



China’s role crucial to fostering new growth

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China has surprised the world with its impressive development of the internet sector and rapid emergence as a leader of the global digital economy, said foreign experts and business leaders, who emphasized the importance of international cooperation in the internet sector.

Luigi Gambardella, president of ChinaEU, a Brussels-based international association that promotes digital and internet cooperation, said China's netizens have outnumbered those in other countries for 11 years straight, reaching 829 million by the end of 2018.

“China’s internet development has been an indisputable success. China’s homegrown tech juggernauts, including ‘BAT’ or the top three firms, Baidu, Alibaba and Tencent, are undisputed leaders. A fleet of startups, such as Didi, Bytedance and Pinduoduo, have joined China’s internet ecosystem and provided Chinese users with a whole package of leading services,” Gambardella said.

He said China has made great contributions to bridging the digital divide, bringing remarkable benefits to not only the nation but the world.

“Closer international cooperation in the internet sector is in the interest of all. We should strive for a better linked internet world with more common understanding through frequent dialogues, increasing exchanges and valuable coordination,” Gambardella said.

He noted the influence of geopolitics on cybersecurity has increased significantly. So, the international community should deepen pragmatic cooperation, strengthen coordination and promote the establishment of new norms for global cybersecurity.

“China has rapidly emerged as a global leader in the consumer-driven

digital economy. The next wave of digital transformation in China is likely to lead to the restructuring of value chains and boosting of productivity through broader adoption of digital technologies by businesses,” said Sha Sha, senior partner of consulting firm McKinsey & Company and managing partner of McKinsey Digital Asia.

While digitization of industries in China still lags the United States by a considerable margin, the gap is narrowing fast, Sha said. Over the past 12 to 18 months, there has been a surge in the formation of ecosystem partnerships and alliances among companies, leveraging advanced technologies like artificial intelligence and big data.

“We look forward to engaging in a diverse, dynamic exchange of ideas with tech and industry leaders at this year’s World Internet Conference, on how to create substantial value in China through tech-enabled transformation,” Sha said.

Stephen Mellor, chief technical officer for the Industrial Internet Consortium, said China’s internet and tech companies develop very rapidly. “Apart from retail operations such as Alibaba’s, there have been great advances in AI, using it for facial recognition.”

Founded in March 2014, the IIC aims to bring together organizations and technologies necessary to accelerate the growth of the industrial internet by identifying, assembling, testing and promoting best practices.

Mellor explained the biggest gains in the internet sector will come from the intersection of sectors such as energy and transportation, or energy and manufacturing, or even energy and health in the future.

“International cooperation in the internet sector is critically important. Supply chains and value chains are global, so we must work hard to ensure that standards and regulations do not fragment,” he said.



An augmented reality music show is held during the Light of the Internet Expo to enhance visitors' experience. XU YU / XINHUA

Chinese advantages in tech to benefit other continents

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Internet-based technologies including artificial intelligence are gaining momentum in China, and are expected to benefit more people not only in the country but across the world, industry insiders said.

“New momentum is emerging in China with the rollout of 5G, AI and the industrial internet,” said Wu Hequan, an academician at the Chinese Academy of Engineering in Beijing.

In the AI sector, Wu noted, voice recognition and facial recognition technologies are already widely used in China with the rapid development of high-tech companies, from startups such as Yitu Technology to market leaders such as iFlytek.

The Hefei, Anhui-based iFlytek, for instance, has optimized its years of expertise in AI-enabled voice recognition and machine-based translation products.

“AI is a crucial driver of industrial upgrading and technological advancement in China. This year will see AI creating real value in more sectors,” said Liu Qingfeng, the company’s chairman.

One of its products to offer translation services is popular among foreigners.

The smart translator can recognize voices and automatically transcribe oral speech into text. It can

also translate between languages in real time.

China is implementing a national AI development plan that aims to build a 1 trillion yuan (\$141.1 billion) AI core industry by 2030, which is supposed to stimulate as much as 10 trillion yuan in related businesses.

A report from consultancy firm PwC forecasts that AI will contribute \$15.7 trillion to the global economy in 2030 and China will be among the biggest beneficiaries of that, with a 26 percent boost to its GDP in 2030.

During this process, AI is also driving more companies to bring benefits to people. China’s TAL Education Group, for instance, has been leveraging AI to help more students in rural areas of China.

“We are striving to advance education through internet-based technologies. We are also promoting large-scale, low-cost and high-quality online education to help more students across China,” said Michael Wan, executive president of TAL.

The company has developed an AI-enabled smart class solution called Wisroom, which works like a futuristic class where teachers can teach online while students’ reactions including voice, gestures and facial expressions are analyzed in real time.

By May, such intelligent classrooms were used in three projects in the Ningxia Hui autonomous region to help improve local education quality.



The sixth Light of the Internet Expo opens on Friday in Wuzhen, Zhejiang province, with the participation of more than 600 enterprises and institutions. XU YU / XINHUA

Internet conference to show power of global connections

Country to become world’s largest 5G market by 2025 with 460 million users

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The World Internet Conference will offer a platform for showcasing China’s willingness to deepen international cooperation, especially in the 5G era when almost everything will be connected to the internet, company executives said.

Ericsson China President Zhao Juntao said the annual internet event, to be held in Wuzhen, Zhejiang province, from Oct 20 to 22, is an “excellent” platform for China to demonstrate its willingness to seek win-win results and strengthen global collaboration with a more open mind.

“The mobile communication industry calls for collaboration across the industry chain. From the perspective of the formulation of 5G standards and the development of 5G networks and applications, the flourishing of the mobile communication industry is impossible without the open mind and win-win attitude of industry players worldwide,” Zhao said.

In the 5G era, the Ericsson executive said more efforts are needed to further collaborate with each other

in planning and operations. The influence of 5G will go beyond consumption to enter various industries and 5G has become the key pillar in the development of the digital economy.

“As a world leader in 5G, we believe that, only by deepening understanding across all industries and working together with each other, we can make significant progress in China’s digital transformation and industry upgrading,” Zhao said.

China officially granted licenses for commercial use of 5G on June 6. The nation is set to become the world’s largest 5G market by 2025, with 460 million 5G users, a forecast by industry group the Global System for Mobile Communications Association said.

This year’s Light of the Internet Expo, an exhibition that kicked off on Friday ahead of the sixth World Internet Conference, also focuses on enhancing the experiences of visitors and users by introducing technologies and products that integrate 5G, AI and VR with the daily lives of people.

More than 100 overseas internet enterprises have attended the expo,



A 5G-based remote driving system is one of the new experiences during this year’s Light of the Internet Expo. GAO ERQIANG / CHINA DAILY

marking a steady rise from last year’s 81 overseas participants, signifying the growing international influence of the event.

Microsoft China Chairman and CEO Alain Crozier said Chinese companies are enhancing their global competitiveness through technological innovation. There is huge potential in both domestic and international markets.

“We will continue to innovate with China, with Chinese companies and partners, with our cloud platform, innovation ecosystem of more than 17,000 partners, big data, internet of things and arti-

ficial intelligence technologies — providing seamless connectivity in a cooperative, collaborative way to help people and organizations in China achieve more,” Crozier said.

Zhao Ming, president of Honor, a key smartphone brand of Huawei Technologies, said China has been pioneering the world in developing 5G smartphones and commercializing the superfast technology.

China is getting increasingly intertwined with the rest of the world in deepening international cooperation, Zhao added.

Industry creates enormous opportunities for rest of world

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The growth of China’s internet industry has benefited from and contributed to economic globalization, said Li Xiaoqiang, general manager of China Internet Investment Fund Co Ltd.

On one hand, the world is speeding up the process of technological integration to bolster efficiency and push along an upgrade in the economies, with China having invested more in information technology research for the mutual benefit of the global community, Li said.

“At the frontiers of 5G, artificial intelligence and supercomputing, new technologies are increasingly being applied collectively regardless of the restriction of national boundaries,” he said.

On the other hand, internet companies from different economies have also been investing more in each other.

“By setting up arms overseas or acquiring and merging with local enterprises, Chinese investment institutions and internet companies have deeply integrated with local economies, aiming for mutual development especially in the fields of sharing economy, financial technology and digital infrastructure,” Li said.



A foreign business executive talks with Chinese counterparts on potential collaborations. GAO ERQIANG / CHINA DAILY

He foresees China’s internet industry becoming integrated further with the rest of the world in attracting more foreign participation in the country’s digitalization in the future.

China’s vast market has a huge number of internet users and diversified internet applications. Coupled with improving technological innovation capacity, it gives the country’s internet industry sustainable growth potential and provides tremendous allure to global capital, Li explained.

Meanwhile, investment opportunities in the digitalization of traditional industries abound as China

has also a comprehensive industrial system.

Guy Diedrich, global innovation officer for Cisco, a global provider of IT, networking and cybersecurity solutions, said the company is working closely with Chinese partners to accelerate the country’s digital transformation.

The integration of internet development of different economies will help build “a truly inclusive future where no one is left behind”, he said, adding that the applications of AI, 5G, Wi-Fi 6 and internet of things could help give everyone access to work, education, healthcare, financial services and more.

As China may gradually set the international trend of data-driven industrial internet in the 5G era, new investment opportunities have emerged for both domestic and global capital, said Tian Suning, founding partner and chairman of China Broadband Capital.

The private equity company specializing in telecommunications, media and technology investments has set up funds focusing on early-stage investment in this area to seize the “systemic opportunity”, Tian said.

China’s TMT industries have been a real magnet to global capital over more than a decade, with a lot of internet-based innovations having been supported by dollar-denominated venture capital funds, according to Tian.

Foreign investments in TMT industries have mostly clustered in consumer internet changes and technological innovations that had comparable business models in the United States, Tian said.

As China has gradually taken the lead in consumer internet and mobile internet, domestic internet giants and venture capital funds have also been investing abroad and adopting business models that have proven to be successful in China over the recent years, Tian added.