

US taps ex-prosecutor as watchdog over China's ZTE

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A former US federal prosecutor will serve as the legal watchdog over Chinese telecoms giant ZTE, which narrowly avoided collapse after being hit with US sanctions, the Commerce Department announced Friday.

The appointment comes as part of a controversial settlement with Washington after President Donald Trump in May personally intervened to rescue the company, which US officials accuse of repeatedly violating sanctions against Iran and North Korea.

US authorities agreed to lift the export ban if the smartphone maker paid an additional \$1 billion fine—beyond the \$892 million penalty imposed in 2017—dismissed its board of directors and allowed Washington to name a legal compliance expert to oversee operations.

Commerce Secretary Wilbur Ross announced the selection of Roscoe Howard, who served as chief [federal prosecutor](#) for the District of Columbia under former President George W Bush, to fill that role.

"Today's appointment is the continuation of the unprecedented measures imposed on ZTE by the Department of Commerce," Ross said in a statement.

Howard is "exceptionally well-versed in corporate compliance, having tried more than 100 cases as a federal prosecutor."

The Commerce Department formally lifted sanctions on ZTE in July, three months after barring US firms from supplying the Chinese company with crucial components over its continued dealings with Iran and North Korea.

The punishment was imposed after officials found the violations had continued even after it settled with US authorities last year.

But as a favor to Chinese President Xi Jinping, Trump directed the department to ease the penalties, which had brought ZTE to the verge of collapse.

Lawmakers in July dropped efforts to pass a laws reversing the deal but expressed outrage at the show of leniency for a repeat offender also described as a national security threat.

Ross has been at pains to argue that, while allowing the company to survive, the revised deal is also unusually tough.

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