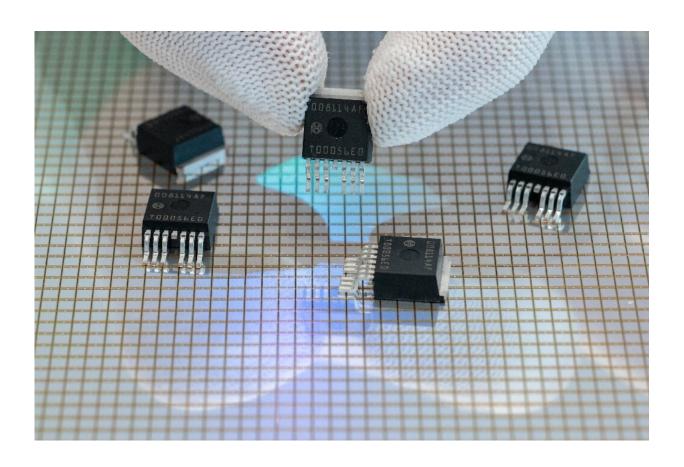


## **US places Chinese chipmakers on trade blacklist**

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The US export controls are aimed at restricting China's ability to buy and manufacture high-end chips with military applications.

The US Commerce Department on Thursday blacklisted 36 Chinese companies including top producers of advanced computer chips,



severely restricting their access to American technology.

The move, which included semiconductor makers Cambricon and Yangtze Memory Technologies, aimed to limit China's "efforts to obtain and leverage advanced technologies including <u>artificial intelligence</u> for its military modernization efforts and <u>human rights violations</u>," the Commerce Department said.

The companies' placement on the so-called Entity List makes it nearly impossible for them to legally acquire directly or indirectly US semiconductor manufacturing technology, designs and other <u>intellectual property</u>, hampering their production potential.

Of the 36 names, 21 are identified as major firms involved in the research and design, marketing and sales of artificial intelligence chips with close ties to the Chinese defense sector.

Seven are linked to the Chinese military's efforts to develop hypersonic and ballistic missile systems.

One of the companies, Tianjin Tiandi Weiye Technologies, was placed on the Entity List for its alleged role in "China's campaign of repression, mass arbitrary detention, and high-technology surveillance" against Uyghurs and other minorities in the western Xinjiang region.

The Entity List additions Thursday further the Biden administration's efforts to deny China "access to advanced technologies for military modernization and <a href="https://human.rights.abuses">human.rights.abuses</a>," Assistant Secretary of Commerce Thea Rozman Kendler said in a statement.

The announcement, the most recent in a series of US actions seeking to limit China's access to sensitive US technologies, came just days after Beijing filed a dispute claim at the World Trade Organization against



Washington's restrictive policies.

China commerce ministry on Monday accused the United States of "obstructing normal international trade in products including chips and threatening the stability of the global industrial supply chain," as well as violating international trade rules and engaging in "protectionist practices."

Speaking on Tuesday, Chinese foreign ministry spokesman Wang Wenbin said the United States has "repeatedly used <u>national security</u> as an excuse to interfere in the normal operation of international trade."

"All countries should stand up and not let Washington's unilateralism and protectionism go unchecked," Wang said. "This concerns the stability of the global trade system and more importantly, international justice."

In October more than 30 Chinese high-tech companies were placed on the US Entity List, with officials saying they did not want American technology helping the Pentagon's top rival, the Chinese military.

The Commerce Department's rules require any US firm seeking to sell its technology to a Chinese company on the list to obtain a special permit, and getting those permits is almost impossible.

"With the latest rules, the US government is betting that it can so deeply undermine China's semiconductor fabrication capabilities that it won't matter how motivated or well-resourced China's efforts are to create its own semiconductor industry—they simply won't be able to catch up," wrote Matt Sheehan, a global <u>technology</u> specialist at the Carnegie endowment for International Peace.

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