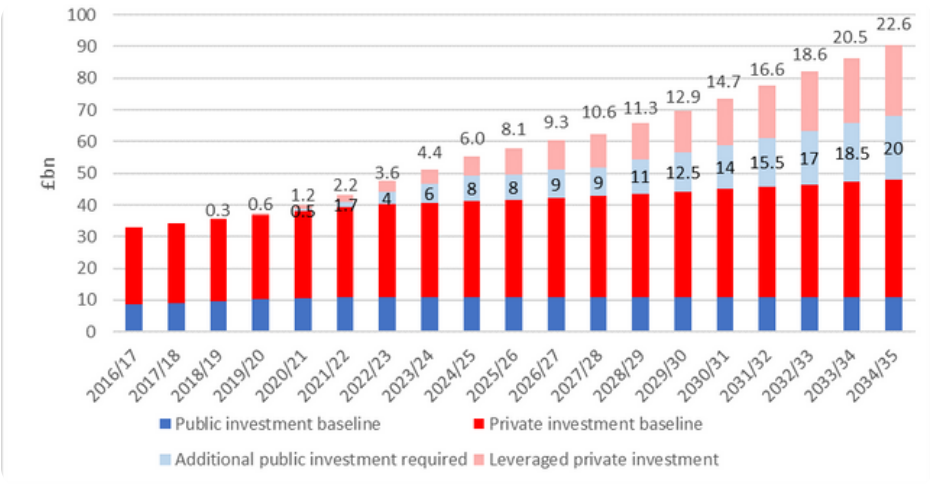


R&D INVESTMENT BRIEFING

To reach the target of spending 2.4% of GDP on R&D by 2027 and 3% in the long-term, substantial increases will be needed to public and private investment. The upcoming Spending Review settlement will be pivotal in determining whether the UK will become a more R&D intensive economy and reap the benefits it would bring.

MODELLING R&D INVESTMENT REACHING 3% OF GDP



The public investment baseline remains flat beyond 2021/22, while the private investment baselines increase with GDP growth, reflecting recent UK trends. Increases are based on a leverage ratio of 1.1:36. Total R&D investment will need to be £62.4bn in 2027/28 to reach 2.4% of GDP.

PUBLIC

£20 bn

↑ £9 bn

PRIVATE

£42 bn

↑ £17 bn

WE ARE CALLING ON THE GOVERNMENT TO:

Set out the long-term budget for the public portion of investment up to 2027 in line with the ambition for R&D investment to reach 2.4% of GDP.

Create a vision for what reaching the 2.4% target will achieve and a roadmap for delivery with Cabinet level buy-in and accountability across Government.