NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

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Germany's High-Tech Agenda Opens Doors for Kiwi Innovators

MARKET INTELLIGENCE REPORT

Key points

- Germany aims to become a global leader in innovation, technological sovereignty, and sustainable economic growth supported by the Federal Ministry of Research, Technology and Space (BMFTR), substantial R&D funding, and a focus on research and technology transfer.

- The High-Tech Agenda Germany, the German government's flagship innovation initiative, **prioritises** six strategic technologies (AI, quantum, microelectronics, biotech, climate-neutral energy, and mobility), and identifies research fields considered central to Germany's innovation and economic future. These include space, health, dual-use technologies, and sustainability.

- There is strong alignment with New Zealand's research priorities and areas of expertise. The Federal Agency for Disruptive Innovation (SPRIND) offers public funding that is open to New Zealand companies with "world-changing" ideas.

Report

Germany is widely recognised as strong in research and is now looking to strengthen its ability to convert research strength into marketable innovations and industrial competitiveness. The German government aims to do this by transforming Germany's strong research base into practical applications, marketable products and services, and turn Germany into a high-tech powerhouse. To this end, the coalition agreement announced massive investment in research and innovation, and aims to raise R&D spending (public and private) to at least 3.5% of GDP annually by 2030.

High-Tech Agenda Germany sharpens focus on key technologies

The German government adopted High-Tech Agenda Germany in July 2025, its flagship R&D initiative aimed at positioning Germany as a global leader in innovation, technological sovereignty, and sustainable economic growth. The Agenda sets goals and initiatives across six key technologies, with detailed roadmaps to be developed through a stakeholder process:

- **Artificial Intelligence (AI):** Boost productivity, develop sovereign AI models, and integrate AI across industries and public services, secure the construction of one of the EU's AI gigafactories in Germany.
- **Quantum Technologies:** Build fault-tolerant quantum computers in Germany, advance quantum communication and sensing, and strengthen cybersecurity.
- **Microelectronics:** Establish Germany as a hub for chip design and production, reduce dependency on foreign suppliers.
- **Biotechnology:** Accelerate medical innovation, the industrial bioeconomy, and sustainable agriculture.
- **Fusion & Climate-Neutral Energy:** Develop fusion energy, support renewable energy technologies, and enhance energy sovereignty.
- **Climate-Neutral Mobility:** Promote battery innovation, alternative fuels, autonomous transport, and circular vehicle components.

In addition, the High-Tech Agenda identifies **five strategic research fields** where technology-driven innovation is expected to play a decisive role:

- **Aerospace:** Strengthen Germany's leadership in civil aviation and space technologies (including a recent announcement of €35bn over the next five years for space security investments).

- **Health Research:** Advance personalized medicine, AI-driven diagnostics, and medical data infrastructure.
- **Security & Defence:** Enhance cyber resilience, dual-use technologies, and integrated security systems.
- **Marine, Climate & Sustainability:** Support clean technologies, carbon capture, and circular economy solutions.
- **Humanities & Social Sciences:** Address societal impacts of new technologies, promote democratic resilience, and foster innovation-friendly culture.

Delivery of the Agenda will focus on nine "levers". For New Zealand, the most relevant are:

- Efforts to improve the commercialisation of research;
- Simplify funding and regulatory processes;
- Strengthening international cooperation; and
- Fostering dual-use innovation.

The aim is to create a more agile, secure, and globally connected innovation system. Funding to implement the High-Tech Agenda rises from €500 million in 2025 to €1 billion annually from 2026, amounting to €5.5 billion over the legislative period.

SPRIND offers funding opportunities for NZ startups

SPRIND, the Federal Agency for Breakthrough Innovation supports the High-Tech Agenda by financing breakthrough innovations i.e. innovations "with potential to create new markets, fundamentally change an existing market to create a completely new ecosystem or solve major technological, social, or ecological problems". Unlike a classic grant agency, SPRIND uses flexible financial instruments (e.g. validation contracts, equity or mezzanine financing as well as grants) and supports projects around Technology Readiness Levels 3–7 (i.e. from early proof of concept through to operational demonstration/marketable prototypes). SPRIND prioritises value creation in Germany/Europe but international participation is also possible, as demonstrated by the success of New Zealand companies Emrod and Zenno Astronautics securing SPRIND funding.

SPRIND's signature format is innovation competitions, known as Challenges and Funken. These competition-based calls bring together teams working on radically new solutions to major societal/technological problems. Topics are developed via internal/external consultation and approved by a project committee and Supervisory Board. Funding is milestone-based, with progress reviews. No rigid funding guidelines apply with support tailored to project needs, currently ranging from €500,000 to €3 million per competition stage. In Challenges, intellectual property remains with participants though SPRIND typically reserves free and non-exclusive right-of-use for state-aid compliance.

Funken (German for “sparks”) are even faster innovation competitions with similar pre-commercial funding logic. Currently, Funken teams receive up to €350,000 per competition stage.

Interested New Zealand organisations and startups should monitor SPRIND’s Challenges and Funken website for topics aligned to their tech areas of interest (AI, quantum, biotech, clean energy/mobility, microelectronics, etc.). The Challenges/Funken target European participants, but some calls are open to international teams, and it is possible to join a German/European team as part of a consortium.

Alternatively, New Zealand research organisations or startups can submit their own project for a separate line of funding. R&D funding is typically in the single-digit million euro range, although it can reach up to €35 million in individual cases. SPRIND funding only has to be repaid in the event of success, i.e. if the startup goes public, is sold or begins to distribute profits. SPRIND accepts digital submissions only via its online submission form. SPRIND’s guiding questions requires applicants to describe their project’s breakthrough potential, team, plan, and expected impact. The evaluation uses a holistic set of criteria including: impact, market change potential, macro benefits, risk profile, positioning between research and markets, team resources, and alignment with societal goals. The selection process takes an average of 12 weeks.

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