INTERNATIONAL COMPARISON OF RESEARCHER RATES REPORTED

BY GROUPS RECEIVING RESEARCH TAX CREDIT (CIR) IN 2024

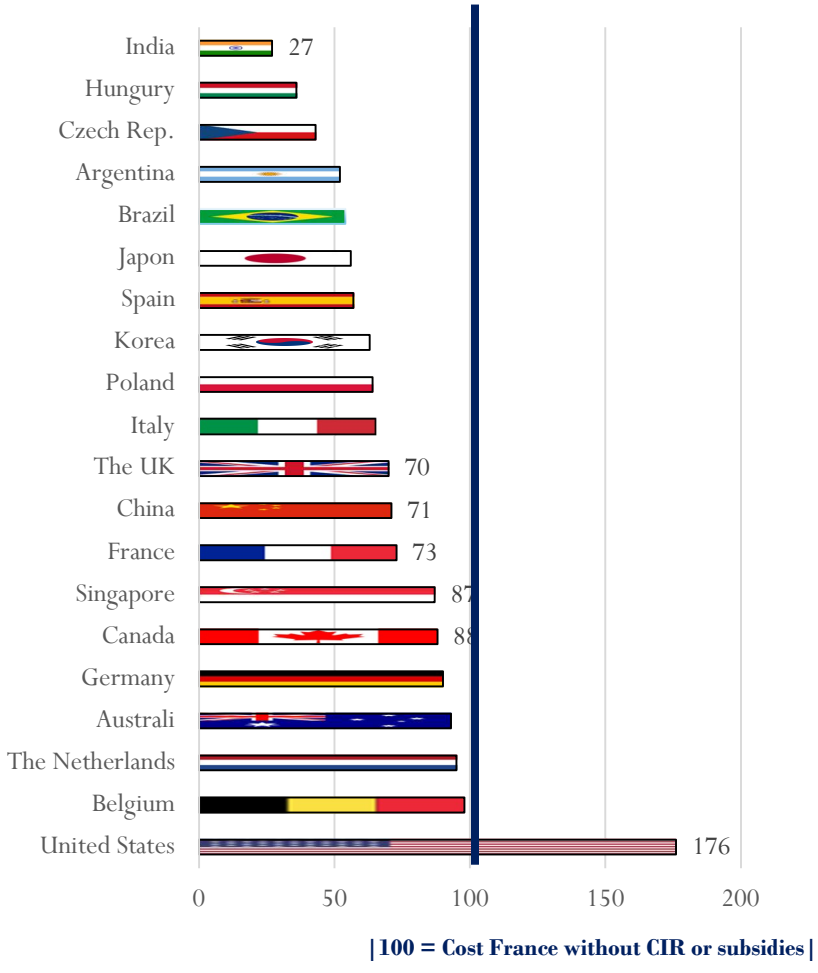
March 2026

The erosion of the R&D tax credit (CIR) and the persistent uncertainty over its long-term future are weakening the French R&D hub. The countries that are backing the CIR, by contrast, are playing a winning hand.

France is moving further away from the cost conditions for R&D found in the group of southern and ern European countries to which it once compared itself. Thanks to the quality of its research and ovation ecosystems, it remains – for how much longer? – a hub for companies with a French base. vever, its recent loss of competitiveness, and the threat of further deteriorations to the legal iework, are raising fears of a major rebalancing in R&D. And they pose serious risks to the location novative industrial activities on French soil.

Chart 1 below provides the 2025 researcher cost index, based on 2024 cost data. The indices consider the effects of support schemes affecting the labour costs of industrial R&D in the host countries. The cost is that observed by the ANRT CIR Panel, i.e. for companies based in France, benefiting from the R&D tax credit (CIR), and with R&D teams in other countries.

Chart 1. 2025 researcher rates (2024 data)



Beyond the persistence of the spectacular gaps between the French cost and the two traditional extremes – the United States and India – these costs reflect profound changes.

In 2025, Belgium has become the second most expensive country in the world in which to carry out R&D, after the United States. However, in the absence of the CIR (R&D tax credit), the French researcher cost would still be the second highest after the United States.

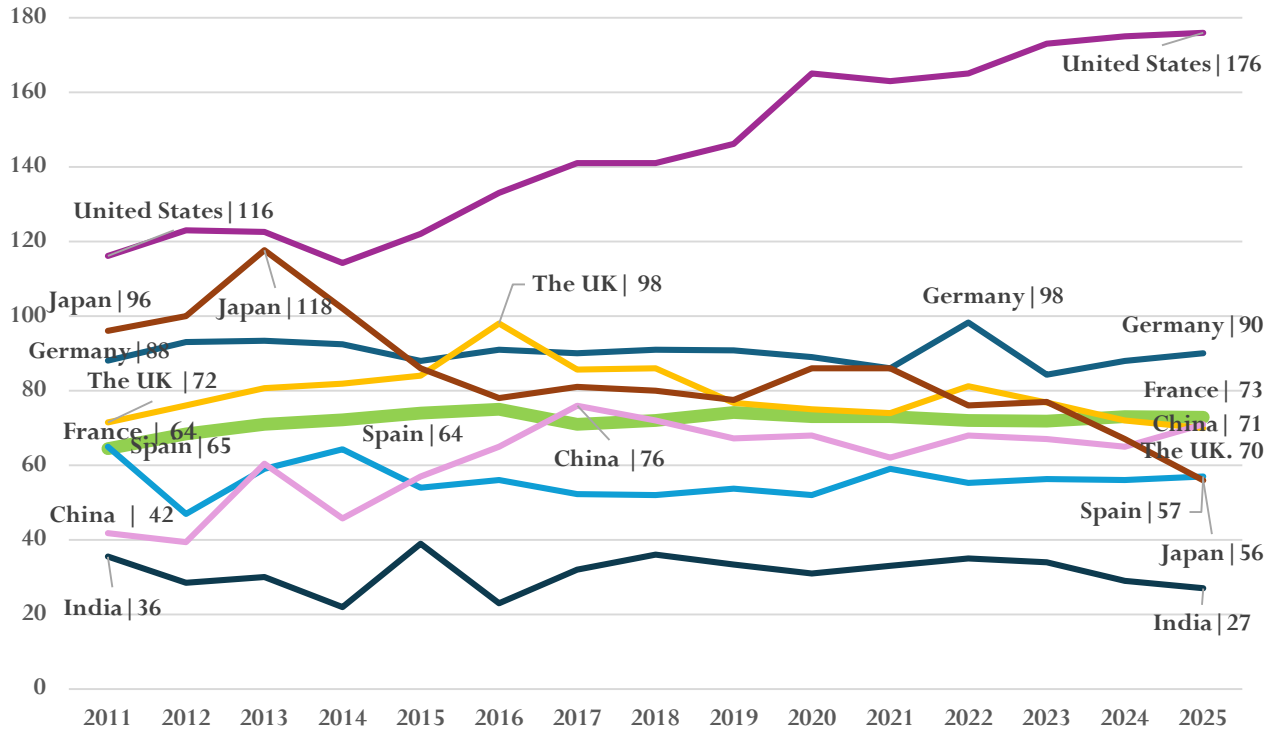
Companies with a French base are prepared to pay 2.4 times more for the researchers in their American teams, to continue to access the dynamism of the local market (176 in the United States vs 73 in France). India's cost has fallen again (to 27), and despite the slight increase in France, the price gap now stands at 2.7.

At the same time, it costs more for a company that carries out most of its R&D on French national territory than in most European countries; besides the United Kingdom (70), it is also cheaper to maintain R&D teams in Italy (65), Poland, Spain, the Czech Republic or Hungary (where the cost is half that of France). Only Germany, the Netherlands and Belgium offer less advantageous conditions.

The relative situation in Asia is contrasting, where the targeted R&D support scheme and the economic downturn in Japan (accompanied by a deterioration in the exchange rate) make industrial R&D on its soil highly advantageous for the sectors in which the panel companies operate. It is so even though it is now becoming almost as expensive to maintain high-quality R&D in China as it is in France.

Chart 2 below shows the evolution of the researcher cost index from 2011 to 2025 (based on 2024 cost data). The index takes into account the effects of support schemes affecting the labour costs of industrial R&D in the host countries.

Chart 2. Trend in researcher rate in eight countries, 2011-2025



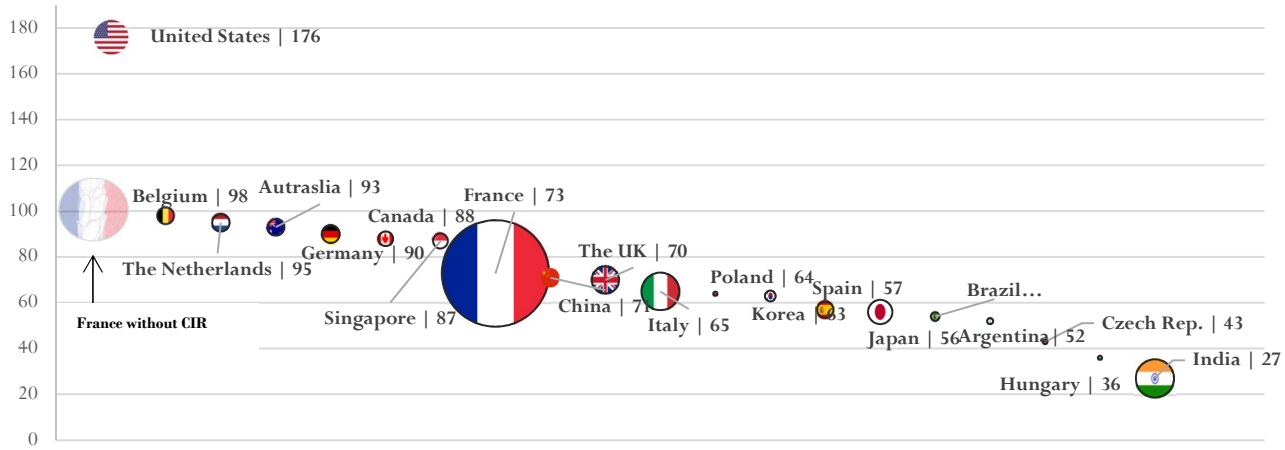
Within this selection of countries – tracked across Europe, Asia and the Americas for their exemplary nature – a clear trajectory for France over 15 years emerges: with a cost index of 64, it went from being the third most advantageous country in which to maintain R&D teams in 2011, to the third most expensive in 2025 (with a rate of 73). This detrimental loss of competitiveness is also explained by the strategic choices of other countries. The strategies pursued in the United Kingdom – now firmly established with a more advantageous cost than France – and in Spain – which continues to persevere through a targeted and attractive support scheme – are examples of this.

For 2024, our reference year, the UK's R&D tax relief (the equivalent of the CIR) amounted to €8.8 billion. The British cost is becoming more competitive thanks to this tax relief, which is more costly than the French one.

Spain is implementing an ambitious strategy for science, technology and innovation. Although more complicated than in France, its R&D and innovation tax credits benefit from attractive rates. They are also combined with regional aid and complementary measures to support the employment of R&D talent in industry, all of which helps to keep the researcher cost index between 55 and 60 (57 in 2025).

Chart 3 below combines the researcher cost index with the location of R&D staff of the panel companies. The size of the flags is proportional to the R&D headcount of the panel companies in the countries where the R&D is located. The position on the y-axis indicates the researcher cost index; the value 100 corresponds to the average cost of a French researcher without the CIR or any subsidy affecting the researcher's cost.

Chart 3. Location of R&D staff of the Panel companies and researcher rate



Thanks to the efforts made by the government since 2007/2008, and despite some damaging changes, France retained its position in 2025 as the primary R&D location for the panel companies. More than half of the R&D staff are located there. This is the most important finding of this survey: the additional competitiveness provided by the CIR (R&D tax credit), even though it is diminishing over time, continues to be accompanied by undiminished attractiveness.

In 2025, the United Kingdom again offers more favourable cost conditions than France. There is no doubt that if the advantage of the CIR is reduced further, the gap will continue to widen to France's detriment – not only vis-à-vis the United Kingdom, but also vis-à-vis Italy and Spain, which are moving in the opposite direction. Thus, the researcher cost gap in Italy's favour has gradually led to growth in researcher headcount in that country. As with this comparative trend between France and Italy, the panel companies have so far been able, thanks to the CIR, to continue their international expansion in R&D while maintaining a significant research presence on French national territory. The whole question is: for how much longer?

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Methodology

International companies have good reasons to see France as a welcoming destination for their research investments. The quality of the research and the proximity to important markets, and then, when internal proposals are of comparable quality, the cost of researchers and favourable research costs tip the decision in favour of one or other of the company's Research and, above all, Development sites.

***Seventeen (17) international companies**, members of ANRT, which carry out part of their research in France have agreed, again this year, to calculate and then communicate to ANRT the comparative fully-loaded costs of their researchers (taking into account direct and tax incentives) in the countries where they invest in research.*

***They invest more than €14 billion in research and development worldwide**; this year, **65,000 researchers are included** across a variety of application sectors.*

*They have R&D teams in more than 30 countries and yet still maintain, on average, more than half of their R&D staff in France! And this is for reasons that are not all to do with habit or patriotism. The explanation is simple and can be summed up in one word: competitiveness (cost-related and non-cost-related**).***

Access to the accounting records of large companies makes it possible to trace the reality, taking into account all benefits and all costs. The accounting and tax systems of multinational groups impose robustness and consistency; management control and business intelligence make it possible to extract decision-making data from them. The information is therefore highly sensitive: it reflects both the strategy of the companies and that of governments, through subsidy schemes specific to a sector, a location, or the geography of intellectual property registrations within a country.

Resarchers

Within the scope of this study, only company researchers are concerned. These are employees whose function is research and development and who have contributed to at least one research project during the period covered.

A methodical approach favouring internal consistency

To carry out this study, ANRT took the average cost of a researcher in France before subsidies and research tax credit (CIR) (base 100), then aggregated the accounting data of each group to produce the researcher rate by country.

The average researcher costs for a given country are only presented providing two conditions are met:

- the ANRT panel disposes of at least two averages of costs charged from two different companies;
- the number of staff at the research centres considered amounts to more than 20.

The combination of the accounting lines used by each of these produces harmonised information and does so without ignoring the differences in accounting organisation between groups. Information is thus standardised at group level. International differences are therefore highly representative.

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