

China presents a challenge for Germany

Expert Commission calls for stronger cooperation, but remains mindful of risks

China's enormous potential for innovation is perhaps the major challenge for Germany's research sector. Now a global power, China has been growing strong in areas of special importance for German companies: knowledge-intensive industries and services. This is among the conclusions reached by the Expert Commission on Research and Innovation (EFI) in its 2012 annual report, which was presented to Chancellor Merkel on Wednesday. While the Commission sees opportunities in intensified cooperation with China, it advises against overly generous transfer of scientific findings, especially in application-relevant areas.

China, now the world's second-largest economy, has been increasing its research and development expenditures by 20 percent annually over the past two decades. For the Expert Commission, Beijing's central orchestration of industry and research policy is a cause for concern. As a result of a long tradition of product imitation, and of the weakness of China's patent litigation system, protection of intellectual property is not guaranteed in China.

Foreign companies with R&D units in China that develop patentable innovations in their Chinese locations have to apply for the pertinent patents in China – or try to obtain state permission for patent applications outside of China. Because of the gaps in the available protection, such patent policies present risks for foreign cooperation partners. What is more, so the Commission, Beijing works systematically to uphold its own domestic standards, as a way of shielding its domestic market, and foreign companies are not granted full membership in China's standards commissions.

The Expert Commission, which in recent annual reports has focussed intensively on the topic of electromobility, views China – and not Germany – as the future lead market for electromobility. The Commission recommends that the Federal Government and German automakers concentrate on positioning the German automotive sector as a leading provider of high-quality vehicles, components and systems for electromobility.

The Expert Commission urges that developments in China be carefully monitored, and that such monitoring be guided by the Federal Chancellery. The Commission adds that the most important actors in the industry, science and policy-making sectors need to be integrated more effectively in this process. Germany's research sector is not lacking in China commitments, so the Commission. The problem, rather, is one of too many uncoordinated activities, especially activities by non-university research institutions. Better coordination of such activities would help prevent redundancies and would strengthen the German research sector's visibility overall in Asia.

Press contact:

Dr. Helge Dauchert

EXPERTENKOMMISSION FORSCHUNG UND INNOVATION

Head of the Commission Office

Expert Commission on Research and Innovation
Office

Donors' Association for German Science

Pariser Platz 6

D-10117 Berlin

Tel: +49-(0)30.3229 82 562

Fax: +49-(0)30.3229 82 569

Mail: helge.dauchert@e-fi.de

www.e-fi.de