

Issue No. 2 Fourth Quarter 2015

# The Chinese Standards System: Reform Recap

In March 2015, China's State Council released a notice outlining an ambitious plan for deepening the reform of China's standardization system. The plan includes six measures to:

- Establish a central coordinating mechanism under the State Council;
- Consolidate the number of mandatory standards;
- Optimize the structure for voluntary standards;
- Foster the development of association standards<sup>1</sup>;
- Encourage the development of enterprise standards; and
- Improve the level of internationalization of standards.

The reform represents a significant shift from the current structure of the Chinese standards system, which emphasizes mandatory and voluntary standards for each of four different levels of standards: national, industry, local, and enterprise. More information on the current structure is <u>available here</u> on ANSI's Standards Portal. The reform will be implemented in three phases spanning the 2015-2020 timeframe, and key steps have already been taken.

ANSI is closely monitoring the rollout of standardization reform in China. Additional background and updates on the issue can be found in real time on <u>ANSI's online news site</u>; search "China" "reform."

### The Chinese Standards System: Latest Updates on the Reform

China Publishes for Public Comment Draft Guidelines for Good Practices for Association Standardization

In November 2015, the Standardization Administration of China (SAC) released the draft national standard "Association Standardization – Part 1: Guidelines for Good Practice." The original announcement of the draft guidelines and opportunity to comment is <u>available (in</u> <u>Chinese) here</u>. ANSI also shared English translations of the <u>draft guidelines</u> and a <u>background document</u>, which were obtained by sources locally in China and review by ANSI for content.

<sup>&</sup>lt;sup>1</sup> The term "association" has also been translated as "social organization" or "consortia" and reflects ongoing discussion on the best way to categorize such standards by relevant Chinese organizations. ANSI will continue to monitor this discuss and update the translation as necessary.



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In the context of the reform, the term association refers to chambers of commerce, industrial technical alliances, and other organizations with corresponding technical expertise and standards development capabilities. The promotion of association standards is a key aspect of the reform and reflects the underlying goal to emphasize the private sector and market forces in China's reformed standardization system.

Association standards are a still a relatively new category of standards in China, and the guidelines will play an important role in shaping their growing influence. IGRS Information Industry Association, the China Electricity Council, and the China Association for Standardization are just a few of the 39 China-based associations participating in a pilot project to develop this category of standards during the first phase of the reform.

ANSI based its comments on the draft guidelines on the ANSI Essential Requirements, which govern the process by which ANSI accredits standards developers and approves American National Standards. ANSI also solicited and considered member feedback in its comments. ANSI's comments emphasized the need for openness, transparency, and clearly defined requirements in the development of association standards.

A copy in English of ANSI's comments is available here.

State Council Releases 2015-2016 Action Plan for Implementing the Reform of China's Standardization System

In August 2015, China's State Council released a 2015-2016 Action Plan for carrying out the reform of the standardization system. The plan identifies specific steps to support each of the six measures outlined in the March notice.

The following are particularly noteworthy steps:

- The revision of China's Standardization Law. ANSI expects a draft of the revised law will be issued in early 2016.
- An increase in the quality of China's technical contributions to and leadership of international standardization activities.
- The promotion of the use and adoption of Chinese standards in countries outside of China. In particular, the action plan calls for the "going out" of Chinese standards, especially those in the infrastructure and energy sectors, through the "One Belt One Road" and "Made in China 2025" policies.



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While Chinese policies have supported increased participation in the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC), and other international standardization bodies for years, the action plan articulates new approaches to the strategy of internationalizing Chinese standards, including the recognition of Chinese standards in other countries.

The action plan is available (in Chinese) here.

State Council Establishes the Joint Conference for Coordinating and Promoting Standardization

In June 2015, the State Council formally established the central coordinating mechanism called for in its March notice, known as the "Inter-ministerial Joint Conference System of the State Council for Coordinating and Promoting Standardization." The conference will support the reform of China's standardization system and provide guidance on a broader range of standards-related matters. A total of 39 ministries and units within the Chinese government are represented in the conference. In the month following its establishment, the State Council convened the conference for the first time.

An ANSI news item on the establishment of the conference is <u>available here</u>.

The State Council announcement of the conference's first meeting is <u>available here</u>.

### Updates on China-Based Standards Development

The following technical committees (TCs)/ subcommittees (SCs) were formed in the last quarter of 2015:

- SAC/TC 262/SC 7 Subcommittee 7 on Heat-Transfer Medium of the National Technical Committee 262 on Boilers and Pressure Vessels of the Standardization Administration of China. Information on the subcommittee and its membership is available here.
- SAC/TC 289/SC 1 Subcommittee 1 on Specific Facility for Cultural Heritage Protection of National Technical Committee 289 on Cultural Heritage Protection of the Standardization Administration of China. Details on the subcommittee and its membership are <u>available here</u>.
- SAC/TC 113/SC 15 Subcommittee 15 on *Electrical Fire Safety* of National Technical Committee 113 on *Fire Protection* of the Standardization Administration of China. Details on the subcommittee and its membership are <u>available here</u>.



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SAC made several announcements of newly approved Chinese national standards in the last quarter of 2015, including the following:

- November 19, 2015: Eleven Chinese national standards, including the "General Guideline for Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises," were released. Details are <u>available here</u>.
- October 22, 2015: Six Chinese national standards, including the "Financial Information Technology – Data Interface of Enterprise Resource Planning Software – Part 1: Basic Data," were released. Details are <u>available here</u>.
- October 13, 2015: Thirty-five Chinese national standards, including the standard for "Plugs and Socket Outlets for Household and Similar Purposes – Parts 2-5: Particular Requirements for Adaptors," were released. Details are <u>available here</u>.

process by which it reviews and designates conformity assessment bodies (CABs) to administer the China Compulsory Certificate (CCC) mark. In particular, the directive allows for:

- Certification bodies and testing labs already approved by CNCA to carryout CCC-related work to apply to CNCA for a change in their approved scope of work; and
- Stakeholder suggestions on CNCA approval of CABs to carryout CCC-related work ahead of related, annual announcements by CNCA.

The CNCA Directive is <u>available (in Chinese)</u> <u>here</u>.

#### China Issues Draft Revised Patent Law for Public Comment

On December 2, 2015, the Legislature Office of the State Council published for public comment a draft revision of the Chinese Patent Law. The announcement (in Chinese) is <u>available here</u>. Comments are due by January 1, 2016.

## **Other Policy Updates**

CNCA Issues New Directive on the Review and Designation of CCC Implementation Agencies

In October 2015, the Certification and Accreditation Administration of China (CNCA) issued a directive outlining two reforms to the



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#### U.S., China Discuss Standards at 26th JCCT

On November 21-23, 2015, the U.S. and China convened the 26<sup>th</sup> Joint Commission on Commerce and Trade (JCCT) in Guangzhou, China. The JCCT is a forum for high-level dialogue on bilateral trade issues. It is typically chaired by the U.S. Secretary of Commerce, the U.S. Trade Representative, the Chinese Minister of Commerce, and the Chinese Vice Premier of Foreign Trade.

The U.S. fact sheet from this year's JCCT highlights a range of outcomes, including progress on issues related to agricultural biotechnology, competition, food safety, and intellectual property rights, among others.

With respect to standards, the following commitments were made:

- Both sides agreed that licensing commitments for patents in voluntary standards are made without government involvement except as provided by legally binding measures; and
- Both sides committed to allowing for open participation of both U.S. and Chinese firms in the setting of voluntary consensus standards, including Chinese association standards, on a non-discriminatory basis.

China's commitment to allow U.S. companies to participate in the development of Chinese association standards is particularly noteworthy, since the recently published draft guidelines for association standards make only a general call for open participation, and U.S. companies struggled to effectively participate in standards development process under China's pre-reform standardization system.

The U.S. fact sheet from the 26<sup>th</sup> U.S-China JCCT is <u>available here</u>.

#### **About this Publication**

The ANSI China newsletter is distributed to the membership and constituency of the American National Standards Institute (ANSI). It provides updates on technical activities, policy decisions, trade matters, and other information of interest to ANSI members operating in or interacting with China. Some articles are reprinted from the ANSI website, <u>www.ansi.org</u>, and some may be contributed by authors who are not ANSI staff.

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Published in ANSI's NYC Office 25 West 43rd Street, Fourth Floor New York, NY 10036