NATIONAL ASSEMBLY

#### FOR WRITTEN REPLY

**QUESTION NO (4167)**

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“4167. Ms D Carter (COPE) to ask the Minister of Science and Technology:

(a) Whether she intends to invest a higher percentage of the gross domestic product in research and development than the present 0,76% in view of the fact that economies that significantly increase their investment in science, technology and innovation, as research clearly shows, (details furnished) are able to respond faster and more comprehensively to fiscal improvements; if not, why not; if so, by what percentage does she intends to increase investment in research and development for over the medium term?

**(NW5043E)**

**REPLY:** Through the Medium Term Expenditure Framework, the government has pronounced a target to increase investment in research and development to 1,5% of gross domestic product (GDP).

The Department of Science and Technology’s (DST) Strategic Plan (2015-2020) outlines what the DST will do to help achieve this target. For the year 2015/16, for instance, the DST has a budget of R7 482 billion, of which 92,2% (R6,9 billion) is allocated to entities that report to the Minister of Science and Technology. Key funding priorities for the DST over the medium term include developing human capital, creating new knowledge, growing research infrastructure, and encouraging innovation by funding marketable products emerging from research and incubation. All these are essential elements of a policy framework to encourage other actors in the system of innovation to contribute to increasing the investment in R&D at appropriate levels.

The DST is working closely with National Treasury on plans on how the target can be achieved. Across government, there are a number of avenues for investment in science, technology and innovation activities through various departments, their entities as well as work they do with the higher education institutions. Another major part of the effort involves building partnership arrangements with the private sector and international partners that will help leverage further resources for R&D investment.