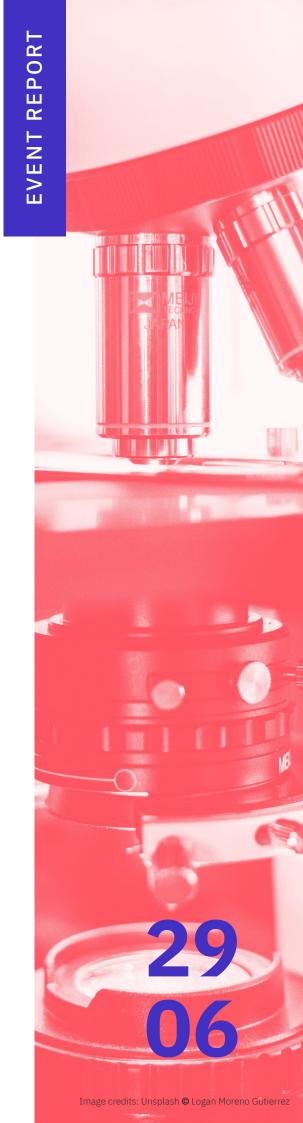




Rewriting the rulebook on EU-China scientific cooperation



Introduction

This report reflects statements and questions made during an online Policy Insight debate hosted by Friends of Europe on 29 June 2023, the same day the European Commission published its first biennial report on the implementation of the Global Approach to research and innovation, and the European Council convened to discuss the new EU Economic Security Strategy and relationship with China. The debate formed a part of Friends of Europe's new Global Europe programme and its ongoing efforts to discuss EU-China relations with neither fear nor prejudice.

As tensions between the European Union and China have risen, so too have discussions of EU strategic autonomy. Yet, peaceful cooperation in key areas must continue, especially in the scientific sector. Many businesses and research institutes have halted cooperation with Chinese counterparts in recent years due to fears of public backlash, even when these joint activities were highly mutually beneficial. This is a worrying trend, which significantly impacts Europe's ability to learn from and exchange ideas with this partner, competitor and rival.

An overly protective scientific environment can also drive away talent and slow down innovation, potentially exposing the EU to greater economic and security risks down the line. At the root of this seem to be the assumptions that collaboration is inherently zero-sum and that technology transfer only flows one way: from the EU to China.

The discussion developed from the following questions:

- What key points must the European Commission's updated rulebook for scientific cooperation with China contain if mutually beneficial cooperation between the EU and China is to continue?
- How can areas for continued cooperation between the EU and China in the fight against global challenges be more clearly defined, communicated and supported?

Recommendations

- When enacting new legislations, which significantly impact foreign businesses, China must communicate more constructively and be more transparent about the rationale behind these laws and related actions.
- China and the EU must focus more on how their scientific cooperation is changing people's lives on the ground for the better, and less on their geopolitical rivalry.
- China and the EU must provide both European and Chinese businesses with fairer and more open access to cutting-edge technologies, stop fragmenting the global tech market and refrain from overstretching the concept of economic security.

- The EU must update its guidelines for university cooperation between the EU and China, and must do more to support the building of competences in universities and research centres, so that they are better able to assess the risks that may be involved in international cooperation projects. It must also more equally distribute the burden of due diligence across universities and funding organisations operating at the national and EU levels.
- Better communication and knowledge sharing must be facilitated between European universities and companies so they can jointly develop bottom-up strategies for engagement with China.
- In-person dialogues and exchanges in the form of conferences, bilateral
 workshops and missions must be maintained and reinvigorated following the
 drastic decrease since the COVID-19 pandemic. These create trust at the
 individual level which can then trickle up.

Event summary

The EU's approach to scientific cooperation with China

Europe-China scientific cooperation has been in rocky waters for several years now, driven by ever growing geopolitical tensions. Asked about the EU's current approach, **Maria Cristina Russo**, Director for Global Approach & International Cooperation at the European Commission Directorate-General for Research and Innovation (DG RTD), indicated that the EU's approach towards China remains "a nuanced one". The EU is aware that it needs to continue to work with China in the field of research and innovation, but to do so, adequate framework conditions need to be in place. Under the discussions launched between the EU and China in 2019, these framework conditions include, among others, respect for intellectual property rights, ethics, integrity and open science.

Now, following the publication of the European Commission's new European Economic Security Strategy, it is necessary to analyse the situation "against the background of the [new strategy], to see if something more needs to be done," Russo indicated, adding that her team is already mapping the different instruments that the EU has at its disposal with the aim of finetuning and creating more synergies among them. In the end, however, the EU is not the only actor that needs to want to make this work.

66 It takes two to tango, it takes two to cooperate

Maria Cristina Russo, Director for Global Approach & International Cooperation at the European Commission Directorate-General for Research and Innovation (DG RTD) [The EU] is very willing to move ahead and find a balanced situation, but the responsibility is also on China to respond to us and move ahead towards what we both consider a level playing field," Russo impressed upon the audience.

University and private sector perspectives

Undoubtedly, continued cooperation in R&D is important for private industries as they are by far the largest investors in the sector, both within the EU and within China. Thinking beyond the economic imperatives however, **Linlin Liang,** Director of Communication and Research of the China Chamber of Commerce to the EU (CCCEU), urged that what we should be focusing on in terms of science and innovation "is not about political ideas, it is about how innovation is actually changing people's lives." China is the biggest importer of robotics from Europe for its factories, which it has used to compensate for its rapidly aging demographic.

There has been a lot of concern from Chinese companies about the new European Economic Security Strategy, but it is still too early to tell what the strategy will actually mean for them. For the moment, **Liang** pleaded,

66 do not let ideology trump technology, but make innovation and cooperation prevail.

 ${f Linlin\ Liang}$, Director of Communication and Research of the China Chamber of Commerce to the EU (CCCEU)

On the topic of university collaboration, the audience brought up the point that the burden of due diligence currently lies too heavily on universities. It was suggested that the EU should make sure a greater share of the burden is shifted to national and European funding organisations – something which Russo acknowledged. To that point, Russo shared that the Commission's January 2022 guidelines for universities are currently being reviewed in light of the new economic security strategy.

Reiterating sentiments from the audience, Yuzhuo Cai, Director of the Sino-Finnish Education Research Centre, agreed that "in universities, people are struggling to find strategies and approaches to cope with the current situation," arguing for an urgent need to understand the evolving rationales and logics underlying EU-China scientific cooperation. Recent changes, he explained, reflect the increasing influence of political rationales and a growing incompatibility between the EU and China, which stands in stark contrast to the pre-2019 period when the primary rationales were scientific and economic, and there was a high level of compatibility.

Whilst greatly appreciative of the European Commission's work, Cai urged that "only having a rulebook will not resolve all the challenges at the organisational and individual level [...].

We also, equally, need universities, industries, organisations, individuals to come up with bottom-up initiatives

Yuzhuo Cai, Director of the Sino-Finnish Education Research Centre

On the health front, **Gianni D'Errico**, Vice-Chair of the International Consortium for Personalised Medicine (ICPerMed), made a strong case that

"maintaining international collaboration [...], especially with China, is of utmost importance to improve the health and care capacity of our systems for the benefit of patients and citizens.

Gianni D'Errico, Vice-Chair of the International Consortium for Personalised Medicine (ICPerMed)

Conclusion

Altogether, the webinar clearly highlighted the need for better capacity-building, guidance and communication between the public and private sectors, as well as for more transparency, especially within China. This is essential not only to improve scientific cooperation for the sake of it, but to better prepare Europe, China and the wider world for the challenges of the 21st century. Climate change, new health crises and digitalisation – all of which are borderless – require a different sense of interdependence and cooperation; one that overcomes the woes of geopolitics. Considering this, the continued collaboration on scientific research and development between the EU and China is nothing less than a necessity of our times. With that, it remains to be seen in what direction the EU's motto of "as open as possible and as closed as necessary" will take us as it is given more clarity in the coming months by European leaders further fleshing out the new European Economic Security Strategy.

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