

**Nvidia****Nvidia can sell H200 AI chips to China, Donald Trump says**

President says other chipmakers can also resume exports and '25% will be paid' to the US



Nvidia chief executive Jensen Huang, left, said last week that he was unsure if China would accept the H200 even if Donald Trump allowed the US to export the chip © Patrick T Fallon and Mandel Ngan/AFP/Getty Images

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Donald Trump will allow Nvidia to export its H200 chip to China, in a move that has sparked concern among some US security officials and lawmakers over Chinese access to advanced technology used for artificial intelligence.

In a post on Truth Social, Trump said he had told China's President Xi Jinping that the US would allow Nvidia "to ship its H200 products to approved customers in China . . . under conditions that allow for continued strong National Security. President Xi responded positively!"

Trump added that "\$25% will be paid to the United States of America" without giving details of the arrangement. He said the "same approach" to allowing chip exports would apply to rivals such as AMD and Intel.

The [Financial Times this year reported](#) that Trump had agreed to allow Nvidia to export a less advanced chip called the H20 to China after chief executive Jensen Huang agreed to give the government 15 per cent of the revenues. AMD agreed to a similar arrangement.

People familiar with the situation said the government and companies have failed to find a legal mechanism to facilitate the payments.

The decision to allow H200 sales to China was attacked by Democratic senators, including Jeanne Shaheen and Chris Coons — the top two Democrats on the Senate foreign relations committee — and Jack Reed, the Democratic head of the Senate armed services committee.

“The Trump administration’s announcement that it will allow the export of advanced H200 AI chips to China is a colossal economic and national security failure,” the senators said in a statement. “The H200s are vastly more capable than anything China can make and gifting them to Beijing would squander America’s primary advantage in the AI race.”

The decision to approve H200 exports came the same day that the US justice department revealed that a campaign called “[Operation Gatekeeper](#)” had shut down a China-linked AI tech smuggling network that allegedly sent H200 chips to mainland China and Hong Kong.

“Operation Gatekeeper has exposed a sophisticated smuggling network that threatens our nation’s security by funnelling cutting-edge AI technology to those who would use it against American interests,” said Nicholas Ganjei, US attorney for the southern district of Texas.

The export control breakthrough could represent a multibillion-dollar revenue boost for Nvidia if China allows companies to buy them. [Nvidia](#) shares rose 1.7 per cent on Monday after Semafor first reported the decision. Its stock was another 2 per cent higher in after-market trade.

But sales of H200 chips to China could also be hampered by both opposition on Capitol Hill and Chinese authorities. Huang last week said he was unsure if China would accept the H200.

The H200 is far more powerful than the H20, which was made specifically for the Chinese market, but belongs to the previous generation of its technology that has since been replaced by its latest Blackwell chips.

The announcement comes days after a group of US senators [introduced legislation](#) that would prevent the administration from approving exports of advanced chips, including the H200, to China for 30 months.

The senators — including Republican Pete Ricketts and Coons — said the bill was designed to ensure the US maintained its dominance in AI by denying critical technology to China.

Huang and David Sacks, the White House AI tsar, argue restricting exports of US chips handicaps American companies and hurts efforts to make the world reliant on American AI [chips](#) and technology.

“We applaud President Trump’s decision to allow America’s chip industry to compete to support high-paying jobs and manufacturing in America,” said Nvidia, adding that allowing companies vetted by the government to buy H200 chips “strikes a thoughtful balance that is great for America”.

Critics say the White House is providing China with a huge boost in an industry that has significant military applications.

“Selling large numbers of H200s to China will give rocket fuel to the Chinese AI industry,” said Chris McGuire, a tech expert at the Council on Foreign Relations who had senior White House and state department roles in Joe Biden’s administration.

McGuire added Chinese tech group Huawei “admits it cannot build a chip better than the H200 for at least two years. This will give Chinese AI firms the computing power they need to close the gap with the US.”

The decision signals a big shift from the Biden administration's approach, which imposed sweeping export controls on chip-related technology in an effort to slow the modernisation of China's military.

It comes as US government agencies have been told not to take actions that would anger China because Trump does not want to jeopardise his relationship with Xi and his planned visit to Beijing in April.

Nvidia has in the past designed lower performance AI chips specifically for the Chinese market in order to comply with US export controls.

Yet Beijing has since put pressure on domestic tech companies not to buy these chips, cutting off billions of dollars in potential revenue for Nvidia.

Trump on Monday said the Biden administration had forced companies to spend billions of dollars making "degraded products that nobody wanted" which he said slowed innovation. "That Era is OVER!" Trump said.

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