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## 1. TC260 Introduces New Draft Standard for Personal Information Protection Compliance Audits

On July 12, 2024, the National Technical Committee 260 on Cybersecurity of Standardization Administration of China ("TC260") has issued "[Data security technology — Personal Information Protection Compliance Audit Requirements](#)" ("Draft Standard"), seeking public opinions till September 11, 2024.

The Draft Standard is set to apply to personal information processors conducting personal information protection compliance audits and can be used as a reference for relevant institutions conducting such compliance audits (as per Article 1 of the Draft Standard).

Except for audit requirements stipulated in the Draft Standard, the affixed annexes provide detailed guidelines for personal information processors processing personal information on implementation of compliance audits, which includes the following annexes:

- Audit Process: Description of the stages and steps involved in the audit (detailed in Annex A), including 5 stages of audit preparation, audit implementation, audit report, problem rectification, and archiving management.
- Audit Evidence: Instructions on types of audit evidence and validity requirements of audit evidence (detailed in Annex B).
- Audit Content and Method: Specified audit requirements under different scenarios of personal information protection in accordance with the PIPL (detailed in Annex C).
- Template for Personal Information Protection Compliance Audit Draft (specified in Annex D).
- Template for Personal Information Protection Compliance Audit Report (detailed in Annex E).

### Implications and Strategic Actions for Businesses

The introduction of regular PI protection compliance audits, once formally adopted, may impose substantial compliance responsibilities, particularly for smaller companies with limited resources or for those managing substantial volumes of personal information requiring annual audits.

This Draft Standard brings much-needed clarity and a systematic approach to the audit process, aiding companies in understanding their regulatory responsibilities and the necessary steps to achieve compliance. Embracing this audit process can be instrumental in enhancing overall compliance with data protection regulations.

Moreover, companies are advised to proactively engage with cybersecurity authorities in case of any issues or doubts. By maintaining open communication and ensuring transparency in all audit-related activities, businesses can quickly identify and address compliance issues, thereby reducing the compliance burden and demonstrating a commitment to personal information protection.

## 2. New Regulation to Boost Supervision of Autonomous Vehicles

On June 30, Beijing Municipal Bureau of Economy and Information Technology released [Regulations of Beijing Municipality on autonomous vehicle \(Draft for Comments\)](#) (the "Draft") to regulate traffic, road transportation and related management activities of autonomous vehicle in the territory of Beijing, soliciting public comments till July 29, 2024.

Beijing intends to support the use of autonomous vehicles for urban travel services such as urban public electric vehicle passenger transportation, online and offline car rental. The Draft is divided into six chapters, which provides comprehensive rules in terms of scope of application, basic principles, industrial innovation and development, infrastructure planning and construction, specification of innovative activities, and safety and security.

The Draft focuses on solving the main problems facing autonomous driving innovation activities, and regulates and manages the main aspects of

autonomous driving vehicle innovation activities such as:

- (1) Conduct examination of the qualifications of subjects of transportation operation, qualifications of safety personnel and training management.
- (2) Road testing, demonstration applications and demonstration operations are subject to a declaration and confirmation system, and are required to obtain a temporary driving license plate for testing motor vehicles before carrying out relevant activities.
- (3) If road transportation services are to be carried out, it is also necessary to meet relevant conditions and requirements for road transportation operation and obtain the operation qualification issued by the competent authority.
- (4) Where innovative activities of autonomous vehicles are carried out, drivers or (remote) safety officers shall be provided in accordance with relevant national regulations.
- (5) In the event of traffic violations, the public security department shall handle and determine the violations in accordance with the current road traffic safety laws and regulations. If there is a driver in the vehicle, the driver shall be penalized in accordance with the law; if there is no driver, the owner or manager of the vehicle shall be penalized.

## Background

China is at the forefront of autonomous driving revolution. In Wuhan, the deployment of 500 Robotaxis by Apollo Go, Baidu's autonomous ride-hailing platform, has taken the first step towards this ambitious goal. The Robotaxi currently serves an area that covers roughly half of Wuhan's population. The service is set to expand further, with the company declaring that it would add a further 1,000 of these Robotaxis in the city.

What's more, the expansion and testing of autonomous vehicles in China are not limited to Wuhan or Apollo Go. The presence of other companies like AutoNavi and WeRide, which have also launched autonomous ride-hailing services, signals a broader trend towards embracing this technology across the country. The economic viability of these autonomous rides is a key factor in their rapid adoption. This nationwide movement is further evidenced by the fact that over 50 cities have introduced policies to pilot and demonstrate autonomous driving and 16 cities in China have already opened their public roads for testing autonomous vehicles.

## Legal Landscape

The Chinese government has been proactive in shaping the legal landscape to accommodate autonomous vehicles. Since 2017, there has been a steady stream of policies aimed at facilitating the safe testing and commercialization of autonomous driving technology.

In 2020, the National Development and Reform Commission, Ministry of Industry and Information Technology, and 11 other national ministries and commissions jointly issued the *Innovative Development Strategy for Smart and Connected Vehicles*, setting goals for 2025 to achieve large-scale production of L3 autonomous driving and market application of L4 autonomous driving in specific environments.

Local governments at all levels actively promote the development of autonomous driving technology. For example, Shenzhen has supported autonomous driving technology through legislation, establishing a regulatory chain covering the entire process, especially in the determination of traffic accident liability. In addition, local governments have built multiple smart and connected vehicle demonstration zones, opened a large number of test roads, and carried out regulatory pilots in demonstration zones.

On the other hand, China's autonomous-driving industry offers a broad range of opportunities for foreign direct investment. Areas such as hardware development, manufacturing, R&D in autonomous driving and security technologies, and the development of testing and evaluation mechanisms are open and welcoming to international investors. This not only allows for technology exchange and collaboration but also positions foreign entities to be part of a burgeoning market that is set to expand significantly in the coming years.

## Conclusion

In a nutshell, it is important to note that despite the supportive policies and innovative practice, there is currently no nationwide law specifically regulating autonomous vehicles, leaving room for further legislative development and potential regulatory adjustments. Enterprises engaged in autonomous driving businesses should stay informed about potential new regulations that may be introduced in the future.

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