Science & Innovation in Germany: The New Federal Government's Research Policy Agenda

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Germany's Gross Domestic Expenditure on R&D was €54.3bn (£37.4bn) in 2003 (latest figure available) or 2.55% of GDP. Industry accounted for 68.9% or €37.4bn (£25.8bn) of this. Public-sector research is done both at universities and at Germany's non-university research institutes (Max Planck, Fraunhofer, Helmholtz and Leibniz). Germany's engineering base remains strong, but its efforts to catch up in biomedical research are often hampered by debate about the risks and ethical boundaries of such research.

The Research Policy Agenda of Germany's new Federal Government

Last September's federal elections resulted in the formation of a coalition Government between the Social Democrats and the Christian Democrats. The new Government set out key elements of its science and innovation policy agenda in the 12 November coalition agreement:

- Increasing Gross Domestic Expenditure on R&D: The federal Government is committed to increasing Germany's expenditure on R&D to 3% of GDP by 2010. Public-sector R&D spending will increase by €6bn (£4.1bn) by 2009. This will have to be matched by industry.
- Supporting the Lisbon Strategy: Germany's EU Presidency in the first half of 2007 will support the Lisbon Strategy. Presidency objectives include the launch of new programmes in education and research, further development of ERA, and co-operation with international partners outside the EU.
- Development of a new Internationalisation Strategy for R&D: This seeks to increase both the level of networking and the degree of co-operation from individual scientific exchange to joint research laboratories.
- Concentrating R&D funding on sectoral priorities: The Government will promote priority areas, including nanotechnology, energy, and health. There will be a boost for clinical research, including a register for public-sector clinical research projects. Germany will promote research on human adult stem cells. Greater emphasis will be placed on security research.
- Support for innovative companies: Germany's Government will continue schemes to promote innovative companies. This includes the €260m (£180m) High-Tech Startup Fund and the joint Federal Government/European Investment Fund facility to promote access to venture capital in high-tech sectors.
- Knowledge transfer and clusters: Germany is developing a programme to accelerate knowledge transfer between academia and industry within the framework of collaborative clusters. The Government will promote innovative clusters in Germany's 16 Federal states (Länder) in order to increase productivity and growth. It will also develop a High Tech Strategy to promote leading edge technologies. This will cover IPR and standards, and better use of Government procurement to promote innovation.
- Promoting scientific excellence and introducing full economic cost funding of research: The new federal Government is committed to providing its 90% share of a €1.9billion (£1.3bn) Federal and Länder initiative to promote excellence in university teaching and research. Grants provided under this Excellence Initiative will include an additional 20% to cover full economic costs. The German Research Foundation (DFG), equivalent to the UK's funding Research Councils, is planning to put its funding schemes on a full economic cost basis.

Scope for Bilateral UK-German Co-operation

The scope for bilateral collaboration is wide. It includes the exchange of best practice. Germany, for instance, is keen to learn from the UK's experience in areas such as research assessment, R&D tax credits and full economic cost funding. The UK's system of scientific advice to policy, which Sir David King presented in Berlin on 12 January 2006, has met with considerable interest. Germany has no equivalent to a Chief Scientific Adviser, nor does it have a single national academy of science.

Britain and Germany are close on and thus key drivers of a number of European research policy issues. And there are collaborative opportunities in specific scientific disciplines. There are close links in climate change, following the Berlin State Visit Climate Change Conference in November 2004. Large international research projects (eg the X-FEL laser facility in Hamburg) or European projects (eg in microsystems engineering) also offer opportunities for collaboration.

Looking ahead

Looking ahead, the Science & Innovation Team in Germany is working with partners on a number of projects to promote UK-German science collaboration during 2006. Forthcoming events include a conference on Trust in Science co-organised with the Schering Foundation. UK Trade & Investment (UKTI) in Germany plan to promote excellence in British science to German companies and to encourage R&D collaborations. Two major bilateral conferences in Berlin, on climate change research and energy respectively, will offer excellent opportunities to showcase the UK.

For information about activities by the FCO's Science & Innovation Team in Germany see: http://www.britishembassy.de/S&I