

# Report

## from China; February -2022

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### Facts and Figures

#### International Passenger Car Markets January 2022

##### New Passenger Car Registrations / Sales

	Jan 22	+/- in %	Jan.-Jan. 2022	+/- in %
Europe (EU27, EFTA & UK)* <sup>1)</sup>	822.400	-2.4	822.400	-2.4
European Union (EU27)* <sup>1)</sup>	682.600	-6.0	682.600	-6.0
W. Europe (EU14, EFTA & UK) <sup>1)</sup>	738.500	-3.1	738.500	-3.1
New EU Countries (EU13)* <sup>1)</sup>	84.000	4.4	84.000	4.4
USA** <sup>2)</sup>	991.200	-10.4	991.200	-10.4
China <sup>3)</sup>	2.156.000	6.1	2.156.000	6.1
Japan <sup>4)</sup>	272.400	-16.1	272.400	-16.1
India <sup>5)</sup>	254.300	-8.1	254.300	-8.1
Brazil** <sup>6)</sup>	116.800	-28.2	116.800	-28.2

Source: 1) ACEA 2) Wards Intelligence 3) CAAM 4) JAMA 5) SIAM 6) ANFAVEA

\* without Malta

\*\* Light Vehicles

The international automotive markets had a rather weak start to 2022. Sales went down in Europe, albeit at a moderate pace thanks to solid growth rates in the German and British markets. In China, significant growth in new registrations was recorded.

In the European passenger car market (EU27, EFTA & UK), 822,400 new vehicles were registered in January 2022, around 2 percent fewer than in the same month last year.

In the United States, light vehicle sales (passenger cars and light trucks) fell by 10 percent in January compared to the same month last year, reaching a volume of 991,200 vehicles. At the start of the year light truck sales (-8 percent) were slightly weaker than passenger car sales (-20 percent).

The Chinese passenger car market has had a good start to the new year. With a sales volume of just under 2.2 million units, 6 percent more vehicles were sold in January than in the same month a year earlier. This means that the year 2022 started only slightly below the level of the record year 2017. January is the second growth month in a row.

In Japan, sales of brand-new passenger cars fell by 16 percent in January to a volume of 272,400 vehicles. This is already the seventh month in a row with a negative growth rate.

## Elektro Germany February 2022

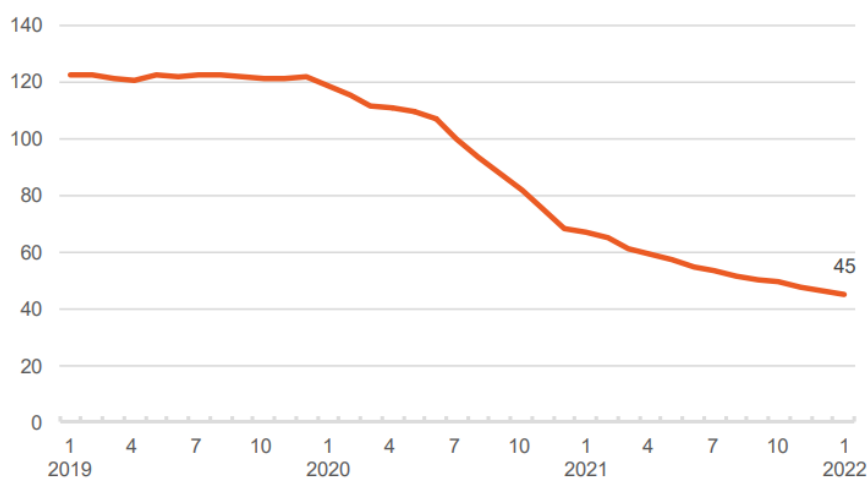
### Overview of New Electric Car Registrations Germany

	Feb. 2022	Feb. 2021	22/21 in %	Jan.-Feb. 2022	Jan.-Feb. 2021	22/21 in %	Anteil Feb. 2022	Anteil Feb. 2021	Anteil Jan.- Feb. 2022	Anteil Jan.- Feb. 2021
<b>Elektro gesamt</b>	<b>49.924</b>	<b>40.185</b>	<b>24%</b>	<b>89.747</b>	<b>77.096</b>	<b>16%</b>	<b>24,9%</b>	<b>20,7%</b>	<b>23,3%</b>	<b>21,2%</b>
<b>darunter</b>										
<b>BEV</b>	28.306	18.278	55%	49.198	34.593	42%	14,1%	9,4%	12,8%	9,5%
<b>Plug-In Hybrid (PHEV)</b>	21.583	21.879	-1%	40.483	42.467	-5%	10,8%	11,3%	10,5%	11,7%
<b>Zum Vergleich:</b>										
<b>Hybrid (ohne Plug-In)</b>	37.890	30.825	23%	73.116	55.686	31%	18,9%	15,9%	19,0%	15,3%
<b>dar. Mild-Hybrid</b>	33.040	27.471	20%	63.895	49.846	28%	16,5%	14,1%	16,6%	13,7%
<b>Erdgas</b>	293	376	-22%	479	635	-25%	0,1%	0,2%	0,1%	0,2%
<b>LPG</b>	1.734	287	504%	3.320	627	430%	0,9%	0,1%	0,9%	0,2%
<b>Alternative Antriebe ges.</b>	<b>89.841</b>	<b>71.673</b>	<b>25%</b>	<b>166.662</b>	<b>134.044</b>	<b>24%</b>	<b>44,8%</b>	<b>36,9%</b>	<b>43,3%</b>	<b>36,8%</b>

Quelle: KBA

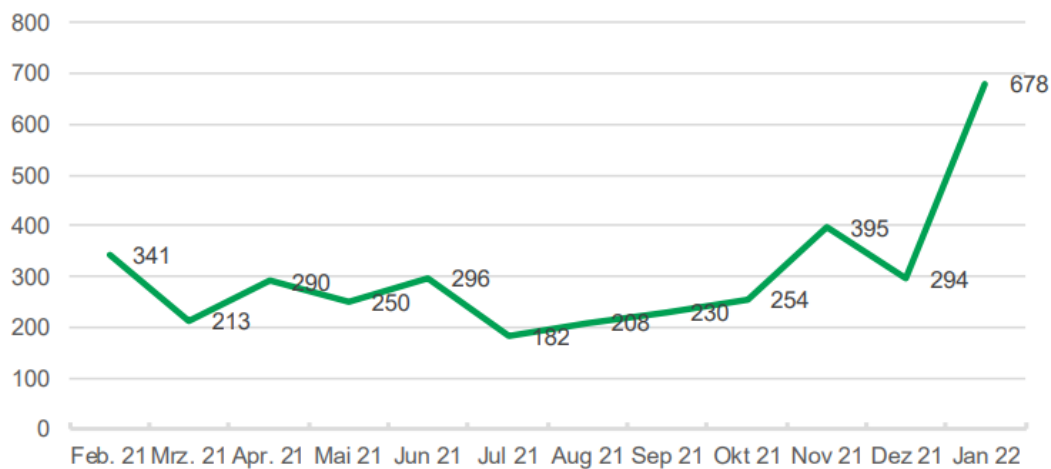
In February, the German Electric Car market grew by 24 percent to 49,924 e-cars. The sales of PHEV fell slightly by 1 percent to 21,583 units, while the BEV increased by 55 percent to 28,306 units. The proportion of electric vehicles rose to 24.9 percent in February (same month last year 20.7 percent).

### Publicly Accessible Charging Points Per 1,000 E-Cars



Quelle: BNetzA

### New Publicly Accessible Charging Points Per Week (Including Late-Reported Registrations)



Quelle: BNetzA

Till February 1, 2022, 55,205 charging points (of which 8,094 were rapid charging points) were registered with the Federal Network Agency (BNetzA) in Germany. For detailed info, please refer to the [Link](#).

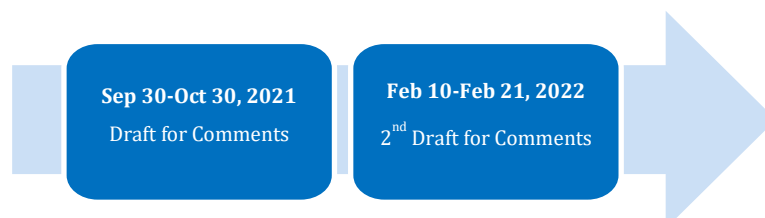
With an estimated total of 1.22 million e-cars till February 1, 2022, there are now 45 charging points for 1,000 e-cars (or 22 e-cars per charging point). Compared to the previous month, the BNetzA reported an additional 3,002 charging points in January, which corresponded to 678 charging points per week, including late-reported registrations.

Considering the average of new charging points per week over the past 12 months was 300, to achieve 1 million charging points in 2030, i.e., around 2,000 charging points would have to be built up per week to achieve this goal, the expansion speed would have to be more than sixfold.

## Policy and Regulation

### MIIT: Measures for Data Security Management in the Field of Industry and Information Technology (Trial)- 2<sup>nd</sup> Draft for Comments

On February 10, the draft “Measures for Data Security Management in the Field of Industry and Information Technology (for Trial Implementation)” (hereafter “Measures”) was released by the Cybersecurity Administration Dept. of MIIT to solicit the public comments until February 21, which is a quick time window for comments collection once again after the 1st time on September 30, 2021.



Following the Data Security Law, the Measures is drafted to clarify how enterprises should handle sensitive industrial and telecoms data, which should have become the first data security regulation formulated by a state agency in charge of industrial sectors, since the Data Security Law became effective on September 1, 2021.

Compared to the first draft in September 2021, some adjustments are embodied from this version:

- It further clarifies the responsibilities of local governments, involving Bureaus of Economy and Information Technology, Communications Administration, and Radio Regulation.
- Regarding “Data Classification and Gratings”, it emphasizes that MIIT will lead the drafting of the standards and specifications on classification of data, identification of core and critical data, classified protection of data, etc.
- The definitions of “core data”, “critical data”, and “general data” are slightly updated by removing the criteria of data recovery.
- Some of the requirements and process are more quantified, for example, the governmental audit process of the filling of core and critical data catalogue should be finished within 20 workdays, and it defines that if the change rate of the filed data catalogue goes above 30%, the refiling will be triggered and to be finished within 3 months.
- Regarding data destruction, it additionally requires reporting to at any of the corresponding Bureaus of local government when to destroy the core and critical data.
- Regarding data cross-border transfer, the absolute prohibition of core data is softened to the same level as critical data that the governmental security review is needed.
- For core data, it adds that, if the processing is done by different entities, the separated inspection will be required by MIIT.

### Recap of Overall Highlights:

The Measures covers the key messages from the following perspectives:

- **Scope:** The draft Measures applies to all kinds of enterprises, especially software and information technology (IT) service providers and telecom business license holders.
- **Data Classification and Grading:** The draft Measures classifies data into “core”, “critical”, and “general” categories, and requires firms to take different degrees of protective approaches when collecting, processing, transferring, and disposing data.
- **Requirement:** The draft Measures sets out detailed requirements regarding data storage, processing, disclosure, destruction, and cross-border transfer. Data processors may be obliged to record and report to the government on their activities in processing core and critical data.
- **Data Cross-border Transfer:** The draft Measures aims to regulate the industrial and telecoms data processing activities carried out in China. Notably, it forbids enterprises from transferring “core and critical data” out of China freely. Provided any, it requires companies to get a government security review beforehand.
- **Legal Liability:** Penalties for violating the Measures are clearly stated and include the suspension of business activities. Serious illegal action may lead to the revocation of licenses or criminal responsibility.

Overall, the draft Measures offers more detailed judgement criteria of core and critical industrial and telecoms data and puts forward enhanced compliance requirements at the practical level, and therefore holds great importance for enterprises in relevant sectors.

## MIIT: Notice of Accomplishing the Pilot Work of Industrial Data Security Management

On February 21, the “Notice of Accomplishing the Pilot Work of Industrial Data Security Management” (hereafter “Notice”) was released by the Bureau of Cybersecurity Administration of MIIT, via which the selected pilot areas were announced, and the pilot contents were mainly targeted at security management, safety protection, security evaluation, and the application and promotion of products related to data security.

According to the information shared by the Chinese partners, 3 documents are being drafted by CICS (YISUO) to support the Pilot Program of Industrial Data Security Management:

- Identification rules of core and critical data in industrial field
- Safety protection requirements of the data of industrial enterprises
- Guidance of safety assessment of industrial data

The 3 draft documents were also released by the Bureau of Cybersecurity Administration of MIIT to solicit the comments mainly among the related Chinese authorities and institutes in February.

## Pilot Program based on the CAC Provisions on Management of Automotive Data Security (for Trial Implementation)

### VDA- CAAM 2<sup>nd</sup> Workshop on Data Security

On February 23, VDA organized the 2<sup>nd</sup> workshop with CAAM, who is leading a pilot program based on the CAC Provisions on Management of Automotive Data Security (hereafter “Provisions”).

Via this mechanism, VDA China aims to establish the continuous communication and exchange with the related stakeholders from Chinese side regarding data security, to better understand the legislative and regulatory requirements in the early phase.

The expert firm CESI (SIYUAN) was also invited, since they are developing the online system for annual data reporting based on the CAC Provisions, which will be launched later this year. At the same time, TC260, based in CESI, is also drafting the “GB/T Information security technology - Security requirements of automotive data processing” to further support and refine the requirements from the CAC Provisions.

The status and key requirements of the GB/T standards were introduced:

- The GB/T draft has finished the 2<sup>nd</sup> round of “draft for comments” from October to December in 2021, to be finalized as “draft for approval” soon.
- Compare with the “draft for comment” version, the scope is updated to become more aligned with the CAC Provisions, defined as the data collected by the car itself, including external data, cabin data, location data, etc.
- Technical requirements are also largely modified and aimed at corresponding to the terms and articles of CAC Provisions, including the requirements on personal information processing, cabin data processing, no collection by default, notification of personal information processing, etc.

VDA China will keep the continuous bilateral communication and closely monitor the progress of the pilot program as well as the further moves of CAC.

### Recap of Pilot Program:

The program focus onto 3 technical aspects:

- Desensitization of human face & vehicle license plate data collected externally at vehicle-end before sending out
- Cabin data authorization, collection, storage, processing only within the vehicle
- Obvious notification before processing any personal information

The implementation timing of the above requirements, for the time being, is forecasted as:

- For the OEMs in the pilot program: by the end of June 2022.
- To scale up to the whole industry: from the end of 2022.

## Standardization

### Standard Drafts for Public Comments

In February 2022, CATARC released following drafts of standard for comments:

NO.	Name	Release date	Deadline for comments	Note
1	GB/T 38698.2-xxxx Recovery of traction battery used in electric vehicle- management specification- part 2: take-back service network	2022-02-10	2022-04-11	
2	QC/T 922-xxxx Air cleaner elements for automobile	2022-02-14	2022-03-24	Supersede QC/T 922-2013
3	QC/T 998-xxxx Cabin air filter for automobiles	2022-02-14	2022-03-24	Supersede QC/T 998-2015

4	GB/T 17867-xxxx Location of hand controls, indicators, and tell-tales in motor vehicles	2022-02-16	2022-04-17	ISO 4040: 2009 MOD
5	GB/T XXXX-xxxx Direction of road vehicles motion stereotypes for automotive hand controls	2022-02-16	2022-04-17	ISO 12214: 2018 MOD
6	GB/T 26991-xxxx Test methods for power performance of fuel cell electric vehicles	2022-02-25	2022-04-26	Supersede GB/T 26991-2011

## CATARC Visit on Sino-German ICV Standardization Cooperation of 2022 and GBs Cybersecurity and Software Update

On February 24, 2022, VDA China visited CATARC and exchanged the proposal of Sino-German ICV Standardization cooperation of 2022. Besides, VDA expressed the concern and addressed the potential risk led by Chinese specific test methods and short transitional period of the GBs regarding Cybersecurity and Software update, which will create a substantial impact especially on the old models & E/E architecture. In response, CATARC showed their intention to highly harmonize the GBs with UN R155/156. Both sides agreed to keep the regular exchange on the specific two GBs.

## VDA Regular Meeting on ICV Standards

At the end of February, VDA China organized the internal regular meeting on ICV standards to update the status and align common understanding among members. The CATARC GBs of Cybersecurity and Software update and other GBTs were deeply exchanged:

- The corresponding standards status were reviewed together with members. As common understanding regarding GB XXXX Cybersecurity, **the timeline remains unchanged** considering the high administrative demand of MIIT:
  - Draft for approval as of **end of 2022**
  - Implementation for new model as of **January 2024**
- Regarding the E/E architecture of old models and the Chinese specific testing methods which may be different from UN ECE, VDA members will face the same challenge and pressure on technical adaption. Due to the common concern, VDA China developed an aligned paper to summarize the status, common challenges, and potential solutions on the two GBs.
- The status of GB/T draft data security was introduced. TC260, based in CESI, is drafting the GB/T Information security technology - Security requirements of automotive data processing to further support and refine the requirements from the CAC Provisions. This GB/T standard is said likely to be referred by the CAC as detailed technical requirements of the Provision. Therefore, VDA China will keep a close eye on this GB/T and organize internal meeting to evaluate the status.

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