Internet use in China tops 110 million

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There were more than 111 million Internet users in China by the end of 2005 according to data released Tuesday by the agency monitoring the industry's development.

Findings in the 17th Survey Report issued by the China Internet Network Information Center (CNNIC) revealed that 8.5 percent of the country's population now uses the Internet. It ranks third in the number of users worldwide behind the United States and Japan.

China added 17 million new users in 2005, with 8 million getting online since the end of June last year. CNNIC defines Internet usage as spending at least one hour per week on line.

Zhang Dongming, research director at BDA, a technology consultancy covering Asia with headquarters in Beijing, told United Press International that the growth rate was slowing down due to "a bottleneck in PC penetration."

"The key reason is the low penetration rate in rural China," she said.

The CNNIC report stated there were 91.69 million Internet users in Chinese cities, accounting for 16.9 percent of the urban population. Meanwhile, 19.31 million users, only 2.6 percent of the rural population, making up the bulk of the country's 1.3 billion people, used the Internet.

"This indicates the digital divide is still a big problem for overall expansion," Zhang said. She noted many villages in China only had one

phone, PC prices were still too high for rural residents, and infrastructure development issues remain a high priority.

The CNNIC report said that over 64 million Chinese Internet users logged on via broadband access, up 50.2 percent from 2004 figures. The country boasts a total of 49.5 million hosts and over 694,000 Web sites at the end of 2005.

Internet users spent 100 billion yuan (approximately $12.5 billion) on services last year, CNNIC reported. It said individual users spent 103.6 yuan (about $12.9) per month on average, a figure that excluded charges for various types of e-commerce services.

The China Internet Network Information Center is a state-run unit founded as a non-profit organization in June 1997. It is under the control of the Ministry of Information Industry and run by the Chinese Academy of Sciences.

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