

New technologies will cut costs greatly

Story by



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Advanced technologies such as the Internet of Things, robotics, augmented reality and 3D printing will greatly reduce costs, increase efficiency and drive economic growth.

Last September in New York, during the United Nations General Assembly, technology for inclusive growth was firmly on the agenda. World leaders agreed that businesses played, and will continue to play, a crucial role in aiding growth, investment, and development.

Technological advancement was mentioned as a driver for growth, enabling a wide array of opportunities, from local innovation to job creation. Yet many people still don't have access to technology and can't fully enjoy its benefits. According to Huawei's Global Industry Vision 2025 report, released earlier this year, there are still:

- 5 billion people around the world who don't have a smartphone, and
- just 40% of homes with access to broadband.

The Broadband Commission for Sustainable Development, set up by the International Telecommunications Union (ITU) and UNESCO, says that half of the world's population should be connected to the Internet by the end of 2019. Nevertheless, this will still leave 3.8 billion people unconnected.

This means that we all need to work together to bridge this digital divide and drive together the digital transformation of industry and society. At Huawei, we are fully aware that digital transformation can only succeed if it is accepted by society and harmoniously combined with existing traditions.

ICT can drive sustainable development

For the past two years, we have analysed the correlation between Information and Communication Technologies (ICT) and the UN's Sustainable Development Goals (SDGs). The research done in cooperation with the London-based think tank SustainAbility shows that digital infrastructure is essential to achieving the SDGs by 2030. In other words, countries that perform well in ICT also do well on the SDGs, and those that underperform in ICT tend to lag behind in SDG achievement.

This is particularly true for SDG 4 on education, SDG 3 on health and SDG 9, on Industry, Innovation and Infrastructure, which is about building resilient infrastructure, promoting inclusive and sustainable industrialisation, and fostering innovation.

In Europe, our research shows that it is the SDG 9 that is strongly correlated with ICT performance. ICT has the potential to transform the manufacturing sector through advancements such as IoT, robotics, augmented reality and 3D printing, all of which will greatly reduce costs, increase efficiency and drive economic growth. For instance:

- The **Internet of Things** will enable the deployment of smart cities, providing better public services and reducing energy consumption and maintenance costs.
- **Augmented reality** will support the skills of workers, improving efficiency in industrial and manufacturing processes and act as an effective training tool.
- **3D printing** should decentralise manufacturing processes, allowing customisation and greater efficiency, while cutting down cost and waste.
- **Cloud computing** will facilitate the building of the smart campus networks and large-scale data centers to enable school-to-school, class-to-class and person-to-person connectivity, potentially reimagining the whole learning and teaching process.

The importance of future skills

It is not yet clear how many new jobs would be created following these changes, but it does suppose the importance of future skills and how we need to innovate responsibly and equitably with policies in place to adapt to large-scale transformation in the workplace.

We all have a role to play to address this upcoming challenge. It starts with:

- managing our businesses sustainably, with **ethics and integrity**
- rethinking our business models by integrating **circular economy** principles, driving sustainability through **innovation**, and **ensuring cyber security** and **privacy protection**
- encouraging sustainable operations by emphasising health and safety in our value chain
- and then bringing all this to society as a whole by helping **bridge the digital divide**.

Huawei re-invested nearly 15 % of its revenue in R&D last year because we believe

that ICT innovations such as 5G, Artificial Intelligence, Big Data, and Cloud Computing will be key enablers for achieving the UN's 2030 SDGs.

Whilst we are developing new technologies pushing the boundaries of digitalisation further than ever before, we are fully aware that digitalization can only be fully beneficial to society if all key stakeholders work in tandem. We are, therefore, reaching out more than ever to all players to make digitalisation a success for everyone.