



SESEC IV

China Standardisation

Newsletter

August – September 2021



Seconded European Standardisation Expert in China
(SESEC)

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Takeaways

The Future of Standardisation: China's Outline for Its National Development

On 10 October 2021, the State Council published the Outline for the Development of National Standardisation, requiring all regions and departments to implement it. The Outline consists of nine chapters and 35 sections, and the full text is about 8,000 Chinese characters. To promote high-quality development and build a modern country in the new era, it is urgent to further strengthen standardization. This Outline is formulated to promote standardization development as a whole.

Equal Treatment of Foreign Enterprises in China's Government Procurement

On 13 October 2021, the Ministry of Finance released the Notice on Implementing Equal Treatment Policy of Domestic and Foreign-funded Enterprises in Government Procurement. The document was formulated with the objective of building a unified, open government procurement market system with orderly and fair competition.

Long-awaited Rules on Critical Information Infrastructure Settled in China

On 17 August 2021, the State Council released the Regulations on Security and Protection of Critical Information Infrastructure, which will become effective starting from 1 September 2021. This is the first official regulation to protect the China's critical information infrastructure (CII), reflecting China's mounting efforts to strengthen data security protection amid a series of growing risks.

World's Strictest Data-Privacy Law enacted: China's Personal Information Protection Law

On 20 August 2021, China passed the Personal Information Protection Law (PIPL), which lays out for the first time a comprehensive set of rules covering data processing. The release of the PIPL, which will take effect on 1 November 2021, completes the trifecta of China's foundational data governance regime – together with the Cybersecurity Law and the Data Security Law. This will usher in a new age of data compliance.

Finalised: China's Rules on Data Security in Automotive Industry

On 16 August 2021, the Cyberspace Administration of China (CAC), together with the National Development and Reform Commission (NDRC), the Ministry of Industry and Information Technology (MIIT), the Ministry of Public Security (MPS), and the Ministry of Transport (MOT), published the Provisions for the Administration of Automobile Data Security (Trial). The Provisions will formally come into effect from 1 October 2021.

Launched! China National Network Vulnerability Database

On 1 September 2021, the National Vulnerability DataBase (NVDB) established by the Cybersecurity Administration Bureau of the Ministry of Industry and Information Technology (MIIT) was officially put into operation.

China Takes Action to Promote Carbon Neutrality

On 19 August 2021, State Administration for Market Regulation (SAMR) announced that it had set up a Carbon Peak and Carbon Neutrality Leading Group that promotes work related to carbon neutrality in the field of market supervision. The Leading Group will give full play to its regulatory functions in measurement, standards, certification and accreditation, price competition and special equipment supervision, as well as carry out the work related to carbon peak and carbon neutrality. It will provide necessary support and guarantee the fulfilment of carbon peak and carbon neutrality targets as scheduled in China.



Horizontal Issues

1. CEN-CENELEC Presented at the 2021 Qingdao Forum on International Standardization

#CEN-CENELEC #horizontal



On 27 and 28 July, the 2021 Qingdao Forum on International Standardization was held jointly by Shandong Provincial Government and the Standardization Administration of China (SAC), in an offline-online hybrid format. The objective of the 2021 edition of the Qingdao Forum was to promote exchanges and mutual understanding of international standardization practices, and to facilitate all-round cooperation involving technology, markets, talents, and projects. Under the theme of “Standards for Sustainable

Development”, the forum attracted around 300 attendees from SDOs, colleges, research institutes and the industry – including more than 30 experts from ISO, IEC, ITU, CEN/CENELEC, DIN, and FAO.

Elena Santiago Cid, CEN/CENELEC secretary-general, was invited to present, during the opening session of the Forum, a video message on international standardization for sustainable development goals (SDGs). In her speech, Elena explained the role and ambition of CEN and CENELEC, emphasizing the significance of voluntary and consensus-based standards for economic recovery. “Our commitment to sustainable development is proven by the priority given to the achievement of SDGs within the CEN and CENELEC strategy 2030 – adopted in November 2020”, Elena said. She also explained in detail the two approaches of CEN and CENELEC, at the EU and international levels, to support the single market, optimize the development of standardization solutions, and adopt global results at local and regional level. By illustrating practical examples for SDG6 “Clean water and sanitation”, SDG7 “affordable and clean energy”, SDG13 “climate action”, and for a series of projects in planning stages, CEN/CENELEC provides a clear direction and model for Chinese standardization efforts concerning SDGs.

Elena’s address was highly appreciated and appraised by the participants. In addition, during the Qingdao Forum other key topics related to sustainable development were broadly discussed, such as China’s 2035 standardization strategy, digital transition of standards to promote sustainable development, standardization supporting the sustainable development of modern agriculture, and the standardization of intelligent manufacturing.

2. The Future of Standardisation: China’s Outline for Its National Development

Standardisation Outline

On 10 October 2021, the State Council published the [Outline for the Development of National](#)

[Standardisation](#), requiring all regions and departments to implement it. The Outline consists of nine chapters

and 35 sections, and the full text is about 8,000 Chinese characters. To promote high-quality development and build a modern country in the new era, it is urgent to further strengthen standardization. This Outline is formulated to promote standardization development as a whole.

The Outline sets goals and blueprints for China's standardization development in the next 15 years. Standards are the technical support for economic activities and social development and are closely related to people's livelihood. In the future, standardization will be promoted in areas such as housing and property services, new energy vehicles, autonomous driving, platform economy and sharing economy.

SESEC make a quick analysis as below:

1. National Standardization Development Outline is issued by the Central Committee of the Communist Party of China and the State Council. This showed the great emphasis of this document.
2. Stricter energy consumption requirements for key products and larger coverage of energy consumption standards to support the objectives of carbon peak and carbon neutrality.
3. China will optimize the standard supply, not only by shortening the average development period of national standards to 18 months, but also by digitizing standardization. Standards can be used as data assets. Digitization of standards can improve the dissemination rate of standards and meet the requirements of data storage, scalability, and ease of use in the era of Internet big data.
4. China will establish a national quality infrastructure system that integrates standards, measurement, certification and accreditation, and inspection and testing, to meet the needs of economic and social development.
5. China tends to make the market-driven standards supply as same important as government-led standards. Association standards will have more development.
6. Standardization will be endowed with more functions and roles in economy and society governance. E.g. Clause (18) "Promote the standardization of administrative management and social governance" is for first time introduced into this high profile document.
7. International standards activity will be as same important and be invested with same resources and efforts as domestic ones. Currently, more resources like funding, technologies, and labour are for domestic standardization, and in the future, the China standardization will make even more efforts and resources on international standards adoptions and participation.
8. More international standards will be adopted and converted. To ensure consistency of key technical indicators of national and international standards, by 2025, the conversion rate of international standards should reach 85%.
9. Standards amount will be reduced, and the quality of standards will be improved. China also emphasizes standards implementation and evaluation, and will introduce standards implementation feedback system and "third party standards quality evaluation" Association standards will be evaluated and association SDO will be evaluated and even be accredited.
10. Standards drafting in key technologies will still be enhanced, and this document made general targets and requirements for standards to support innovation like new technologies, and standards to support society governance like carbon emission and green development.

The English translation of this Outline is available [here](#). And on 19 October 2021, State Council will have a Press Conference on the Q & A for this Outline, and it will be made open through Chinese media. SESEC then will make further analysis. Please stay tuned.

3. Plenary Meeting for the China-EU Joint Working Group on Elevator Standards

#EU-China #Elevator

On 17 and 18 August 2021, the plenary meeting of the China-EU Joint Working Group of Elevator Standards was held online. The meeting was organized by CEN/TC 10, SESA, SAC/TC 196 and CEAS. Participants included Esfandiar Gharibaan, the President of CEN/TC 10; Gero Gschwendtner, Ari Ketonen, Gerhard Schiffner from CEN/TC 10; Betty Xu from SESEC; members of SAC/TC 196, including ZHANG Hongwei and LI Zhao from CSEI (China Special Equipment Inspection and Research Institute), as well as other experts from the elevator industry.

After and a brief summary of the preparation done for the joint working group, Esfandiar Gharibaan expressed his appreciation for the cooperation between the EU and China, emphasizing the shared goal of ensuring the safety of all users and workers, and calling for further cooperation with CEN/TC 10 to influence the world. ZHANG Hongwei's speech focused mainly on elevator standards, also anticipating that the working group will work to improve EN and ISO standards through Chinese cases studies and establish the elevator standards system in China.

During the two-day meeting, Chinese experts made an introduction of the development of China's elevator regulations and standards formulated by SAC/TC 196, while Mr. Esfandiar did so from the European perspective.

Every year, SESEC is invited to participate in the China-EU Joint Working Group meeting, and will keep monitoring the progress of exchanges and cooperation in this field between the EU and China.

4. Belt and Road Initiative: Achievements in Eight Years

Belt and Road



On 23 August 2021, State Council held a press conference to introduce the achievements of the Belt and Road Initiative promoted by the Ministry of Commerce and how it contributes to the establishment of community of shared future.

QIAN Keming, the Vice President of the Minister of Commerce, presented that China has actively been promoting common development and prosperity with other countries around the world. In 2013, President XI proposed the Belt and Road Initiative for the development of the community of shared future. Over the past eight years, this initiative has become the largest international cooperation platform and the most popular international public product.

Five major achievements in promoting the the Belt and Road Initiative include:

- The international trade has been smoothed, promoting the efficient flow and optimal allocation of resources. During this period, China has actively expanded its import of different kinds of products, developed new business forms and models such as cross-border e-commerce, promoted the building of overseas warehouses and the construction of trade channels such as China-Europe Railway Express and New International Land-Sea Trade Corridor, and free trade zones with high quality. From 2013 to 2020, the trade in goods between China and countries along the Belt and Road reached 9.2 trillion dollars.
- Investment cooperation has continued to improve, and it has built a win-win industrial chain and supply chain. China has made great efforts to facilitate the foreign investment and cooperation, deepen international cooperation in production capacity, promote cooperation between three parties and multiple parties, and attract overseas enterprises to invest and operate in China. From 2013 to 2020, China's total direct investment in countries involved in the Initiative reached 136 billion US dollars. These countries have also set up 27,000 new enterprises in China, and the actual investment was about 60 billion dollars.
- Effective cooperation projects have strengthened the partnership. China and host countries has jointly promoted connectivity of infrastructure, accelerated the construction of green projects and projects for public well-being, and built overseas economic and trade cooperation zones. The total turnover during 2013 to 2020 of China's enterprises' contracted projects in countries along the Belt and Road was nearly 640 billion dollars. By the end of 2020, China's enterprises had invested nearly 40 billion dollars in overseas economic and trade cooperation zones built by countries along the Belt and Road, and paid more than 4.4 billion dollars taxes to the host countries, creating 330,000 local jobs.
- Systems and platforms are established and enhanced, facilitating the opening up and cooperation. Up to now, 172 countries and international organizations have signed more than 200 Belt and Road cooperation documents with China. The Ministry of Commerce has promoted the establishment of more than 90 bilateral cooperation systems for smooth trade, investment cooperation, trade in services and e-commerce to effectively address problems occurred in the cooperation process. Meanwhile, the Import Expo, the Canton Fair, the Service Trade Fair and the Consumer Expo were successfully held, effectively promoting trade with relevant countries and regions.
- Cooperation on fighting against COVID-19 has been effective and served as a vivid practice in building a community with a shared future. China has done its best to prevent and control the epidemic, and carried out international cooperation against the epidemic. Up to now, China has provided emergency assistance to 150 countries and 13 international organizations, exported epidemic prevention supplies to more than 200 countries and regions, and is planning to provide vaccine assistance to 102 countries and four international organizations.

China will continue to deepen economic and trade cooperation under the Belt and Road Initiative, improve trade quality, innovate investment cooperation, enhance the platform system, strengthen risk prevention and control, and promote the development of the Belt and Road Initiative, to make new contributions to the construction of the community of shared future.



Laws and Regulations

5. Equal Treatment of Foreign Enterprises in China's Government Procurement

#Public Procurement

On 13 October 2021, the Ministry of Finance released the *Notice on Implementing Equal Treatment Policy of Domestic and Foreign-funded Enterprises in Government Procurement*. The document was formulated with the objective of building a unified, open government procurement market system with orderly and fair competition; it comes after several rounds of lobbying by European companies and SESEC as well.

The main highlights of the document are summarized as follows:

Ensuring the equal participation of domestic and foreign-funded enterprises in government procurement

According to the Notice, government procurement should treat products (including services, similarly hereinafter) produced in China by domestic and foreign-funded enterprises equally in accordance with the law. Except for procurement projects involving national security and secrets, all procuring entities should not apply double standards for products produced by domestic and foreign-funded enterprises in government procurement activities. Products produced in China have equal rights to participate in government procurement activities in accordance with the law, regardless of whether they have been produced by domestic or foreign-funded enterprises.

Implementing the requirements for the equal treatment of domestic and foreign-funded enterprises in government procurement activities

During government procurement processes, procuring entities at all levels should not make discriminatory treatment of domestic enterprises or foreign-funded enterprises, including through early release of information, eligibility check, review, and evaluation of suppliers. Procuring entities should not restrict suppliers because of their ownership form, organization type, equity structure, nationality of investors, product brand and other irrational reasons. These requirements are essential to guarantee a level playing field for domestic and foreign-funded enterprises.

Safeguarding the legitimate rights and interests of domestic and foreign-funded enterprises

Domestic and foreign-funded enterprises that believe their legitimate rights and interests were damaged in procurement documents, processes, selection or transactions, may file complaints in accordance with relevant regulations. Financial departments at all levels shall not make different treatment or discriminatory treatment of domestic and foreign-funded enterprises when dealing with complaints, and shall safeguard the legitimate rights and interests of government procurement suppliers.

6. China's New Standard to Limit Chemical Substances in Consumer Products

#Chemical Substances

On 20 August 2021, the National Consumer Product Safety Standardization Technical Committee (SAC/TC 508) issued a call for public comments on a voluntary national standard - Guidelines for the Development of Chemical Substances Limit in Consumer Goods. Comments could be submitted until 20 October 2021.

Taking into account standards such as General Principles for Risk Assessment of Chemicals (GB/T 34708-2017) and General Principles for Risk Assessment of Consumer Product Safety (GB/T 22760-2008), the new standard gives a clear definition of consumer products; it also stipulates the process of developing a chemical substances limit in consumer products (including home appliances, toys, stationery, and household goods). The process is divided into four steps:

- Collection of chemical substance information: including toxicity, functions, product use, product users, and the production and application of the chemical on the industrial chain;
- Determination of the value of the chemical substance limits for consumer products, in accordance with current regulations, standards, or risk assessment methods;
- Analysis and evaluation of the impact on consumers, industries and other aspects with the determined chemical substances limit;
- Definition of the limit based on all the analysis above.

This standard will regulate and guide organizations to implement activities concerning the development of chemical substance limits in consumer products. Based on the standard, manufacturers in relevant industries should review the chemical substances in existing products and, accordingly, make adjustments to ensure compliance.



Information Security

7. Long-awaited Rules on Critical Information Infrastructure Settled in China

#CII

On 17 August 2021, the State Council released the Regulations on Security and Protection of Critical Information Infrastructure, which will become effective starting from 1 September 2021. This is the first official regulation to protect the China's critical information infrastructure (CII), reflecting China's mounting efforts to strengthen data security protection amid a series of growing risks. It is noteworthy that, the first call for comments on the draft Regulations was published by the Cyberspace Administration of China (CAC) in 2017.

What is CII?

The Regulations define 'CII' as important network facilities and information systems used in sectors including:

- Public communication and information services
- Energy
- Transportation
- Water conservancy
- Finance
- Public services
- E-government services
- Science and technology for national defense
- And those may seriously endanger national security, national economy, people's livelihood and public interests in case of damage, loss of function or data leakage.

How are CIIs identified?

The competent government departments and administrative departments in each of the above-mentioned sectors are considered as the ultimate protectors of CII, and therefore they are responsible for the security and protection of CIIs in their fields. These departments shall formulate ad hoc rules for the identification of CIIs in their respective fields, and file them with the Public Security Department of the State Council.

Once CIIs have been identified, the same competent departments will notify the CII operators (CIIOs), and file records with the Public Security Department of the State Council.

How are CIIs protected and safeguarded?

CIIOs

All CIIOs should set up designated administrative groups specifically to deal with any issues concerning the security of CIIs. When making cybersecurity-related decisions, all CIIOs shall take in full considerations the opinions of the designated administrative groups. In addition, all CIIOs should conduct (or assign cybersecurity service agencies to conduct) cybersecurity testing and risk evaluation, at least once a year.

Government

In addition to the formulating ad hoc rules for the identification of CIIs, the competent departments shall (i) develop security plans, (ii) establish cybersecurity monitoring systems, (iii) draw up emergency plans on cybersecurity incidents, and (iv) regularly carry out testing and inspection for CIIs.

Conclusions

Compared with the first draft of the Regulations circulated for public comments in 2017, the Regulations clearly stipulate that the competent government departments of CIIs will notify the operators on whether their network facilities and information systems are considered as CIIs or not. In this way, enterprises do not need to worry until a written notice is received. Still, it is recommended that enterprises that expect their systems to likely fall into the CII category, should start preparing in advance for the security testing and for the establishment of the designated administrative group.

8. World's Strictest Data-Privacy Law enacted: China's Personal Information Protection Law

#PIPL

On 20 August 2021, China passed the [Personal Information Protection Law](#) (PIPL), which lays out for the first time a comprehensive set of rules covering data processing. The release of the PIPL, which will take effect on 1 November 2021, completes the trifecta of China's foundational data governance regime – together with the Cybersecurity Law and the Data Security Law. This will usher in a new age of data compliance.

Scope

The PIPL applies to all the data processing activities in China, including collection, storage, use, transfer, offering, disclosure, and deletion. In addition, data processors based abroad who need to deal with personal information from China in order to provide Chinese customers with products and services, or analyse and assess their behaviors, also fall under the governance of PIPL. These overseas data processors shall establish a special agency or appoint a representative within the territory of China, to manage personal information protection-related affairs.

Principles

According to the PIPL, personal consent is the key prerequisite for the processing of personal information. The exemption of personal consent occurs when data processing is necessary to perform statutory responsibilities, to handle public health emergencies, or when the personal data is already disclosed.

Sensitive information

The PIPL gives a clear definition of 'sensitive personal information'. Sensitive personal information refers to personal information that, if leaked or used illegally, will easily lead to infringement of the human dignity or harm the personal or property safety of an individual. Generally, such information includes biometric recognition, religious belief, specific identity, medical and health, financial account, personal whereabouts, as well as any personal information of a minor under the age of 14.

Personal information processors may process sensitive personal information only when there is a specified purpose and justifiable necessity; in any case, they must inform the individual of the impact on the data processing on the individual's rights and interests.

Cross-border data transfer

Personal information processors in China may transfer the collected personal information to overseas information recipients, only if they (i) pass the security assessment organized by the national cyberspace authority, (ii) obtain a certification of personal information protection from a professional institution, or (iii) sign a standard contract provided by the national cyberspace authority with the overseas information recipient.

Conclusions

According to the PIPL, there are two relevant circumstances for overseas enterprises involved in data processing. If the China-based subsidiary of a foreign company needs to transfer the personal information collected in China to its overseas headquarters for business purposes, it must meet one of the three conditions specified in the previous section. However, there are still no specific measures and details on the security assessment and on the certification process.

Foreign companies that do not have branches in China, but provide products or services to Chinese customers, are equally required to comply with the PIPL even though all their data processing activities are conducted outside China. They also need to set up a special office or representative in China to deal with personal information protection.

This means that, all companies dealing with Chinese consumers have to be compliant with the PIPL. Foreign companies should first understand the provisions in the PIPL and Data Security Law, and monitor new related regulations and implementation rules.

The English version of the Personal Information Protection Law is available [here](#).

Related information

[China Introduces the Data Security Law, to Be Implemented in September 2021 – ssec.eu](#)

9. Finalised: China's Rules on Data Security in Automotive Industry

#Data Security #Automotive

On 16 August 2021, the Cyberspace Administration of China (CAC), together with the National Development and Reform Commission (NDRC), the Ministry of Industry and Information Technology (MIIT), the Ministry of Public Security (MPS), and the Ministry of Transport (MOT), published the [Provisions for the Administration of Automobile Data Security \(Trial\)](#). The Provisions will formally come into effect from 1 October 2021.

All entities who may conduct automobile data processing activities will be subject to the Provisions, including **automakers, parts and software suppliers, distributors, maintenance organisations and mobility service companies** (including operators of ride-hailing platforms), etc.

The Provisions define '**Sensitive Personal Information**' as personal information that, if leaked or used unlawfully, may lead to discriminatory treatment or serious damage to the personal or property safety of **vehicle owners, drivers, passengers and people outside the vehicle**. These include **vehicle location tracking, audio, video, image and biometric characteristics**.

Another important definition is that of ‘Important Data’. Compared with the original draft version (Call for Comments), the Provisions add two important data types to the category of ‘Important Data’, namely:

- Data reflecting economic operations such as vehicle flow, logistics, etc.;
- Personal Information involving more than 100,000 personal information subjects.

These important data must be stored in the territory of China. If, for business reasons, such important data is needed to be transferred overseas, a security assessment by CAC and other governmental authorities must be conducted. Data processors shall not provide important data outside the territory of China beyond the purposes, scope, methods, data type and scale specified during the security assessment. While the cross-border transfer of personal information that does not constitute important data, shall be conducted in accordance with applicable laws and administrative regulations.

The Provisions are among the industry-focused regulations on data security and personal information protection in China. Automobile companies having operations in China will be exposed to greater compliance risks in terms of data security and personal information protection. Automobile-related production, distribution and service companies should review and enhance internal procedures and policies of data processing related to automobiles and users, and closely monitor China’s cybersecurity developments.

Related Information:

[Regulations on Automobile Data Security Management \(Draft for Comments\): Strengthen the Supervision of Automobile Data – sesec.eu](#)

10. Launched! China National Network Vulnerability Database

#Network Vulnerability



On 1 September 2021, the [National Vulnerability DataBase](#) (NVDB) established by the Cybersecurity Administration Bureau of the Ministry of Industry and Information Technology (MIIT) was officially put into operation.

According to the [Provisions on the Management of Network Product Security Vulnerability](#), network product providers shall submit relevant vulnerability information to the NVDB of MIIT within 2 days. The submitted content needs to include the name, model, and version of the product with security vulnerability. Other requirements include technical characteristics, harm, and impact range

of the vulnerability, etc. The NVDB will simultaneously report the vulnerability information to the National Circular Center of Network and Information Safety and the National Internet Emergency Center (CNCERT).

The NVDB includes General Network Product Security Vulnerability Database (<https://www.cnvdb.org.cn>), Industrial Control Product Security Vulnerability Database (<https://www.cics-vd.org.cn>), Mobile Internet APP

Security Vulnerability Database (<https://cappvd.cstc.org.cn>), and Internet of Vehicles Security Vulnerability Database (<https://cavd.org.cn>), etc.

The NVDB will support technical assessment of network product security vulnerabilities and urge network product providers to patch and release their own product security vulnerabilities.



IoT

11. China Puts Forward Action Plan for the Construction of IoT New Infrastructure #IoT

On 10 September 2021, the Ministry of Industry and Information Technology (MIIT), the Cyberspace Administration of China (CAC), the Ministry of Science and Technology (MOST), the Ministry of Ecology and Environment (MEE), the Ministry of Housing and Urban-Rural Development (MOHURD), the Ministry of Agriculture and Rural Affairs (MOA), the National Health Commission, and the National Energy Administration (NEA), jointly released the *Three-year Action Plan for the Construction of New Infrastructure on Internet of Things (2021-2023)*.

The overall goal of the Action Plan is to build, by 2023, a new type of IoT infrastructure, initially in China's major cities. This will lay a more solid foundation for social modernization and governance, industrial digital transformation, improvement of people's livelihood, and upgrade of consumption.

The key indicators of the goal are:

- Make breakthroughs in innovation capabilities, thus improving the market competitiveness of key technologies such as high-end sensors, IoT chips, IoT operation systems, and new short-distant communications.
- Improve industrial ecology, and develop 10 leading IoT enterprises with a value of over CNY 10 billion.
- Continue to expand the scale of application, and achieve over 2 billion IoT connections.
- Improve the supporting system, and complete the development of over 40 national standards or sector standards in the field.

The Chinese full text of the action plan is available at:

https://www.miit.gov.cn/jgsj/kjs/gzdt/art/2021/art_e18c8420f3b242dc8adb1c3e9618e26f.html



Block Chain

12. China Develops New Standard to Guarantee Blockchain Security

#Blockchain

On 2 August 2021, the National Information Security Standardization Technical Committee (SAC/TC260) released the draft for public comments of the standard *Information Security Technology-Security Framework for Blockchain Technology*.

This is a voluntary national standard. Its research and development process was grounded on several international and national standards that were carefully examined by TC260, including: ISO/IEC 10118-3:2018; ISO/IEC 11770-1:2010; GB/T 31168-2014 (*Information security technology – Security capability requirements of cloud computing services*); and GB/T 37092-2018 (*Information security technology – Security requirements for cryptographic modules*). In addition, the standard strictly abides by relevant laws and regulations, including the Cryptography Law of the People's Republic of China, the Cybersecurity Law of the People's Republic of

China, and the Blockchain Information Service Management Regulation.

With this standard, TC260 establishes the security structure of blockchain technology, conducts research on all levels of the framework, and develops appropriate security requirements. It thus provides a basis and guidance for blockchain security, accounting operation, group consensus, and privacy protection based on cryptography technology. This standard also specifies the definition and corresponding responsibilities of relevant stakeholders involved in blockchain activities (users, service providers, auditors and regulators, etc.).

This standard will fill the gap for China in the field of blockchain technology security. SESEC will keep tracking standards developed in emerging industries and make further analysis in the coming months.



ICV

13. #IoV

IoV Network and Data Security Further Enhanced in China

On 15 September 2021, MIIT released the *Notice on Strengthening the Network Security and Data Security of The Internet of Vehicles*. The key messages are of the document are:

- To enhance the security protection of intelligent and connected vehicles, IoV (Internet of Vehicles) network and IoV service platforms; to strengthen data security protection and improve security standard network.
- To enhance security protection and inspections of key equipment and components such as in-vehicle information interaction systems, automotive gateways, electronic control units, and improve visit and access management of On-Board Diagnostics (OBD), USB ports and charging ports.

This document supplements the current data security-related management in the field of IoV; more specific implementation/guidance documents are very likely to be released in other relevant sectors in China. Meanwhile, more vehicle-related data protection measures/documents have come into force in 2021.

SESEC recommends that foreign stakeholders should closely monitor the updates and changes on data security-related policies in all industries, thus avoiding potential risks.



Energy Efficiency/Carbon/Green

14. China Takes Action to Promote Carbon Neutrality

Carbon Neutrality

SAMR Carbon Peak and Carbon Neutrality Leading Group

On 19 August 2021, State Administration for Market Regulation (SAMR) announced that it had set up a Carbon Peak and Carbon Neutrality Leading Group that promotes work related to carbon neutrality in the field of market supervision.

The Leading Group will give full play to its regulatory functions in measurement, standards, certification and accreditation, price competition and special equipment supervision, as well as carry out the work related to carbon peak and carbon neutrality. It will provide necessary support and guarantee the fulfillment of carbon peak and carbon neutrality targets as scheduled in China.

Carbon Emission Trading

Carbon emission trading is a means to control and reduce greenhouse gas emissions through the market mechanism. It is also an important policy that helps with the implementation of China's carbon peak goal and carbon neutrality vision. The construction of a national carbon market can provide economic incentive for carbon reduction, reduce the cost of emission reduction, and drive both green technological innovation and industrial investment.

In its first month, the trading volume of emission quota in the national carbon market reached 7.02 million tons, with a total trading volume of CNY 355 million.

Promoting New Energy Vehicles

Since China put forward a distinct timeline for carbon peak and carbon neutral development goals, vehicle electrification has become undoubtedly more urgent. Achieving carbon peak and carbon neutrality requires joint efforts between the energy and industrial sectors.

In energy supply and consumption:

- Ensure the total amount of energy supply. The total energy supply is expected to support overall demand for the car market by 2035.
- Guarantee the supply of non-fossil energy.
- Implement an intelligent distribution network of renewable energy, especially wind power and photovoltaic power generation.
- Reduce direct consumption of coal, oil and gas.

15. MIIT Plan: Enhance Carbon Emission Standardization

Carbon Emission

On 24 August 2021, in response to the proposal of the Chinese People's Political Consultative Conference (CPPCC) regarding the vehicle emission standards system, MIIT released a work plan to further enhance the carbon emission standards system. Key actions are:

- Formulating a roadmap on carbon peak and carbon neutrality for the automotive industry

A detailed low-carbon development roadmap will be formulated to carry out full-life carbon emission calculations. The evaluation results of the roadmap will then be used to determine specific industrial carbon peak goals. Policies and practical methods will be outlined for various low carbon aspects (product, transportation, energy etc.) to actively contribute to the final goal.

- Specifying more innovative low-carbon technologies for the automotive industry, and set up specialized R&D projects

National innovation centers on batteries and ICV will be set up, in order to contribute to the achievement of key technological breakthroughs. Joint efforts with MOST will be made to implement key R&D projects for new energy vehicles, as stated in “14th Five Year Plan”, and to initiate the investigation and preparation for Phase VII emission standard.

- Establishing a more comprehensive policy and standards system to support the automotive industry to achieve carbon peak and carbon neutrality

Following the publication of national mandatory standards on car emission (e.g. GB 19578-2021 Fuel Consumption Limits for Passenger Cars), more standards will be developed and issued in this field.

- Facilitating the coordination and cooperation of the automotive industry with other industries

Data and information exchange among cross-sector administrations will be promoted, in order to form a highly efficient interaction system. The combined development of a transportation network that covers multiple elements (vehicle, road, people, cloud) will be improved, finally forming an integrated intelligent transport service.

All in all, MIIT will follow the *New Energy Automobile Industry Development Plan (2021-2035)* and its guidelines. The Ministry should take full advantage of the existing joint meeting mechanisms for energy-saving and new energy vehicles, currently in place among relevant ministries, and set up more specific measures and policies to achieve the carbon peak and carbon neutrality goals.

16. Updated Mandatory Standard: China Restricts Excessive Packaging

for Food and Cosmetics

#Green Packaging

On 2 September 2021, the State Administration for Market Regulation (SAMR) and the Standardization Administration of China (SAC) released GB 23350-2021 Requirements of Restricting Excessive Package-Foods and Cosmetic.

GB 23350-2021, which is an updated version of the previous GB 23350-2009, is a national mandatory standard developed to control excessive packaging. The goal is to protect consumer rights and reduce environmental pollution caused by unnecessary packing. The key highlights of this updated version are summarized as follows:

- 31 kinds of foods and 16 types of cosmetics are covered.
- The number of layers allowed for different product categories are strictly regulated.
- The definition of several technical terms was modified, while a new definition term called “multiple products” was introduced to regulate packing requirements for gift boxes with various types of products.
- The calculation measures were changed for critical parameters, such as inter-space ratio.
- The necessary spatial coefficient of commodity for different goods is specified.

The new version of the standard still requires that the packaging costs shall not exceed 10% of the selling price - unless in direct contact with the product. The standard will be rolled out in September 2023, leaving a two-year transition period for all manufacturers and enterprises involved.

Related multinational companies and foreign manufactures are recommended to start immediately the transition process, if their current products do not comply with GB23350-2021.

17. New Rules to Promote New Energy Vehicle in China

New Energy Vehicle

On 16 September 2021, MIIT issued new batches of authorized automobile products and models. The released documents include:

- Manufacturers and Products of Road Motor Vehicles (Batch No.347): it specifies the names of products such as authorized vehicles, civil modified vehicles, motorcycles and their related enterprises. The document requires that the road motor vehicles that do not meet production and sales requirements should be suspended and their license canceled. The document includes 106 enterprises, 98 brands, and 202 product models. Among these, there are 75 automobile enterprises with 146 product models, 31 civil modified vehicles enterprises with 56 product models, and 202 new energy vehicle products have passed the technical review.
- Catalogue of Recommended New Energy Vehicle Models for Promotion and Application (Batch No.8 in 2021): it indicates the lists of new energy vehicles that meet the requirements of the Notice on Further Improving the Financial Subsidy Policy for the Promotion and Application of New Energy Vehicles, as well as other requirements for promotion and application.
- Catalogue of New Energy Vehicle Models with Admission to Vehicle and Vessel Tax Reduction and Exemption (Batch No.30), and Catalogue of New Energy Vehicles Exempted from Vehicle Purchasing Tax (Batch No.46): according to updated regulations for new energy vehicles to get tax incentives, both catalogues indicate new energy vehicle models that can get, respectively, reduction and exemption from vehicle and vessel tax, as well as exemption from vehicle purchasing tax.

At present, China pays great attention to the development of new energy products, and actively supports the production and sales of new energy vehicles. These new catalogues are very important to relevant manufacturers. Therefore, enterprises that produce and/or sell new energy vehicles in China, or are involved in the research and supply of relevant products, need to keep a close eye on the specific content in these product lists, and focus on

the parameters of these product models to meet the technical requirements; relevant enterprises shall also follow closely the preferential policies so to maximize their benefits and promote more widely their products. By doing so, their products may be introduced more easily into the Chinese market. This also applies to entities which have already done business in China, and that are ready to enter China's market.

18. Upcoming Sector Standards to Promote Green Development in China #Green Standards

On 15 September 2021, MIIT published a call for comments on a series of sector standards related to emission peaks, including the *Technical Specification for Carbon Emission Verification in the Petroleum and Chemical Industry*.

The 197 sector standard projects cover 11 fields, including chemical, steel, building materials, electronics, textiles, and communications; among these, 111 are about chemical, steel and building materials. 195 are newly developed plans, while 2 are revised plans. In any case, all the 197 projects relate to green and energy-saving, including carbon emission quota, carbon footprint, carbon disclosure, management standards, waste recycling, as well as green factories and recycling parks. All the 197 standards in this batch do not adopt international or foreign standards.

In September 2020, China announced its dual carbon goals (carbon peak and carbon neutrality). A number of related measures have been introduced since then, such as the *14th Five-year Plan for Circular Economy*, and the opening of China's carbon trading market in July 2021.

The purpose of this batch of sector standards is to provide reference for China's carbon market and various industries (such as emissions reduction and carbon footprint). In addition, the accuracy of carbon emission data is crucial for both the climate change and carbon market. As a result, the standards for carbon disclosure and carbon footprint verification play an important role in ensuring the reliability and accuracy of carbon emission data. Previously, there were no relevant sector standards for carbon footprint, so the development and release of these sector standards will fill the gap.

Foreign stakeholders should pay close attention to the green topic in China. To foreign companies that have entered or intend to enter the Chinese market, especially those who rely heavily on traditional energy in production process, we recommend that they start to prepare for the energy transition according to carbon reduction standards and initiatives; companies that produce products driven by traditional energy sources (diesel, gasoline, non-road equipment, etc.) should also focus on the development and directions of emissions-related policies in China, and change their strategy accordingly.

Introduction of SESEC Project



The Seconded European Standardization Expert in China (SESEC) is a visibility project co-financed by the European Commission (EC), the European Free Trade Association (EFTA) secretariat and the three European Standardization Organizations (CEN, CENELEC and ETSI). Since 2006, there has been three SESEC projects in China, SESEC I (2006-2009), SESEC II (2009- 2012) and SESEC III (2014-2017). In April 2018, SESEC IV was officially launched in Beijing, China. Dr. Betty XU was nominated as the SESEC expert and will spend the next 36 months on promoting EU-China standardization information exchange and EU-China standardization cooperation.

The SESEC project supports the strategic objectives of the European Union, EFTA and the European Standardization Organizations (ESOs). The purpose of SESEC project is to:

- **Promote European and international standards in China;**

- **Improve contacts with different levels of the Chinese administration, industry and standardization bodies;**
- **Improve the visibility and understanding of the European Standardization System (ESS) in China;**
- **Gather regulatory and standardization intelligence.**

The following areas have been identified as sectorial project priorities by the SESEC project partners: Internet of Things (IoT) & Machine-to-Machine(M2M) communication, communication networks & services, cybersecurity & digital identity, Smart Cities (including transport, power grids & metering), electrical & electronic products, general product safety, medical devices, cosmetics, energy management & environmental protection (including eco-design & labelling, as well as environmental performance of buildings).

SESEC IV China Standardization and Technical Regulation Bimonthly Newsletter

SESEC IV China Standardization and Technical Regulation Bimonthly Newsletter is the gathering of China regulatory and standardization intelligence. Most information of the Monthly Newsletter was summarized from China news media or websites. Some of them were the first-hand information from TC meetings, forums/workshops, or meetings/dialogues with China government authorities in certain areas.

In this Bimonthly Newsletter

In this Bimonthly Newsletter, some news articles were abstracted from Chinese government organizations. All new published standards, implementation or management regulations and notice are summarized; original document and English version are available.

Abbreviations

SAMR	State Administration for Market Regulation	国家市场监管总局
CAS	China Association	中国标准化协会
CCC	China Compulsory Certification	中国强制认证
CCSA	China Communication Standardization Association	中国通信标准化协会
CEC	China Electricity Council	中国电力企业联合会
CEEIA	China Electrical Equipment Industrial Association	中国电器工业协会
CELC	China Energy Labeling Center	中国能效标识中心
CESI	China Electronic Standardization Institute	中国电子标准化研究所
CMDSA	Center for Medical Device Standardization Administration	医疗器械标准管理中心
CNCA	Certification and Accreditation Administration of China	中国国家认证认可监督管理委员会
CNIS	China National Institute of Standardization	中国国家标准化研究院
CNREC	China National Renewable Energy Center	中国国家可再生能源中心
EPPEI	Electric Power Planning and Engineering Institute	电力规划设计总院
IEC	International Electrotechnical Commission	国际电工委员会
ITEI	Instrumentation Technology and Economy Institute	机械工业仪器仪表综合技术与经济研究所
MEE	Ministry of Ecology and Environment	中国生态环境部
MIIT	Ministry of Industry and Information Technology of People's Republic of China	中国工业和信息化部
MoH	Ministry of Health	卫生部
MoHURD	Ministry of Housing and Urban-Rural Development	住房与建设部
MOT	Ministry of Transport	中国交通运输部
MOST	Ministry of Science and Technology	中国科学技术部
NDRC	National development and reform commission People's Republic of China	中国国家发改委
NIFDC	National Institute of Food and Drug Control	中国食品药品检定研究院
SAC	Standardization Administration of China	国家标准化管理委员
SGCC	State Grid Corporation of China	国家电网
TC	Technical Committee for Standard Development	标准化技术委员会