

Translation



The following document details the successes of National Cybersecurity Talent and Innovation Base in Wuhan, China, as of late 2019. After listing the Base's many successes in persuading top Chinese cybersecurity companies and talent to relocate to Wuhan, the authors also acknowledge that certain local government policies related to industrial subsidies and attraction of foreign investment have been detrimental to the Base's growth, and urge that the Base be exempted from these measures.

Title

2019 Work Summary and 2020 Program for the Modern Service Industry Construction Management Office
现代服务产业建设管理办公室2019年工作总结及2020年计划

Source

Official website of the People's Government of Dongxihu District in Wuhan City (武汉市东西湖区人民政府), October 28, 2019. The Modern Service Industry Construction Management Office is located in the Wuhan Airport Economic Development Zone (武汉临空港经济技术开发区; 武汉临空港经开区), which is in Dongxihu District. The Office is responsible for the planning and construction of the National Cybersecurity Talent and Innovation Base (国家网络安全人才与创新基地; 国家网安基地) in Wuhan as well as for attracting projects for the Development Zone and coordinating their progress.

The Chinese source text is available online at:

<http://www.dxh.gov.cn/ZWGK/QZFXGKML/GHJH/202005/P020200514097399996987.pdf>

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I. 2019 Work Summary

Over the past year, our unit has been constantly guided by General Secretary Xi Jinping's important instructions on cybersecurity work. Under the correct leadership of the district Party committee and district government, we have accelerated the construction of the National Cybersecurity Talent and Innovation Base and worked hard to build the only and unique "Cybersecurity Academy + Innovation Industry Valley" (网络安全学院+创新产业谷) base in China. At present, a favorable ecosystem for Cybersecurity Base (网安基地) talent training, technological innovation, and industrial development is taking shape. Relevant situations are summarized as follows.

(i) Focusing on economic operations, we smoothly completed our main economic indicators

The annual target for fixed asset investment was 4 billion yuan Renminbi (RMB). From January to September, the investment was RMB 3.125 billion, and the annual plan calls for a total of RMB 4.004 billion. The annual target for local general public budget revenue is RMB 20.76 million. From January to September, RMB 43.09 million was completed, and the annual plan calls for a total of RMB 58 million. The annual target for actual funds in place from

investment attraction is RMB 3.098 billion. From January to September, RMB 2.364 billion was completed, and the annual plan calls for a total of RMB 3.2 billion. The annual target for the growth rate of operating income from other for-profit service industries above a designated size is 50%. The growth rate from January to September was 46.98%, and the growth rate for the full year is planned to be 51%.

(ii) Focusing on investment attraction, we accelerated the concentration of core cybersecurity industries

We aimed at the core production chains of cybersecurity, targeted key national-level platforms and top enterprises to carry out targeted investment attraction, and accelerated the industrial concentration in the Cybersecurity Bases. As of October 2019, the National Cybersecurity Base had 16 registered enterprises throughout the year, with registered capital of RMB 3.01 billion, and completed 20 investment attraction and contract signing projects, with an agreed investment of RMB 24.2 billion from the projects. Due to our active introduction, the leading domestic cybersecurity enterprise Qi An Xin Technology Group (奇安信集团) invested in the construction of its central China headquarters and the country's largest cybersecurity talent training center; Topsec Technologies (天融信), one of the top three Chinese cybersecurity companies, invested in the construction of the Topsec Cybersecurity Innovation Park; NSFOCUS, one of the top five Chinese cybersecurity companies, invested in the construction of its Wuhan R&D and Operations Center; China Aerospace Science and Industry Corporation (CASIC) 2nd Research Academy (航天科工二院) established the headquarters of its Network Information Development Co., Ltd. (网络信息发展有限公司); and DeepBlue Technology (深蓝科技) invested in the construction of artificial intelligence (AI) and cybersecurity projects.

At the same time, we actively followed the China Cybersecurity Review Technology and Certification Center's (中国网络安全审查技术与认证中心) "Cybersecurity Review Technology and Certification Sub-Center" and "Examination Center" projects as well as national platforms and leading enterprises, such as the Tencent Security Cybersecurity Academy (腾讯安全网络安全学院) and Cambricon Science and Technology R&D Center (寒武纪科技研发中心), and promoted contract signing and residence as soon as possible.

(iii) Focusing on project construction, the appearance of the Cybersecurity Base is constantly changing

In line with General Secretary Xi Jinping's instructions that "we must adhere to the development of cybersecurity education, technology, and industry integration and form a favorable ecosystem of talent training, technological innovation, and industrial development," we have always upheld the construction of a first-class cybersecurity college as a leading task in the construction of the Cybersecurity Base. We have also compacted (压实) work responsibilities, inverted schedules to seize progress, implemented on-site supervision to ensure quality, strengthened coordination and optimization functions, and vigorously promoted the construction of Cybersecurity Base projects. Since the beginning of this year, our office has organized more than 100 meetings of different types, such as Cybersecurity Base public-private partnership (PPP) project construction work progress meetings, business discussion meetings, and topical work meetings, issued 12 supervisory letters, submitted a total of 22 issues of the "Cybersecurity Base PPP Construction Special Report" to district leaders for reading, and achieved major breakthroughs in the construction of the Cybersecurity College and other major projects.

As of now, the Cybersecurity Base Exhibition Center has been put into use; Phase I of

the training center is under trial operation; the construction of municipal roads for the Cybersecurity College, talent community, and Cybersecurity Base is nearing completion; the Centrin Wuhan Data Valley Big Data Center (中金数谷武汉大数据中心), Tuspark Cybersecurity Incubator, Digital Certification, Guojia Netcom (国嘉网信), Jide (技德), Sugon (曙光), Topsec, and other projects are progressing smoothly; and the *Changjiang Daily* (长江日报), Shenzhen Open Source (深圳开源), and Dima (迪马) projects have entered the pre-construction preparatory stage. In order to provide assurance for the Military World Games, our office actively coordinated with the District Landscape Bureau, Jinghe Street Office, and Zhong Xin Network Security (中信网安) to complete the greening project on the west side of Lingkonggang Avenue and the north bank of the Jinghe River for the Military World Games.

(iv) Focusing on training and competitions, we accelerated the construction of the cybersecurity talent system

We promoted the actual startup of the Ten Thousand-Person Cybersecurity Training Grant Program (网络安全万人培训资助计划). We actively worked to interface with the Ten Thousand-Person Cybersecurity Training Grant Program: First, we formulated the *Detailed Fund Management Rules for the Ten Thousand-Person Cybersecurity Training Grant Program (Trial Implementation)* (网络安全万人培训资助计划专项资金管理细则 (试行)). Second, we organized a forum for soliciting opinions on management rules in the conference room of the National Computer Network Emergency Response Technology Processing and Coordination Center (国家计算机网络应急技术处理协调中心). This meeting reviewed the *Detailed Fund Management Rules for the Ten Thousand-Person Cybersecurity Training Grant Program (Trial Implementation)*. Third, we tracked the RMB 20 million in funding allocated by the China Internet Development Foundation's (中国互联网基金会) cybersecurity special fund.

We successfully held boutique competitions. In order to enhance the signal and influence of the National Cybersecurity Base and build a National Cybersecurity Base brand, we have firmly grasped that talent is key and hosted a number of boutique competitions. In June 2011, we successfully held the "ISCAS 2019 Software Security Academic Forum" and established the "Open-Source Cybersecurity Academician Expert Workstation," "Financial Software Security Lab," and "Virtual Cybersecurity Academy" in order to provide solid intellectual support for the Cybersecurity Base. On July 20th, the "Wuhan Cybersecurity Base Special Event for Millions of Alumni Returning to China" (武汉百万校友资智回汉网安基地专场活动) was successfully held in the exhibition center. More than 500 people, including central government, provincial, and municipal leaders, expert academicians, and representatives of universities and enterprises gathered at the Cybersecurity Base. Contracts were signed for all 18 talent attraction projects and 27 investment attraction projects to promote the gathering of various talents and high-quality projects in the Cybersecurity Base and Wuhan Airport Economic Development Zone. On September 19, the 2019 "Yellow Crane Cup" Network Security Talent and Innovation Summit kicked off at the National Cybersecurity Base Exhibition Center. Academicians of the Chinese Academy of Engineering Shen Changxiang and Wu Jiangxing; Li Yunfeng, Deputy Inspector of the Cybersecurity Coordination Bureau of the Office of the Central Cyberspace Affairs Commission (中央网信办); Pan Lifen, Director of the Certification Supervision Department of the State Administration for Market Regulation; Wei Hao, Director of China Cybersecurity Review Technology and Certification Center, Chen Ximing, Member of the Party Group of and Deputy General Manager of China Electronics Corporation (CEC); Xiao Xinguang, the founder and chief technical architect of Antiy Group (安天集团), and others jointly provided ideas

concerning the innovative development of cybersecurity and talent training.

(v) Focusing on top-level design, we provided professional guidance for the development of the base

We promoted the official establishment of a steering committee for the construction of the Cybersecurity Base. On March 6, 2019, the secretary of the district party committee led a team to the Office of the Central Cyberspace Affairs Commission to report on our work, strive to gain support, and actively promote the establishment of a Cybersecurity Base construction steering committee. On April 20, 2019, the National Cybersecurity Base Construction Steering Committee was formally established, with Liu Liehong, Deputy Director of the Office of the Central Cyberspace Affairs Commission, and Mayor Zhou Xianwang as the directors, and leaders of relevant state ministries and commissions along with well-known Chinese academicians and experts as members. The steering committee will provide professional guidance for base construction and development, important decisions, major issues, and key projects.

We promoted the formulation and improvement of talent development plans for the Cybersecurity Base. In order to fully implement the spirit of the important instructions of General Secretary Xi Jinping and promote talent construction and development at the National Cybersecurity Base, and with the support and guidance of the Organization Department of the City Party Committee, our office cooperated with the Organization Department of the District Party Committee to formulate the "*National Cybersecurity Talent and Innovation Base Talent Development Plan (Draft for Discussion)*." In order to make further modifications and improvements, on September 24, with the guidance and participation of the Talent Division of the Organization Department of the City Party Committee, we invited the Party Secretaries of the cybersecurity schools of Wuhan University and Huazhong University of Science and Technology as well as leaders of relevant units in Dongxihu District and relevant persons in charge of various enterprises in the Cybersecurity Base to participate in a forum held in the Airport Economic Development Zone Building for soliciting opinions on the talent development plan of the National Cybersecurity Base. At present, the talent development plan is being revised and improved based on the opinions of all parties. It will become a powerful guiding document for the talent construction and development of the Cybersecurity Base.

(vi) Focusing on the business environment, we provided full assurance for corporate services

We provide transitional office space. Considering that the business incubator and office building have not yet been completed, the development area leased and purchased a total of 56,000 square meters of transitional office space, including in the Netan Building and the Internet Business Center, to meet the preliminary office needs of the resident enterprises. Among the properties, the 7,200 square meters of office space in Block B of the Wang'an Building was rented first to provide a place for enterprises to settle. Tuspark, Sugon, Centrin Data, Jide, and other enterprises have already moved in. At the end of last year, we leased 26,000 square meters of new office space in Block A of the Wang'an Building, which was put into use in April of this year. More than 300 employees from the Topsec Wuhan R&D Center moved in on July 8, ATOS Cloud Computing officially moved in on October 22nd, and Wenke Beijing-Tianjin-Hebei, Aerospace Network Information (航天网信), and other companies will soon move in. We purchased 20,000 square meters of office space to construct an Internet business center, which

has now been put into use and will soon house Xinyuelong Technology, Beidouxingdu (北斗星度), and other companies.

We provide transitional talent apartments. We provided a total of 38 talent apartments and 20 apartment rentals in Jinyin Lake's Clear Water Bay and Wuhan Keting for high-end talent from key enterprises that have settled in the base, such as Centrin Data, Sugon, Aisino, Open-Source Cybersecurity, Digital Certification, Jide Technology, Guojia Netcom, Topsec, and other key enterprises.

We provide assistance and agency services. We provide integrated nanny-style end-to-end agency services for enterprises that settle in the base, covering everything from industrial and commercial registration to project approval, planning and site selection, and construction reporting (施工报建). We provide industrial and commercial tax assistance and agency services for enterprises settled in the Cybersecurity Base. We provide assistance and agency services for project approval, planning and site selection, and construction reporting for digital certification. For all the companies that have already acquired land, such as Guojia Netcom, Jide, *Changjiang Daily*, Sugong, Topsec, and Open-Source, we have handled investment record certificates, land certificates, and land use planning permits.

We built a bank-enterprise exchange and cooperation platform. Our office and the district financial office jointly organized a Cybersecurity Base bank-enterprise exchange and cooperation meeting; promoted in-depth exchanges and cooperation between more than 10 resident companies, including Centrin Data, Tuspark Cybersecurity, and Dima Holdings, and 18 financial institutions, including Industrial and Commercial Bank of China (ICBC), Agricultural Bank of China, China Construction Bank, and People's Insurance Company of China Property and Casualty (PICC P&C); addressed the financing problems of settled enterprises; and promoted the development and growth of enterprises.

We effectively solved the problem of transportation support. Based on the actual needs of the enterprises, we are taking the lead in drafting a customized bus optimization solution from the Wang'an Building to the metro. According to this solution, the district government plans to invest RMB 5 million from next year's budget to open a dedicated bus line to Jinyinhu Station of Metro Line 6 and Jinyintan Station of Metro Line 2. This dedicated line will be officially opened next year. At that time, it will form a complete transportation assurance system with the currently operating custom buses from the Wang'an Building to Metro Line 1, effectively solving the commuting transportation problems of enterprise employees.

(vii) Focusing on platform construction, we built bridges for school-enterprise cooperation

Fully implementing the spirit of General Secretary Xi Jinping's important instructions on cybersecurity work and giving full play to the role of the National Cybersecurity Base as a bridge, we formulated a school-enterprise matchmaking system, carefully built a school-enterprise cooperation platform, and promoted the complementary, mutually promoting, and integrated development of talent training and industrial innovation. Currently, we are actively promoting the establishment of joint offensive and defensive laboratories, offensive and defensive practice and drill platforms, and network simulation shooting ranges with Wuhan University and Huazhong University of Science and Technology by leading technology companies such as Tencent, Qi An Xin Technology, Topsec, and Wuhan Anyu Information Security Technology Co., Ltd. (安域信息). We are also training practical talents to improve

offensive and defensive confrontation capabilities. As part of these efforts, Topsec and Huazhong University of Science and Technology have jointly built an Internet of vehicles laboratory, design and construction have begun for the Anyu Information joint laboratory, and the Tencent Cybersecurity Research Institute will soon be launched. At the same time, we actively connect leading companies, such as Qi An Xin Technology and Tencent, with universities, such as Wuhan University and Beijing University of Posts and Telecommunications. We promoted and co-organized the 2020 "Yellow Crane Cup" Network Security Talent and Innovation Summit and other events, gave full play to the role of the Cybersecurity Base, deepened school-enterprise exchanges, and deepened school-enterprise cooperation.

II. Existing Difficulties and Issues

(i) Economic indicator problems

The economic indicators issued by the district committee in early 2019 include the two indicators "industrial investment" and "actual foreign capital use." Because the enterprises introduced by our office are all cybersecurity-related enterprises, all of which are service industry projects rather than industrial projects, it is impossible to complete the "industrial investment" performance target. Because the Office of the Central Cyberspace Affairs Commission and provincial leaders have repeatedly made it clear that the National Cybersecurity Base must closely monitor independent innovation (自主创新) of core cybersecurity technologies, promote Chinese-made independently controllable (自主可控) replacement plans, and build a secure and controllable information technology system, we must be cautious about foreign investment projects. According to the requirements of superiors, our unit will cease to introduce foreign investment projects starting this year, so we are unable to complete the "actual foreign capital use" performance target. In summary, we request that these two indicators be removed from our unit's performance targets.

(ii) Business and investment attraction problems

The Cybersecurity Base urgently needs to introduce top Chinese and world-class leading cybersecurity enterprises to settle in the base, forge an organic ecosystem chain for the cybersecurity industry, and form industry cluster and talent linkage effects. However, due to the limited number of leading companies in the Chinese cybersecurity field, relying only on the resources and strength of our region and, in the fierce competition with various campuses across the country, relying on the traditional investment model makes it difficult to introduce a large number of major projects. Therefore, it is necessary for the National Development and Reform Commission, the Ministry of Industry and Information Technology, the Office of the Central Cyberspace Affairs Commission, and other departments to coordinate and optimize the layout to tilt the national cybersecurity, big data, AI, and other industries toward the National Cybersecurity Base. Only by launching pillar and leading industries and introducing key technologies and core platform projects can the Cybersecurity Base become a strategic height for top Chinese cybersecurity technologies and a demonstration area for the concentration of the Chinese cybersecurity industry.

III. 2020 Program

The main expectations and goals of our office in 2020 are: Fixed asset investments of RMB 4.2 billion; local general public budget revenue of RMB 40 million; actual funds in place

from investment attraction of RMB 3.3 billion; and a 20% increase in operating income of other for-profit service industries above a designated size.

We will focus on doing a good job in the following areas:

(i) Promote the acceleration of project construction: Strengthen supervision and coordination, improve communication mechanisms, promote the opening of the cybersecurity college in the spring, deliver Phase I of the training center and the talent community for use, and complete Phase II of the training center and municipal roads as soon as possible. Accelerate the construction of the Centrin Wuhan Data Valley Big Data Center, Tuspark Cybersecurity Incubator, Digital Certification, and other projects and promote the construction of the Guojia Cyberspace Security Industry Base, Yangtze River Digital Media City (长江数字媒体城), Open-Source Cybersecurity National R&D Center, and Software Security Base as soon as possible.

(ii) Promote the improvement of investment attraction quality: Closely follow the development of the cybersecurity industry and market, maintain close contact with leading companies in the cybersecurity industry, and accelerate the signing of contracts with CASIC and Tencent; keep an eye on cutting-edge and core sectors of the cybersecurity field, such as cybersecurity, mobile Internet, blockchain, cloud security, big data security, industrial control security, and IoT security; carry out "seedling seeking operations" (寻苗行动) and introduce a group of high-growth potential cybersecurity-related companies that are in their infancy and undergoing rapid development in order to add staying power to the benefits of scale that the National Cybersecurity Base provides for the cybersecurity industry; and more proactively go out to investigate and evaluate the feasibility and growth prospects of projects to introduce on the spot so as to improve the quality of introduced projects.

(iii) Promote training events to gather talent: Deepen the implementation of the Ten Thousand-Person Cybersecurity Training Grant Program, arrange for enterprises to conduct cybersecurity training in an orderly manner in the training center, expand and strengthen talent training by the Cybersecurity Base, and promote the Ten Thousand-Person Cybersecurity Training Grant Program so it achieves the expected results. Plan and organize top-level competition events to attract high-quality cybersecurity talent and industries to quickly gather together, promote school-enterprise cooperation and exchanges, and promote the complementary, mutually promoting, and integrated development of talent training and industrial innovation. Promote the establishment of the "Cybersecurity Talent Capability Evaluation Center" in the Cybersecurity Base by the China Cybersecurity Review Technology and Certification Center to create a nationally renowned strategic bastion of cybersecurity talent research and the largest cybersecurity examination center and cybersecurity talent pool in China.

(iv) Promote top-level design to create an ecosystem: Actively promote the efforts of the Office of the Central Cyberspace Affairs Commission, the National Development and Reform Commission, the Ministry of Industry and Information Technology, and other national ministries to strengthen the top-level design, planning, and layout of the Cybersecurity Base, coordinate the tilting of the national cybersecurity, big data, AI, and other industries toward the National Cybersecurity Base, forge an organic ecosystem chain for the cybersecurity industry, use industrial development to nurture talents, and form linkage effects from industry centralization and talent training so as to, in turn, create a favorable cybersecurity "industry, academia, research, and application" ecosystem in which talent training promotes industrial development

and industrial development drives talent training.

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