

US-China relations

Washington halts licences for US companies to export to Huawei

White House moving closer to imposing total ban on sale of American tech to Chinese company



The move marks the latest prong in Washington's campaign to hit the tech company, which national security officials believe helps China engage in espionage © Reuters

Demetri Sevastopulo in Washington 53 MINUTES AGO

The Biden administration has stopped providing US companies with licences to export to Huawei as it moves towards imposing a total ban on the sale of American technology to the Chinese telecom equipment giant.

Several people familiar with the discussions inside the administration said the commerce department had notified some companies that it would no longer grant licences to any group wanting to export American technology to [Huawei](#).

The move marks the latest prong in Washington's campaign to curb the Shenzhen-based tech company, which US security officials believe helps China engage in espionage. Huawei denies any involvement in spying.

The Trump administration in 2019 imposed tough restrictions on exporting American technology to Huawei by adding the group to a blacklist called the "entity list". The move was part of a strategy to crack down on Chinese companies that Washington believed posed a risk to US national security.

But the commerce department continued to grant export licences for some companies, including Qualcomm and Intel, to provide Huawei with technology that was not related to high-speed 5G telecom networks.

Over the past two years, President Joe Biden has taken an even tougher stance on China than Donald Trump did, particularly in the area of cutting-edge technology. In October, he imposed sweeping restrictions on providing advanced semiconductors and chipmaking equipment to Chinese groups.

Alan Estevez, head of the commerce department's bureau of industry and security, has been leading a review of [China-related policy](#) in an effort to determine what further steps the administration should take to make it harder for the Chinese military to use US technology to develop weapons.

The officials reviewing China policy include Thea Kendler, a former prosecutor who was involved in a criminal case that the US brought against Meng Wanzhou, the chief financial officer of Huawei. Meng was detained in Canada for three years following a request from Washington, but she later reached a deal with US prosecutors that allowed her to return to China.

In December, the Biden administration placed several dozen more Chinese companies on the entity list, including Yangtze Memory Technologies (YMTC), a flash memory company that has emerged as a Chinese national champion.

The Financial Times last year reported that the Biden administration was investigating claims that YMTC had violated US export controls by providing Huawei with chips containing American technology for its most advanced smartphones.

Republicans on Capitol Hill, led by Michael McCaul, who recently became head of the House foreign affairs committee, have called on the Biden administration to stop providing export licences for Huawei.

Martijn Rasser, a technology expert at CNAS, a think-tank, said the latest action was a "really significant move". He said Huawei had branched out into new areas, such as developing undersea cables and cloud computing, over the past few years, raising fresh national security concerns.

"The actions by the commerce department are partly driven by the fact that Huawei as a company is a very different animal than it was four years ago when it was focused on 5G," said Rasser, a former CIA official.

The development comes as secretary of state Antony Blinken prepares to travel next week to China in the first visit to the country by a member of Biden's cabinet.

The latest move on Huawei comes as the US steps up efforts with allies to slow

China's push to develop cutting-edge technology such as semiconductors that are used for everything from artificial intelligence and nuclear weapons modelling to the development of hypersonic weapons.

Washington last week reached a deal with [Japan and the Netherlands](#) that would see the US allies put restrictions on companies in their countries to prevent them exporting certain chipmaking equipment to China. The US in October imposed unilateral restrictions on American companies to stop them exporting semiconductor manufacturing tools.

Estevez late last year suggested that the US was looking at a number of other areas. Asked about reports that the administration was considering restrictions on quantum and biotechnology, he told the CNAS think-tank: "If I was a betting person [I would put down money on that.](#)"

A formal decision on whether or not to implement a total ban on the export of chips with US technology to China has not yet been taken.

The commerce department declined to comment on the halting of licences but said the agency, along with other government departments, would "continually assess our policies and regulations and communicate regularly with external stakeholders". Huawei declined to comment.

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