

The EU's Huawei Ban Isn't a Procurement Decision. Decision.

It's a Dependency Inventory Problem.

Rack2Cloud · The Architect

WHAT ACTUALLY CHANGED

A recommendation became a proposed law

Jan 20, 2026

CSA2 proposed

Revised Cybersecurity Act would make high-risk vendor exclusion legally binding across 18 critical industries.

May 4, 2026

Recommendation reissued reissued

Public companion to the harder legal shift legal shift — same guidance first given in given in 2020, now backed by a proposed proposed mandate.

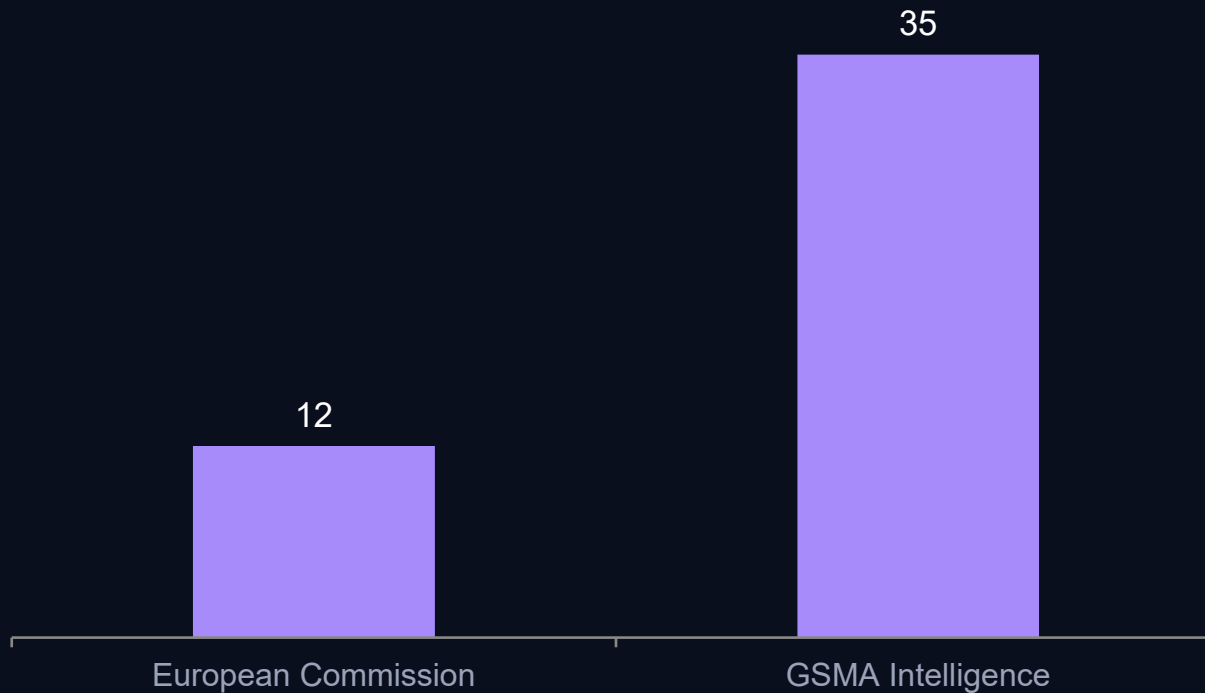
Pending adoption

36-month window (proposed)

Clock would start once CSA2 is adopted adopted — currently in European Parliament and Council review.

THE COST ESTIMATE NOBODY AGREES ON

A 3–4x spread between the regulator's number and the industry's



KPMG / CCCEU estimate

€57.4B

telecom-specific loss estimate — part of a €367B
economy-wide figure over 2026–2030

*The spread isn't a fact-check problem. It's evidence nobody
nobody has modeled the dependency surface consistently.
consistently.*

Four layers. Four different dependency depths.

Core Network

Highest blast radius. Prioritized first — the risk calculus is clearest.

RAN (Radio Access)

Largest cost line, most physically distributed. Slow, logistically heavy, lower risk per swap.

Transport

Easiest to treat as an afterthought — until a cutover depends on capacity nobody re-verified.

OSS/BSS Integration

Almost never priced correctly. "The box works" ≠ "the box works in our operational stack."

One number. Three different costs.

Direct Replacement

Equipment, labor, integration — the number everyone's arguing about.

Opportunity Cost

5G-Advanced rollout and transport capacity that don't get built because capital moved.

Operational Risk

Years running mixed-vendor configurations under time pressure nobody chose.

You don't exit concentration risk. You trade it.

96%

projected Ericsson + Nokia share of the mobile equipment
market post-exclusion

43%

projected equipment price increase from reduced vendor
competition

What a compliance clock doesn't answer

01

What dependencies must be removed

02

Which dependencies can be removed independently

03

Which replacements create new dependencies

04

What sequencing minimizes blast radius

05

Who owns the sequencing decision

06

What happens when the deadline conflicts with the safer sequence

Compliance creates the deadline.

Architecture determines whether the deadline is survivable.

rack2cloud.com · Follow The Architect for more