



## China – Geopolitical power through standards

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# SESEC INTRODUCTION

Partners and Role



SESEC is a visibility project co-financed by five European partners

## SESEC Partners

- European Commission (EC)-The executive body of the European Union; Responsible for proposing legislation, implementing decisions, upholding the treaties and day-to-day management of the EU; DG Grow is the main partner (80%)
- European Free Trade Association (EFTA)-Iceland, Liechtenstein, Norway and Switzerland; Intergovernmental organisation set up for the promotion of free trade and economic integration to the benefit of its four Member States; None EU members;
- CEN-European Committee for Standardization
- CENELEC-European Committee for Electrotechnical Standardization
- ETSI-European Telecommunications Standards Institute



**SESEC IV promotes EU-CN dialogue and cooperation in the area of standardization.**

We are currently in SESEC IV (2018-2021).

The project is **managed by CEN**, supported by a Steering Committee involving all partners.



# SESEC INTRODUCTION

## Goals and Tasks

- ❖ **Promote** European and International standards in China
- ❖ **Improve** contacts between Project Partners and different levels of the Chinese administration, industry and standardization bodies
- ❖ **Enhance** visibility and understanding of the European Standardization System (ESS) in China.
- ❖ **Gather** regulatory and standardization intelligence
- ❖ **Undertake** technical lobbying

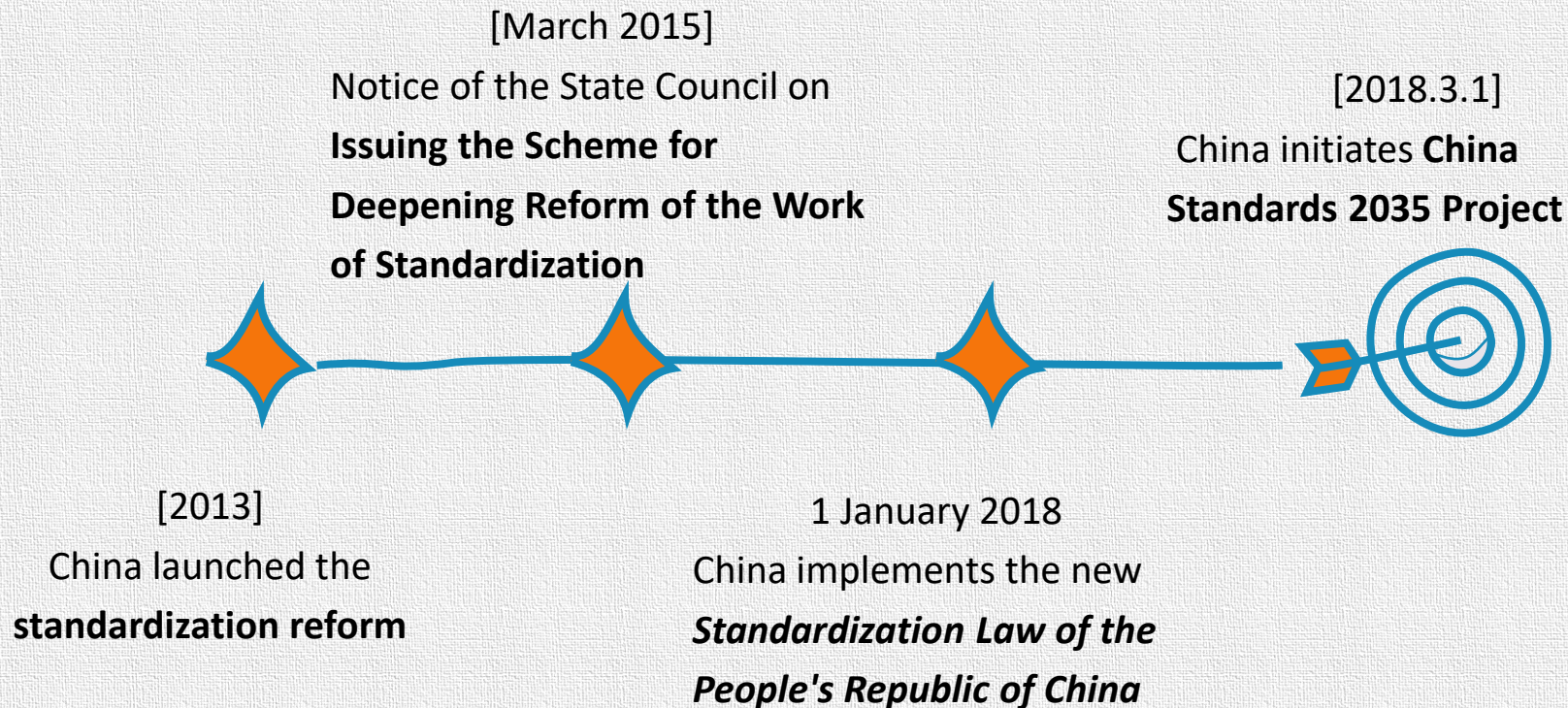


## Goals

- The SESEC initiative supports **EC policy** and **ESOs strategic objectives** in China.
- Our ultimate goal is the enhancement of **EU-China dialogue and cooperation** in the field of standardization.
- It is notably expected to support the Framework Cooperation Agreement in place **between the ESOs and SAC**.



# A big picture of China standardization development





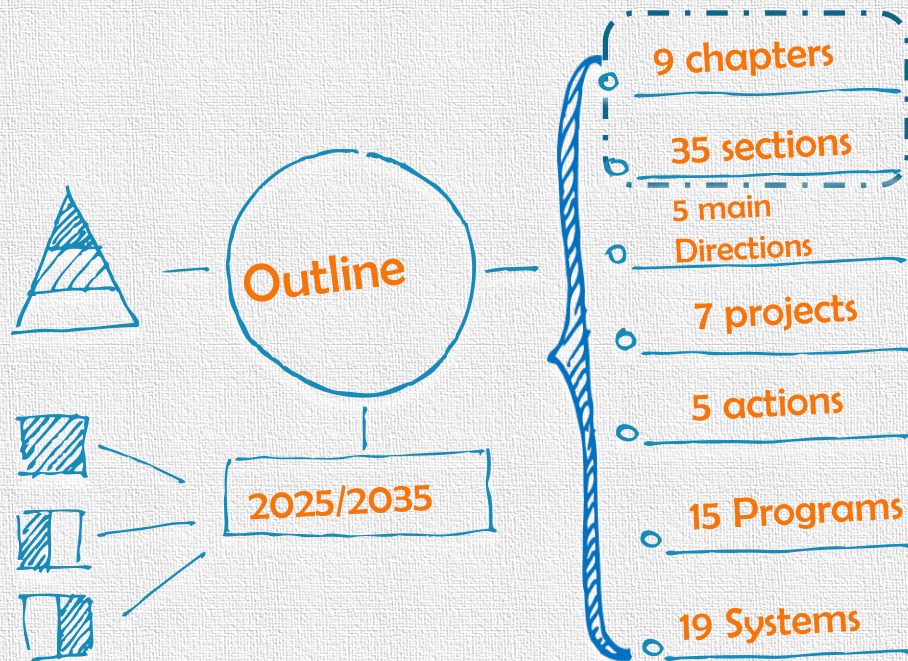


## Outline for the Development of National Standardisation

2021.10.10

- promoting standardization to serve economic and social development and **standardization reform**
- strengthening international exchanges and cooperation on standardization

The **Central Committee of the Communist Party of China and the State Council** issued the Outline, as the guidance of the **medium - and long-term development of standardization** in China.





## 5 Directions

### Standards drive high-tech innovation

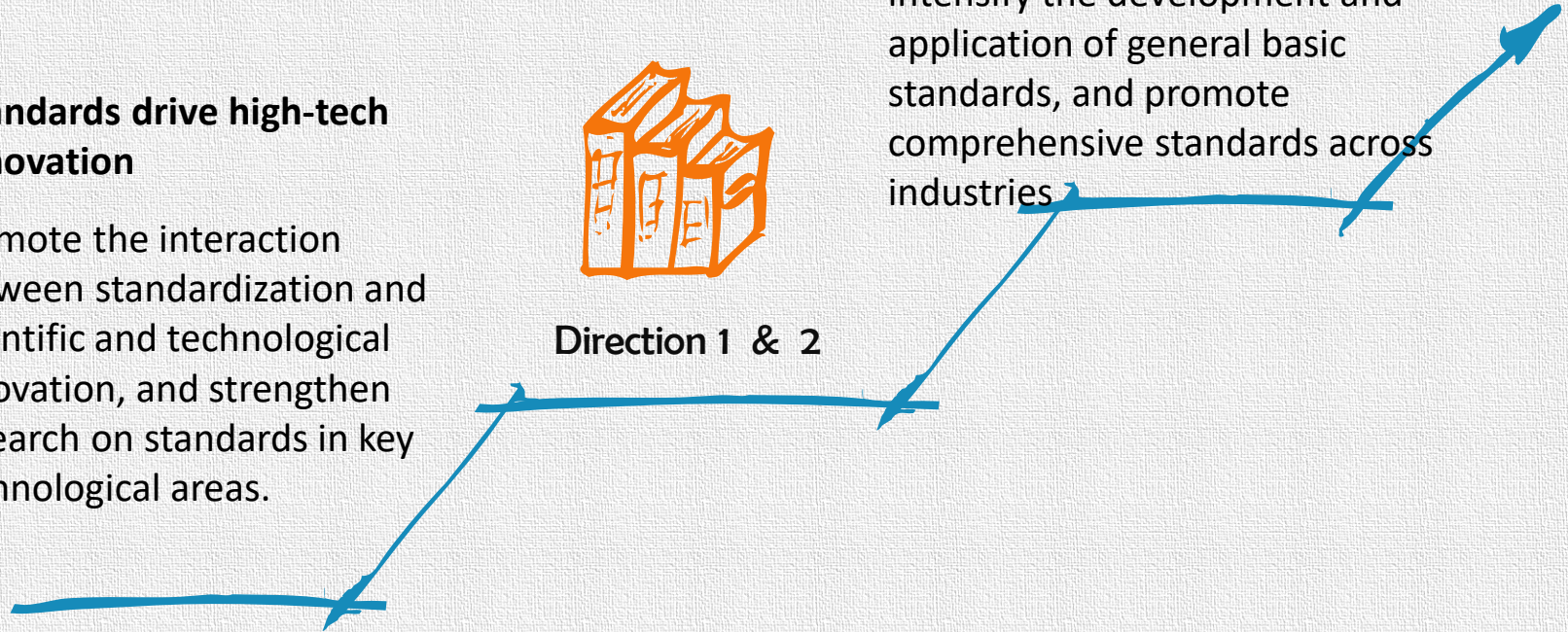
Promote the interaction between standardization and scientific and technological innovation, and strengthen research on standards in key technological areas.



### Direction 1 & 2

### Standards lead the high-end industry

intensify the development and application of general basic standards, and promote comprehensive standards across industries







## Outline for the Development of National Standardisation

### Main Direction 3-5



#### **Standard support efficient governance**

Rural revitalization, social governance, digital society, carbon peak, carbon neutral

#### **Standards promote high level openness**

Deepen bilateral and multilateral international exchanges and cooperation; Participate in international standardization activities

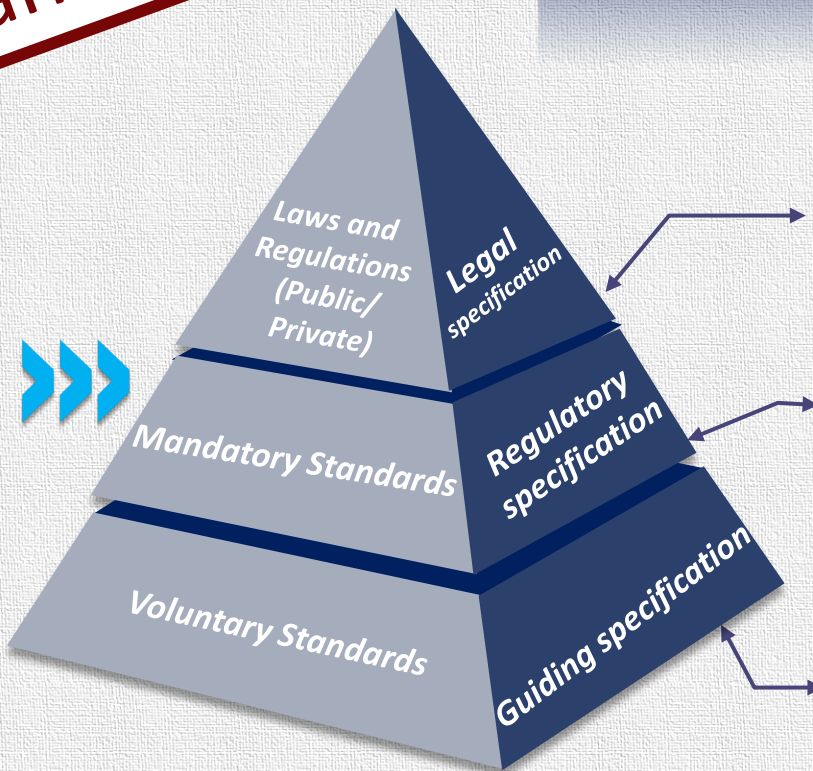
#### **Standards guarantee high quality of life**

Strengthen standardization of public security;  
Food, medicine, safety in production



# Governance

**Standardization**  
has become an  
**important part** of the  
modernization of  
China's governance  
system



The CPC Central Committee and The State Council attach great importance to standardization

Fundamental system of state governance  
"Must do" and "Must not do"

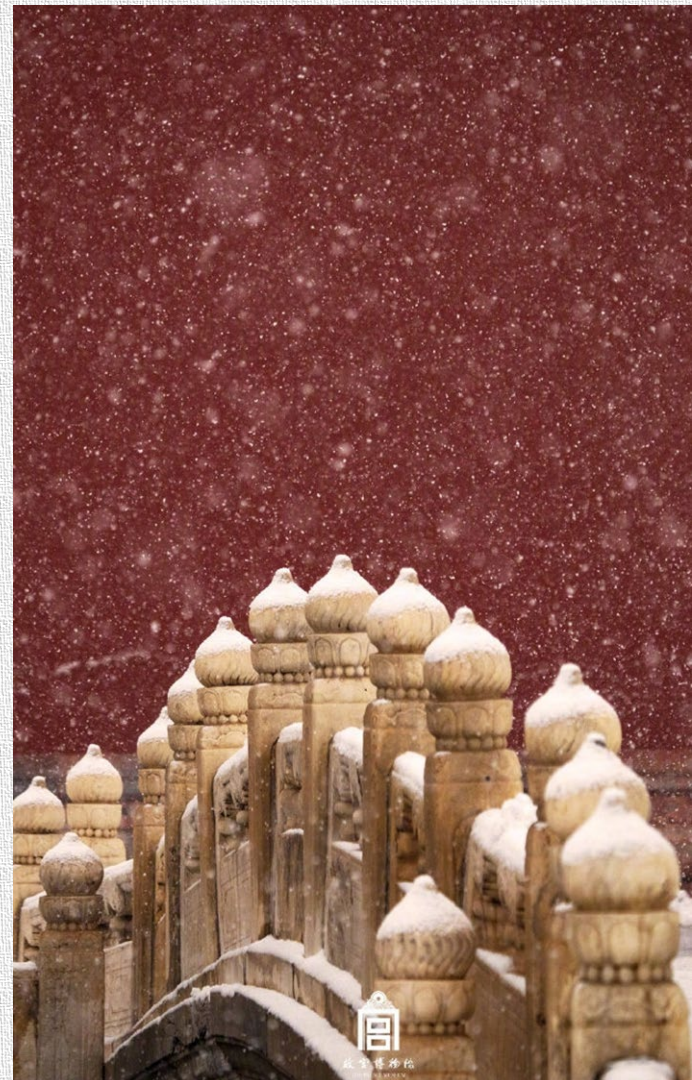
Guarantee system for state governance  
"Suppose to do"

Basic systems for national governance  
"How" and "How better"



# Chinese Strategic Approach to Standardization

- China Standardization – Heavily government-controlled system
- China Standardization Law 2017 (market-driven introduced)
- Chinese Strategic Approach to Standardization
  - Standards to enforce product quality improvement
  - Standards to Boost Indigenous Innovation
  - Standards to support Regulations and Certifications
  - Chinese Standards Go Global
  - Chinese Standards Supporting BRI Initiative
- China Standards 2035 & China National Standardization Strategy Outline
  - More actions and full set of governance by Standards







# Opportunities for European Industries

1. The document in general is a friendly tune for foreign-invested enterprises on standardization development.
2. “Ensure the participation of foreign-invested enterprises in the development of standards according to law” will help FIE enterprises participate into the standardization organizations and standard development
3. Increase the International standards adoption to 85% is in favor of European Industries . “Actively adopt international standards, vigorously promote the mutual recognition of Chinese and foreign standards” will reduce compliance cost for MNCs.
4. The requirement of “ensure that products sold domestically are produced on the same production lines, meet the same standards, and are of the same quality as exported ones” will increase **the production transition cost for Chinese local manufacturers comparing with that of foreign manufacturers**
5. China is trying to learn from European New approach and NFL, which will be in favor with European companies who are familiar with this system.



- **Challenges:**

1. Average developing time for national standards will shorten to 18 month. It would be more difficult for MNCs to provide more feedback for the standards.
2. China Welcome professional Standardization organization to set-up office in China and these are more non-ISO/IEC SDOs, cause some competitiveness disadvantageous for European industries.
3. “vigorously develop association standards”
  - MNCs may face more challenges from local competitors in regards of association standards.
  - Increasing burden and risk for MNCs in the future association standard competition.

- **Uncertainties:**

1. For the standardization reform and innovation, whether SAC can effectively coordinate with other sector ministries remains unknow. Meanwhile the implementation of the reform is also uncertain.
2. The adoption rate need to be observed
3. Too many new Programs and systems need be carefully observed and analyzed by European industries





# Profound changes in world situation

## - the return of geopolitics in standardization

- **US NIST** Seeks Information on Chinese Participation in the International Standards Development Process
- **US NIST**- Study on People's Republic of China (PRC) Policies and Influence in the Development of International Standards for Emerging Technologies
- **French Institute of International Relations (IFRI)**: China and the new geopolitics of technical standardization
- **Swedish Institute of International Affairs (UI)**: China's standard power and its geopolitical implications for Europe



- Zhang Xiaotong and others: Geopolitics of technology standards: A review of recent comments from western think tanks
- An Baisheng: Global governance of standardisation: from technological barriers to new geopolitics



# Profound changes in world situation - the return of geopolitics in standardization



- **China Technical standards and geopolitics:**
- Geopolitical factors will greatly affect the international standardisation landscape and further impact on the implementation of China's standardisation strategy.
- In fact, the standard has been closely related to geopolitics at the very first. Therefore, it is not the "rise" of geopolitical factors but the "return" of geopolitical factors.
- However, this return is accompanied by new political environment and operation mechanism, presenting new patterns, which also needs relevant theoretical explanation.



# The return of geopolitics in standardization

## ❖ Before the founding of the PRC

- Different standards in China. For example, Railway standards (distance between the two -northeast China (1522mm, 1067mm ); Taiwan (1067mm); Yunnan Province (1000mm);

## ❖ After the founding of the PRC

- In November 1962, the State Council released *Measures for the administration of technical standards for industrial Products and engineering construction*, in which the clause 6 that “Wherever necessary and consistent with the technical standards of socialist countries, the same standards shall be adopted as far as possible”

## ❖ “Reform and Open-up” of PRC

- In March 1982, SAC and other governmental authorities released the *Measures for the Administration of Adoption of International Standards (for Trial Implementation)*, in which it says that “Adopting international standards and foreign advanced standards is an important technical and economic policy of our country”

## ❖ In 2010s, especially in recent years,

- BRI, standardization Forum
- Standards Go Global
- Participating and leading in international standards
- Decoupling in Supply Chains (Semi-conductors, AI...)





# The return of geopolitics in standardization



The intensification of geo-economic competition will weaken the **commercial logic** in standardisation activities and strengthen the logic of ideology and conflict.



The state's control over economic and standardisation activities determines its geographical influence by using standardisation.



Geo-economic competition will further strengthen the phenomenon of mutual **instrumentalization/toolisation** between countries and enterprises in standardisation activities.







## Seconded European Standardization Expert in China

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