About 600,000 metric tons of apples are grown annually in Aksu, Northwest China's Xinjiang Uygur autonomous region.
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Aksu takes a bite out of e-commerce pie

Experts help the northwestern prefecture known for its sweet apples to fight counterfeits by reaching buyers online with genuine produce

By YAN DONGJIE
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The harsh climate of Aksu prefecture of Northwest China's Xinjiang Uygur autonomous region is ideal for growing sweet apples. The sugar content of the apples is so high that the inner flesh is translucent.

Although about 600,000 metric tons of apples are grown each year in Aksu, tens of millions of so-called Aksu apples are sold annually. This means that more than 90 percent of these apples bought in stores or online are not actually Aksu apples, according to a Xinjiang agriculture expert.

To help Xinjiang farmers use e-commerce, the government of East China's Zhejiang province, a center of e-commerce, has sent experts to help the Aksu farmers learn how to sell online.

Song Yu, a director of Zhejiang's e-commerce commission and a team member of one such mission to Aksu, said: "In Aksu, e-commerce is at the starting point. It was only in the last year or so that apples from there started being sold online in large quantities."

Aksu apples have been popular on Alibaba's Taobao online platform for several years. The competition from non-genuine Aksu apples affects the price that growers of the real Aksu can get for their apples.

> **"It was only in the last year or so that apples from there started being sold online in large quantities."**
> **SONG YU**
> A director of Zhejiang's e-commerce commission

Farmers get around 4.5 yuan (72 cents) per kilogram, but including transportation, storage and promotion, the total price can be around 16 yuan per kilogram, which is close to the online price, Song said. "This kills profits."

In Aksu, roughly 60 percent of people live in rural areas. Most of them are Uygur, and agriculture is their only industry, he said.

"They are not familiar with the national market and can't respond to the market needs in a timely way. They know little of the fast-developing online market," Song said. The non-genuine apples make the situation worse.

Song gave another example of how not knowing the market hurts farmers. Many farmers heard that dates got a good price last year and chose to plant dates this year, which caused the price to collapse.

An earlier team from Zhejiang helped the Aksu locals develop an e-commerce platform that allows farmers to take advantage of their special products. In 2014, they set up an e-commerce industrial park in the city of Aksu. Using this facility, farmers can sell the apples and other fruit online and improve the efficiency of their businesses.

Thirty-two online stores have joined the Aksu E-commerce Association, which is building storage centers to facilitate sales to big cities. It now has four — in Hangzhou, Zhejiang province; Chengdu, in the southwestern Sichuan province; Yuncheng, in the northern Shanxi province; and Guangzhou, in the southern Guangdong province.

The association has registered a trademark for Aksu apples and developed a system by which customers can scan the QR codes on the apples' package to find out whether they are genuine and on which farm they were grown. In 2017, 10,000 metric tons of genuine Aksu apples were sold via the platform.

Project to boost Gansu agriculture

ADB-backed online services system set to improve communication between farmers and consumers for solutions at every stage

By LIU XUAN
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During the Singles Day online shopping festival in November, Su Tian's family received dozens of packages. However, as deputy director of the Development and Reform Commission of Northwest China's Gansu province, he wishes the parcels would flow the other way, for people across China to buy his province's agricultural products online.

A project of the Gansu government, in cooperation with the Asian Development Bank (ADB), is designed to solve the problem and, at the same time, use new technology to boost the productivity of agriculture.

The project aims to establish an efficient Internet-based agriculture services system by using technologies such as artificial intelligence, Internet of Things, big data and cloud computing. The system will be able to provide solutions in every step of agricultural production.

It has been approved by the State Council, China's cabinet, with a total planned investment of 1.55 billion yuan ($246 million), including a $150 million loan from the ADB. The project will begin in October, and an environmental impact report and feasibility study have already started.

The Gansu Supply and Marketing Cooperative has also been working with the ADB since 2015 to promote Internet Plus agriculture, according to the cooperative's deputy director, Qin Xiaoyang.

The concept of Internet Plus agriculture seeks to use information technology to clear hurdles faced by the industry, such as farmers' insufficient information about production techniques and market conditions.

Gansu is a mountainous province with plateaus, valleys and parts of the Gobi Desert. It is suitable for growing fruit trees and some green vegetables, such as cabbage.

Building on these specialties, the Gansu-ADB project will establish agricultural demonstration bases, equipping high-value crop production systems with Internet of Things applications and software.

Logistics and distribution systems and a cold-chain preservation system will be updated or established to ensure that customers receive their purchases while products are still fresh.

> **1.55 billion yuan**
> Total planned investment in a project to establish an online agriculture services system in Northwest China's Gansu province

"What is new about the system is that we can improve the communication between producers/farmers and consumers," said Jan Hinrichs, an agricultural economist and leader of the ADB's Gansu project.

"Before, we simply had market information for farmers; but now we will reduce the transaction cost, and we can inform consumers where the product came from and its certification."

An agricultural information services platform will be set up to collect and process big data related to the project and to provide market information and agricultural support services to more beneficiaries, especially agricultural operators who lack market access and high-quality technical support.

A big data center for agricultural social services will be set up in Lanzhou, Gansu's capital. The site will also serve as a training base for the project.

The integrated services platform for big data and information will cooperate with government websites, e-commerce enterprises and the Chinese Academy of Sciences to integrate agricultural social service resources in an open and inclusive manner.

Although the project is advancing steadily, Qin from the Gansu Supply and Marketing Cooperative said it faces some problems.

The cooperative has selected 11 companies and planting bases as the first experimental base to implement the Internet Plus concept. However, Qin said there is no standard for selecting projects, which can lead to a divergence of opinions among departments.

Also, the project involves many specialized fields and has high technical content. Qin said that if there is no technical support for implementing the project in the middle and later stages, producers may find it difficult to solve technical problems by themselves.

"For agriculture to be integrated with modern technologies, there will be a long process," said Hinrichs. "But I think there is still potential."