

China Development Forum 2021

China on a New Journey of Modernisation

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Parallel Session 3 - Venue III

Consolidating the Mainstay Status of Corporations in Technological Innovation

Moderator

Wang Huiyao, Counsellor, China State Council; President, Center for China and Globalization

Speakers

Wu Xiaoru, President, iFLYTEK

Jan Mrosik, CEO, Knorr-Bremse AG

Wang Jun, Vice President, CRRC Group Company

Rudolf Staudigl, President & CEO, Wacker Chemie AG

Dang Yanbao, Chairman, Ningxia Baofeng Energy Group Co.; President, Yanbao Charity Foundation

Key points

- Engage corporations in national innovation planning, to better align their future growth with the development of China's national innovation system.
- Build an open, collaborative and integrated innovation system - unite corporations, universities, research institutes and users to form a mutually beneficial innovation system based on market-oriented thinking.
- Formulate a global innovation strategy and establish interconnected R&D centres across the world, to work together in providing solutions that align with global megatrends.
- Achieve sustainable development without wasting the world's resources as we did 100 years ago, since a zero-carbon economy is inevitable.

Synopsis

The conversion rate of scientific and technological achievements in China is only 10%, while those of many western developed countries have reached nearly 40%. How to promote the conversion of scientific and technological achievements?
iFLYTEK proposed that three elements can be relied on to improve the conversion rate

of scientific and technological achievements. The first element is capital. Corporations should be willing to invest in innovative R&D activities to avoid homogeneous competition in well-developed markets. Moreover, it is necessary to encourage corporations to participate in national R&D projects or undertake projects with national and university research institutes, in closer alignment with the principle of market-orientation. The second element is talent. Steps should be taken to encourage talent flow and optimize two-way talent flow mechanisms, thereby ensuring the supply of talent with technical and market knowledge. The third element is sharing platforms and mechanisms. A two-way communication mechanism is required to boost the conversion of scientific and technological achievements, ensuring universities are willing to share scientific and technological achievements with corporations, and corporations would like to invest more to support the research activities of universities.

As a representative of state-owned enterprises, CRRC Group proposed four key points for achieving innovative development. First, continued efforts are needed to serve national strategies and take up the innovation mission. The Group has continuously upgraded its scientific and technological capabilities by leading major technical equipment research projects of the National Development and Reform Commission. Second, it is necessary to build an open, collaborative and integrated innovation system – unite corporations, universities, research institutes and users to form a mutually beneficial innovation system and establish a superior rail transportation industry chain. Third, priority should be given to accelerating the global layout of innovation resources. The Group has set up 17 R&D centres with renowned universities and research institutes in 13 countries including the United States, the United Kingdom and Germany. Fourth, investment in basic research should be increased, to ensure core technologies are independent and controllable. The annual investment of the Group in scientific research is about RMB12 billion, over 10% of which goes to forward-looking and generic technologies.

From the perspective of global development, it is necessary to draw on the successful experience of international corporation to consolidate the mainstay status of corporations in technological innovation. Knorr-Bremse AG highlighted three aspects when summarizing its experience of continuous innovative development. First, a high degree of production and technology localization should be maintained to meet fast-evolving and diverse demand for products and services. Second, it is imperative to formulate a global innovation strategy and establish interconnected R&D centres across the world, to work together on providing solutions that align with global megatrends. Third, long-term cooperation with China's state-owned enterprises should be sustained. In recent years, state-owned enterprises have played an integral role in China's economic development and taken part in international market

competition.

Wacker Chemie AG proposed that innovative development means creating solutions for the future and achieving sustainable development, without wasting the world's resources as we did 100 years ago, since a zero-carbon economy is inevitable.

Addressing low-carbon development, Ningxia Baofeng Energy Group pointed out that national energy security can be better guaranteed by promoting the development of the new materials industry with scientific and technological innovation. In future, corporations should accelerate the process of replacing fossil energy with new energy to take the lead in achieving carbon neutrality.

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