



SELECT COMMITTEE ON THE CCP

DEMOCRATS | RANKING MEMBER RAJA KRISHNAMOORTHY

November 18, 2025

The Honorable Howard Lutnick
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

The Honorable Jeffrey Kessler
Under Secretary for Industry and Security
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

Dear Secretary Lutnick and Under Secretary Kessler,

I am writing to request clarification regarding the Department of Commerce's role in the ongoing and unresolved crisis surrounding Nexperia's Dutch operations and to urge your departments work with U.S. legacy semiconductor firms to lessen the global auto industry's reliance on Nexperia's PRC operations.

Despite White House assurances in its November 1 statement on supposed agreements between President Trump and General Secretary Xi, subsequent events make clear the Nexperia crisis remains unresolved.¹ No durable settlement has materialized, and the company's PRC and European operations remain locked in conflict. Hostile statements from the PRC's Ministry of Commerce stated that the Netherlands had "stirred up a hornet's nest" and caused "turmoil and chaos in the global semiconductor supply chain."² These remarks illustrate how Beijing is attempting to shift blame while reserving the right to weaponize Nexperia's PRC operations at any moment that suits CCP interests.

Recent reporting shows that Nexperia China is no longer cooperating with either the Dutch government or its parent company in the Netherlands. Instead, Nexperia's PRC operations are attempting to replace both by pivoting to domestic PRC wafer suppliers, including Wuxi NCE Power, Hangzhou Silan Microelectronics, Yangjie Technology, and most alarming WingSkySemi, a sister company of Wingtech which is also the contested owner of Nexperia.³ These chips are widely used across the automotive sectors of our closest allies, and any shift to unvetted PRC suppliers would raise significant concerns regarding safety certification, quality control, and the reliability of components embedded in critical vehicle systems.

Despite CCP and Nexperia China's assurances, normal supply chains have not been restored, and global automakers now fear imminent production stoppages, with executives warning the situation is currently "devastating for

¹ The White House. "Fact Sheet: President Donald J. Trump Strikes Deal on Economic and Trade Relations with China." November 1, 2025. <https://www.whitehouse.gov/fact-sheets/2025/11/fact-sheet-president-donald-j-trump-strikes-deal-on-economic-and-trade-relations-with-china/>

² PRC Ministry of Commerce. "商务部新闻发言人就荷经济大臣卡雷曼斯就安世半导体问题表态答记者问." November 14, 2025. https://www.mofcom.gov.cn/syxwfb/art/2025/art_b4b4caa2ee0e42699338278805aeda07.html.

³ Coco Feng. "US-China tech war: Nexperia saga exposes Europe's loosening grip on chip supply chain." *South China Morning Post*. November 15, 2025. https://www.scmp.com/tech/tech-war/article/3332814/us-china-tech-war-nexperia-saga-exposes-europes-loosening-grip-chip-supply-chain?module=top_story&pgtype=homepage

hundreds of industries.”⁴ The European Automobile Manufacturers' Association (ACEA) is cautioning that the problem persists “as long as there are restrictions on the export of wafers to China,” and Volkswagen warned the situation remains “dynamic and uncertain.”⁵ These developments again expose how vulnerable the U.S. and allies are to Nexperia China and underscore the need to expand trusted supply chains between allies to avoid further CCP leverage over critical components.

The global automotive sector is increasingly desperate for a resolution to the Nexperia crisis.⁶ Nexperia's PRC facility alone accounts for roughly 70 percent of the company's global output, and its disruptions have already forced production pauses at Honda, ZF Friedrichshafen and Bosch.⁷ BMW and Volkswagen have had to establish emergency task forces to identify alternative suppliers, underscoring how fragile the situation has become.⁸ A 2024 U.S. government report from the Bureau of Industry and Security found that two thirds of American products likely contain legacy chips produced in the PRC.⁹ The Nexperia crisis makes clear the depth of our dependency and the vulnerability it creates for U.S. and allied manufacturers.

We should see the Nexperia crisis for what it is: a wake-up call. The United States and our EU allies cannot afford to be placed in a position where we are dependent on the CCP. Instead, we should be working together to accelerate the expansion of trusted suppliers. This includes not only strengthening U.S. firms but also standing firmly with Nexperia's Dutch operations against CCP coercion.

Based on these concerns, I respectfully request answers to the following questions:

1. Given Nexperia China's shift to PRC-based wafer suppliers, will BIS open formal investigations into Wuxi NCE Power, Hangzhou Silan Microelectronics, Yangjie Technology and especially WingSkySemi to determine whether they pose risks related to ownership, state direction or circumvention of U.S. and allied export controls?
2. How is the Department of Commerce responding to warnings from BIS, global automakers, and tier-one suppliers about the long-term structural risks of PRC dominance in the legacy chip market?
3. What steps, if any, has the Department of Commerce taken to accelerate domestic and allied alternatives to Nexperia through funding, procurement authorities, and coordination with partners so that U.S. legacy semiconductor firms can reduce dependence on PRC-controlled suppliers?
4. Given the widespread use of legacy chips in vehicle safety systems, will you commit to assessing the potential impact of PRC-controlled supply disruptions on automotive safety, reliability and recall risk for the global auto industry.

Thank you for your attention to this matter.

Sincerely,

⁴ Andy Bounds and Kana Inagaki. “Europe's carmakers face ‘devastating’ chip crisis as Nexperia supply crunch continues.” *Financial Times*. November 12, 2025. <https://www.ft.com/content/8e2e6a33-28b5-473f-a8ca-0ed6459de344>

⁵ Andy Bounds and Kana Inagaki. “Europe's carmakers face ‘devastating’ chip crisis as Nexperia supply crunch continues.” *Financial Times*. November 12, 2025. <https://www.ft.com/content/8e2e6a33-28b5-473f-a8ca-0ed6459de344>

⁶ Christina Kyriagoglou and William Wilkes. “Nexperia Crunch Sees Carmakers Asking for ‘China-Free’ Supplies.” *Bloomberg*. November 14, 2025. <https://www.bloomberg.com/news/articles/2025-11-14/nexperia-crunch-sees-car-makers-asking-for-china-free-supplies>

⁷ Coco Feng. “US-China tech war: Nexperia saga exposes Europe's loosening grip on chip supply chain.” *South China Morning Post*. November 15, 2025. https://www.scmp.com/tech/tech-war/article/3332814/us-china-tech-war-nexperia-saga-exposes-europes-loosening-grip-chip-supply-chain?module=top_story&pgtype=homepage

⁸ Coco Feng. “US-China tech war: Nexperia saga exposes Europe's loosening grip on chip supply chain.” *South China Morning Post*. November 15, 2025. https://www.scmp.com/tech/tech-war/article/3332814/us-china-tech-war-nexperia-saga-exposes-europes-loosening-grip-chip-supply-chain?module=top_story&pgtype=homepage

⁹ Bureau of Industry and Security. “Public Report on the Use of Mature-Node Semiconductors.” December 6, 2024. <https://www.bis.gov/press-release/bis-publishes-assessment-use-mature-node-chips>



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