

# Former cyber security chief raises alarm over sale of Welsh microchip manufacturer to Chinese-backed company

The UK's former cyber security chief has raised the alarm over the sale of a Welsh microchip manufacturer to a Chinese-backed company.

Ciaran Martin, the former chief executive of the National Cyber Security Centre (NCSC), said the purchase of Newport Wafer Fab by Nexperia, a Dutch subsidiary of the Chinese company Wingtech, poses a greater threat to British interests than Huawei's involvement in the 5G network.

Boris Johnson has asked national security adviser Sir Stephen Lovegrove to look at the deal, worth a reported £63m, while MPs have called on ministers to intervene.

But, Charles Smit, a board member and general counsel at Nexperia, told the BBC earlier this week: "We're not owned by the Chinese state, the Chinese state is not involved in Wingtech."

Sky News has contacted Nexperia for comment.

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Mr Martin, who was chief executive of the NCSC until last August, described the future of microchip supply as a "first order strategic issue" for the government to get a handle on.

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He was part of the NCSC when it altered its security assessment of equipment manufactured by Huawei, with the firm eventually excluded from the UK's rollout of 5G on security grounds.

"Huawei in the periphery of 5G only really mattered because the Trump administration became obsessed with it for reasons

they never convincingly set out," Mr Martin told The Daily Telegraph.

"By contrast the future of semiconductor supply is a first order strategic issue. It goes to the heart of how we should be dealing with China."

His comments come after the Commons Foreign Affairs Committee called for tougher action to stop strategically important companies being sold overseas.

The cross-party group of MPs said the UK's "sovereignty should not be for sale" and called for the takeover of Newport Wafer Fab to be formally called in for review.

"Appropriate mitigation measures" should be introduced by ministers, they also said.

"Our fiercest competitors, notably China, have a track record of using foreign investments to gain access to important technologies and information," committee chairman and Conservative MP Tom Tugendhat said when the report was released.

"We've witnessed too many of our country's brilliant tech firms disappear abroad with potentially significant economic and foreign policy implications."