

## US revokes some licenses for exports to China's Huawei

May 9 2024, by Beiyi SEOW, Alex PIGMAN



The US Commerce Department confirmed that it has revoked some licenses allowing companies to ship tech to sanctioned Chinese telecommunications giant Huawei.

The United States has revoked some export licenses that allowed companies such as US chip firm Qualcomm to supply Chinese tech giant



Huawei, the Commerce Department confirmed on Wednesday.

The move adds pressure on Huawei, which has long been caught in an intense technological rivalry between Beijing and Washington over US fears it could be used for Chinese espionage operations.

It came after Republican lawmakers urged President Joe Biden's administration to block all export licenses to the company following the release of a new computer powered by a chipset by US chip giant Intel.

"We continuously assess how our controls can best protect our national security and foreign policy interests, taking into consideration a constantly changing threat environment and technological landscape," said a Commerce Department spokesperson.

"We are not commenting on any specific licenses, but we can confirm that we have revoked certain licenses for exports to Huawei," the spokesperson added in a statement to AFP.

Sanctions in 2019 restricting Huawei's access to US-made components dealt a major blow to its production of smartphones—and meant that suppliers need a license before shipping to the company.

Qualcomm confirmed Wednesday that the Commerce Department "revoked certain export licenses for Huawei in our industry, including one of our licenses."

"We will continue to comply with all applicable export control regulations," the company said.

A Chinese Commerce Ministry spokesperson said Beijing "firmly opposes" the move.



"China will take all necessary measures to firmly safeguard the legitimate rights and interests of Chinese firms," the spokesperson added, calling US export restrictions "economic coercion."

## Huawei 'making a comeback'?

The announcement of a new Huawei computer recently, powered by Intel technology with AI capabilities, drew fire from Republican lawmakers in the United States.

A letter by policymakers Marco Rubio and Elise Stefanik charged that "licenses issued in 2020, at least some of which are active to this day, have allowed Huawei to collaborate with Intel and Qualcomm to keep its PC and smartphone segments alive."

It criticized the allowance of US tech into Huawei's new product.

The letter added that it was clear that "Huawei, a blacklisted company that was on the ropes just a few years ago, is making a comeback."

Intel did not respond to queries. Its shares closed 2.2 percent lower.

Qualcomm shares were up 0.2 percent.

In <u>financial results</u> released this month, Qualcomm said it had US export licenses allowing it to sell 4G and other integrated circuit products to Huawei.

But it added that it did not "expect to receive product revenues from Huawei beyond the current calendar year."

The company cited factors including reports that the Commerce Department is considering not granting new licenses for more sales to



Huawei, as well as Huawei's own efforts in launching devices with its own chip products.

In a letter last year, Michael McCaul, Republican chair of the House Foreign Affairs Committee, called for the Commerce Department's <a href="mailto:export">export</a> controls on Huawei to be "strengthened significantly."

"The company can still buy significant amounts of U.S. technology," McCaul wrote.

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