

Private Funds Encouraged to Invest in Start-ups

Policy

By LI Linxu

In its latest move to promote the healthy development of capital market, China has published a regulation on the supervision and administration of private investment funds.

The regulation, with 62 items in seven chapters, will take effect on September 1, 2023, according to a State Council decree.

As the country's first administrative regulation for private investment funds, it has drawn a regulation bottom line and strengthened the whole process regulation for the sector, such as clarifying the application scope, specifying the obligations and requirements of private fund managers and custodians, and regulating the fundraising and investment operation.

The regulation is conducive to further improving the system of rules and regulation on private investment funds, said an official representing the Ministry



A staff member of a sci-tech SMEs is testing electronic components in Hefei, Anhui province. (PHOTO: XINHUA)

of Justice and the China Securities Regulatory Commission, adding that the healthy development of the private investment fund sector is encouraged.

The sector is also urged to leverage its role in serving the real economy and promoting sci-tech innovation.

Of particular note is that a separate chapter is devoted to venture capital funds. A series of preferential policies will be rolled out by relevant depart-

ments, so as to encourage such funds to invest in innovative high-tech start-ups.

For venture capital funds, the registration procedures will be simplified, differential supervision and administration will be applied, and the exit mechanism will be facilitated, according to the regulation.

In recent years, venture capital funds have played an important role in investing in early-stage, small and sci-

tech enterprises, and become an important force in industrial innovation and upgrading, said the official, indicating that more policies and measures are on the road to support the development of venture capital funds.

Statistics show that as of May 2023, there were 22,000 private fund managers registered with the Asset Management Association of China, managing about 21 trillion RMB in 153,000 funds.

High-quality Growth

Beijing Aims to Be Sci-tech, Cultural Hub

By ZHONG Jianli

Beijing is pursuing high-quality development by relocating some of its administrative functions to neighboring areas and highlighting its culture and sci-tech industries.

Relocating non-essential functions

To relieve the pressure from rapid urban development and increase the city's carrying capacity, functions that are non-essential to Beijing's role as the capital are being relocated to neighboring areas. The sub-center in Tongzhou district and the Xiongan New Area in neighboring Hebei province are being developed to form the two "new wings" of Beijing.

The construction of the Tongzhou sub-center has been accelerated with an annual investment of 100 billion RMB (13.9 billion USD). The first batch of municipal organs have moved there and the second batch will relocate before the end of this year. A number of major infrastructure projects are under construction, such as an underground traffic terminal, which will be the largest in Asia and is expected to open within two years.

The Xiongan New Area is also being supported with new projects, including three schools that will open in September, and a hospital, also to be ready in September. The Beijing-Xiongan inter-city railway is fully operational while the Beijing-Xiongan expressway will open this year.

Building culture and sci-tech hubs

As a time-honored city, Beijing

boasts an immeasurable historical and cultural heritage. In addition, it is now building new art areas with modern features.

The 798 Art Zone, formerly a cluster of factories, has been transformed into a hip center for contemporary art. The Langyuan Station, once a textile warehouse, is now a cultural landmark. They both have attracted leading enterprises from the digital, film and television, and cultural and creative industries, and are important symbols of Beijing as a cultural center.

Building itself into a sci-tech innovation center is another focus.

With sci-tech bases such as the Zhongguancun Science Park, Daxing International Hydrogen Energy Demonstration Zone and China-Germany Industrial Park, Beijing is enhancing its sci-tech innovation capabilities. The innovation and industrial chains have been expanded to neighboring port city Tianjin and Hebei province.

Closer collaboration in the innovation community is accelerating sci-tech development in these areas.

According to official statistics, the technology contracts transferred from Beijing to Tianjin and Hebei increased from over 3,000 items in 2013 to more than 5,800 in 2022, signifying an average annual growth of 7.1 percent. The total amount of contracts increased from 7.12 billion RMB (993 million USD) in 2013 to 35.69 billion RMB (4.96 billion USD) in 2022, an average annual growth of nearly 20 percent.

Building Pilot Areas for IP Service Industry

By ZHONG Jianli

China National Intellectual Property Administration has released a notice to upgrade and build a number of demonstration or pilot areas for the intellectual property (IP) service industry, aiming to promote high-quality development of the IP service industry and provide better support for innovation.

Those demonstration or pilot areas will be built in provincial or national-

industrial parks including high-tech zones and economic development zones, as well as in the district- and county-level administrative areas with industrial clusters, according to the notice.

It is proposed promoting the deep integration of IP services with industries such as advanced manufacturing and modern agriculture, in order to better serve industrial upgrading and improve the quality and efficiency of the regional economy.

IP service providers gathering in

the pilot areas are encouraged to establish quality brands with a good reputation and improve their specializations to reach the international level, according to the notice.

Full-chain IP services such as IP agency, transfer, registration, appraisal, evaluation, certification and consultation should be provided in the demonstration areas, through one-stop online and offline services, said the notice.

In addition, high-standard supervi-

sion systems for the IP service industry should be set up, while there should be a crack down on illegal services for patent and trademark applications.

Efforts should be made to attract high-end IP professionals from home and abroad, support the introduction of high-level foreign institutions to enter the demonstration and pilot areas to conduct IP-related businesses, and promote international cooperation in IP services including expanding IP service trade.

Influence of China's Sci-tech Journals on the Rise

By LI Linxu

The number of China's sci-tech journals has reached 5,071, with the growing influence of both Chinese and English sci-tech journals, according to a report from the China Association for Science and Technology.

Among them, there are 4,482 Chinese language sci-tech journals, 420 English language sci-tech jour-

nals, and 169 sci-tech journals using a combination of Chinese and English.

Under the theme of academic publications and exchange platforms in the digital age, the report, titled *Blue Book on China's Scientific Journal Development (2022)*, covers a wide range of topics related to the country's sci-tech journals, such as the overall characteristics, publication and operation, published papers, and aca-

demical influence.

There are 1,570 journals in the field of basic science, 2,271 in technical science, and 1,152 in medical and health, according to the report.

The publication cycles of sci-tech journals are mainly bimonthly or monthly, accounting for about three-quarters of the total.

Of particular note is that the academic influence of the country's

Chinese language sci-tech journals continues to grow, with the international citation ratio climbing to 7.6 percent in 2020 from 4.44 percent in 2016.

Meanwhile, the country's English language sci-tech journals have played an increasingly important role in international academic exchanges. In recent years, a growing number of such journals have been included in internationally prestigious databases.



Beijing is pursuing high-quality development. The picture shows the Langyuan Station in Chaoyang district of Beijing.

(PHOTO: HE Liang/S&T Daily)

Tech Partners Help Farmers Flourish

Case Study

By WANG Yanbin & CHEN Chunyou

Entrepreneur Dong Guiqing had reached rock bottom, watching in despair as her tea plantation business crashed. The slow decline had been taking place for over a decade and she was at her wits end about how to turn things around. Fortunately, Dong met up with

Tian Lili, a researcher at the Tea Research Institute of Shandong Academy of Agricultural Sciences.

By adopting Tian's planting methods, the output of Dong's tea plantation rocketed, increasing her income more than 10-fold within 12 months. Tian has since become a shareholder in Dong's family farm business.

The establishment of this collaborative model is the result of a reform pushed by Shandong Academy of Agricultural Sciences (SAAS). In August

2020, a total of 73 researchers from SAAS were dispatched to serve temporary positions in remote areas, helping promote rural revitalization. About 85 percent of the selected researchers are aged under 45. Some of them may act as the head of a town, the director of a bureau, or a leader in a specific technology field. Tian is one of them.

While Tian helped Dong find the best tea variety to breed and cultivate in order to become a competitive brand, she also offered advice and consultancy for daily management of the tea-planting process. This helped address the challenges through the transfer and use of new and existing technologies.

Under the cooperative agreement, Tian also receives dividends as a farm shareholder and has used some of this income to help establish a development fund, in order to boost the R&D of new tea varieties.

Meanwhile Jing Fugui, an expert in cattle genetic research, took up the post as the temporary head of a town, where he was challenged to attract resources from the surrounding area to upgrade the local cattle industry chain. Finally, the town achieved an industrial breakthrough.

Achieving success, and gaining ex-

perience from the production line operation, also helped Jing find a research topic, which has been allocated funds from the National Natural Science Foundation of China.

To encourage more researchers like Tian and Jing, SAAS has clarified the split ratio of the ownership of new technology, of which the research team takes up the biggest share, up to 70 percent, and the research team's affiliated institute and the academy account for 20 percent and 10 percent respectively.

The technology partner mechanism allows young researchers to play a leading role in their assigned projects, and test the validity of their research results. Until July 2023, SAAS has dispatched about 543 researchers into rural areas.

More and more young researchers, like those born in the 1980s, have grown to be leading experts in their respective fields. They are given a greater say in deciding the technology roadmap and selecting the potential research candidates, which further stimulates their research vitality.

The reform in SAAS helps rural farmers in Shandong province get access to technology and talent resources, achieving a win-win model for those struggling to make it on their own.

Manufacturing Sector Reliability Prioritized

By CHEN Chunyou

China will improve the reliability of the manufacturing industry, according to a guideline released by the Ministry of Industry and Information Technology, the Ministry of Science and Technology and three other departments.

Reliability is the ability of a product to complete the specified function under specified conditions and within a given time. It is a core indicator to reflect the quality of a product, and runs through the whole process of product R&D, design, manufacturing and application.

With the deep integration of new-generation information technology and manufacturing, the manufacturing industry becomes increasingly intelligent, leading to improved reliability.

The guideline clarified tasks in terms of quality and reliability management, technology development, standardization and talent cultivation, as

well as improving such public services as reliability testing, accreditation, calibration and consultation.

It mainly focused on three representative industries, namely machinery, electronics and automobiles, which have a massive industrial base and take a high proportion of gross industrial output. It seeks to improve the reliability of related products by improving the quality of core fundamental spare parts, and to increase the resilience to tackle potential risks, such as supply chain disruption.

It is expected that in the first phase that lasts until 2025, China will build at least three R&D service platforms related to reliability technologies, cultivate over 100 enterprises to be demonstrative models of reliability improvement, and mobilize 1,000 enterprises to make substantial progress in this sector. In the second phase running until 2030, the country aims to see more products reach the global standards.



Researcher Tian Lili from Shandong Academy of Agricultural Sciences works at the tea garden. (PHOTO: WANG Yanbin/S&T Daily)