

UK Industrial Strategy



The UK's approach to Industrial Strategy



The Government's modern Industrial Strategy sets out a long-term plan to boost productivity by **backing businesses to create good jobs and increase the earning power of people** throughout the UK with investment in skills, industries and infrastructure. It is a cross-government programme to which all departments are contributing, and focuses on:



Strengthening the foundations of productivity – by encouraging innovation, developing high quality jobs, supporting UK businesses and fostering growth in all parts of the UK.



Building long-term strategic partnerships with businesses through Sector Deals between government and industry.



Taking on Grand Challenges – the society-changing opportunities and industries of the future where the UK can build on its strengths and lead the world. This will be done through an innovative 'mission based' approach.

The UK's five Foundations for productivity

Ideas



- Raise total R&D investment to 2.4 per cent of GDP by 2027
- Increase the rate of R&D tax credit to 12 per cent
- Biggest increase in R&D funding ever - committing an extra £7 billion by 2021/22

People



- Technical education system rivalling the best in the world
- Additional £406m in maths, digital and technical education
- £100 million committed for new National Retraining scheme

Infrastructure



- £37bn National Productivity Investment Fund
- Support electric vehicles through £500m additional investment
- Over £1bn public investment in digital infrastructure

Business Environment



- Launch and roll out Sector Deals
- Drive over £20bn investment in high potential businesses, including a £2.5bn Investment Fund
- £56m package to support business productivity

Places



- Rapid development of Local Industrial Strategies
- 18 cities benefitting from £2.5bn for intracity transport
- Provide £42m to pilot a Teacher Development premium

What is the ISCF?

- The **Industrial Strategy Challenge Fund** is a mission oriented portfolio of research and development programmes that brings together the UK's world-leading research base with highly innovative businesses to meet the major industrial and societal challenges of our time, including the UK's Grand Challenges.
- **£2.4bn** of public funding has been allocated to date, bolstered by private sector investment, in over 20 innovative research programmes.

Faraday battery challenge (£246 m)



Healthy Ageing (£98 m)



Building long-term, strategic partnerships with business



Partnerships between government and industry aiming to increase sector productivity:

11 Sector Deals have been negotiated so far, with further proposals under consideration. Most recent deals include:



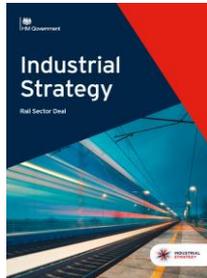
Life Sciences 2

- £1.4 bn support from Government to strengthen UK's leadership in science & innovation
- Further £1bn of investment from private companies building on commitments in Sector Deal 1



Aerospace

- Up to £250 million co-investment between government and industry, for electrification and automation of aircraft
- Aerospace industry committing to a Women in Aviation and Aerospace Charter.



Rail

- Includes commitment to establish a platform for securely sharing rail industry data
- Supports the sector to deliver significant reductions in the cost of digital signalling
- Doubling export performance by 2025 through goods and services.



OffShore Wind

- 30% of electricity to come from offshore wind by 2030.
- Target of increasing exports to £2.6 billion by 2030.
- Sector to invest up to £250m in building a strong UK supply chain.

The UK's four Grand Challenges



Growing the AI & Data-driven Economy

We will put the UK at the forefront of the artificial intelligence (AI) and data revolution



Clean growth

We will maximise the advantages for UK industry from the global shift to clean growth



Ageing society

We will harness the power of innovation to help meet the needs of an ageing society



The Future of Mobility

We will become a world leader in the way people, goods and services move

The Industrial Strategy is having an international impact

