Innovation Policies for Inclusiveness – Policy Cases

Spark Plan

Country: People's Republic of China

1. Short Description

The ***Spark Plan*** (1986-2015) was the first plan approved by the Chinese government to **promote economic development in rural areas reliant on science and technology** (S&T). It sought to upgrade standards of technology and management in China's rapidly growing rural non-state enterprise sector, which was suffering from inadequate access to technology, qualified staff and business-oriented information. Its primary objective was to help **transfer and diffuse technology and knowledge to rural areas**, stimulate the development of local agricultural and other industries, and improve the overall quality of life of farmers and rural households.

This policy profile is part of a policy toolkit on innovation policies for inclusiveness. It is relevant for territorial inclusiveness.

2. Policy Characteristics

Basic Information

Country and implementing institution(s):	**Timeline:**
China Ministry of Science and Technology (MOST)	1986-2015
Target group	**Size and budget:**
Groups: farmers **Regions:** rural areas	**Fixed funds:** CNY 250 million per year (central fiscal investment) (approx. USD 70 million, PPP) **Unfixed funds:** from local government, private funding and bank loans
Type of policy instrument(s)	**Inclusiveness focus**
Financial support: grants **Non-financial support:** training and counselling	**Territorial inclusiveness**

Policy objectives

The objective of the Spark Plan was to revitalise the rural economy through science and technology (S&T) and to popularise S&T in rural areas. Its main goals were: (i) to improve labour productivity and economic efficiency through S&T, (ii) encourage farmers to change traditional production methods and lifestyles, (iii) develop pillar industries in specific regions through S&T advancement, (iv) promote township enterprises in key industries to advance S&T progress, (v) train personnel on rural applicable technology and management, and (vi) improve the overall quality of life of rural workers.

Rationale

"Science and technology equals productivity". This well-known 1980s slogan reflects the development philosophy of the Chinese government during this period. It was best embodied in the Spark Plan, which regarded science and technology as an effective and efficient means to develop the rural economy and improve the welfare of rural populations. This plan was necessary because the technology used in remote regions was often less advanced.

Policy target recipient and selection mechanism

The plan targeted farmers in rural areas, township enterprises and rural entrepreneurs.

Each year, MOST announced the key support areas of the Spark Plan, and issued a call for proposals from agricultural enterprises, scientific research institutions and farmers. Applications could be submitted directly by the applicant or by the provincial science and technology department. MOST selected relevant experts in the field to evaluate and choose which projects to support.

Policy instrument(s)

- **Technology training** was provided to improve the knowledge and skills of township enterprises, farmers and rural entrepreneurs. Funded by the Spark Plan, the training was implemented by S&T management departments at national, province, city and county level. **Management training** was also provided.

- **Support was provided for projects that use S&T** a**nd know-how from research institutes to solve local technology problems** and increase rural productivity. Such projects include technical demonstrations, product design and the development of quality control techniques.

- Spark technology intensive zones were established.

- Spark pillar industries were developed in specific regions.

Projects selected by the programme are entitled to favourable bank loans and preferential taxation policies.

Policy challenges

Due to ongoing reforms of the S&T system in China, the Spark Plan was cancelled in 2016. Other plans are expected.

Actions undertaken to address challenges

There is no information available yet regarding the new plans.

Evaluation and outcomes of the scheme

In 2012, the National Spark Programme launched 1 473 projects, with a total of CNY 200 million in funding (approx. USD 56.7 million, PPP). There programme created 5 062 Spark training bases and 3 180 Spark schools. Spark technology training invested CNY 4.279 billion (USD 1.2 billion, PPP) and trained 11.83 million people. The programme also compiled 21 800 teaching materials, printed 11.43 million publications and produced 16 000 distance-learning texts. In 2013, the National Spark Programme supported 3 454 brand-name projects. According to MOST, the Spark industrial belt encompassed an area of 624 900 km^2, 114 000 companies and a total labour force of 12.3 million.

The Spark Programme explored a new model for rural technology services, forming teams that participated in technology and services in rural areas. It fostered regional pillar industries to promote the economic development of counties. It bridged the digital divide and advanced information dissemination processes in rural areas. It promoted economic development in poor areas to help farmers out of poverty, raised their awareness of S&T and improved their ability to use technology.

Sources

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Background

This document is part of a repository of examples of ***innovation policies that have for explicit aim to contribute to territorial, industrial and social inclusiveness.*** *The repository is part of an innovation policy toolkit developed for the* ***Innovation for Inclusive Growth*** *project and gathers national innovation policy programmes that:*

A. *Explicitly target* ***lagging and less innovative regions*** *(outside of regions that are highly innovative) or by design are more likely to support these lagging / less innovative regions.*

B. *Explicitly aim to include in innovation activities* ***individuals and groups that are not usually participating*** *in those activities and in support of broadening the group of innovators.*

C. *Explicitly aim to foster innovation activities in non-innovative firms, in particular by targeting* ***non-innovative sectors and non-innovative Small and Medium-sized Enterprises (SMEs).***

Policies are searchable by inclusiveness type, objective and implementation challenge on:
https://innovationpolicyplatform.org/inclusivetoolkit