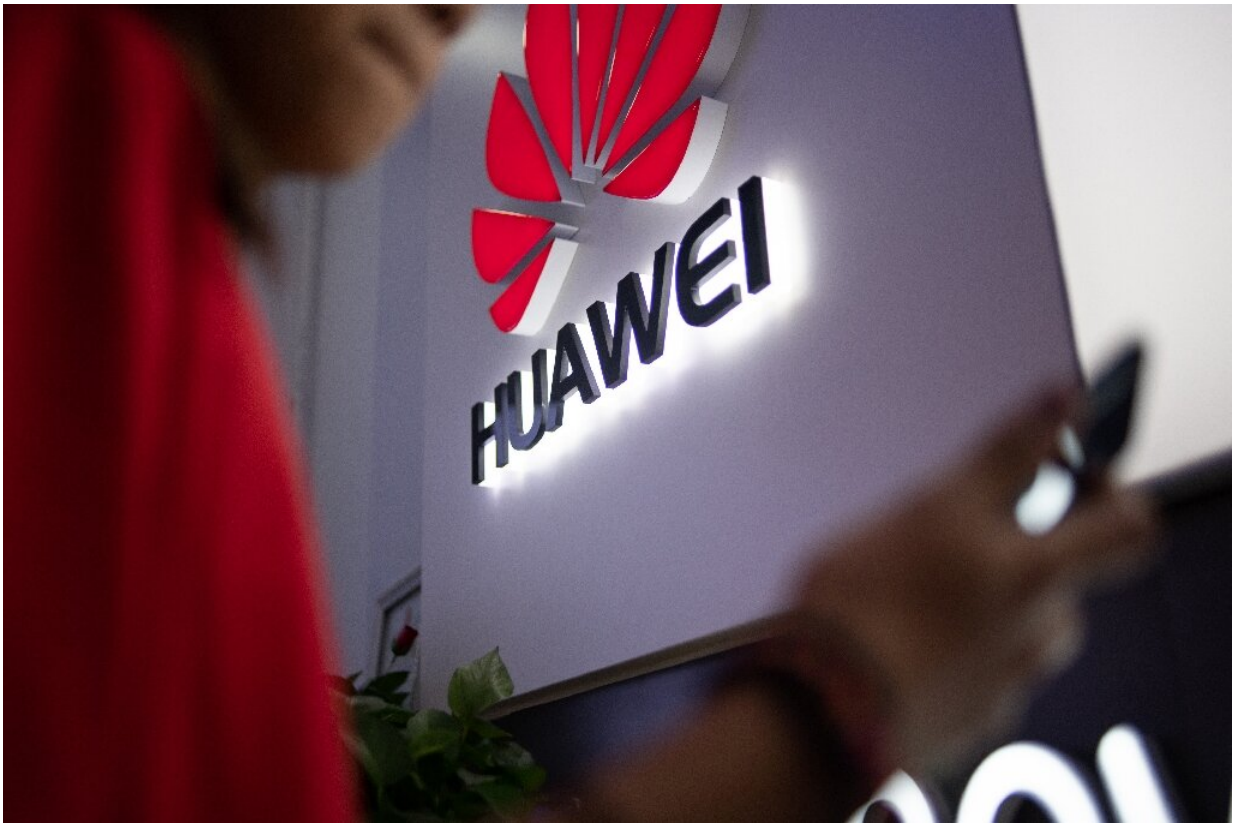


Huawei says it plans to invest \$3.1 billion in Italy

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Huawei—a leader in next-generation 5G wireless technology—is subject to US sanctions over concerns about its ties to the government in Beijing

Chinese tech giant Huawei said Monday it plans to invest \$3.1 billion (2.75 billion euros) in Italy over three years, as the firm looks to

strengthen its foothold in Europe after the US labelled it a major security risk.

Huawei—a leader in next-generation 5G wireless technology—is subject to US sanctions over concerns about its ties to the government in Beijing and Washington has urged allies to shun the firm.

Announcing the investment plan Huawei's managing director for Italy Thomas Miao said trade tensions between the US and China were not having an impact on Huawei's business in Italy for now.

"The (Italian) government has an open and transparent policy that will not be affected by the problems between the United States and China," he told a press conference in Milan.

"Over the next three years, we will invest \$1.9 billion in Italy for the acquisition of supplies and \$1.2 billion in operations and marketing, with \$52 million in research and development," Miao added.

He said the plan would create 1,000 jobs directly as well as 2,000 subcontracted positions.

Huawei is barred from developing 5G networks in the United States and the administration of US President Donald Trump is trying to convince its allies to do the same.

Washington accuses Huawei of working directly with the Chinese government, a claim the company denies.

It has put Huawei on its so-called entity list, which meant American companies needed a license to supply US technology to the Chinese firm.

Monday's announcement in Italy followed reports in the Wall Street Journal that Huawei was planning to make major job cuts at its US operations.

"It is not important whether or not we have access to suppliers in the US, we will guarantee the supply to our partners on a continuous basis," Miao said.

Earlier this month Monaco became the first country in Europe to inaugurate a next-generation 5G mobile phone network based on technology from Huawei.

Huawei also won a slight reprieve last month when Trump said he would ease the punitive measures so long as the equipment sold to the Chinese company did not pose any risk to national security.

In March, Italy signed a "non-binding" protocol with China to take part in Beijing's new "Silk Road" of transport and trade links stretching from Asia to Europe.

In doing so, Italy became the first G7 country to sign up for the massive project, which has sparked unease in the US and the European Union as China aspires to a greater world role.

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