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# China Development Forum 2024

# The Continuous Development of China

## Symposium on Digital Empowerment for Industrial Transformation (Panel Discussion I)

Hosted by the Development Research Centre of the State Council (DRC) and organized by the China Development Research Foundation (CDRF), the China Development Forum (CDF) 2024 was held at Diaoyutai State Guesthouse in Beijing from March 24th to March 25th. On the afternoon of March 25, the "Symposium on Digital Empowerment for Industrial Transformation" took place, presided by Zhang Junkuo, Chairman, China Development Research Foundation (CDRF); Deputy Director of the Committee on Proposals, the 14th CPPCC National Committee. Among them, there were four speakers in the "Panel Discussion I", namely ZHANG Jinliang, Secretary of the Party Committee, China Construction Bank Corporation; Jean-Pascal Tricoire, Chairman, Schneider Electric; Cristiano Amon, President & CEO, Qualcomm Incorporated, and Eric Xiandong JING, Chairman and CEO, Ant

Group.

The digital empowerment for industrial transformation relies on the backing of financial institutions. Zhang Jinliang noted that, for one, the China Construction Bank Corporation (CCB) must drive its own digital transformation by enhancing FinTech capabilities to establish a self-sufficient, autonomous digital tech innovation system; it should also refine its data governance systems to utilize data elements in expanding financial service reach, achieving the digital conversion goals of commercial banking with swift response, comprehensive engagement, and a positive user experience. Concurrently, it should stimulate the digital shift in the tangible economy. Beyond innovating financial solutions and streamlining finance structures, leveraging CCB's FinTech strengths to export technologies, platforms, concepts, and methods is essential to facilitate digital upgrades alongside traditional businesses. Additionally, increasing support and services for pivotal new infrastructure, digital economy sectors, and tech-based enterprises is key, as is innovating in risk management, pricing authority, and credit assessment to address issues like the difficulty, expense, and sluggishness of enterprise financing. By the end of 2023, CCB had a loan balance of RMB 700 billion for key digital economy industries and more than RMB 170 billion for new infrastructure.

Zhang Jinliang emphasized that beyond fiscal support, CCB highly values the progression of its green finance venture, having issued green and sustainable bonds internationally for six consecutive years, with green loans experiencing a surge in growth.

Jean-Pascal Tricoire mentioned that digitization is reshaping daily life and work practices. The transition into the second phase of digitalization, known as the Internet of Everything (IoE), has begun. Schneider Electric looked at this problem from two perspectives. First, Schneider was a purveyor of digital solutions for sustainable development, including offerings in clean electrification, renewable energy, smart grids, intelligent urban design, and advanced manufacturing. Second, as a sizable manufacturer, the Company implemented digital technology within its plants, striving to develop them into exemplars of "lighthouse," "transparent," "standard," and "green" factories.

Jean-Pascal Tricoire viewed digital transformation not merely as a simple evolution, but as a genuine revolution. It influences the two primary elements of production: efficiency and sustainability. Additionally, it shatters past compartmentalization: the isolation between energy systems and processes, machine and factory management, supply and demand, and the entire lifecycle. By

effectively linking and leveraging data, it consolidates resources and systems, forges a real-time ecosystem, renders factories more adaptable, streamlines management, and enhances the value of innovation. Digitalization not only bolsters efficiency but also renders innovation more disruptive. There are five key focus areas: firstly, the Internet of Everything; secondly, data structuring; thirdly, data operation alongside its eco-friendly progression; fourthly, refining processes alongside their digital twins and models; and fifthly, digital security.

Jean-Pascal Tricoire ultimately noted that through the application of digital empowerment, Schneider Electric has refined processes, enhanced product quality, bolstered collaborative efforts, diminished carbon emissions and costs, and realized sustainable transformation and development. The melding of digital transformation with sustainable development encompasses both technical enhancement and upgrades as well as societal evolution and growth, necessitating a comprehensive grasp and intensified collaboration to collectively tackle the challenges posed by the digital revolution.

Cristiano Amon engaged in a discussion centered on the theme of technological innovation shaping the digital future. He mentioned that communication has fueled the mobile technology

revolution, a critical pillar of our lives, and has spurred numerous industry transformations. In the future, intelligent computing will become all-pervasive, enhancing operational efficiency, boosting productive capacity, and facilitating sustainable growth and innovation for businesses. It is projected that worldwide expenditure on digital transformation will hit $3.9 trillion by 2027. Globally, significant technological advancements are driving a fresh surge of innovation. The widespread deployment of high-performance generative AI at the edge will lead to quicker responses, greater precision, more dependable and secure connection safeguards, and give rise to an array of novel applications. 5G-Advanced is progressing towards 6G, set to become a collaborative innovation platform that integrates AI, perception, networking, and devices. The new AI PC represents a completely novel category, capable of running AI both at the edge and in the cloud, fundamentally transforming the user experience in communication, creativity, productivity, entertainment, and more. Software-defined vehicles stand central to the rapid evolution of the automotive sector, improving connectivity and security features, and paving the way for new business models and revenue streams, including autonomous driving.

Eric Xiandong JING shared insights on "How Technology

Facilitates Data Flow and Shares the Value of Data Elements." He expounded on the market opportunities created by data elements, drawing from experiences in enterprise operations and technological implementation.

Eric Xiandong JING stated that China's data economy is advancing profoundly, with the overall data volume expanding exponentially and large models being adopted in industrial applications, resulting in an increased demand for high-quality and high-value data circulation. In the AGI era, addressing the issue of large-scale data circulation within the context of data silos is essential.

He believed that technological innovation and development could support the credibility and circulation of data elements, and that with smart contracts, benefit distribution could be more effectively implemented among various entities. With a foundation of security, data elements have reached a phase of accelerated industrial and regional circulation. Larger-scale data element circulation can be realized, further unlocking data value, and thereby fostering industrial cooperation and development.

Ultimately, Eric Xiandong JING highlighted that AI imposes greater demands on privacy computing and

necessitates intelligent algorithms of varying complexity for different data element scenarios. Ant Group is dedicated to openness and sharing, eager to welcome the era of burgeoning data elements alongside the entire industry. The aim is for the flow of data value to be as accessible as tap water—immediate, safe, convenient, and always available; let's collaborate to capitalize on the thrilling era of data elements.

(China Development Press Authors: Luo Rensheng, Xu Jing; Reviewer: Cui Keliang)

--Background Information--

Under the mandate 'Engaging with the world for common prosperity', China Development Forum (CDF) serves as an important platform for Chinese government to carry out candid exchanges and discussions with leaders of global businesses and international organizations as well as foreign and Chinese scholars. Initiated in 2000, CDF has made remarkable contributions for the policy exchange and international collaborations between China and the world.

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