

Cisco to invest \$10 billion in China

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US technology giant Cisco is based in San Jose, California

US technology giant Cisco announced Thursday that it will invest more than \$10 billion in China in coming years to help the country "innovate and globalise".

Cisco signed a Memorandum of Understanding (MOU) with the National Development and Reform Commission, the country's top economic planning agency, to expand investment in China focusing on

areas of innovation, equity investment, research and development and job creation, the company said in a statement.

The company, which entered China in 1994, also inked an MOU with an association of universities of applied science to train information and communications technology talent, it said.

The initiatives are worth in excess of \$10 billion in total, which will be spent over the "next several years", the company said.

Cisco's routers, servers and switching systems are key units of global interconnectivity and help power the Internet.

"We look forward to furthering our digitisation efforts, contributing to talent development and GDP growth opportunities in China," Cisco Chairman and CEO John Chambers said in the statement.

Gross domestic product in China, the world's second-biggest economy, expanded 7.4 percent last year, the weakest since 1990, and slowed further to 7.0 percent in the January-March period, the worst quarterly result in six years.



Cisco chairman John Chambers has headed the technology giant since 1995

The programmes "combine Cisco's strengths with the direction of China's industrial transformation" and is expected to help the country "innovate and globalise", the statement said.

"With these new partnerships and initiatives, Cisco is investing in the next generation of Chinese technology innovation," the company's incoming CEO Chuck Robbins was quoted as saying in the statement.

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