



China Regulatory Observation

October 2024



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Message from BESTAO

Dear Readers,

As usual, we're happy to present you with the October 2024 edition of China Regulatory and Compliance Observation for AEM.

This edition will present you with briefings on policies, laws, regulations, certification and standards for agricultural machinery, construction, cybersecurity and earth-moving etc. of China in October 2024.

In the horizontal section, two articles elaborate China's further policy on first unit technical equipment and traceability of industrial product qualities that covers a variety of sectors including machinery.

The agricultural machinery section covers national standard and promotion appraisals updates of October, together with key takeaways on the intelligent agriculture guidelines and a high-end conference on agricultural machinery development.

In regards of construction machinery and utilities, the abstract of several relevant standards will bring you up-to-date on the standard systems. While in earth-moving and mining section, you'll read about new national approving standards and a notice to call for mining standard proposals.

Other important topics included in this issue range from data security, standardization and environmental protection.

Additional documents of this edition are two technical guidelines for implementing China's non-road mobile machinery emission stage IV.

Enjoy the reading.

Best Regards,

AEM project team of BESTAO



Horizontal

1. China's Insurance Subsidies for First Set of Major Technical Equipment

On October 29, 2024, China's Ministry of Industry and Information Technology (MIIT) released the Notice on Organizing the Application of the First Set of Major Technical Equipment Insurance Compensation Project (hereinafter referred to as the Notice). It provides procedural implementation support for part of the revised Opinions on Further Improving the Insurance Compensation Policy for the First Set of Major Technical Equipment and the First Batch of New Materials, jointly issued by MIIT, the Ministry of Finance, and the National Financial Regulatory Administration in 2024. The updated policy aims to promote strategic, high-quality equipment and new materials listed in the Guiding Catalogue for the Promotion and Application of First Set of Major Technical Equipment (hereinafter referred to as the Catalogue) and the Guiding Catalogue for the First Batch of New Materials Demonstration and Application.

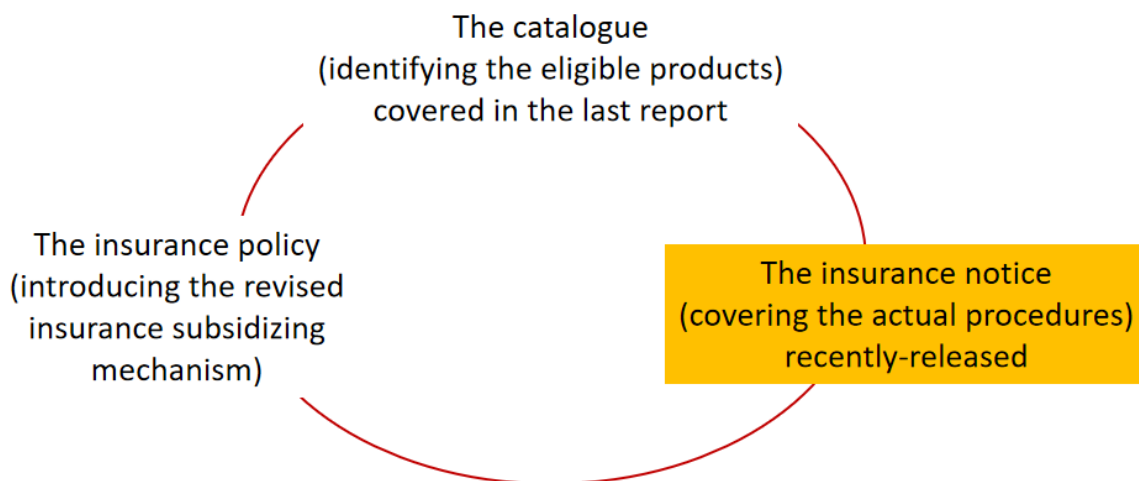


Figure: The relationship between these three policy documents

The “First Set of Major Technical Equipment” refers to equipment products that represent significant technological advancements and are protected by intellectual property rights but have not yet been commercially developed. These include complete equipment systems, core systems, and key components. In addition, the insurance specified in the Policy and the Notice is designed to address the unique quality and liability risks associated with these technical equipment. Manufacturers purchase this insurance to benefit end users, with the central government subsidizing premiums for eligible companies. The goal is to leverage fiscal funds to mitigate risks, speed up commercialization, and encourage insurers to expand and innovate insurance products.

For the information regarding the agricultural and construction machinery listed in the Catalogue, please refer to the last issue of the report. To obtain subsidies, eligible foreign enterprises are encouraged to review the details of the Notice and file the application to the local administrative authorities.

2. Establishment of Quality and Safety Traceability of Key Industrial Products

On October 9, 2024, China's State Administration for Market Regulation (SAMR) officially released the *Implementation Opinions on Promoting Quality and Safety Traceability of Key Industrial Products* (hereinafter referred to as the Opinions). A draft for comments was introduced in Issue 8 of the report. Now that it has been officially released, further details are provided in this Issue. The Opinions respond to the Central Committee of the Communist Party of China and the State Council's *National Outline of Building a Quality-powered Nation*, which calls for optimizing quality supervision effectiveness and establishing a traceability system for the quality and safety of key products. Issues such as unclear sources of problematic products, lack of accountability among manufacturers and sellers, and counterfeit or substandard products harming consumer rights disrupt the market. Therefore, the document aims to establish a nationwide quality and safety traceability system for key industrial products. This system will ensure traceable origins, trackable destinations, and accountable parties, thereby accurately identifying and preventing product quality risks to uphold safety standards.

The Opinions include seven main tasks and three annexes: a list of the first batch of key industrial products, general data requirements for traceability, and a guide to free traceability technology solutions.

Scope of Implementation

Following a phased approach, SAMR will gradually include products in high demand, closely related to consumer welfare, and with high safety requirements in the traceability system. The policy sets three stages to gradually cover a wider range of products:

1. By the end of 2024: Applying the traceability system to the products on the first batch list, including electrical cables, gas appliances, firefighting products, electric bicycles, helmets,

plywood, and steel ropes. This will apply to products under production licensing and mandatory certification management.

2. By the end of 2025: Expanding traceability system to all products requiring production licenses and mandatory certification.

3. By the end of 2027: Extending traceability requirements to products beyond licensing and certification, specifically those with mandatory national standards that affect health, safety, and property.

Key Tasks

The Opinions outline several tasks to establish a robust quality and safety traceability framework:

I. Developing an information-based traceability system: This involves creating a "one-code-through" system, where manufacturers assign a unique traceability code at the source, and retailers and consumers can scan it to access quality and safety information, enabling comprehensive traceability for key industrial products.

II. Establishing a centralized traceability platform: SAMR will build a national platform for quality and safety traceability, standardizing data requirements. Manufacturers and sellers can use any compatible traceability code or system, connecting with the platform to enable traceability.

III. Enforcing traceability responsibility on producers and sellers: Producers are required to accurately report essential quality and safety data, such as information on production units, product details, and distribution data. Retailers must verify product information and report transaction data to the traceability platform in accordance with the standardized data requirements.

IV. Encouraging active participation of related stakeholders: Standardization bodies, industry associations, and other entities are encouraged to

incorporate quality and safety traceability in standard development, quality evaluations, and credit assessments. Manufacturers and sellers are also encouraged to consider traceability as a factor in procurement and supplier selection.

V. Ensuring comprehensive data security: All participants are required to safeguard traceability data, ensuring its authenticity, completeness, accuracy, and security. SAMR, in collaboration with relevant departments, will oversee the protection of traceability infrastructure and data security.

Implications for Foreign Machinery Manufacturers

Although the initial product list does not include machinery, machinery products may be subject to

traceability requirements by 2027. Overseas machinery manufacturers are therefore encouraged to closely monitor developments in standardization and quality credit assessment developments, as those standards and assessment might incorporate potential new traceability requirements. Additionally, preparing to implement information-based traceability by 2027 might be necessary. This may include establishing a traceability system that aligns with SAMR's data requirements, accurately reporting production and product information, and ensuring traceable data integrity and security. Finally, implementing the traceability system could place overseas machinery manufacturers on equal footing with domestic ones, as the policy may help the market filter out low-quality and low-priced products.



Agricultural and Forestry Machinery

3. Three Revision Projects of Agricultural Machinery Calling for Comments

On October 10, 2024, the Standardization Administration of China (SAC) issued notice to call for public comments on 71 revision/drafting projects for national standards, with three that are related to agricultural machinery.

The three national standard projects are all aiming at replacing currently effective standards and are all voluntary ones. The key information of these three standards includes:

Standard Name	Main Contents	Main Revisions	Standard to be Replaced	Relation with International Standards
Tractors, machinery for agriculture and forestry, powered lawn and garden equipment — Symbols for operator controls and other displays —	It standardizes symbols for use on operator controls and other displays applicable to multiple types of agricultural tractors and machinery, forestry machinery, and powered lawn and garden equipment.	<ul style="list-style-type: none"> Changes the titles for some symbols, including but not limited to engines, hydraulic systems, braking, fuel, lighting, temperature control, etc. Supplement symbols and descriptions for window and visibility, climate control, seat, tire, wheel, axle and suspension, steering, etc. 	GB/T 4269.1-2016	IDT ISO 3767-1:2016
Tractors, machinery for agriculture and forestry, powered lawn and garden equipment — Symbols for operator controls and other displays — Part 2: Symbols for agricultural tractors and machinery	It standardizes symbols for use on operator controls and other displays on agricultural tractors and machinery.	<ul style="list-style-type: none"> Changes the titles for some symbols, including but not limited to agricultural tractors, harvesters, etc. Supplement symbols and descriptions for combine harvesters, cotton harvesters, forage harvesters, sugar cane harvesters, windrowers, agricultural sprayers, agricultural implements, etc. 	GB/T 4269.2-2016	IDT ISO 3767-2:2016

Standard Name	Main Contents	Main Revisions	Standard to be Replaced	Relation with International Standards
Agricultural wheeled tractors and implements—Three-point hitch couplers—Part1: U-frame coupler	It specifies the essential dimensions for attaching three-point hitch implements to agricultural wheeled and track-laying tractors equipped with a three-point free link hitch according to ISO 730 or ISO 8759-1 and a U-frame hitch coupler. It applies to categories 1, 2N, 2, 3N, 3, 4N, and 4 of agricultural wheeled and track-laying tractors as defined in ISO 730 or ISO 8759-1	<ul style="list-style-type: none"> Change the product scope. Change the technical requirements on location, and dimensions for certain equipment/components in Chapter 4, Chapter 5, and Chapter 6. 	GBT 17127.1	IDT ISO 11001-1:2016

Other information that AEM and AEM members may need to notice is that all three standards are identical adoptions of ISO standards. The aim is to keep aligned with the latest version of the adopted international standards and adapt to China’s latest development status of corresponding agricultural machinery/equipment. The call for comment period ended on November 9, 2024.

4. Nine New Promotion Appraisal Outlines for Agricultural Machinery Calling for Comment

On October 16, 2024, the Agricultural Mechanization Central Station (AMCS) under the Ministry of Agriculture and Rural Affairs (MARA) began soliciting public comments on draft promotion appraisal outlines for nine types of agricultural machinery. The comment period will be open for one month.

The nine types of agricultural machinery covered by these draft appraisal outlines include windrowers, reel-type sprinklers, tea colour sorters, tea leaf withering machines, pest monitoring lamps, paddy weeders, radish

harvesters, mobile grain suction machines, and hillside tractors.

These promotion appraisal outlines serve as foundational documents for conducting appraisals, which are a prerequisite for agricultural machinery to qualify for government subsidies. Understanding the technical requirements in these outlines is therefore crucial for agricultural machinery manufacturers. Companies producing any of the specified machinery types are encouraged to review the outlines and provide feedback. Please contact us for further details.

5. MARA Issues New Policies to Accelerate Smart Agriculture Development

From October 23 to 25, 2024, the Ministry of Agriculture and Rural Affairs (MARA) issued two policy documents: the *Guiding Opinions on Vigorously Developing Smart Agriculture* (hereafter, “Guiding Opinions”) and the *National Smart Agriculture Action Plan (2024–2028)* (hereafter, “Action Plan”).

These policies aim to boost the informatization rate of agricultural production and accelerate the sector's transition toward smart agriculture.

The Guiding Opinions outlines a general framework for advancing smart agriculture in the coming years, while the Action Plan provides a more detailed, actionable roadmap to implement the Guiding Opinions, emphasizing practical steps for implementation and for achieving its goals.

Specifically, the Guiding Opinions propose 13 key tasks across three areas: promoting smart agriculture applications, accelerating technology innovation and adoption, and fostering a robust development of the smart agriculture industry. For agricultural machinery, the document highlights:

- Advancing intelligent agricultural technologies such as unmanned aerial vehicles and smart decision-making systems to enhance precision in tillage, planting, management, and harvesting;
- Promoting the digital upgrade of machinery by researching and popularizing high-precision intelligent agricultural equipment;
- Accelerating R&D of core technologies, including agricultural sensors, dedicated chips, core algorithms, and agricultural robots, as well as integrating AI models, big data analytics, and other technologies into agriculture and rural development.

To support these initiatives, the document suggests increasing subsidies for purchases of advanced and smart machinery, guiding financial institutions to increase financing for smart agriculture projects, and encouraging local governments to attract social investment in smart agriculture through rewards, interest subsidies, and other incentives.

The Action Plan outlines key initiatives for 2024-2028. In the field of agricultural machinery, it proposes:

- Accelerating the digital upgrade of machinery by introducing terminal equipment such as Beidou-assisted driving systems, to improve precision in major crop yields;
- Focusing on technologies and equipment for environmental monitoring and control, precision water-fertilizer management, intelligent pest control, unmanned inspection and transportation, and smart agricultural machinery to advance smart agricultural (livestock and fishery) farms;
- Fostering innovation in intelligent agricultural machinery to support precision tillage, seeding, variable pesticide and fertilizer application, targeted irrigation, reduced harvest losses, reduced transportation and storage losses, and optimized straw utilization, within large-scale application scenarios to advance the future of smart agriculture.

To facilitate these tasks and goals, the Action Plan calls for coordinating central budget investments, upgrading major information platforms, and investing in key technology projects. It also encourages local governments to explore new policies, such as dedicated subsidies for smart agriculture, and to establish a diversified support system including technology, services, and financial resources.

These policies respond to challenges such as China's relatively low agricultural productivity, growing global competition for leadership in agricultural technology, and the significant technology and application gap with regions such as the US and the EU. They reflect China's commitment to closing this gap in smart agriculture products, technology, and applications.

For overseas companies in the agricultural machinery field, these documents—especially the Action Plan—highlight work priorities, technologies and products that are likely to attract substantial government subsidies and financial support over the next four years. Overseas companies with relevant

technologies and products could expand their presence in the Chinese market by providing relevant solutions and participating in application projects.

6. MIIT and MARA Push Forward Agricultural Machinery Weakness-Addressing Action

On October 15, the Ministry of Industry and Information Technology (MIIT) and the Ministry of Agriculture and Rural Affairs (MARA) held a national conference in Jiamusi, Heilongjiang Province, to advance the “agricultural machinery weakness-addressing action” and promote its high-quality development. The conference aimed to review the initiative’s achievements, share best practices, and outline key tasks for the next phase.

At the conference, the two ministries highlighted that since the initiative’s launch, China’s agricultural machinery technology research has accelerated, key equipment has achieved large-scale application, corporate competitiveness has significantly improved, and the innovation environment has been optimized. Moving forward, the two ministries will continue to focus on addressing weaknesses in agricultural machinery equipment and advancing high-quality development through key initiatives:

- Prioritizing the development of large, high-end intelligent machinery and equipment for hilly and mountainous areas to stimulate market vitality and achieve breakthroughs in key products;
- Establishing pilot maturation platforms to accelerate the integration of machinery, techniques, crop varieties, and field applications, streamline testing and appraisal processes, and reduce product maturation cycles;
- Continuously optimizing the agricultural machinery purchase and subsidy policies to promote “better machinery, better subsidies” and “phased entry and exit,” encouraging the scrappage and renewal of outdated equipment to support faster upgrades of machinery in use;
- Promoting the establishment of regional agricultural machinery service centers across townships, building a skilled workforce of machinery operators, and supporting the frontline application of innovative machinery;

China’s weakness-addressing action for agricultural machinery began in 2019 with the State Council’s *Guiding Opinions on Accelerating Agricultural Mechanization and Agricultural Machinery Industry Transformation and Upgrading*, which called for addressing mechanization gaps for the production of major crops and for hilly and mountainous agriculture. Since then, the initiative’s scope has expanded, with multiple policies issued to systematically identify and address weaknesses in agricultural machinery products and technology, aiming for strategic autonomy.

Currently, the machinery weakness-addressing action targets four key areas: high-horsepower machinery, high-end intelligent machinery, machinery for hilly and mountainous areas, and machinery for horticultural facilities. To support the development of these products, China provides funding through national R&D plans, subsidies for machinery purchases and applications, and integrated pilot projects for R&D, manufacturing, promotion, and application.

This strong support for the domestic industry presents significant challenges for overseas companies and products. China is expected to continue intensifying efforts to address gaps in critical machinery, establishing a domestic supply chain for major crop production and advanced agricultural machinery. To remain competitive, overseas companies should enhance R&D in these areas to address future challenges posed by the domestic industry.



Construction and Earth-moving Machinery

7. Standard Draft on Lifting Appliance Remote Control Ready for Comments

On October 31, 2024, SAC/TC227/SC6 (Electrical system and intelligentization of lifting appliances) issued a draft of national voluntary standard **Lifting appliances—Remote control systems—General technical specification** (hereinafter referred to as “the Standard Draft”) to call for public opinions. The call for comment period will end on December 30, 2024.

The Standard Draft specifies the architecture, configuration and technical requirements of the remote control system for lifting appliances, and it also elaborates on corresponding test methods and inspection rules. It applies to the design, manufacture, transformation, and acceptance of the remote control system of lifting machinery defined in GB/T 20776. Other types of lifting appliances may also refer to this standard as a technical guideline. The main contents of the Standard Draft include system architecture, technical requirements, test methods, and inspection requirements.

The standard is formulated per the requirements and principles stipulated in national legal documents for special equipment such as the **Safety Law of Special Equipment of China** and the **Work Safety Law of the People's Republic of China (2021 Amendment)**. The main purposes of drafting this standard include: supporting the further and safe development of intelligent transition of lifting appliances, especially improving the safety, reliability, and cost-efficiency of remote control systems. The Standard Draft is also expected to:

- Improve the lifting machinery standard system.
- Provide a technical basis for production, inspection, and other relevant parties.
- Provide clear technical guidance for manufacturers and users.
- Promote the standardization and standardization of technology
- Promote the high-end development of the industry

For AEM and AEM members, this Standard Draft is believed to be the first standard on lifting appliance remote systems in China, and based on the information collected from the drafting SC, there hasn't been a standard with similar application scope in the international standardization community yet. It may be a good reference for understanding China's intelligent transition in the lifting appliance sector, and the potential technical trends for development in China. The Standard Draft is planned to be approved for implementation before November 30, 2024.

Additional Information about SAC/TC227/SC6

SAC/TC227/SC6, founded in March 2023, is the newest subcommittee under the management of SAC/TC227(lifting appliances) and is responsible for developing electrical and intelligent standards for lifting appliances. The secretariat is managed by Beijing Materials Handling Research Institute Co., Ltd.

8. Monthly National Standard Updates for Industrial Trucks

In October of 2024, three standard dynamics of industrial trucks are announced by the Standardization Administration of China (SAC) and corresponding TCs. The key points are summarized below:

Revision Standard Project: Industrial trucks—Verification of stability—Part 20: Additional stability test for trucks operating in the special condition of offset load, offset by utilization

The standard project is open for public comments from October 28 2024 and will end on November 27. It aims to revise the currently effective national standard GB/T 26949.20-2016 under the same name.

It will be an identical adoption of ISO 22915-20:2023, which specifies an additional test for verifying the stability of a laden truck whose utilization creates the special operating condition whereby the load center of gravity is substantially offset from the truck's longitudinal center plane or the centered position by design.

Revisions to GB/T 26949.20-2016 will be made to better align with the version change of the adopted international standard. Maintaining alignment with international standards is seen as essential to enhancing China's product quality and technical standards.

Standard Approved for implementation: GB/T 2982-2024 Size designation, dimensions, inflation pressure, and load capacity of pneumatic tires for industrial vehicles

This national voluntary standard was announced for approval by SAC on October 26th, 2024, with an implementation date May 1st, 2024.

The to-be implemented GB/T 2982-2024 is a non-equivalent adoption of **ISO 3739-1:2022 Industrial tires and rims - Part 1: Pneumatic tires (metric series) on 5 degrees tapered or flat base rims — Designation, dimensions, and marking**, and **ISO 3739-2:2021 Industrial tires and rims - Part 2: Pneumatic tires (metric series) on 5 degrees tapered or flat base rims — Load ratings**. It will replace the currently effective national standard GB/T 2982-2014.

Two key takeaways regarding this to-be-implemented standard that may be worth AEM and AEM members' attention:

- The standard to be replaced by GB/T 2982-2024 didn't adopt any international standards. When it is replaced by the non-equivalent adoption of ISO standards, the impact would be greatly reduced, especially for those that have conformed with the international ones.
- The standards are under the management of SAC/TC19/SC1, which is in charge of national standardization works of tires and rims for passenger cars, trucks and buses, earth-moving machinery industrial trucks, and agricultural machinery. The TC is also the mirror group of SC3, SC4, SC5, SC6 and SC7 of ISO/TC31 (Tires, rims and valves)

Draft for Comments: Forklift truck attachments—Design specifications

On October 28, 2024, SAC/TC332 (Industrial trucks) issued a draft of standard named **Forklift truck attachments—Design specifications** (Project no. 20231823-T-604, hereinafter referred to as "the Standard Draft") to call for public comments. The call-for-comment period will end on December 28, 2024.

The Standard Draft establishes design criteria and calculation methods for the overall design, mechanisms, structure, installation and connections, hydraulics, electrical systems, and safety features of forklift attachments. It applies to forklift truck accessories as defined in GB/T 6104.2. Other types of forklift truck attachments can be used as reference.

It contains 9 chapters, 46 diagrams, and 24 tables that elaborate on the contents above. Additionally, it is a newly drafted standard with no international adoption. The purpose is to ensure the safer use of forklift attachments and provide a unified standard and specification for the whole sector and

stakeholders as statistics demonstrate an increase in relevant incidents. The Standard Draft is planned to be approved before June 2025.

9. SAMR Strengthens Inspection and Administration System for Special Equipment

On October 23, 2024, the Special Equipment Bureau of the State Administration for Market Regulation issued a draft of the **Amendment No. 1 for TSG Z7001 Accreditation Criteria on Special Equipment Inspection Agencies** (hereinafter referred to as “the Amendment Draft”) to call for public comments for the third round. The opinion soliciting period will end on November 23, 2024.

TSG Z7001 Accreditation Criteria on Special Equipment Inspection Agencies applies to the approval of special equipment inspection institutions engaged in the supervision and inspection of special equipment, periodic inspection, and design document appraisal in China. It was originally implemented in December of 2004 and has been used as the accreditation benchmark for special equipment inspection ever since. The currently effective version of TSG Z7001 comes into force in December of 2021. The Amendment Draft is a supplement document to the TSG Z7001-2021, and it has been calling for

comments twice before this round, successively in April and September of 2023.

It is not very common for a regulation, standard, or amendment to call for comment for three rounds in China. Comparing the three versions of the Amendment Draft, one obvious trend is that modifications on the same article or the total number of revised articles are increasing, resulting in a 10-page document with more than 20 revising points/sections that cover wording optimization to technical improvements. The latest Amendment Draft put stricter and more specific requirements for staff competence, testing equipment, and some technical parameters.

For AEM and AEM members, revising the accreditation criteria for special equipment (which includes lifting appliance) may not have a direct impact, but it may impact the qualification or the qualified level of inspection bodies that AEM member may work with in China.



Earth-moving and Mining Machinery

10. Collision Warning and Avoidance Standard Approved for Earth-moving Machinery

On October 26, 2024, the Standardization Administration of China (SAC) announced the approval of 215 standard revision/drafting projects, with one related to earth-moving machinery: ***Earth-moving machinery—Collision warning and avoidance—Part 3: Risk area and risk level for forward/reverse motion*** (project number 20243243-T-604, hereinafter referred to as “the Earth-moving Standard”).

It is a newly formulated standard that identically adopts ISO 21815-3:2023 with the same name, defines requirements for collision warning systems (CWS) and collision avoidance systems (CAS) that address forward and reverse motion for:

- earth-moving machinery as defined in GB/T 8498,
- mobile underground mining machinery as defined in ISO 19296, and
- road construction machinery as defined in ISO 22242.

The main contents of this Earth-moving Standard is planned to be:

- Define the shortest safe distance for the mechanical collision warning and avoidance systems to issue a warning, the possible path and expected path during the mechanical movement, and the detection area of the collision warning and avoidance system;
- Put forward the overall requirements of the collision warning and avoidance system, and clarify the warning content and intervention actions that should be issued by the collision warning and avoidance system under different circumstances;
- Clarify the definition of risk levels and the basic logic of collision warning and avoidance system to judge different risk levels;
- Clearly define the restrictions on the use of collision warning and avoidance system, and specify the system parameter configuration requirements in the case of restrictions;
- Clarify the calculation method of the minimum safe distance in different cases.

AEM and AEM members are advised to note that the Earth-moving Standard has been drafted with consideration of the technical development and operational requirements of earth-moving machinery in China, which demand enhanced collision avoidance capabilities. It may potentially be cited by relevant certification or regulations in China, making it a mandatory requirement.

11. National Mining Machinery TC Calling for Standard Projects for 2025

At the beginning of October, SAC/TC88 (Mining Machinery) issued a notice calling for national and industry standard projects for 2025 (hereinafter referred to as “the Notice”).

The overall goal of initiating new standard projects is to effectively improve the quality and encourage reasonable growth in the number of machinery standards, thereby promoting high-quality development within the sector. The legal basis and principles of the project proposals are mainly the

National Standardization Development Outline (issued in 2021), and the 14th Five-year Plan and several national standardization and economy policies.

The key directions and categories for standard proposals in 2025 are summarized by the TC:

- Standards that will facilitate the technical progress, structural improvement and sector upgrades, and those that will strongly support the implementation of mining machinery policies, and plannings.
- Standards that will greatly improve the intelligent transition of equipment and mines, green manufacturing, energy saving and comprehensive use, environmental protection, high-tech development and application, etc.
- Standards that will relate with or can accelerate the achievement of China's carbon peaking and carbon neutrality goals, and those can support green and low carbon development and policy systems.
- Standards that can effectively adopt international standards or advanced overseas standards.
- National voluntary standards that need to be revised after regular review.
- Standard translation projects of existing standards or those under drafting.

Standard proposals should be submitted with the application templates provided by the Notice as annexes before November 10, 2024. SAC/TC88 also provides a list of sector standards that recommend being revised for potential applicants to work on.

For AEM and AEM members, the project calling notice is a good reference to understand and learn what standards or categories may have changes/revisions in regard of market access requirements. It is encouraged for AEM members with entities registered in China to participate in proposal submission if any projects are relevant or of interest to them.



Green and Environmental Protection

12. Working Plan Issued to Optimize China's Carbon Emission Accounting

On October 8, 2024, the National Development and Reform Commission (NDRC), the Ministry of Ecology and Environment (MEE), jointly with 6 other national ministries, issued the **Work Plan for Improving the Statistical Accounting System for Carbon Emissions** (hereinafter referred to as "the Working Plan").

Since establishing the specific timeline for achieving the carbon peaking and carbon neutrality goals (commonly referred to in China as the "dual-carbon goals") in 2021, China has been intensifying its issuance of top-level planning and policy documents aimed at accelerating the green transition and carbon reduction. Optimizing the statistical accounting system for carbon emissions is recognized as one of the fundamental tasks in achieving the nation's dual-carbon goals, and this has been highlighted in several national policies, such as **Implementation Plan for Accelerating the Establishment of a Unified and Standardized Statistical Accounting System for Carbon Emissions**¹ and **Working Plan on Accelerating the Construction of a Dual Control System for Carbon Emissions**² etc. The Working Plan is a more specific policy document that allocates the goals in the **Implementation Plan for Accelerating the Establishment of a Unified and Standardized Statistical Accounting System for Carbon Emissions** to finally achieve them.

The overall objectives stated in the Working Plan are to: focus on addressing key constraints, further refining tasks, consolidating responsibilities, and enhancing implementation efforts that effectively promote all levels, sectors, and industries to improve their carbon emissions statistical accounting capabilities, enhance the quality and timeliness of carbon emissions data,

and support the "15th Five-Year Plan" in implementing carbon emission dual control and accelerating the green transformation of development modes. The Working Plan has also set out main objectives for two periods:

- By 2025, focusing on consolidating the carbon emission data base, comprehensively improve all aspects of carbon emission accounting system of regions, sectors, enterprises and products, in order to support for the implementation of carbon emission dual control (control on total emission and intensity) nationwide during the 15th Five-Year Plan period.
- From 2026 to 2030, focuses on comprehensively improving the level of carbon emission accounting capacity, constructing and completing a systematic carbon emission statistical accounting mechanism and all relevant aspects, to ensure that carbon emission data can effectively meet the requirements of carbon emission control at all levels, fields and sectors.

The overall missions of the Working Plan mainly include: focusing on local carbon assessment, industrial carbon management, enterprise carbon management, project carbon evaluation, product carbon footprint and other work, focusing on promoting the improvement of regional, industrial, enterprise, project, product and other levels of carbon emission accounting systems and standards.

For next steps, NDRC will act as the main coordinator for the implementation, establishing a cooperation mechanism between relevant stakeholders, guiding the implementing plan drafting on regional level, as well as pushing

¹ Issued by the NDRC, National Bureau of Statistics, and MEE in April of 2022.

² Issued by the General Office of the State Council in July of 2024.

relevant departments to effectively work on corresponding mission.

For AEM and AEM members, this horizontal document will lead to further detailed plans or policies across all sectors, including non-road

machinery. Carbon emissions and footprint accounting is likely to become a mandatory responsibility for all enterprises in the coming years. Therefore, it is essential to remain vigilant and stay informed about relevant policy developments.





Tax and Export Control

13. China Revised Tariff Regulations Announced for Implementation

On October 28, the General Administration of China (GACC) issued official notice to announce the final version of **Measures of the Customs of China for the Administration of the Collection of Duties on Imported and Exported Goods** (hereinafter referred to as “the Measures”) and **Decision of the General Administration of Customs on Amending Several Regulations** (hereinafter referred to as “the Decision”), and their implementation date: December 1, 2024.

The two regulations are legally based on is the **Tariff Law of the People's Republic of China** (with the latest version coming into force on December 1, 2024 as well), and the **Customs Law of the People's Republic of China** (2021 Amendment). The drafts of both regulations have been issued for public comments in August of 2024³.

Compared with the drafts, the final version of the Measures shows quite a few wording and structural modifications, which provide a more concise and clear statement. It clarifies the tariff calculation formula, relevant regulatory procedures, and processes for all stakeholders, and will be the most important supportive regulation for the newly-revised **Tariff Law of the People's Republic of China**.

In regards to the Decision, it elaborates the revision detail of some article details of 33 regulations that relate to or support the implementation of the Tariff Law of China, the main modifications include but are not limited to aligning terms and definitions, revising details and specifying requirements, etc. Comparing with the draft for comment, the final version of Decision also covers some new modifications. Following regulations out of all the listed regulations in the Decision may have an impact on AEM members

that have import/export business for the China market:

- **Measures of the Customs of the People's Republic of China for the Supervision of the Goods Transited between Customs Offices***
- **Measures of the Customs of the People's Republic of China for the Administration of the Centralized Declaration of Imported and Exported Goods***
- **Measures of the Customs of the People's Republic of China for the Determination of the Customs Value of Imported and Exported Goods***
- **Measures of the Customs of the People's Republic of China for the Administration of the Tax Reductions and Exemptions for Imported and Exported Goods***
- **Provisions of the Customs of the People's Republic of China on the Commodity Classification of Import and Export Goods***
- *Measures of the Customs of the People's Republic of China for the Collection of Fees for Delayed Declaration on Imported Goods*
- *Provisions of the Customs of the People's Republic of China on the Administration of Preferential Origins of Imported and Exported Goods*
- *Measures of the Customs of the People's Republic of China for the Administration of Goods Temporarily Imported or Exported*

* Items marked in Bold letters mean there are further modifications compared with the draft for comment on the Decision and therefore may require more attention if such an item has been identified as relevant for AEM members' business in China.

³ Further detail of the draft please refer to Article #12 of **20240915 BESTAO-AEM China Compliance - August 2024**.



Standardization

14. Regular Review and Implementation Evaluation for National Standards Kicks-off

On October 8, 2024, the Standardization Administration of China (SAC) issued a notice to launch the standard review work of 2024 for national voluntary standards (hereinafter referred to as “the SAC Notice”). It is regular work for the SAC and relevant TCs and organizations. For the review work of 2024, SAC provides a list of standards that need to be reviewed and appoints their responsible TCs to finish the review and submit the result to sector standardization regulators for approval before January 31, 2025. The review results should be voted on and approved by all TC members. SAC will assign the National Standard Evaluation and Review Center to give the result. The ones that are categorized as “annul” or “revise” will be published for public comment.

To implement the requirement of the SAC Notice, the following TCs that relate to AEM products issued the review notice within their working scope:

- SAC/TC331 (Continuous Mechanical Handling Equipment) on October 15.
- SAC/TC332 (industrial trucks) on October 22.
- SAC/TC227 (Lifting Appliance) on October 30, 2024.

The corresponding standards that shall be reviewed include:

Standard No.	Standard Name	TC in Charge	Relation with International standard
GB/T 36697-2018	Discard qualification for ladle crane	SAC/TC227	N/A
GB/T 24813-2018	Forged steel lifting hooks with latch, grade 8		ISO 7597:2013, IDT
GB/T 25196-2018	Cranes—Monitoring for crane design working period		ISO 12482:2014, IDT
GB/T 18874.3-2018	Cranes—Information to be provided—Part 3: Tower cranes		ISO 9374-3:2014, IDT
GB/T 37366-2019	Tower crane safety monitor system and data transmission specifications		N/A
GB/T 36698-2018	Basis for calculation of belt conveyors	SAC/TC331	N/A
GB/T 26949.9-2018	Industrial trucks—Verification of stability—Part 9: Counterbalanced trucks with mast handling freight containers of 6 m length and longer	SAC/TC332	ISO 22915-9:2014, IDT
GB/T 26949.16-2018	Industrial trucks—Verification of stability—Part 16: Pedestrian-propelled trucks		ISO 22915-16:2014, IDT

The deadline to finish the standard review work of TC227 and TC331 is November 15, 2024, and that of TC332 is November 6, 2024.

In the meantime, on October 30, 2024, SAC/TC227 also kicked off the work to evaluate the implementation status of several national standards, as well as calling for standard proposals for 2025 (the submission deadline is November 15, 2024). The national standards that are listed by SAC/TC227 to be evaluated are:

- *GB/T 6067.1—2010 Safety rules for lifting appliances - Part 1: General*
- *GB/T 6067.5—2014 Safety rules for lifting appliances—Part 5: Bridge and gantry cranes*
- *GB/T 14405—2011 Bridge crane for general purpose*
- *GB/T 14406—2011 Gantry crane for general purpose*
- *GB 26469—2011 Safety code for launching machine*
- *GB 28755—2012 Safety rules for simple lifts*

The main evaluation purpose is to review the standard application scope, its economic/social/ecological benefits, and collect suggestions and issues during its implementation.

Such standardization actions may result in status changes for existing standards. Therefore AEM and AEM members are advised to follow up on future progress and updates.

15. National TC on Data Founded in China

On October 28, 2024, the founding conference & the first working meeting of SAC/TC609 (Data) was held in Beijing. Several officials from national ministries attended the event, including but not limited to the State Administration for Market Regulation (SAMR), the Office of the Central Cyberspace Affairs Commission (CAC), the Ministry of Industry and Information Technology (MIIT), the Ministry of Finance (MOF), and the National Data Bureau etc.

SAC/TC609 was founded on the consideration that data-relevant standards are a significant part of the data management system, as they can establish solid foundation for digital economy, activate data potentials and value to achieve a better digital development and transition.

The first session of the TC consists of 98 committee members from different types of companies and organizations:

- Government: the National Data Bureau, CAC, MIIT and MOF
- Universities and colleges: Tsinghua University, Peking University, Beihang University, Renmin University of China, University of Electronic Science and Technology of China, Harbin Institute of Technology, etc.
- Scientific research institutions: State Information Center (SIC), China Academy of Information and Communications Technology (CAICT), Institute of Computing Technology, Chinese Academy of Sciences, China Cybersecurity Review Certification and Market Regulation Big Data Center, etc.
- Enterprises: China Unicom, National Grid, China Electronics Corporation (CEC), Huawei, Tencent, etc.
- Sector representatives: Big Data Center of the Ministry of Agricultural and Rural Affairs, Information Center of Ministry of Culture and Tourism etc.

- Regional representatives: Shanghai Municipal Bid Data Center. Big Data Center of Sichuan Province, etc.

The working scope of the TC includes:

- Basic and general standards on data resources, data technology, data circulation, smart city, digital transformation, etc.
- Data infrastructure standards that support data flow and utilization
- Security standards for data circulation and utilization

The TC's responsibilities are assigned as:

- Propose policies and measures for data standardization.
- Organize the formulation of the national data standard system; study and put forward the plan for the revision of national standards in the data field, annual work points, and suggestions for the adoption of international standards.
- Organize and carry out relevant national standard works such as drafting, soliciting opinions, and the technical review for the data sector.
- Organize the promotion and training of data national standards, as well as the pilot verification and application promotion of key standards.
- In charge of communication and mirroring works of international standardization organizations and communities for the data sector.

The TC will reinforce top-level design, accelerate relevant standard drafting/revision, improve standard quality and application, and enhance international communication and cooperation regarding data standardization.

The founding of the TC609 may not initiate a direct impact on AEM and AEM members. However, TC609 and its supervising national department, the National Data Bureau, may intensify China's data governance and management system for all sectors and economic entities. Even more, it is worth noting that SAC/TC609 will serve as the mirror group of several international TCs and organizations:

- ISO/IEC JTC1/SC32 (Data management and interchange)
- ISO/IEC JTC1/SC42/WG2 (Data)
- ISO/IEC JTC1/WG11 (Smart Cities)
- IEC/SyC Smart Cities (Electrotechnical aspects of Smart Cities)

The aforementioned international TCs may be a good platform for AEM and AEM members to interact with the TC if necessary.



Data Security

16. China Issues Guidelines for Establishing Data Standard System

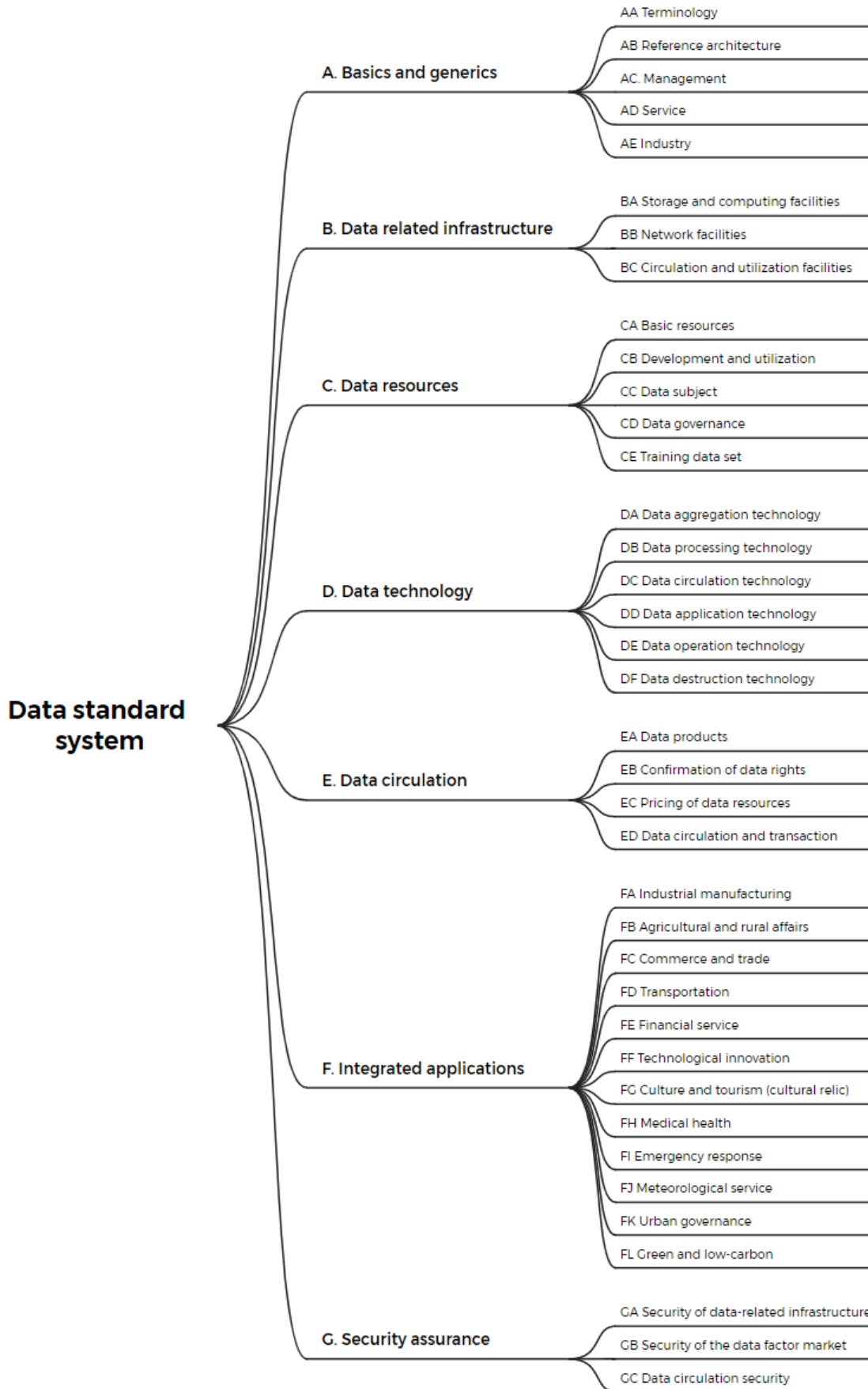
In On October 8, 2024, China's National Development and Reform Commission, the National Data Bureau, the Cyberspace Administration of China, the Ministry of Industry and Information Technology, the Ministry of Finance, and the National Standardization Administration of China jointly issued the *National Data Standard System Construction Guidelines* (hereinafter referred to as the Guidelines). The Guidelines align with China's ambition to unlock the value of data, as outlined in the *Opinions on Building Basic Systems for Data to Better Give Full Play to the Role of Data Resources* (commonly referred to as the *Twenty Data Measures*). The establishment of a standard system is part of a series of recent actions in China, including the creation of a dedicated technical committee (SAC/TC 609), the development of a trusted data space, and call for comments on terminology explanation in the field of data, among other initiatives. The ultimate goal of standardization is to create a consensus-based system that facilitates data circulation and utilization.

In recent years, notable progress has been made in standard development, with over 80 national standards issued in the areas of data basics and generics, technology, application, and security. However, a gap between industrial needs and standardization supply remains, highlighting the need for a unified standard system to guide standardization efforts in the data field. The released standard system follows a three-layered tree system, with the first two layers shown in the

accompanying figure. These cover data basics and generics, data-related infrastructure, data resources, data technology, data circulation, integrated application, and security assurance. The Guidelines introduced a quantitative goal: by 2026, over 30 national standards in the data field are expected to be developed or revised. These standards will focus on data circulation and utilization infrastructure, data management, data services, training datasets, authorized operation of public data, data rights confirmation, pricing of data resources, and enterprise data exchange paradigms. In the meantime, a number of standard application demonstration cases will be explored, and a standard verification and application service platform is expected to be built. Industry-wise, several third-party standardization service institutions will be cultivated to assess data management, conducting data evaluations, assess data service capabilities, and evaluate the authorized operation performance of public data.

In the next steps, apart from developing or revising standards, efforts will also focus on pilot trials and demonstration of standard applications, as well as the growth of relevant talent and skills. Of particular relevance, China intends to continue to enhancing communication and engagement by participating in international standardization activities. Foreign stakeholders are advised to view this standard system as a tool for mapping and tracking relevant standardization activities in China.

Figure: China's Data Standard System (continue on the next page)



BESTAO policy review to this Issue:

- BESTAO Translation - Progress of the National Platform
- BESTAO Translation - Requirements for Environmental Information Disclosure

What can be expected in the following editions:

In the following editions, China Regulatory and Compliance Observation for AEM will still cover policies, laws, regulations, certification and standards for agriculture and forestry machinery, construction, and mining machinery of China, which will include but not limited to:

1. Standard updates in China on non-road mobile machinery
2. Beidou (China's self-developed satellite navigating system) application on agricultural machinery

About BESTAO Consulting Co. Ltd.

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 Regulations and Standards, Certifications and Market Access, Tannings and Translation Services.

Accessing the Chinese market has become increasingly more important for overseas companies of all kinds and having a better understanding of the requirements to enter this large and complex market will give you the advantage over your competition. BESTAO Consulting can help you understand the Chinese regulatory environment to gain access quick and effective access to the Chinese Market.

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- The government affairs team supports our clients in identifying key stakeholders in China to build connections and improve business development.
- Our consulting team helps our clients understand China's legal framework, technical regulations, standardization system and certification schemes, including but not limited to Product Safety, CCC, China RoHS, Energy label, Medical Device Registration, Special Equipment Certification, etc. We advise our clients on market access requirements and draw comparisons between EU/US and China.
- Our intelligence collection team gathers up-to-date information on China's technical regulations and standardization in sectors like electrical and electronics products, consumer products, mechanical products, automotive, etc. We also make tailor-made observations for our clients upon their requests. We make sure that our clients stay informed on the latest developments in regulations, certification, and standardization in China.
- Our training team is dedicated to conducting workshops for overseas companies to facilitate their entry into Chinese markets.
- Our translation team provides high-quality English translations of laws, regulations, standards, and technical specifications.
- We also offer China representative, "virtual office" services and tailor-made China regulatory retainer services for overseas clients.

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BESTAO Consulting Co., Ltd.
No.9, Xinyuanjie, Chaoyang District
Beijing, 100102. P R China
Phone: +86 10 6599 6261
Fax: +86 10 6474 9117
Email: assistant@bestao-consulting.com
Website: www.bestao-consulting.com