US gives Qualcomm approval to sell 4G chips to Huawei despite sanctions

Qualcomm has received permission from the US to sell 4G mobile chips to Huawei, an exemption to the Trump administration's ban on doing business with the Chinese company, *Reuters* reported. Qualcomm didn't specify which products it's allowed to sell to Huawei, but told *Reuters* they were related to mobile devices.

In May 2019, the White House issued an executive order barring US companies from doing business with Chinese companies like Huawei due to national security concerns. In May of this year, the Commerce Department tightened the restrictions to require any overseas semiconductor manufacturers to get a license from the US if they used US equipment or technology to make chips for Huawei. And effective in September, the US began requiring foreign semiconductor manufacturers to get a license to sell chips –even if not designed for Huawei specs– that are intended for the Chinese company's use.

Huawei said in August it was running out of processor chips because of the US sanctions. Richard Yu, CEO of Huawei's consumer business unit said at the time that "this year may be the last generation of Huawei Kirin high-end chips."

Despite the sanctions from the US, Huawei became the world's biggest smartphone vendor in July, thanks to strong sales in China. But it lost the top spot to Samsung last month; Huawei's shipments dropped 24 percent year over year in October, while Samsung saw a 47 percent increase in shipments.

Qualcomm’s license to sell to Huawei only covers 4G chips, *Reuters* notes, and isn’t clear whether its license would apply to 5G chips, which would be included in newer devices.

https://www.theverge.com/2020/11/14/21565185/us-qualcomm-license-4g-chips-huawei-ban-china-phones