

**GOVERNANCE RESTRUCTURING
OF CHINA'S SCIENCE AND
TECHNOLOGY SYSTEM**

QIAN Jiwei

EAI Background Brief No. 1727

Date of Publication: 31 August 2023

Executive Summary

1. The Science and Technology (S&T) system in China is governed in a hierarchical manner. The Central Science and Technology Commission reports directly to the Politburo of the Chinese Communist Party and holds jurisdiction over the Ministry of Science and Technology (MOST); it has been the highest authority in S&T policymaking since March 2023.
2. The design and implementation of an all-encompassing, long-term strategic S&T development plan is indispensable to governing the S&T system in China. One such recent pivotal plan was the National Medium and Long-Term Plan for the Development of Science and Technology (MLP, 2006–2020).
3. Many targets set in this MLP had been achieved by 2020. They included raising the contribution of S&T programme to economic growth to 60% or higher, decreasing reliance on foreign technology to 30% and positioning China among the top five countries in terms of invention patents granted to its citizens and citations of international scientific papers authored by Chinese researchers.
4. While the S&T system in China has seen noteworthy advancements, it faces certain challenges including the lack of breakthroughs of chokepoint technologies and underdevelopment of basic research.
5. The existing governance framework proves ineffective in addressing challenges, particularly coordination within the S&T system and allocating government scientific research fund/R&D subsidy.
6. For a long time, the State Council had been the highest authority in S&T policymaking. However, the ineffective inter-ministerial coordination hampers the successful execution of S&T development strategies.
7. Governance reform of the S&T system in particular in supporting basic research is on the agenda of policymakers in the whole-of-nation approach to innovation.

8. During the “two sessions” in March 2023, a central S&T commission under the top leadership was established. MOST will be involved in implementing strategic policies formulated by the commission with the exception of evaluating and managing specific research projects.
9. This round of governance restructuring has a few objectives. First, a centralisation coordination mechanism is likely to implement the whole-of-nation approach to achieve breakthrough in “chokepoint” technologies. A central committee is more powerful than the previous small leading groups headed by the State Council in coordinating different government agencies.
10. Second, the governance restructuring is to provide more effective institutions in research fund allocation. The changes to be implemented will involve divesting some of MOST’s divisions and transferring related duties to other government departments. Fund allocation decision making is now decentralised.