

The header image features a city skyline at night with illuminated skyscrapers. In the foreground, there are traditional Chinese red lanterns hanging from a structure. The title 'ANSI IN CHINA Newsletter' is prominently displayed in white text against the dark sky.

# ANSI IN CHINA Newsletter

Issue No. 21, Q3 2020

## U.S.-China Standards, Conformance, and Trade

### Highlights:

**U.S.-China SCACP Workshop Updates**

**China Releases Annual Report for Standards Development [2019]**

**Latest Development of China's New National Technical Committees**

**China's Standards Information Portals**

**Policy and Regulatory Tracker**

#### **About this publication**

The ANSI China Newsletter is distributed to the membership and constituency of the [American National Standards Institute \(ANSI\)](https://www.ansi.org). 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, [www.ansi.org](https://www.ansi.org), and some may be contributed by authors who are not ANSI staff.

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The opinions expressed by the authors are theirs alone and do not necessarily reflect ANSI opinions or positions.

#### **Contribute**

Contributions are gladly accepted for review and possible publication, subject to revision by the editors. Submit proposed news items to: [china@ansi.org](mailto:china@ansi.org).

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## Reform Recap

### *The Chinese Standards System*

On November 4, 2017, China's National People's Congress promulgated the revised Standardization Law, which entered into force on January 1, 2018. The revision is part of the ambitious plan State Council released in March 2015 to deepen 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;
- ◆ encourage the development of enterprise standards; and
- ◆ improve the level of internationalization of standards.

The reform represents a significant shift from the previous structure of the Chinese standards system, which emphasized mandatory and voluntary standards for each of the four different levels of standards: national, industry, local, and enterprise. More information on the current structure is available on ANSI's Standards Portal. ANSI is closely monitoring the rollout of standardization reform in China. Additional background and timely updates can be found by searching "China" and "reform" on ANSI's online new site.



## U.S.-China SCACP Workshop Updates



### U.S.-China Standards & Conformity Assessment Cooperation Program

In the interest of public health, ANSI has announced virtual attendance available for all upcoming meetings and conferences through December 31, 2020. ANSI's U.S.-China Standards and Conformity Assessment Cooperation Program (SCACP) delivered its first virtual workshop in July 2020 and will do the same for upcoming workshops, so that workshop organizers, speakers, and participants can interact safely until travel and meeting restrictions are lifted. ANSI and USTDA see this as the best option to continue U.S.-China commercial relationships through these unprecedented times.

#### Upcoming SCACP virtual workshops – Q4 2020

- ◆ U.S.-China Waste Management and Standards Workshop [Virtual], November 2020
- ◆ U.S.-China Electrical Storage Standards Workshop [Virtual], November 2020
- ◆ U.S.-China Oil and LNG Workshop [Virtual], December 2020

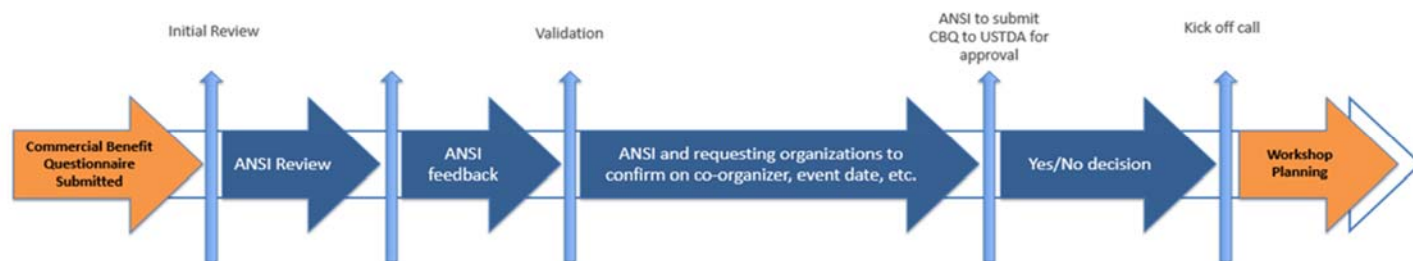
#### Proposals Sought for Upcoming Workshops

The ANSI China Program demonstrates ANSI's ongoing commitment to fostering U.S.-China standards cooperation to facilitate trade. To this end, ANSI continues its implementation of Phase V of the U.S.-China Standards and Conformity Assessment Cooperation Program (SCACP). In order to maximize U.S.-China industry engagement, ANSI is currently accepting proposals for U.S.-China SCACP workshops to take place in the first quarter of 2021. ANSI welcomes industry proposals on a rolling basis throughout the year for topics that address relationship building and knowledge sharing of industry best practices with Chinese counterparts. Please submit workshop proposals to [china@ansi.org](mailto:china@ansi.org).

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## Proposal submission process and keys steps



- ◆ demonstrate the time-sensitivity of an issue that impacts mutual economic and commercial benefits;
- ◆ translate a problem and the potential or anticipated impact on areas that represent the greatest opportunity for business and trade growth;
- ◆ enable U.S.-China technical cooperation in the area of standards, technical regulations, and conformity assessment; and
- ◆ focus on common concerns that impact the business community, both domestically and globally.

Click [here](#) to access the U.S.-China SCACP webpage and download the Commercial Benefit Questionnaire to propose a future SCACP workshop.

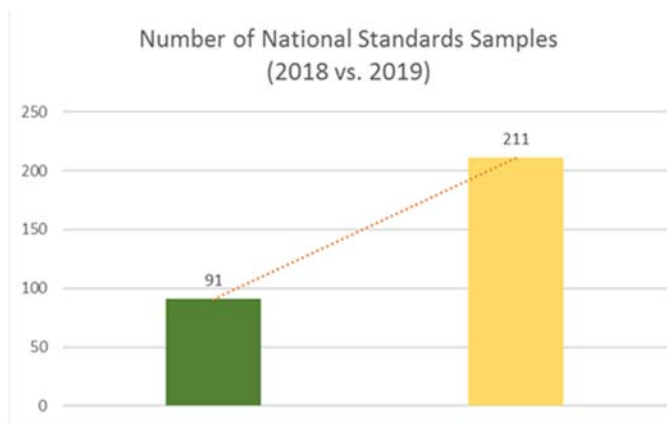
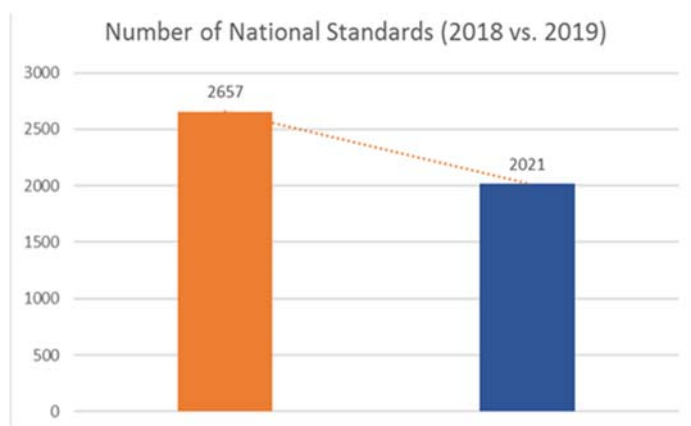
## Latest Updates on the Reform

### China Releases Annual Report for the Standards Development (2019 Version)

In September, the Standardization Administration of China (SAC) released the Annual Report for the Development of Standardization in China (2019). Based on the report, China has been continuously streamlining the structure of its standards system. Chinese policy makers have continued to eliminate government-led standards, and they have consolidated more than 300 mandatory standards. In addition, China has abolished 2,665 industry standards and 5,411 local standards. SAC has also emphasized the role of market-driven standards.

#### National Standards

In 2019, SAC approved and issued 2,021 national standards—composed of 106 mandatory standards and 1,915 recommended standards. In 2019, China developed 211 proposed national standards. Compared with 2018, the number of standards approved and issued in 2019 decreased by 636, and the number of proposed national standards increased by 120. As of the end of December 2019, China recorded a total of 38,347 national standards, including 2,131 mandatory standards, 36,216 recommended standards, and 1,785 proposed national standards.



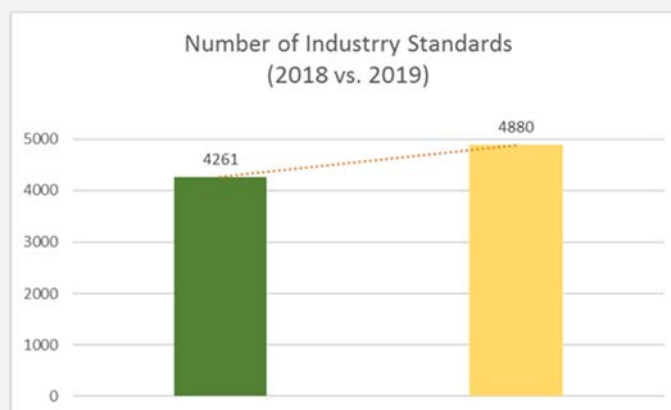
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## Industry Standards

In 2019, Chinese standards developers filed 4,880 industry standards. Compared with 2018, the number of industry standards in 2019 has increased by 619. As of the end of December 2019, SAC approved a total of 70 industry standards and filed 65,998 industry standards. Filed standards are the ones that have been submitted but pending approval.



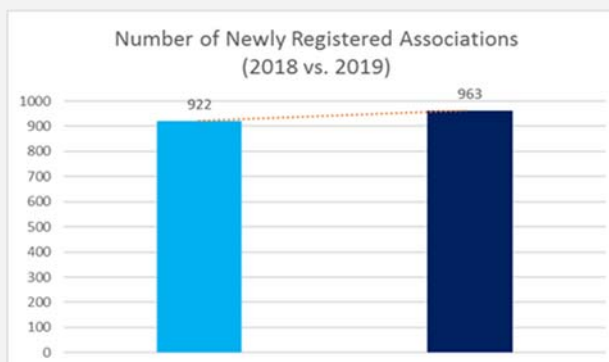
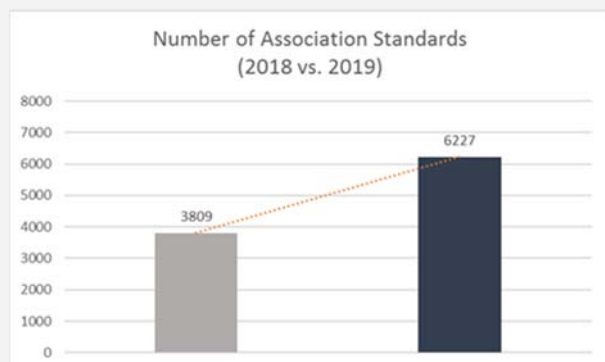
## Local Standards



In 2019, 7,238 local standards were filed. Compared with 2018, the number of filings in 2019 increased by 3,529 items. As of the end of December 2019, a total of 42,881 local standards have been filed.

## Association Standards

In 2019, a total of 963 associations registered on the National Group Standards Information Platform (referred to as "The Platform" in this section) and announced 6,227 association standards. Compared with 2018, the number of registered associations on the platform increased by 41 in 2019. As of the end of December 2019, a total of 3,042 associations were registered on the platform, and a total of 12,195 associations standards have been published.



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### Enterprise Standards

In 2019, there were 55,962 newly registered companies on the enterprise standard information portal; 373,131 enterprise standards were disclosed through the portal's self-declaration mechanism, covering 651,795 products. Compared with 2018, the number of registered companies on the platform in 2019 decreased by 5,228, the number of annual open standards increased by 33,283, and the covered product categories increased by 34,436.

### National Technical Committees

In 2019, eight national professional standardization technical committees (TC), 22 sub-technical committees (SC), and 1 working group (SWG) were established. As of the end of 2019, there were 1,324 professional standardization technical committees nationwide, including 552 TCs, 760 SCs, and 12 SWGs. There are 105 technical committees for the primary industry, or 7.93% of the total; 1,012 technical committees for the secondary industry, or 76.43% of the total; 173 technical committees for the tertiary industry, or 13.07% of the total; and 34 technical committees for social public utilities, or 2.57% of the total. By the end of 2019, the total number of participating foreign enterprise representatives has reached 3,053 people.

### China's Participation in International Standards-Setting

In 2019, China has assumed new positions within the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). A total of 238 proposals for ISO and IEC international standards have been submitted by China, of which 150 were submitted to ISO, 77 items submitted to IEC, and 11 items submitted to ISO/IEC JTC 1.

Cumulatively, the statistics show that 73 Chinese citizens have acted as chair or co-chair of ISO and IEC technical committees, and China has assumed responsibility of 88 ISO and IEC technical secretariats in 2019. China also actively participated in 98 meetings, including multilateral dialogue and fora, such as COPANT, CEN/CENLEC, PASC, and ARSO.

## Latest Development of China's New National Technical Committee

### Technical Committees on Artificial Intelligence

The Artificial Intelligence Subcommittee of the National Information Technology Standardization Technical Committee was established to formulate and revise artificial intelligence standards that pertain to technology, risk management, trustworthiness, governance, products, and applications. It also coordinates and manages China's participation in ISO/IEC JTC 1/SC 42, Artificial Intelligence.

Last year, China set up a committee to prepare draft ethics guidelines for AI development in China. During the early stage, China National General Group of AI Standardization also released a report focuses on AI's ethical risks. Several foreign-invested companies contributed to the report, including Siemens, Dentons Law Firm, and Covington & Burling. The report is composed of several sections and the first few chapters of the report provide a high-level overview of the AI ethics development in China, the United States, and Europe. The report also includes the Implementation Guidance for industry/enterprises, which have several key components:

#### ***The establishment of a risk management framework for AI – applicable to enterprises/companies with AI R&D capabilities, activities and services***

- ◆ The report encourages industry to establish a supervisory unit to oversee AI ethical risk management, including the response entities (roles and responsibilities). The supervisory body shall include the heads from AI R&D, corporate counsel/legal professionals, and compliance professionals. The enterprise shall develop policies and processes to support compliance and audit efforts.
- ◆ The report calls for an evaluation mechanism to assess AI ethical risks and reliability of data sources among business partners.

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## The establishment of a risk management process for AI ethical risks

- ◆ The report suggest to determining the scope and standards of the risk, risk assessment, response plan, monitoring and controlling (ongoing), and reporting (documenting the risks for record-keeping).
- ◆ The report suggests that the enterprise could hire third-party experts and evaluation groups to assess the risk management performance (ad-hoc basis) to ensure the effectiveness of enterprises' internal frameworks, processes, and policies.

## ANSI Insights

### Update on China's Belt and Road Initiative and Standardization

ANSI has published an article about China's Belt and Road Initiative and its role in standardization on Issue 16 in Q2 2019. This section is a follow up on the previous report. Since the promulgation of its newly released Standardization Law, China's standardization policy goals have implications for foreign companies, including efforts to make standards-setting more market-driven, effective, and global. The role of "Belt and Road Initiative," or BRI, in fueling China's ambition in the global standardization sphere and industry competition is clear. Not only have BRI projects increased in number, value, and geographic scope across more than 70 countries worldwide, the BRI has also become central to China's foreign policy.

China's efforts to improve its domestic systems and increase its influence in international standards-setting has both positive and concerning implications for foreign companies. Below is the breakdown analysis of standards adopted and used among 569 infrastructure/engineering projects in "Belt and Road Initiative" countries:

| Standards (type and origin)         | Number #   | Percentage  |
|-------------------------------------|------------|-------------|
| Chinese standards                   | 200        | 35.1%       |
| U.S. standards                      | 52         | 9.1%        |
| British standards                   | 44         | 7.7%        |
| French standards                    | 69         | 12.1%       |
| Other international standards       | 136        | 23.9%       |
| Russian standards                   | 26         | 4.6%        |
| Other standards (non-international) | 42         | 7.5%        |
| <b>Total</b>                        | <b>569</b> | <b>100%</b> |

Based on the China International Contractors Association, China has prioritized the adoption of Chinese standards in several key sectors in BRI countries. These prioritized sectors include:

- ◆ Electric power engineering, railway transportation/engineering, and telecommunication/engineering is relatively strong
- ◆ Roads, airports, port transportation engineering, civil construction, petrochemicals, etc. – 1/4 of the Chinese standards were adopted

China has also emphasized the competitive landscape and top obstacles regarding the adoption of Chinese standards among BRI countries.

| Reasons why Chinese standards are not widely adopted among BRI countries | Number # of filed issues | Percentage  |
|--|--------------------------|-------------|
| Regulatory and/or other administrative restrictions                      | 74                       | 36.3%       |
| Objection from Party A (in-country partner)                              | 68                       | 33.3%       |
| Disapproval from in-country consulting partner                           | 12                       | 5.9%        |
| Unfamiliarity with Chinese standards                                     | 41                       | 20.1%       |
| Other reasons  | 9                        | 4.4%        |
| <b>Total</b>   | <b>204</b>               | <b>100%</b> |



## Directory to China's Standards Portals and Information Databases

China is an important export market for many U.S. companies, and understanding the requirements is a key element of export success. Standards, technical regulations, and conformity assessment play a vital role in any company's competitiveness – both at home and in the global marketplace. To better assist ANSI members in navigating standards portals in China, ANSI has provided the following links to several important portals. Please click the following hyperlinked titles for more details.

### National Standards Portal



### Association Standards Portal



### Industry Standards Portal



### Enterprise Standards Portal



### Local Standards Portal



## Policy and Regulatory Tracker

### SAMR Releases Guidance on Strengthening Metrology

The State Administration for Market Regulation (SAMR) has released its guidance on improving the management scheme for metrology. The guidance promotes increasing awareness about the significant role that measurement plays in assisting fair global trade, ensuring products meet standards and regulations, and sustaining customer quality expectations. China issues guiding principles to establish a consistent system to oversee activities in key vertical sectors, such as food safety, healthcare, while encouraging the discovery of metrological activities in emerging technology areas such as artificial intelligence, additive manufacturing, new energy, 5G, etc.

More information on the announcement is available in Chinese.

### SAMR Releases Draft Policies for Revision

SAMR has announced its plan to revise 30 existing management measures and guidelines to update oversight bodies and streamline the implementation of revised policies and regulations. The revision plan also includes two standards and conformity assessment items: Management Measure for National Professional Technical Committees and the Management Measure for Certification Bodies.

More information on the announcement is available in Chinese.



### **About ANSI and ANAB**

As the voice of the U.S. standards and conformity assessment system, the **American National Standards Institute (ANSI)** empowers its members and constituents to strengthen the U.S. marketplace position in the global economy while helping to assure the safety and health of consumers and the protection of the environment. ANSI coordinates U.S. standardization activities and represents U.S. interests to international standards bodies such as ISO and IEC.

**The ANSI National Accreditation Board** provides accreditation and training services in the areas of management systems, personnel and product certification bodies, laboratories, inspection bodies, forensic service providers, proficiency testing and reference material producers.