

## CLIENT ALERT

### Under the Wire: FAR Council Announces Interim Rule to Implement NDAA Procurement Ban on Huawei and Other Chinese Telecommunications Equipment

Aug.13.2019

On August 13, 2019, the FAR Council published in the Federal Register an [interim rule](#), FAR Subpart 4.21, effective immediately, which implements a portion of section 889 of the FY 2019 National Defense Authorization Act, specifically, the ban on government procurement of any equipment, system or service that uses covered telecommunications equipment or services from certain Chinese companies. The interim rule defines covered telecommunications equipment and services to include any telecommunications equipment or services from Huawei or ZTE (or any affiliate) and certain video surveillance and telecommunications equipment or services from three other Chinese companies (or their affiliates). The interim rule also provides for expanding the ban to other companies that the Secretary of Defense, in consultation with the Director of National Intelligence, reasonably believes to be owned or controlled by, or otherwise connected to, the Chinese government. Unless a waiver is granted, the rule will broadly apply to all contracts including commercial item procurements and acquisitions below the simplified acquisition threshold. The implementing clauses, FAR 52.204-24, *Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment* and FAR 52.204-25, *Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment*, must also be added to any existing contracts before those may be extended or renewed.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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