

THE WORLD INTERNET CONFERENCE

China at the forefront of AI adoption

Emerging tech being used increasingly to find solutions to global problems

By CHENG YU and MA ZHENHUAN in Wuzhen, Zhejiang province

China has been at the forefront of using emerging technologies like artificial intelligence to find solutions to global problems like the novel coronavirus outbreak, officials and experts said on Tuesday.

"AI has played a remarkable role in helping a slew of industries fight the negative effects of the pandemic, especially in manufacturing, transportation, logistics, medical care and education," said Liu Liehong, vice-minister of industry and information technology, at the World Internet Conference — Internet Development Forum, which ended on Tuesday in Wuzhen, Zhejiang province.

Despite the lingering uncertainties, the scale of China's core AI industries reached 77 billion yuan (\$11 billion) during the first six

months of this year, Liu said, adding that the number of AI companies exceeded 260.

It is thanks to the joint efforts from the government and companies in AI innovations, especially in dedicated chips, application algorithms, and open platforms, that a slew of technologies such as computer vision and natural language understanding have reached the advanced level globally, Liu said.

The two-day forum attracted over 130 well-known companies and institutions from both home and abroad to showcase their new technologies.

Forty digital economy cooperation projects involving an investment of 63.96 billion yuan were inked during a sub-forum held by the Zhejiang provincial government and China Electronics Technology Group Corp.

Pei Misi, president of 4Paradigm, an artificial intelligence technology

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Panelists take part in a discussion at the World Internet Conference — Internet Development Forum on Tuesday in Wuzhen, Zhejiang province. GAO ERQIANG / CHINA DAILY

and service provider, said that China has transformed from a follower to a leader in AI. "In some AI verticals, like AI applications, China even surpasses countries like the United States," he said.

The country has been ramping up its AI development efforts. In its 14th Five-Year Plan (2021-25) proposals, the nation has highlighted the role of frontier technologies like AI, 5G, supercomputing and quantum computing in development.

According to an industry report, China overtook the US as the leader in AI technology patent filings for the first time in 2019. By October this year, the nation's

AI-related patent filings had reached 694,000, up 56.3 percent on a yearly basis.

"The epidemic has made the country's traditional enterprises increasingly aware of the fact that they need to be armed with as much advanced technologies as possible," Pei said.

Domestic companies have realized that replacement of intelligent technologies like AI will be a very fundamental change. If the gap is widened, it cannot be made up in one or two years, he said.

To help tackle the bottlenecks, the company has launched an AI operating system called Sage AIOS, which enables companies

to create an AI application scenario by simply typing in the data form.

Ren Xianliang, president of the China Federation of Internet Societies, however, said that while AI brings conveniences, it also creates problems such as data abuse.

"In the light of these problems, the Chinese government has been actively exploring solutions, including establishing laws and regulations for cybersecurity and data security management, to foster the healthy development of the AI sector," he said.

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Spending consolidates poverty alleviation

By OUYANG SHILIA ouyangshilija@chinadaily.com.cn

China has vowed to consolidate the poverty alleviation achievements through increased consumption.

It has already achieved the goal of lifting all counties that were on the country's poverty list out of absolute poverty.

During the 14th Five-Year Plan period (2021-25), the country will mainly focus on the regions and people that are facing tough poverty alleviation challenges, especially low-income people in the rural areas, said Tong Zhangshun, an official with the National Development and Reform Commission.

According to Tong, the country will also look to unlock the huge consumption potential and accelerate the formation of a sustainable development model that is guided by the government, led by the market, and has the society as its participants.

Tong said the NDRC and other departments are evaluating policies of poverty alleviation through consumption implemented during the 13th Five-Year Plan (2016-20) period.

"After a comprehensive evaluation, we will study and propose recommendations for upgrading related policies in the next five years, a key move to consolidate the poverty alleviation achievements and further support the full vitalization of rural areas," he said during a State Council Information Office briefing in Beijing.

In the next step, the country will continue to spur the consumption of goods and services provided by areas recently removed from the poverty list, cultivate new supply chains and market entities, create new forms of businesses, support the production, circulation and sales for regional industries with local advantages and establish a mechanism of both incentives and regulation, said Tong.

Guo Lanfeng, deputy secretary-general of the NDRC, said that poverty alleviation through consumption is playing an increasingly important role in increasing local incomes and promoting the vitalization of rural areas.

With the government's effective measures to eradicate poverty, per capita income from net operation of rural residents in poor areas rose by 7.1 percent on a yearly basis to 4,163 yuan (\$633) in 2019, according to data from the National Bureau of Statistics. The national poverty line set for this year is 4,000 yuan.

Despite huge disruptions due to the COVID-19 outbreak, the per capita net income rose by 4.9 percent on a yearly basis during the first six months of this year, much higher than the growth rate of China's GDP during the same period.

Lu Hong, government head of Wulong district in Chongqing, said the region has significantly benefited from the supportive policies to alleviate poverty through consumption.

"We faced a severe situation in the early days of the epidemic due to the impeded logistics. However, with the epidemic prevention and control measures in place, we have introduced a series of policies to promote poverty alleviation through consumption," she said.

Wulong district has identified 477 poverty alleviation products this year, involving 84 market entities. Consumption of agricultural products from poor areas reached more than 160 million yuan, benefiting over 3,300 families living below the poverty line, said Lu.

Lu said Wulong has already included consolidating the poverty alleviation achievements through consumption in its 14th Five-Year plan. More efforts will be made to boost local tourism, improve the quality of tourism and agricultural products and develop other industries with local advantages such as agriculture, she said.

Industrial internet becoming a catalyst for innovation in nation

By WANG YING in Wuzhen, Zhejiang province wang_ying@chinadaily.com.cn

China will continue to expand global communication and cooperation in the industrial internet sector, which is fast becoming the go-to sector for innovation in the country, senior officials said on Tuesday.

More than 1,100 5G-plus industrial internet projects have been set up in the country due to the rapid advances in the 5G sector. In addition, industrial internet projects are now present in more than 30 key sectors like energy, transportation and medical services in the country, said Liu Liehong, vice-minister of industry and information technology.

However, a lot remains to be done to guide the conventional industry onto the high-quality development path, especially through its integration with digitalization, networking and intelligent

development, he said.

"To achieve these targets, it is necessary to strengthen innovation, boost infrastructure capabilities and accelerate the integration and application of technologies with steady opening-up," said Liu.

"We welcome global enterprises and organizations to actively participate in China's industrial internet development. We are currently drafting the plans for the next stage of industrial internet innovation and we believe that our collaborations will foster global industrial internet innovation and development," he said.

Surveys conducted on the industrial internet applications of more than 1,200 enterprises have shown that 71.44 percent of the respondents have switched to at least one new model, which effectively promotes industrial transition, upgrade and integrated development, said Liu.

Zhao Zeliang, vice-minister of the Cyberspace Administration of

China, the nation's top internet regulator, said due to the novel coronavirus epidemic, sectors like online education, work from home and cross-border e-commerce have seen steady growth and this has laid the foundations for the sound development and application of the industrial internet sector.

The integration of industrial internet with various processes that range from research and development, design, manufacturing, operations, to management, examination and maintenance, and product related services will maximize efficiency and minimize resource consumption for various industries, and further promote the modernization of related industrial chains, said Zhao.

Various other officials and industrial experts also shared their views during the Innovations and Breakthroughs for Industrial Internet sub-forum at the World Internet Conference — Internet Development Forum on Tuesday in Wuz-

hen, Zhejiang province.

Nan Cunhui, chairman of the board at Chint Group, an electrical components manufacturer from China, believes that digitalization will be the new engine for future development in the country.

"Industrial internet will enable manufacturers to adopt new technologies, new models to become intelligent, and the digitalization process will develop a brand-new ecosystem ready for higher quality development," he said.

Nan said that the global supply chain is currently restructuring and Chinese manufacturers should seize the opportunity for their development.

Thomas Donato, senior vice-president of Rockwell Automation, a US-based provider of industrial automation power, control and information solutions for manufacturers, said that digital transformation has improved the annual production efficiency of Chinese

manufacturers by more than 5 percent over the past decade. Augmented reality technologies will shorten the onboard time of employees by 40 percent and improve the product quality significantly, he said.

Although China has taken great digital transformation strides, its development has been hampered by talent shortage and insufficient coordination, said Donato.

He Biao, vice-general manager at China United Network Communications Group Co Ltd or China Unicom, said most of the existing intelligent manufacturing projects are successful collaborative efforts of the industrial chain and the ecosystem as a whole.

Stephen Mellor, chief technical officer of the Industrial Internet Consortium, said cross-industry deployment of industrial internet in manufacturing, energy, automotive and healthcare sectors will help its integration with 5G, AI and digital technologies.

Briefly

Insurance capital lifts real economy

China's insurance sector has raised nearly 16 trillion yuan (\$2.43 trillion) for the real economy, the country's banking and insurance regulator said. The insurance capital, with advantages like long duration and stable sources, offered the support through investments in stocks, bonds and insurance asset management products, said the China Banking and Insurance Regulatory Commission. By the end of the third quarter, insurance capital invested in bonds accounted for 6.49 percent of the total in China's bond market.

Service outsourcing sector fares well

The service outsourcing industry reported stable growth during the first 10 months of this year, according to the Ministry of Commerce. Chinese firms inked service outsourcing contracts worth about 1.1 trillion yuan (\$167.2 billion) in the period, up 9.3 percent year-on-year. The executed contract value stood at 759 billion yuan, representing a year-on-year increase of 13.2 percent.

XINHUA

Truck-hailing firm Manbang raises \$1.7b

By MA SI in Beijing and YANG JUN in Guiyang

Chinese truck-hailing company Manbang Group said on Tuesday that it has raised about \$1.7 billion in its latest funding round, as competition in the nation's on-demand freight service industry continued to intensify.

Manbang said in a statement that the company will officially start offering same-city truck-hailing services, after China's largest ride-hailing company Didi Chuxing made an official entry into the niche sector earlier this year.

Manbang, which came into being in 2017 with the merger of China's top two Uber freight-like apps, Truck Alliance and Yunmanman, has been focused on cross-city truck-hailing services, or long-distance transportation services, for several years. The entry into same-city logistics marks a new step for Manbang to grow its presence in the logistics market, analysts said.

Manbang did not disclose its latest valuation, but said in a statement that the new round of financing had investors like Fidelity,

SoftBank Vision Fund and Sequoia Capital China.

A clutch of other existing investors such as Hillhouse Capital, GGV Capital and Tencent have also invested in the round. The latest financing round comes two years after it raised \$1.9 billion in April, 2018.

The fresh fundraising will be used to bankroll Manbang's innovation in technology, services, and operations, which can advance the company's intelligent logistics systems, facilitate market expansion and enhance delivery-on-arrival services, the company said.

Guo Shanshan, a partner at Sequoia Capital China, said that Manbang has achieved dramatic development in truck-hailing since Sequoia Capital made an early-stage investment in Yunmanman in 2015. Since then it has invested six times in the company as it has strong confidence in Manbang's contributions to the truck-hailing industry, as well as bulk cargo services.

Headquartered in Guiyang, capital of Guizhou province, Manbang uses big data and artificial intelligence technologies to help drivers



The display area in Manbang Group's headquarters in Guiyang, Guizhou province, demonstrates the company's application of big data in its freight service. OU DONGQU / XINHUA

find commodities waiting to be shipped without worrying about a potential empty return trip. It also offers services such as cargo management and auto insurance.

Manbang said its platform has over 10 million registered truck drivers and 5 million shippers. Analysts said Manbang has already accumulated sizable users for long-distance on-demand freight services and its entry into same-city truck hailing presents new opportunities but challenges from rivals such as Didi.

Didi unveiled the Uber freight-like service on its app in June, with the service initially

available in 10 cities including Beijing, Shanghai, Shenzhen and Hangzhou, the capital of Zhejiang province.

Gu Dasong, executive director of transportation and development research center at Southeast University, said Didi's edge lies in the fact it has many offline companies as partners. Didi also has about 550 million registered users on its platform, which in turn can boost demand for services such as home-moving, a typical use scenario for truck-hailing.

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