

Huawei's deepening dilemma in Taiwan

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Chinese telecoms manufacturer Huawei is under additional scrutiny following concerns that its close ties with the Chinese government present national security threats to Taiwan, the United States, Europe and allied countries. Further to the ban on Huawei's investment in Taiwan and the procurement of Huawei products for use in telecoms infrastructure, the Taiwan government is considering similar restrictions on 5G.

Since 2013 the National Communications Commission has exercised its authority using licence controls under the Regulations for Administration of Mobile Broadband Businesses – specifically Chapter III-1 (Information Security Management) – to ban 4G operators' use of Huawei supplies in relation to core networks and mobile broadband base stations (for further details please see "[Procurement of Huawei's products banned in Taiwan](#)" and "[Government postpones Huawei's investment in telecoms sector](#)"). Except for government employees, no similar ban was issued against Chinese brands of mobile phone handsets and smart devices.

In December 2018 the director general of the National Security Bureau further coordinated with the Executive *Yuan* and relevant agencies to take additional action against Huawei and other Chinese manufacturers for providing infocommunications equipment in Taiwan under the Act governing the Administration of Information Communications Security, which became effective on 1 January 2019.

On 14 January 2019 two major government think tanks, the Industrial Technology Research Institute and the Institute for Information Industry, announced a ban on Huawei devices. Further, in March 2019 the Executive *Yuan* will publish a blacklist of Chinese technology companies in order to further restrict the procurement and use of Chinese telecoms equipment by:

- government agencies;
- government-controlled organisations; and
- government employees.

The blacklist will supplement new guidelines for government agencies on the use of infocommunications devices. The guidelines, which are expected to be available in February 2019, will specifically suggest that government officials and employees refrain from using Chinese technology and from downloading Chinese apps (eg, WeChat and Baido) on government devices.

An Executive *Yuan* spokesperson has confirmed that the new guidelines build on the 2008 version in order to ensure broad compliance with the new Act governing the Administration of Information Communications Security.

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