

# Huawei ban – will smartphones lose their smarts?

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Following US President Donald Trump's recent signing of an executive order to blacklist Huawei, a number of major US tech companies – including Google, Qualcomm and Intel – have ceased business with the Chinese smartphone manufacturer. The ban has generated a significant response from Huawei smartphone users, mobile operators and distributors in Taiwan which are handling returned purchases.

One of the principal complaints from consumers is that once a Huawei smartphone is deprived of its Android operating system and Google services, it is no longer as 'smart' as it should be.

Huawei has a 9% share and is ranked third in the Taiwanese smartphone market as a result of actively promoting bundle sales with local 4G mobile number subscriptions, which are offered by all five of the major mobile operators in Taiwan.

Despite the expectation that the government will impose its own ban on Huawei with respect to 5G networks in Taiwan (for further details please see "[Huawei's Deepening Dilemma in Taiwan](#)"), Huawei's smartphone sales remained positive – that is, until the recent drop in support from US tech companies such as Google, Qualcomm and industrial standards organisations.

Following Google's announcement on 20 May 2019 that it will withdraw support for Huawei-supplied Android smartphones, the National Communications Commission (NCC), which regulates consumer protection under the Consumer Protection Act, called for Huawei's Taiwanese distributor to fully disclose its consumer protection measures.

In response to consumer complaints, the NCC has requested Huawei's clear explanation as to whether its smartphones will support AOS and Google Play updates. Further, the NCC will invite comment from Google to determine the potential impact of the ban once the US Department of Commerce's 90-day grace period for Huawei to provide support for existing handsets and network components expires on 19 August 2019.

While the five major mobile operators have suspended offering new Huawei smartphone models, they are concerned about the potential fallout from an NCC decision regarding the claims for returned purchases. Typically, Huawei smartphones which use Android operating systems include many software and app tie-ins, which are bundled in the subscription agreements entered into between mobile operators and service users.

The NCC is seeking further guidance from the Executive Yuan Consumer Protection Committee.

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