



Membership Benefits

The United States Information Technology Office brings together the world's leading ICT companies to promote development of the U.S. ICT industry in China. Join USITO and be part of the dialogue.

Navigating the complexities

of China's regulatory landscape in the rapidly evolving information and communications technology sphere is a unique challenge.

Against the backdrop of an evolving legal system, pervasive and opaque government influence – in which government is often regulator, partner, customer and competitor – and turf wars between ministries, state-owned enterprises and entrenched special interest groups, China's government is promulgating programs for development of indigenous technology and IP that often treat foreign companies as a short-term source of technology and know-how, rather than as long-term partners. Overcoming these challenges requires a thorough understanding of the forces driving the regulatory agenda, and unified, consistent engagement with policy-makers and market regulators.

The United States Information Technology Office (USITO) leads effective engagement on the issues most critical to the ICT industry. Drawing on the strengths of its parent associations and a 20-year legacy of on-the-ground policy work in China, USITO is the leading advocate in China for the U.S. ICT industry, bringing together experts from across the ICT industry to provide insights into the regulatory landscape and an effective platform for engaging policy makers.

Representing the U.S. ICT Industry

USITO serves as the representative in China of four of the leading ICT trade associations in the U.S., including:

- **BSA**
(www.bsa.org)
- **CompTIA**
(www.compTIA.org)
- **Information Technology Industry Council**
(www.itic.org)
- **Semiconductor Industry Association**
(www.semiconductors.org)
- **Telecommunications Industry Association**
(www.tiaonline.org)



USITO also represents approximately 50 of the leading US-based companies doing business in China, drawn from across the spectrum of information and communication technologies. Current members include:

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|-------------------|---------------------|
| Adobe | InterDigital |
| Amazon | Lexmark |
| AMD | Microsoft |
| Analog Devices | Motorola Solutions |
| Apple | Nike |
| Applied Materials | Oracle |
| AT&T | Qualcomm |
| Cisco | Red Hat |
| Dell | Rockwell Automation |
| Dolby | SAP |
| Facebook | Schneider |
| General Motors | Synopsys |
| Global Foundries | Texas Instruments |
| Google | TE Connectivity |
| HPE | Verizon |
| HPI | Visa |
| IBM | Vmware |
| Intel | Western Digital |
| | Zebra |

USITO is the leading independent, non-profit, membership-based trade association representing the U.S. information and communication technologies (ICT) industry in China.

Founded in late 1994 by leading U.S. ICT industry associations with support from the U.S. Department of Commerce, USITO seeks to provide new insights and approaches to the many complex challenges facing the ICT industry in China. USITO serves to create effective channels for engagement between our members and the Chinese & U.S. governments, academia and other industry groups focused on improving policy and regulation.

USITO serves as the voice of the U.S. ICT industry in China. USITO engages with government offices, trade associations, think tanks and academic institutions to share industry concerns and best practices.

USITO serves as a platform for engagement. USITO hosts numerous events and trade delegations, as well as facilitating issue-specific working groups to support collaboration and build consensus on the challenging issues facing new technology in a fast-growing market.

USITO provides insights and intelligence. USITO regularly hosts roundtable discussions with industry experts and business leaders, and also researches and reports on new trends and policy developments.

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USITO's mission is to support U.S. ICT companies in developing a beneficial regulatory and business environment in China.

USITO serves as both thought leader and industry advocate on a wide range of policies and issues related to the ICT industry, including trade & investment, innovation policy, government procurement, information security, standards & conformity, energy efficiency, environmental protection and sustainable development.

USITO advances industry policy objectives through a number of activities:

- **Member Working Groups** that build consensus and advocacy roadmaps for key policy objectives.
- **Research and analysis** of market and policy developments.
- **News and timely updates** on regulatory and policy developments.
- **Proactive engagement and honest dialogue** with key stakeholders in government, industry, academia and advocacy organizations.
- Educational and informational **programs and events**.

Qualifications & Membership Fees

U.S. companies engaged in the ICT industry (telecommunications, semiconductor, computing, software, electronics or information and digital media industries) are welcome to become members of USITO.

Annual membership fees are assessed based on gross worldwide corporate revenues for the preceding fiscal year. Membership fees are adjusted each calendar year.

Associate Members

In addition to its core membership, USITO also partners with a select group of non-ICT companies that make significant contributions to the success of the U.S. ICT industry in China. Associate Members support USITO's membership by sharing information and proprietary reports, and by participating in USITO events. While Associate Members don't participate in USITO Working Groups, they have full access to all other USITO membership benefits.

Associate Member applications are approved on a case-by-case basis by the USITO Board of Directors Executive Committee.



Parent Associations



USITO Membership Benefits

USITO's success is a tribute to the active engagement of our members. All USITO member company employees are welcome to participate in USITO working groups, forums and events, and are encouraged to take advantage of the many tools and platforms that USITO provides, helping inform and guide USITO policy engagement.

USITO Members take advantage of the following programs and resources:

USITO Working Groups

USITO's Working Groups form the core of our policy work and engagement with member companies on policy issues. Open exclusively to USITO members, Working Groups serve as an effective platform for constructive dialogue and discussion about the policies that impact the U.S. ICT industry. Working Groups aim to build consensus on advocacy roadmaps for USITO's key policy objectives.

USITO working groups include:

- Compliance
- Cybersecurity
- Environmental Protection & Energy Efficiency
- IPR
- Standards
- Telecommunications, Cloud Computing & Internet
- Trade & Investment

USITO Policy Call

Hosted once a month in English by the USITO policy team, USITO Policy Calls are an excellent way to stay abreast of the latest developments in the regulatory environment in China, and provide a good opportunity to ask questions and share information with the USITO team.

USITO Events & Government Meetings

USITO holds a number of events each month, ranging from public forums, members-only conferences, official government visits, and presentations by industry leaders, policy-makers and government officials.

USITO Members Weekly Newsletter

Distributed every Tuesday (China time), the USITO newsletter provides quick and concise updates on regulatory and policy developments, news on upcoming USITO events, and links to policy briefs and other information resources on our website.


USITO Publications & Information Resources

A tremendous amount of information is available to members on the USITO website (www.usito.org), including:

- USITO White Papers & Policy Briefs
- USITO Regulatory News Updates
- USITO Research

USITO Policy Team Executive Briefing

The USITO policy team provides executive briefings to member company senior executives, covering an overview of PRC government, national technology policy and funding initiatives, macroeconomic trends shaping the regulatory agenda, and custom updates on the most relevant policy issues.



United States Information
Technology Office

CHINA POLICY BRIEF

21 January 2015

EVENTS

On January 30, the **China Quality Management Association For Electronics Industry** will be hosting a day-long event on the newly released *Environmental Protection Law*. Registration is open to USITO member companies. For more information, please contact usito@usito.org.

POLICY WORK

The **USITO Cybersecurity Working Group** held a meeting on Friday Jan 16 and again on Tuesday Jan 20 with ITI to discuss new *China Banking Regulatory Commission* guidelines.

2015 kick-off meetings for USITO Working Groups were completed on Jan 19. For more information on working groups, please click [here](#).

The **USITO Monthly Policy Call** is an excellent opportunity for members to catch up with the USITO Policy Team and discuss the hottest topics affecting our industry. Our next call will be held **Wed, Jan 28th, 8pm EST / Thu, Jan 29th at 9am Beijing time**. To register for the call, click [here](#).

CAC Finalizes Drafting of China's National Security Review Regime

On January 18, at the inaugural meeting of the **China Smart Terminal Security Alliance**, an official from the **Cyberspace Administration of China (CAC)** disclosed that the CAC has finalized a draft of China's *National Cybersecurity Review Regime*, and that the document will be submitted to the 2nd Session of the **Office of the Central Leading Small Group for Cybersecurity and Informatization** in February for review, according to a news report published by the Shanghai-based newspaper *Liberation Daily* and posted on the [official CAC website](#).

The report clarified certain aspects of the regime:

- Scope of application: key technologies, products, and services used in systems related to national security and public interest
- Key contents for review: security and controllability of products
- Objectives: to prevent illegal control, interference and interruption of user systems by product providers, and to prevent illegal collection, storage, processing and utilization of user-related information.
- Management: products and services that do not meet relevant safety requirements will be prohibited from entering Chinese territory.

MOFCOM Issues Foreign Investment Law for Comment

On January 19, the **Chinese Ministry of Commerce (MOFCOM)** released the *Foreign Investment Law (draft for comments)* on its [website](#). Of particular interest to foreign ICT companies are the sections pertaining to the viability of the **Variable Interest Entity (VIE)** structure for foreign investment and the section on implementation of "national security review" for foreign investment in the PRC.

The *Foreign Investment Law*, which is 40 pages in length, was accompanied by a shorter 8-page *Explanation document* (available [here](#)). The *Explanation document* clearly states that foreign-controlled enterprises with VIE structures will be interpreted as foreign enterprises under Chinese law, and that such enterprises must file and seek approval

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