

# Move to Make Sci-tech Finance More Inclusive

## Policy Express

By LIN Yuchen & LIU Yin

To make science and technology finance more inclusive, accurate and effective, China released the 2nd version guidelines of the "innovation point system" (National Pilot Edition) on October 29, marking a significant step toward improving the precision profiling and financing mechanisms for technology-driven enterprises.

The Ministry of Science and Technology (MOST), which released the document, refined the system's core indicators after over a year of pilot implementation to address issues such as data acquisition difficulties and insufficient adaptability across regions.

The 2.0 version is designed to help financial institutions more accurately identify enterprises with strong technological innovation capabilities, directing capital and policy resources toward high-potential tech firms.

The upgraded version has three key objectives: identifying, evaluating and supporting tech-driven enterprises.

It aims to identify both established and emerging tech companies by analyzing their core innovation characteristics.

It will then evaluate the strength



Engineers operate robots to collect data at the Hangzhou Bay Embodied Intelligence Innovation Center in Shaoxing, Zhejiang province. (PHOTO: XINHUA)

and growth potential of these enterprises through a quantitative scoring system, which allows for more accurate classification and management.

Finally, it will support them by linking their innovation scores with various financial and policy tools — such as re-lending programs, credit guarantees, risk compensation mechanisms, and interest subsidies — to broaden access to funding through credit-based loans, investment, insurance and financing.

The guideline outlines a rigorous yet practical indicator framework built on four primary categories — innovation input, innovation output, innovation development, and innovation impact. The system has nine quantitative indicators and three bonus indicators, with a total base score of 100 points for the first three categories plus 30 bonus points for innovation impact.

Local governments are encouraged to apply the system to refine financial matchmaking, optimize policy coordination, and guide differentiated support for tech-oriented small and medium sized enterprises. The guideline also calls for integrating innovation credit results into local lending risk-compensation schemes, venture capital decisions, and the selection of enterprises for national R&D programs and talent initiatives.

To promote its implementation, MOST also took an action based on the principle of "open competition mechanism to select the best candidates." It has four goals: developing regional indicator systems, building digital evaluation platforms, expanding application scenarios, and innovating in government resource allocation.

Provincial science and technology departments are tasked with completing these objectives within two years.

By enhancing the precision, scientific rigor and usability of innovation evaluation, the new innovation credit system represents a powerful new policy tool — one that bridges technology and finance, fosters fair competition, and empowers China's technological enterprises to become key engines of high-quality growth.



## Case Study

# Inner Mongolia's Tech-savvy Industrial Innovation

By SUN Jin & ZHANG Jingyang

During the 14th Five-Year Plan period (2021 — 2025), Inner Mongolia autonomous region has championed technology-driven development, leveraging its abundant resources — including wind, solar, rare earths and dairy — to build globally competitive industries.

### Renewable energy leads

By the end of May 2025, Inner Mongolia's installed renewable capacity exceeded 143 million kW, accounting for 52 percent of the region's total power capacity. Renewable energy generation from January to May reached 124.7 billion kWh, up 39.5 percent year-on-year.

Effectively harnessing green electricity remains a key challenge, with energy storage emerging as a critical solution. Construction of a 300,000 kW/1.2 million kWh independent energy storage power station in Hohhot, the capital of Inner Mongolia, has recently begun.

The project, led by Inner Mongolia Zhongdian Energy Storage Technology Co., Ltd. (Zhongdian), is part of the city's 2024 technology breakthrough initiative. It enables local consumption of green electricity and power balancing, providing an effective model for solving the challenge of integrating renewable energy.

Zhongdian, in collaboration with universities and research institutes, has developed three types of energy storage products for microgrid applications. These products' capacity-to-power ratio is no less than one, with a cycle efficiency of no less than 95 percent. The safety alert rate is 100 percent, and the accuracy rate for ultra-early warnings is greater than or equal to 98 percent.

### Rare earth industry advances

Since the implementation of the 14th Five-Year Plan, Inner Mongolia has been constructing two major rare-earth bases in Baotou under the technology breakthrough initiative. The region has fully utilized its rare-earth innovation platform system, including local laboratories, universities and technology innovation centers, to accelerate market-oriented research and application. This supports enterprises in addressing tech-

nological challenges, breaking key bottlenecks, and promoting the commercialization of scientific research outcomes.

Leveraging its rich mineral resources, Baotou has become a hub for rare-earth development. This year, Baotou's rare-earth industry aims for an output value of 130 billion RMB. "Taking the technology breakthrough project as a key driver to integrate technological and industrial innovation, we are striving to build the nation's largest rare-earth new materials base and a globally leading rare-earth applications hub," said Wen Yongqing, director of the Rare Earth Industry Development Office of Baotou Industry and Information Technology Administration.

### Dairy innovation

The dairy industry is one of Inner Mongolia's most strategic and distinctive sectors, where innovation permeates the entire industry chain.

In Helingeer county, Asia's largest probiotic smart factory, built by Scitop, has commenced operations, aiming to achieve technological breakthroughs in the dairy sector.

"In the past, yogurt starters were almost entirely imported, at high cost. Now, we have independently developed seven types of yogurt starters through extensive experiments," said Shi Lei, an assistant to the general manager of Scitop.

As a key component of Inner Mongolia's technology breakthrough initiative, Scitop has built the world's largest lactic acid bacteria resource bank and overcome common technical challenges in the lactic acid bacteria industry.

At the upstream end, the National Center of Technology Innovation for Grass (in preparation) supports forage breeding, high-yield seed production, and ecological restoration, achieving five internationally leading results, approving 31 grass varieties, and establishing 21 seed propagation bases.

Inner Mongolia has established a complete industrial ecosystem. Within this system, all elements mutually support and reinforce one another, collectively forming an "ecological closed loop" that drives the high-quality development of the dairy industry.

# Measures to Certify Cross-border Personal Information Transfer

By SUN Jin & CUI Shuang

To protect personal information rights, regulate outbound data certification for personal information, and promote the security and efficiency of cross-border personal information flow, the Cyberspace Administration of China (CAC) and the State Administration for Market Regulation (SAMR) have jointly issued the Measures for Certification of Cross-Border Personal Information Transfer.

The Measures will take effect on January 1, 2026.

Shen Weixing, professor of the School of Law in Tsinghua University, explained that certification can serve as a legitimate channel for cross-border personal information transfer, as it concretizes the necessary safeguards for cross-border data transfer into a combination of third-party audits, continuous supervision, and enforceable commitments and remedies for data subjects.

### Scope of application

The Measures specify the applicable scenarios for personal information outbound certification, application methods, certification requirements, and the validity period of the certification.

According to the Measures, a personal information processor transferring personal information overseas through outbound certification should not be a critical information infrastructure operator.

Quantitatively speaking, the processor should have cumulatively transferred overseas, since January 1 of the current year, personal information (excluding sensitive personal information) of more than 100,000 individuals but fewer than 1,000,000 individuals, or sensitive personal information of fewer than 10,000 individuals.

This personal information does not include important data, and the processors shall not employ means such as splitting data into smaller quantities to circumvent the requirement for an outbound security assessment on personal information, thereby providing such information to foreign countries through the personal information outbound certification process.

Wang Zhicheng, deputy director of the data and technology support center of CAC, pointed out that the certification system operates on the principles of voluntary participation, market-driven operations, and socialized services, and

is to be implemented by third-party institutions.

Personal information processors should apply for certification to professional certification institutions, which should conduct cross-border personal information certification activities in accordance with the basic certification specifications and the personal information protection certification rules.

When personal information processors outside China apply for the certification, they will be assisted by their specialized institutions or designated representatives within China.

The certification is valid for three years.

### Regulatory mechanism

Professional certification institutions should submit relevant information to the national information public service platform under SAMR within five working days after certification is issued or its status changes.

Professional certification institutions will supervise the outbound information practices of certified processors. In case of any non-compliance, the processors' certification will be suspended until it is revoked.

The market regulation departments

and the cyberspace administration will supervise activities related to personal information outbound transfer certification.

Provincial or higher-level cyberspace administration departments and relevant authorities can hold regulatory talks with certified processors whose outbound personal information activities involve significant risks or security incidents.

Zhao Jingwu, associate professor of the School of Law in Beihang University, said this clear division of labor and complementary regulatory model not only prevents functions from overlapping and resource wastage, but also ensures controllability and adaptability throughout the entire certification process.

A CAC official said the Measures clarify the specific path for providing personal information to overseas entities through certification.

It is the concrete implementation framework of the cross-border system under China's Personal Information Protection Law, marking an important step in China's personal information protection system.



# New 5-Year Plan's Sci-tech Modernization Blueprint

From page 1

Zhu recalled that from the launch of the joint development project based on the cooperation of industry, universities and research institutes in 1992, to the reform of empowerment of job-related sci-tech achievements, and then to the emphasis on the deep integration of technological and industrial innovation, the industry-university-research cooperation in China has become increasingly broad.

Robust data provides essential support for sound research. In 2024, the contract amount for technology transfer from 4,059 universities and research institutions reached 226.91 billion RMB, representing a year-on-year growth of 10 percent. There were 415 institutions with a contract amount of over 100 million RMB for technology transfer, an increase of 4.1 percent year-on-year. By

the end of 2024, universities and research institutions had a total of 18,248 full-time personnel engaged in technology transfer.

Meanwhile, Zhu cautioned that as the transfer of new technologies takes time, the government, universities, enterprises and the capital market should remain patient and avoid being overly eager for quick success and instant benefits.

### Coordinating education, science and technology, and human resources

Integrated development of education, science and technology, and human resources is another proposal set out in the Recommendations.

It reflects the systematicness and synergy of strategic deployment, said Dong Yu, executive vice president of the China Institute for Development Planning at Tsinghua University.

Dong believes that this strategic de-

ployment conforms to the new round of technological revolution and industrial transformation, as well as the more intense competition among major countries in science and technology.

Li Jinghong, CAS academician and professor at Tsinghua University, said that education requires more attention to be paid to strengthening the combination of theoretical and practical abilities, so that graduates can better adapt to the future society.

### Advancing the Digital China Initiative

When a group of human resources with both interdisciplinary knowledge and practical experience thrives, the building of a digital China will also be accelerated.

The specific deployments on advancing the Digital China Initiative in the Recommendation have greatly

inspired Zhou Hongyi, the founder of 360 Group.

In Zhou's view, the technological revolution represented by AI is at a critical juncture of transitioning from technological breakthroughs to practical application. In this process, the intelligent agent serves as a bridge connecting technological and industrial innovation, profoundly reshaping production methods, organizational forms and security patterns, and is an important breakthrough for developing new quality productive forces.

"Therefore, we must adhere to the principle of tech for good and prioritize security, and promote the technological breakthroughs, scenario implementation and security governance of intelligent entities in a coordinated manner, so as to build an intelligent, efficient and trustworthy digital future," Zhou said.

## Photo News

At a symposium on context innovation in Beijing on October 29, a platform for matching context demand and supply was officially launched. It also saw the ceremonial launch of the *Context Innovation* magazine, supervised by the Ministry of Science and Technology and published by *Science and Technology Daily*.

The magazine began publishing in August with the aim of introducing China's policies on context innovation, studying theoretical trends in the field and reporting practical experiences from both home and abroad as well as disseminating supply-and-demand information related to context innovation. It is meant to serve as a theoretical reference and practical guide for advancing new quality productive forces.



▲ The Context Innovation magazine.



The symposium on October 29. (PHOTO: WANG Jian / Science and Technology Daily)