

# WIC adds vitality to digital economy

New engine drives countries to better share, connect and trade with higher efficiency, **Yuan Shenggao** reports.

The annual World Internet Conference has become a new driver for the development of the Chinese digital economy, strengthening the economic and trade cooperation, according to analysts.

The phenomenal growth of China's digital economy in the last decade, a more than fivefold increase to \$3.8 trillion last year, equal to a third of GDP, is the clearest signal yet that China has the potential to lead the world's digital frontier in the years to come, according to statistics from the China Academy of Information and Communication Technology. At the forefront of that quest is none other than the World Internet Conference.

Ever since its inauguration in 2014, the annual event of the World Internet Conference held in East China's Zhejiang province has attracted the participation of tech tycoons from home and abroad, becoming the quintessential platform to promote China's achievements in the digital economy, and its commitment to joint development and cooperation in cyberspace.

According to the WIC's reports last year, digital economy is already tied to over a fifth of the global economy and is expected to contribute \$2 trillion to global GDP in 2020.

China's progress in that area is nothing short of impressive. The country is the world's largest e-commerce market, making up over 40 percent of global e-commerce transaction value, up from less than 1 percent a decade ago.

Last year, there were 171 million people working in digital economy-related sectors, accounting for 22 percent of the nation's overall employment. China's digital economy grew at a world-leading rate of 16.6 percent in 2016, more than double that of the United States.

According to a Boston Consulting Group report, China's digital economy is projected to reach \$16 trillion by 2035, with a penetration rate throughout the overall economy of 48 percent.

Such was the robustness of China's digital economy that a senior government official said China would strive to transform itself into a cyber power and make efforts to facilitate deep integration of the internet, big data and artificial intelligence with the real economy.

Echoing the message, the National Development and Reform Commission, China's top economic planning agency, has vowed to take bigger strides in areas such as the internet of things, big data, cloud computing and AI, and create more high-end jobs.

The commission had also inked a deal with China Development Bank to offer 100 billion yuan (\$14.5 bil-



Previous sessions of the World Internet Conference are attended by a large number of global delegates. PROVIDED TO CHINA DAILY



The fifth World Internet Conference kicks off in East China's river town of Wuzhen on Wednesday. HUANG ZONGZHI / XINHUA



A robot solution provided by Baidu is demonstrated at the fourth World Internet Conference. ZOU HONG / CHINA DAILY

**“The conference will enhance the establishment of an internet development outlook characterized by mutual trust and collective governance.”**

**LIU LIEHONG**  
deputy director of the Cyberspace Administration of China

Last November, the State Council also unveiled a guideline to boost smart manufacturing and speed up integration of the industry and the Internet, with plans for 10 cross-industry platforms by 2020 to accelerate enterprises' digital transformation.

The WIC has been a stout champion of digital interconnectedness over the years. Given that no digital economy could grow in isolation, it is only logical that the WIC's vision for its inclusive and sustainable development goes far beyond national borders.

At last year's event, China and six other countries involved in the Belt and Road Initiative, namely Laos, Saudi Arabia, Serbia, Thailand, Turkey and the United Arab Emirates, launched an initiative to spur their digital economy development, build an interconnected Digital Silk Road, and create a community of shared interests with win-win cooperation and common prosperity.

The countries planned to expand

broadband access, promote digital transformation, encourage e-commerce cooperation, support internet-based entrepreneurship and innovation, strengthen digital capability building, enhance digital inclusion and promote investment in the digital sector.

An illustrative example of this global digital push is the newly unveiled Pakistan-China fiber cable project, which will provide direct connection between China, Pakistan, the Middle Asia and East Asia, and minimize the risk of disruption to international traffic.

Construction started in March 2016 and ended in June, with the total cost estimated at \$44 million. The enhanced connectivity will add new momentum to the digital economy along the route.

In August, when China announced an additional contribution of 100 billion yuan to the Silk Road Fund, it made a point of stressing the importance of digital cooperation.

China called for pursuing innova-

tion-driven development and intensify cooperation in frontier areas such as digital economy, artificial intelligence, nanotechnology and quantum computing, and advancing the development of big data, cloud computing and smart cities so as to turn them into a digital silk road of the 21st century.

Co-hosted by the Cyberspace Administration of China and the People's Government of Zhejiang Province, this year's WIC is themed around “creating a digital world for mutual trust and collective governance — toward a community with a shared future in cyberspace”.

The three-day conference, held from Wednesday to Friday with thousands of guests from the tech industry, government and NGOs, will “further enhance the establishment of an internet development outlook characterized by mutual trust and collective governance among countries worldwide,” said Liu Liehong, CAC deputy director.

lion) in financial support over the next five years for the digital push.