

## Summary

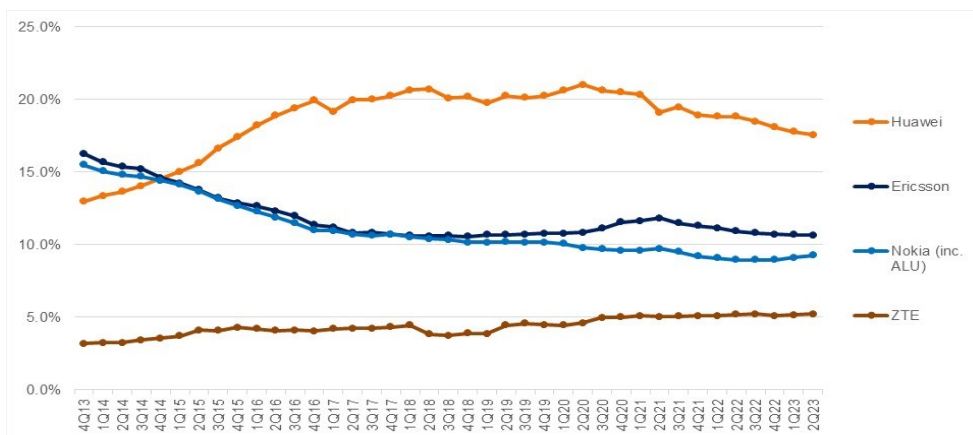
This brief addresses the enduring power of Huawei in the market for telecommunications network infrastructure (Telco NI). Per MTN Consulting's latest Telco NI vendor share report, Huawei retains over 17% of this market globally, far ahead of the next two rivals, Ericsson and Nokia. Huawei's top spot is only slightly down from the ~20% share it recorded in 2017-19. Yet starting 2019, Huawei was hit with strict limits on its ability to buy US-dependent technology (i.e. the entity list restrictions) and key customers in Europe, Asia and the Americas began taking more seriously the political and security risks of dependence on a Chinese vendor. Back in 2019-20, it was clear that Huawei stockpiled some inventory to help survive the early months of the entity list rules. That was only a stopgap solution, though. Moreover, Chinese government actions since 2019 have raised more concerns about the relationship with Huawei, rather than resolving doubts. How has Huawei managed to keep its leading position in Telco NI despite all of these new obstacles? And what are the implications for Huawei's prospects in the next few years in this market?

## Road to dominance

### How did we get here?

Huawei has always faced skeptics. In the early days, the company's insistence that it was a private enterprise with no government ties or support was not universally believed, to say the least. Its competitors – even domestic ones – nearly all complained about Huawei receiving [massive subsidies](#) and behind-the-scenes help from government officials. The company nevertheless expanded rapidly in the 2000s, jumped at the chance to accelerate growth post the 2008-9 financial crisis, won big in the 4G rollouts of 2012-14, and became the world's top Telco NI supplier by 2015, edging out Ericsson. Huawei then held onto roughly 20% share of this market from 2017-19. With the entity list restrictions on its supply chain hitting in 2019, combined with a broader US-led push for "[clean networks](#)", Huawei's last three years have been challenging. Yet MTN Consulting's latest vendor share [report](#) finds that Huawei's rolling share of Telco NI is still 17.6%, far ahead of Ericsson (10.6%) and Nokia (9.3%). Figure 1 shows annualized global market share in Telco NI for the top three network infra vendors.

**Figure 1: Annualized market share in Telco NI for top 3 vendors, 4Q13-2Q23**



Source: MTN Consulting