

The issue was brought into stark relief earlier this year by the US campaign to hobble Chinese telecom giant Huawei, which Washington fears could allow China's security state to tap into global telecoms networks.

The US Commerce Department in May announced plans to cut off Huawei's access to global semiconductor supplies, which the [company](#) said would threaten its "survival."

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