

**REGULATORY
OBSERVATION**

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Highlights of this edition

Three Automotive Mandatory Standards Seeking Public Comments

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SAMR Publishes Arrangements for CCC of Gas Appliance Hose, Valves

On June 28, 2024, the State Administration for Market Regulation (SAMR) announced the CCC managing arrangements for gas appliance hoses and shut-off valves.

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China RoHS Scope Will Extend to 10 Substances Since January of 2026

On June 29, 2024, the Standardization Administration of China (SAC) issued No. 14 National Standard Notice, and announced the No. 1 Amendment of China RoHS standard GB/T 26572-2011 Requirements of concentration limits for certain restricted substances in electrical and electronic products

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Calling for Comments: Mandatory Energy Efficiency Standards

On June 17, 2024, the Standardization Administration of China (SAC) announced a new batch of standards projects concerning minimum energy efficiency values and energy efficiency grades and call for public comments until July, 17, 2024.

Full article available at Page 19 or visit:

https://www.bestao-consulting.com/detail?id=1695&status=china_compliance



Automotive and Machinery

1. Three Automotive Mandatory Standards Seeking Public Comments

On June 24, 2024, the Ministry of Industry and Information Technology (MIIT) called for public comments on several automotive national mandatory standards. The deadline for submitting feedback is July 24, 2024.

The main information of the call-for-comment standards are summarized as below:

And specifically, for each of the aforementioned standards, besides the fact that none of them have adopted international standards, the following information may also be important for the compliance teams of foreign stakeholders and MNCs:

On-board accident emergency call system

The higher-level laws and regulations of this standard is specified as *the Product Quality Law of China, the Standardization Law of China, Road Traffic Safety Law of China, Regulation on the Administration of Recall of Defective Auto Products* etc.

The standards' requirements aim to align China's management systems with UN R44 provisions and AECS requirements from other regions worldwide, thereby eliminating trade barriers for exports from China.

Fuel consumption limits for passenger cars

The fuel consumption limit standards for passenger vehicles have been developed and implemented in stages. The current mandatory standard GB 19578-2021 is originally planned for the sector development from 2021 to 2025. Consequently, revised

limit requirements are necessary for the next stage. Therefore, this standard revision is scheduled to take effect from January 1, 2026.

Once this standard is approved for publication, the implementation transition plan may be as follows: for vehicle models obtaining new type approval after the implementation date, they must comply with the provisions of the revised version; for vehicles that received type approval before the implementation date, a transition period of 24 months will be granted starting from the date the standard becomes effective.

Motor vehicles-windshield demisting and defrosting systems technical specification

Although there is no direct adoption of international counterparts, the revision has referred to (EU) 2021/535 Annex VI in the preparation process. Its application scope and technical requirements are consistent with (EU) 2021/535 Annex VI. In general, the overall technical level of the standard is considered by the TC experts to be equivalent to that of the European Union Regulation (EU) 2021/535.

The suggesting implementation date is January 1, 2026, and the advised transition period shall be: for vehicle models obtaining new type approval after the implementation date, they must comply with the provisions of the revised version; for vehicles that received type approval before the implementation date, a transition period of 12 months will be granted starting from the date the standard becomes effective.

2. SAC Approved Multiple Automotive Mandatory Standard Projects

On June 25, 2024, the Standardization Administration of China (SAC) issued a notice approving 32 projects for the formulation or revision of national mandatory standards, along with 10 projects for translating national mandatory standards into official English versions. The projects outlined in the notice span various sectors, with several directly concerning the automotive industry. Basic details are provided below:

Project No.	Standard Name	Status	Managing TC	Standard to be Replaced
20241864-Q-339*	Energy consumption limits for electric vehicles—Part 1: Passenger car	Revision	TC114/SC32 Automotive Energy Saving	GB/T 36980—2018
20241855-Q-339*	Fuel consumption evaluation methods and targets for passenger cars	Revision	TC114/SC32 Automotive Energy Saving	GB 27999—2019
20241848-Q-339	Road vehicles-Requirements and test methods of electromagnetic compatibility	Revision	TC114/SC29 Automotive Electronics EMC	GB 34660—2017
20241857-Q-339*	The safety technique specifications of special school	Revision	TC114/SC22 Buses	GB 24407—2012
20241843-Q-339	The safety requirements for bus construction	Revision	TC114/SC22 Buses	GB 13094—2017
20241853-Q-339	Technical requirements and testing methods for advanced emergency braking system (AEBS) of light-duty vehicles	Revision	TC114/SC34 Intelligent and Connected Vehicle	GB/T 39901—2021
20241856-Q-339	Requirements and measurement methods of light-duty vehicles forward visibility for drivers	Revision	TC114/SC18 Body Work	GB 11562—2014
20241865-Q-348*	Motor vehicle coolant - Part 3: fuel cell electric vehicle coolant	Newly developed	TC247 Automobile Maintenance	N/A

More details of the standard project shall be disclosed when draft for comments is published, or on an earlier stage when the internal draft is opened for TC members.

Among this batch of standard projects, four of them has been approved with official English version in progress (the items marked with “*”), and ***the Energy consumption limits for electric***

vehicles—Part 1: Passenger car has already issued draft for public comment. Please stay tuned for further articles, BESTAO team will provide more details soon.

Another aspect for foreign stakeholders or MNCs to consider is that none of the aforementioned standard projects have incorporated any international standards, potentially amplifying their compliance challenges.

3. WG on Recovery of Traction Batteries Used in Electric Vehicle Calling New Members

On June 4, 2024, the Sub-technical Committee on Electric Vehicles of the Road Vehicle Technical Committees (SAC/TC114/SC27) issued a notice announcing that a series of events are under organization to engage industry participants in the standardization efforts for battery recovery in celebration of the 10th anniversary of the establishment of the Working Group on Recovery of Traction Batteries Used in Electric Vehicles (hereinafter referred to as “the Working Group”). The activities aim to foster discussion, learning, and recognition within the field. Most importantly, it plans to expand of the Working Group Membership
To align with the national policy document named ***Guiding Opinions on Accelerating the Establishment and Improvement of a Green, Low-Carbon and Circular Development Economic System***, the Working Group seeks to broaden its membership to include all relevant stakeholders in the new energy vehicle traction battery recovery sector. An invitation has been issued for new members to join.

The qualifications required for membership applications are as follows:

- Experienced in the field of traction battery recovery technology or related standardization efforts.
- Strong theoretical and practical expertise.
- Knowledgeable in standardization practices.
- Holding a senior professional title or higher.

- Willingness to actively engage in the Working Group’s activities and fulfill the responsibilities and duties of a member.

This expansion aims to strengthen the group’s capabilities and contributions to the development of sustainable and circular economy standards within the electric vehicle battery recovery industry. The entities that intends to join the WG can submit their applications to the Working Group email before July 30, 2024.

Mandatory Standard Called for Comment on EV Conductive Charging System – JUN, 2024

On June 11, 2024, No. 1 Equipment Department of the Ministry of Industry and Information Technology (MIIT) and Science and Technology Department of the National Energy Administration (NEA) organized experts and has formulated the draft of national mandatory standard ***Safety requirements for electric vehicle conductive charging system*** (standard project no. 20240614-Q-624, hereinafter referred to as “the Standard”) and therefore called for public comments. The deadline for submitting feedback was July 8, 2024.

The Standard project is approved on March 25, 2024, and it covers 9 chapters and 1 normative annex. It specifies the general safety rules of electric vehicle conductive charging system, charging interface safety, AC charging safety, DC charging safety as well as the corresponding test methods and implementation transition period.

Once implemented, it will apply to electric vehicle AC and DC charging systems, the rated voltage of the power supply network side does not exceed 1000 V AC or 1500 V DC, the rated maximum voltage of the electric vehicle side does not exceed 1000 V AC or 1500 V DC. The Standard is also suitable for the charging safety requirements in the charging and discharging system of electric vehicles. However, it does not apply to:

- Safety requirements related to the maintenance of conductive charging/charge-discharge systems for electric vehicles;
- Automatic charging system such as top contact charging system etc.;
- On-board vehicle charging equipment specified in national standard **GB/T 40432 Conductive on-board charger for electric vehicles**.

The transition period plan currently stated in the Standard is that once it is implemented:

- New type approval applications for electric vehicles and power supply equipment shall be conformed with this Standard after its implementation date.
- For electric vehicles that have received type approval and for power supply equipment that has obtained type test reports, the implementation shall start from the 13th month from the implementation date of the Standard.

For foreign stakeholders and MNCs, another important information of this standard is that it uses ISO and IEC relevant standards, including but not limited to the **IEC 61851 series Electric vehicle conductive charging system**, **ISO 17409 Electrically propelled road vehicles — Conductive power transfer — Safety requirements** and **ISO 5474 series Electrically propelled road vehicles — Functional and safety requirements for power transfer between vehicle and external electric circuit** have been used as reference during the standard drafting, yet no direct adoption has been performed. It may cause a bigger impact in terms of conformity comparing with those that adopted international standards.

4. Mandatory Standard Seeking Comment on Safety Requirements of Vehicle Light Source

On June 24, 2024, TC114/SC21 (Lamp and Lighting SC under TC114 Road Vehicles) issued the draft of national mandatory **Light Sources for Power-driven Vehicles and Their Trailers Safety Requirement** (standard project no. 20214445-Q-339, herein after referred to as “the Standard”) to call for public comment before July 24, 2024.

It is a newly drafted standard that specifies the requirements, test conditions and inspection rules related to safety filament light sources, gas discharge light sources and standardized LED light sources (hereinafter referred to as LED light sources) of motor vehicle. It applies to light sources in road lighting and light signal devices and systems

used by motor vehicles of categories M, N, L and O.

The Standard is defined as one of the most significant active safety standards in China of motor vehicles, and an important supportive document to implement the country's ***Administrative Measures of Access of Manufacturing Enterprises and Product of Road Motor Vehicles, Access Review Requirements on Manufacturing Enterprises of Road Motor Vehicle and Product Access Review Requirements of Road Motor Vehicle*** (all three regulations have become effective on June 1, 2019 and issued by the Ministry of Industry and Information Technology).

The contents of current standard covers 10 chapters, and 8 normative annexes, and the main points including: same form of light source, general requirements of light sources, light source requirements and test conditions of filament, gas discharge and LED, and test rules (type test, working test, on-site test) etc. The annexes also elaborates measurement experiment for different functions and characteristics of light LED sources.

For foreign stakeholders and MNCs, mandatory standards always pose more potential impact than voluntary ones. Good news of this mandatory one is that its drafting has referred to ***IEC 60061-1 Lamp caps and holders together with gauges for the control of interchangeability and safety – Part 1: lamp caps, IEC 60061-2 Lamp caps and holders together with gauges for the control of interchangeability and safety – Part 2: holders***, and ***CIE 015:2018 Colorimetry***. Most importantly, it non-equivalently adopted following United Nation regulations:

·***UN Regulation No.37 Uniform provisions concerning the approval of filament light sources for use in approved lamps of power-driven vehicles and of their trailers***

·***UN Regulation No.99 Uniform Provisions Concerning the Approval of Gas-Discharge Light Sources for Use in Approved Gas-Discharge Lamp Units of Power-Driven Vehicles***

·***UN Regulation No.128 Uniform provisions concerning the approval of light emitting diode (LED) light sources for use in approved lamp units on power-driven vehicles and their trailers.***



CCC

5. SAMR Publishes Implementation Arrangements for CCC of Gas Appliance Hose, Valves

On June 28, 2024, the State Administration for Market Regulation (SAMR) announced the CCC managing arrangements for gas appliance hoses and shut-off valves (hereinafter referred to as “the Two Products”). Specifically,

For hoses

The scope includes the following two kinds of products:

- Stainless steel corrugated hose that connects with gas burner or gas equipment, with nominal size equal or less than DN32, the maximum working pressure is 0.01Mpa;
- Armouring hose connect with the user's gas burner for indoor gas pipelines or bottled liquefied petroleum gas regulator outlets in the ambient temperature range -10 °C ~ 70 °C, with nominal equal or less than DN15 and the maximum working pressure is 0.01Mpa.

The following standards must be fulfilled:

- *GB 41317 Stainless steel corrugated tubes for the connection of gas appliances (2024 version will come into force on August 1, 2024 and replace the 2022 version)*
- *GB 44017 Armouring hose for the connection of gas appliance (a newly drafted mandatory standard which will come into force on August 1, 2024)*

For shut-off valves

The scope covers electro-magnetic emergency shut-off valves for gas with maximum working pressure equal to or less than 0.4MPa and nominal size equal to or less than DN300.

The following standard must be fulfilled:

- *GB 44016 Electro-magnetic emergency shut-off valve for gas (a newly drafted mandatory standard which will come into force on August 1, 2024)*

The announcement also states that:

- Starting from October 1, 2025, the Two Products falling within the CCC catalogue must undergo CCC certification and bear the CCC mark before they are delivered, sold, imported, or used in business activities in China. The designated certification bodies will begin accepting CCC certification application since October 1, 2024.
- Designated certification bodies shall develop their detailed implementation rules based on the CNCA-developed implementation rule titled Implementation Rules of China Compulsory Certification – Safety Components of Gas-Burning Appliances. These self-formulated

detailed implementation rules should be filed with the Certification Supervision Department of SAMR before the designated certification bodies begin their certification work.

- Designated certification bodies and laboratories are encouraged to recognize enterprises' existing conformity assessment results to reduce their burdens, provided that the risks are controllable, and the certification quality is ensured.

Since CCC has become a pre-requisite for gas appliance hoses and shut-off valves to enter the Chinese market, overseas manufacturers should promptly adjust production to meet the new requirements.



Standardization

6. Administrative Measures Regulating Participation Management to IEC Conformity Assessment System in China

On July 5, 2024, the State Administration for Market Regulation (SAMR) published the full text of *the Administrative Measures on the Participation in the Activities of the International Electrotechnical Commission's Conformity Assessment System* (herein after referred to as “the Administrative Measures”). The document has come into effect immediately upon their issuance on June 26, 2024, replacing relevant regulations concerning the management of the IEC conformity assessment system in the *Certification and Accreditation International Peer Reviewers Recommendation and Post Management Measures, Regulations on the Management of Participation in the Activities of International Organizations for Certification and Accreditation (for trial implementation)*, and *the Certification and Accreditation International and Regional Organizations Post Management Provisions*.

The key takeaways of the Administrative Measures include:

I. The establishment of a sub-technical committee within China's IEC national committee (hereafter referred to as “the Sub-technical Committee”). According to the Administrative Measures, this committee will serve as an intermediary between CNCA and domestic stakeholders, including certification and accreditation bodies, enterprises, research institutes, and industry associations. The committee's responsibilities, detailed in Chapter 6 of the Administrative Measures, include:

- Voting: CNCA will seek the opinions of relevant Chinese parties through the Conformity Assessment Sub-committee.
- Proposals: Stakeholders are encouraged to propose new projects and rules to the IEC conformity assessment system. The Sub-technical Committee will organize and demonstrate these proposals before submitting them to CNCA.
- Research: The Sub-technical Committee will study discrepancies in national standards and report findings to CNCA.

Further details on the committee's operations are expected in their forthcoming official announcement, including the establishment of the secretariat.

II. Procedures for joining the IEC conformity assessment system require applicants to apply to CNCA for assessment. Only organizations and personnel that meet the eligibility criteria and pass the assessment will receive CNCA's endorsement to join the IEC conformity assessment system.

Rights and responsibilities of conformity assessment bodies under the Administrative Measures:

- Conduct IEC conformity assessment activities in compliance with relevant national laws, IEC conformity assessment system rules, and the The Administrative Measures' requirements.

- Accept CNCA's oversight and participate in the Sub-technical Committee.
- Regularly submit certificate issuance, evaluation acceptance, and other related information to CNCA.
- Safeguard national interests and reputation conscientiously.
- Actively foster and support experts participating in IEC conformity assessment working groups.

The National Certification and Accreditation Administration of China (CNCA) is the hosting China's national member body within the IEC Conformity Assessment System, oversees the management of China's participation in this system. Presently, China hosts 77 conformity assessment bodies participating in the IEC system, with Chinese enterprises holding 86,700 IEC conformity assessment certificates, taking up of approximately 10% of the total global number.

For foreign stakeholders, the Administrative Measures emphasize compliance with IEC conformity assessment rules, reflecting China's commitment to harmonizing with international standards. Foreign conformity assessment bodies legally operating in China are advised to monitor developments related to the Sub-technical Committee's formation and terms of reference, as participation in its activities is mandated by the Administrative Measures.

It is also advised to be aware that, the Administrative Measures may also consider a specified regulation to support ***the Administrative Measures on the Participation in the Activities of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC)*** (issued by the former General Administration of Quality Supervision and has come into force on May 1, 2015.)

7. New Round of Enterprise Standard Top-runner Selection Started in China

On June 20, 2024, the State Administration for Market Regulation (SAMR) released the *Announcement on Key Areas for Selecting Enterprise Standards "Top-runner" in 2024* (hereinafter referred to as the Announcement), which represents the official kick-off of the new round of top runner selection and appraisal. The Announcement attached a list of key areas: a total of 146 specific fields are identified, classified into 57 major sectors, such as agriculture, furniture manufacturing, textile industry, vehicle manufacturing, insurance, etc. The industrial development in these fields and sectors are expected to promote consumption, increase the domestic demands, and contribute to green and high-quality consumption.

Background

According to the requirements of the *China Standardization Law* revised in 2017, enterprises should disclose the code and name of the mandatory national standards, recommended standards, association standards or enterprise standards they implement; Where an enterprise implements its own enterprise standards, it shall also disclose the functional indicators of its products and services and the performance indicators of its products. In 2018, the SAMR, together with ministerial departments, initiated the Enterprise Standard "Top-runner" Project. Based on the disclosure system, this project will select the "Top-runner" enterprises that implement the top-level product or service standards (mainly the enterprise standards or association standards, since national standards and sector standards

does not represent top-level practices in this industry). It aims to create and cultivate a group of enterprises committed to high-quality development and innovative capability through developing and implementing high-level standards.

The selection normally starts from identification of key areas by governmental authorities which will then followed by China National Institute of Standardization (CNIS)'s work in appraisal and selection. Below is a series of activities following the Announcement of the key areas:

I. On June 25, 2024, China National Institute of Standardization (CNIS) organized a training meeting on the preparation of enterprise standard "Top-runner" appraisal scheme in 2024. This training meeting introduced the background and implementation of the enterprise standard "Top-runner" system; clarified the relevant requirements for the preparation of the enterprise standard "Top-runner" evaluation plan; interpreted the Announcement in detail; introduced the main content of the Enterprise standard "Top-runner" Work Guide (trial) (Draft for comment); introduced the operation of enterprise standard "leader" management

information platform; exchanged on issues of application time for appraisal schemes and corresponding basis.

II. On June 27, 2024, the CNIS announced the Calls for the Appraisal Institutes and Schemes for Enterprise Standards "Top-runner" in 2024. In the announcement, it details the scope and conditions, approach, as well as the contact information. It is part of the preparation for the selection and identification of the enterprise standards "Top-runner".

III. On June 28, 2024, the CNIS released the Enterprise standard "Top-runner" Work Guide (trial) (Draft for comment), which will replace the Enterprise Standard "Top-runner" Implementation Plan (Trial) released in 2018. Apart from editorial adjustment, the Work Guide specified the role of the government authorities (mainly the SAMR) in this project which is to identify the key areas and provide guidance to CNIS.

For MNCs and foreign stakeholders, it is recommended to register as a legal entity in China to keep updated with the detailed procedures and requirements since the title of "top-runner" will assist the enterprise to gain more visibility in the market of China.



Green

8. Working Meeting Held on Carbon Footprint Standards for Servers and Storage Devices

On July 9, 2024, the China Electronics Standardization Institute (CESI) organized a working meeting in Beijing to discuss two standards on product carbon footprint, namely ***Product carbon footprint—Product category rules—servers***, and ***Product carbon footprint—Product category rules—storage Equipment*** (hereinafter referred to as “the Two Carbon Footprint Standards”).

The standards aim to support the fulfillment of the tasks assigned by government policies such as ***Implementation Plan of Carbon Peaking in Industrial Sectors*** (issued by three national ministries on July 7, 2022) and ***Implementation Plan on Establishing a carbon footprint Management system*** (issued by 15 ministries jointly on May 22, 2024).

During the meeting, CESI first provided an overview of the two standards’ background, main contents, work schedule, and key concerns received from industry. Leading companies including Lenovo, Inspur, ZTE, Hikvision, among others, participated in the meeting and discussed the application scope, product function units, accounting scope, data collection range, data selection principles, data quality evaluation, and factor data selection in the two standards.

As China vigorously pushes for its green and low-carbon transition agenda, effectively monitoring and reducing product carbon emissions has become a hot topic in the country's standardization efforts. These standards may play a critical role in supporting future policies and regulations, potentially affecting the admission of overseas products. Therefore, overseas product manufacturers should regularly track the development of Chinese product carbon footprint standards to reduce compliance risks from an early stage.



China RoHS

9. China RoHS Scope Will Extend to 10 Substances Since January of 2026

On June 29, 2024, the Standardization Administration of China (SAC) issued No. 14 National Standard Notice, and announced the approval and implementation of 109 national standards and 4 amendments of national standards. Although all announced standards seem voluntary, the No. 1 Amendment (hereinafter referred to as “the Amendment”) of China RoHS standard **GB/T 26572-2011** ***Requirements of concentration limits for certain restricted substances in electrical and electronic products*** will pose quite significant impact for a large number of foreign and domestic stakeholders.

The Amendment is a one-page document, but it has finally officialized China’s long-discussed intention on extending the restricted substances from 6 to 10 items. It added 4 substance, which are 4 phthalates bis(2-ethylhexyl) phthalate (DEHP) (0,1%), butyl

benzyl phthalate (BBP) (0,1%), dibutyl phthalate (DBP) (0,1%) and diisobutyl phthalate (DIBP) (0,1%) to the list of restricted substances. On the other hand, those who has conformed with EU RoHS shall not be impacted by this change as EU RoHS has required the restriction of the same 10 substances since July of 2011.

The official implementation date of this Amendment is January 1, 2026, meaning that all stakeholders are given 18 months of time as a transition period. Meanwhile, foreign stakeholders should be aware that, as explained in the previous updates, the development of a mandatory standard for China RoHS’s hazardous substances restriction and labeling is in progress. This mandatory standard will replace SJ/T 11364 and GB/T 26572 eventually once it’s approved.



Tax and Import/Export

10. Work Notice Issued for Determining Tax Deduction Policy for Enterprises-

On June 27, 2024, the General Offices of the Ministry of Industry and Information Technology (MIIT), Ministry of Finance (MoF), and State Taxation Administration (STA) jointly issued a **Notice on Determining the List of Advanced Manufacturing Enterprises Eligible for the Value-added Tax (VAT) Deduction Policy in 2024** (hereinafter referred to as the Notice). This notice complements the former Announcement on the VAT Deduction Policy for Advanced Manufacturing Enterprises (hereinafter referred to as the Announcement) that allows advanced manufacturing enterprises to reduce the amount of VAT payable by an additional 5% based on the current deductible input tax (hereinafter referred to as the additional VAT deduction policy).

The Notice outlines specific criteria and procedures for determining eligible enterprises. The Key takeaways of the Notice are summarized as below:

I. Background:

The additional VAT deduction policy was implemented for the first time on April 1, 2019, and applies to taxpayers in production and household services. The release of Announcement released in 2023 expands application scope of the preferential policy, which was originally exclusive to the service industry, to a wider range of industries. As a supporting document, the Notice comprises 8 key articles defining the policy basis for the advanced enterprise list, criteria for inclusion, application timelines, validity period, considerations for branch offices, responsibilities of local authorities, considerations for major changes of the enterprises, and integrity requirements.

II. Scope of Potential Candidates:

-Qualification as High-Tech Enterprises: Advanced Manufacturing Enterprises refer to general high-tech taxpayers (enterprises) in the field of manufacturing industry, including their non-corporate branch offices. High-tech enterprises are defined as per the Notice on Revisions to the Administration Measures for the Identification of High-Tech Enterprises, focusing on high-tech sectors supported by the state.

-Potential candidates must demonstrate that at least 50% of their total sales from January 1, 2023, to December 31, 2023, stem from manufacturing operations, excluding VAT from total and manufacturing sales.

III. Application Time Frame and Platform:

-Time Frame:

- Enterprises listed in the List of Advanced Manufacturing Enterprises Enjoying VAT Additional Deduction Policy in 2023 with valid high-tech enterprise status can apply for 2024 listing from July 1, 2024, to April 10, 2025.
- New applicants for the 2024 list can apply from September 1, 2024, to April 10, 2025.

-Platform: Applications must be submitted via the High-Tech Enterprise Identification Management Website (<http://www.innocom.gov.cn/>).

IV. Validity of Preferential Policy:

- Enterprises with valid high-tech enterprise status throughout 2024 will enjoy the policy from January 1, 2024, to April 30, 2025.
- Enterprises whose high-tech enterprise status expires in 2024 and do not renew it within the year will enjoy the policy from January 1, 2024, to December 31, 2024.
- Enterprises whose high-tech enterprise status expires in 2024 but renew it within the same year will enjoy the policy from January 1, 2024, to April 30, 2025.
- Newly recognized high-tech enterprises in 2024 will enjoy the policy from January 1, 2024, to April 30, 2025.

The preferential tax policies may benefit the foreign stakeholders that are legally registered in China. Therefore, they are encouraged to carefully review relevant documents and policies to determine if they fall within the application scope of these preferential tax policies.



Energy and Energy Efficiency

11. Calling for Comments: Mandatory Energy Efficiency Standards

On June 17, 2024, the Standardization Administration of China (SAC) announced a new batch of standards projects concerning minimum energy efficiency values and energy efficiency grades and call for public comments until July, 17, 2024. These proposals are now open for public comment. SAC will oversee the development process through SAC/TC20 (Energy Fundamentals and Management). Simultaneously, the China National Institute of Standardization will translate these standards into English upon completion, ensuring availability in both Chinese and English.

Five standards within this batch are for more commonly equipment/appliance, and the main scope of the standards drafts is summarized as below:

Data Storage Devices:

Standard name: *Minimum allowable values of energy efficiency and energy efficiency grades for data storage devices*

Aims to enhance energy efficiency in data storage equipment by standardizing energy consumption test methods, including indicators like IOPS/W and GB/W, to ensure consistent test results.

Dehumidifiers:

Standard name: *Minimum allowable values of the energy efficiency and energy efficiency grades for dehumidifiers*

Addresses the growing demand for dehumidifiers in China by setting minimum energy efficiency values, grades, and testing

methods for vapor-compression cycle refrigeration-based units.

Floor Cleaning Appliances:

Standard name: *Minimum allowable values of energy efficiency and energy efficiency grades for floor cleaning appliances*

Defines minimum energy efficiency values, grades, and testing methods for AC or DC powered vacuum cleaners and cleaning robots used in non-professional settings such as homes and schools.

Centrifugal Pump Units for Fresh Water:

Standard name: *Minimum allowable values of energy efficiency and energy efficiency grades for centrifugal pump units for fresh water*

Establishes minimum energy efficiency values, grades, and testing methods for various types of centrifugal pump units used for fresh water applications, excluding non-metallic and seal-less rotodynamic pumps.

Medical, Laboratory, and Similar Refrigerating Appliances:

Standard name: *Minimum allowable values of the energy efficiency and energy efficiency grades for medical, laboratory and similar refrigerating appliance*

Sets minimum energy efficiency values, grades, and testing methods for refrigerators used in medical, laboratory, and similar settings.

These standard projects aim to promote energy efficiency across various industries, ensuring consistency in testing methodologies and facilitating product improvement.

12. Call-for-comment: Energy Efficiency Mandatory Standard for Household and Similar Kitchen Appliances

On May 17, 2024, SAC/TC20 (Energy Fundamentals and Management) issued a public comment request for the draft compulsory standard named ***Minimum Allowable Values of the Energy Efficiency and Energy Efficiency Grades for Household and Similar Kitchen Appliances*** (hereinafter referred to as “the Standard”). Once implemented, it will replace GB 12021.6-2017, GB 39177-2020, GB 21456-2014, and GB 24849-2017, which previously addressed energy efficiency requirements for electric rice cookers, electric pressure cookers, household induction cookers, and microwave ovens. The deadline for submitting public comments is July 15, 2024.

Small household appliances generally refer to those with lower power output and are categorized into kitchen appliances, cleaning and nursing appliances, and other types. Market data shows that from 2017 to 2022, the market for small household appliances in China grew significantly, with a compound annual growth rate of 8.72%. Currently, around 70% of these appliances are not subject to energy efficiency standards. Given that the standards for electric rice cookers, household induction cookers, and microwave ovens have been in place for nearly a decade, there is a need to update and expand these standards to better support industry development. The new Standard aims to address a broader range of small household kitchen appliances and enhance industrial guidance.

Key technological updates in the draft include:

- Scope: The Standard no longer specifies the environment for rice cookers. It now covers six product types: electric rice cookers, electric pressure cookers, household induction cookers, microwave ovens, stew cookers, and electric kettles.
- Energy Efficiency Grades: The energy efficiency classifications for electric rice cookers, electric pressure cookers, household induction cookers, and microwave ovens have been revised. For rice cookers, the number of efficiency grades has been reduced from five to three.
- Energy Efficiency Indicators: Standby power has been added as an energy efficiency indicator, categorized into network mode and non-network mode.
- Classification of Household Induction Cookers: Previously classified by heating unit power, induction cookers are now categorized into “circular-coiled heating units over 1200W” and “non-circular-coiled heating units 1200W or less.”
- Testing Methods: Improvements include:
 - Addition of standby power testing for rice cookers, electric pressure cookers, and household induction cookers.
 - Refined preparation steps for thermal efficiency testing.
 - Specified wind speed conditions.
 - Added requirements for experimental control devices in electric pressure cooker testing.
 - Revised calculation parameters for the thermal efficiency of household induction cookers.
 - Updated initial conditions for measuring microwave oven energy consumption.
 - Unified expression for the off mode power test for microwave ovens.

The drafting notes suggest that the Standard will be enforced one year after its publication. Enterprises will have the option to implement the Standard after its official release. This is the second round of public consultation, ending in mid-July. Staying informed about this Standard is crucial as it will impact market access directly.

BESTAO Reviews and Translations

13. Chinese Mandatory Standard Mapping for Vehicles

Price: USD 58.00

Page: 23

Number of Words: 3300

A key element of product compliance in a region's market is the mandatory standards within the sector.

China's automotive sector has a fast development under the country's intelligent and green transition.

This document presents a clear mapping of China's existing national mandatory standards for:

- Passenger car
- Commercial vehicle
- New energy vehicle
- ICV

14. English Translation: China RoHS 2.0 Catalogue, Exemption List and FAQ

In January 2016, 8 Ministries including the MIIT and the AQSIQ, which later merged into the State Administration for Market Regulation (SAMR), jointly published the final revised version of the Administrative Measures for the Restriction of Hazardous Substances in Electrical and Electronic Products (more commonly known as China RoHS 2.0 or China RoHS II).

The new regulation came into effect on 1 July 2016. China RoHS II expanded product scope from electronic information products to cover electrical and electronic products with voltage rating <1,500 V DC and <1,000 V AC which are dependent on electric currents or electromagnetic fields, plus their auxiliary products.

Then in 2018, Ministry of Industry and Information Technology (MIIT) issued two important files under China RoHS II: *Compliance Management Catalogue of China RoHS II (First Batch)* and *Exemptions List of Compliance Management Catalogue of China RoHS II (First Batch)*. They have entered into force on 12 March 2019.

Products listed in the Compliance Management Catalogue must comply with the China RoHS hazardous substance restriction limits unless they fall into the Exemption List. The exemption list includes 39 applications for lead, cadmium, mercury and hexavalent chromium in electrical and electronic products.

BESTAO has translated the three critical documents of China RoHS 2.0 in English:

- Compliance Management Catalogue of China RoHS II (First Batch)

With 6 pages and 1651 words, file available with preview at:

https://www.bestao-consulting.com/detail?id=1169&status=bestao_library

· Exemptions List of Compliance Management Catalogue of China RoHS II (First Batch)
With 6 pages and 1547 words, file available with preview at:
https://www.bestao-consulting.com/detail?id=1168&status=bestao_library

· English Version of Official FAQs on China RoHS II - 2016
With 23 pages and 7433 words, file available with preview at:
https://www.bestao-consulting.com/detail?id=1187&status=bestao_library

15.Full English Version - Guidelines for Security Assessment on Cross-border Data Transfer (English Translation)

Price: USD 58.00

Page: 23

Number of Words: 3300

The Security Assessment Measures for Cross-border Data Transfer is effective on September 1, 2022. This guidance is specially formulated to guide and help data handlers to standardize and orderly notify security assessment for cross-border data transfer.

For preview or purchase of this document, please visit:

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Founded by senior experts with solid industry experience, BESTAO Consulting provides regulatory compliance solutions across a wide range of industries to our global clients who wish to enter Chinese markets. Our areas of expertise include Government Affairs, Industry Policies, Technical Standards and Regulations, Certification and Market Access, and Translation Services.

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