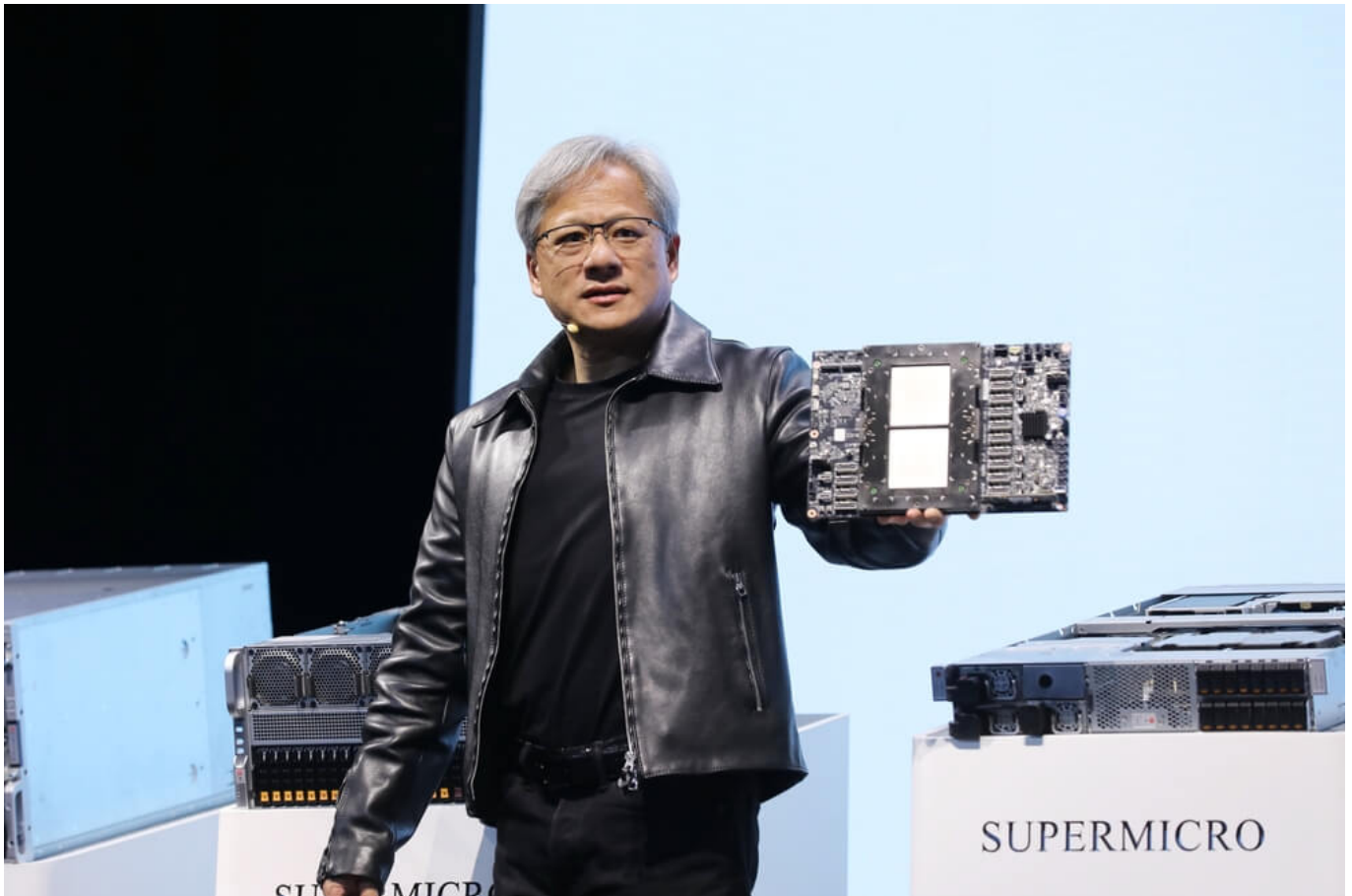




By: TA | AP Brief

# Trump's approval to sell Nvidia computer chips to China sparks controversy



President Donald Trump said Monday that he would allow **Nvidia** to sell an advanced type of computer chip used in the development of artificial intelligence to “approved customers” in China.

There have been **concerns** about allowing advanced computer chips to be sold to China as it could help the country better compete against the U.S. in building out AI capabilities, but there has also been a desire to develop the AI ecosystem with American companies such as chipmaker Nvidia.

The chip, known as the H200, is not Nvidia's most advanced product. Those chips, called Blackwell and the upcoming **Rubin**, were not part of what Trump approved.

Trump said on social media that he had informed China's leader Xi Jinping about his decision and “President Xi responded positively!”

“This policy will support American Jobs, strengthen U.S. Manufacturing, and benefit American Taxpayers,” Trump said in his post.

Nvidia said in a statement that it applauded Trump's decision, saying the choice would support domestic manufacturing and that by allowing the Commerce Department to vet commercial customers it would “strike a thoughtful balance” on economic and national security priorities.

## National security risks

But a group of Democratic senators objected to the chip sales.

“Access to these chips would give China’s military transformational technology to make its weapons more lethal, carry out more effective cyberattacks against American businesses and critical infrastructure, and strengthen their economic and manufacturing sector,” said the statement.

The group included Sens. Chris Coons of Delaware, Jeanne Shaheen of New Hampshire,

Jack Reed of Rhode Island, Elizabeth Warren of Massachusetts, Brian Schatz of Hawaii, Andy Kim of New Jersey, Michael Bennet of Colorado and Elissa Slotkin of Michigan.

**There have been concerns that China will find ways to use the chips to develop its own AI products in ways that could pose national security risks for the U.S.**

The senators noted that Chinese AI company DeepSeek recently said the lack of access to advanced American-designed chip was their biggest challenge in competing with U.S. companies involved in AI, with companies including OpenAI, Google, Microsoft, Anthropic, Perplexity and Palantir making major investments in developing the technology.

Trump said the Commerce Department was “finalizing the details” for other chipmakers such as AMD and Intel to sell their technologies abroad.

The approval of the licenses to sell Nvidia H200 chips reflects the increasing power and close relationship that the company's founder and CEO, **Jensen Huang**, enjoys with the president.

But there have been concerns that China will find ways to use the chips to develop its own AI products in ways that could pose national security risks for the U.S., a primary concern of the Biden administration that sought to limit exports.

Nvidia has a market cap of \$4.5 trillion and Trump's announcement appeared to drive the stock slightly higher in after hours trading.