



SCIENCE & TECHNOLOGY

China Says New Huawei Restrictions Will Hurt World Trade

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China says a new set of U.S. trade restrictions on Chinese technology company Huawei will hurt world trade.

The new U.S. rules block suppliers from using American technology to produce processor **chips** and other electronic parts for Huawei.

The Chinese company is a major supplier of equipment to telecommunications companies around the world and is also a major producer of smartphones.

A Chinese foreign ministry spokesman accused the U.S. of “violating international trade rules” and harming the international **supply chain**.

China will “take necessary measures to safeguard the **legitimate** rights and interests of Chinese companies,” the spokesman added. While such language is commonly used during trade disputes, it is often not followed up with official action.

Huawei had already removed U.S.-supplied parts from its main products following earlier restrictions. The new rules expand those controls to Asian and European parts if the manufacturing process uses U.S. technology. Such U.S. manufacturing methods are widely used in the industry.

Huawei had no comment on the latest U.S. restrictions.

The president of the company's **consumer** division, Richard Yu, said this month that Huawei was running out of processor chips for its smartphones. Huawei designs its own chips, but Yu said production of a more complex kind, the Kirin series, would stop on September 15 because the company depends on outside manufacturers that use U.S. technology.

Officials at the U.S. Commerce Department said the new action should prevent Huawei's attempts to get around U.S. export controls. It "makes clear that we're covering **off-the-shelf** designs that Huawei may be seeking to **purchase** from a third-party design house," an official told Reuters news agency.

Secretary of State Mike Pompeo said in a message on Twitter the new restrictions "dealt a direct blow to Huawei and the repressive Chinese Communist Party." The measures were meant to further limit Huawei's ability to get U.S. technology. In addition, they aim to prevent the company from "**compromising**" the world's networks and Americans' private information, Pompeo added.

U.S. officials have pushed governments around the world to cut ties with Huawei. They say that the company could provide data to the Chinese government for spying. Huawei denies it spies for China.

I'm Bryan Lynn.

Reuters and The Associated Press reported on this story. Bryan Lynn adapted the reports for VOA Learning English. Mario Ritter, Jr. was the editor.

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Words in This Story

chip – *n.* an electronic device that contains many circuits used in computers

consumer – *adj.* related to products that people buy for personal or home use

supply chain – *n.* a system of organizations or operations that work together to design, produce and deliver a product to the market

legitimate – *adj.* permitted by law

off-the-shelf – *adj.* available from an existing supply of goods, not specially made

purchase – *v.* to buy

compromise – *v.* a change that makes something worse and that is not done for a good reason
