



## EUROPEAN COMMISSION - PRESS RELEASE

### **Enterprises must boost innovation as global competition becomes stronger**

Brussels, 7 February 2012. Almost all Member States have improved their innovation performance according to the Innovation Union Scoreboard 2011. However, innovation performance growth is slowing down and the EU is not closing the persistent gap with global innovation leaders US, Japan and South Korea. The largest gap for the EU27 remains in terms of private sector innovation. The EU still maintains a clear lead over the emerging economies of China, Brazil, India, Russia, and South Africa. However, China is improving its innovation performance and is catching up progressively. Within the EU, Sweden confirms its position at the top of the overall ranking, followed closely by Denmark, Germany and Finland (see complete ranking below). Firms' innovation activities stand out as an important factor to achieve top positions at EU and international level.

European Commission Vice-President Antonio Tajani, Commissioner for Industry and Entrepreneurship, said: *"This year's results are a clear warning that more efforts to boost innovation are needed. If we want to close the gap with our main economic partners and to overcome the current crisis, innovation deserves all our attention. In particular I count on enterprises as they have proven to be the key to success in innovation. But successful start ups in other parts of the world show that some lessons are still need to be learnt in Europe."*

*"We need balanced national research and innovation systems that provide an innovation-friendly environment for business. The Scoreboard also identifies a gap with the US in terms of top-end research. We urgently need a European Research Area to inject fresh competition, generate more excellence, and attract and retain the best global talent",* said Máire Geoghegan-Quinn, Commissioner for Research, Innovation and Science.

The full report is available at:

[http://ec.europa.eu/enterprise/policies/innovation/facts-figures-analysis/innovation-scoreboard/index\\_en.htm](http://ec.europa.eu/enterprise/policies/innovation/facts-figures-analysis/innovation-scoreboard/index_en.htm)

and <http://www.proinno-europe.eu/metrics>

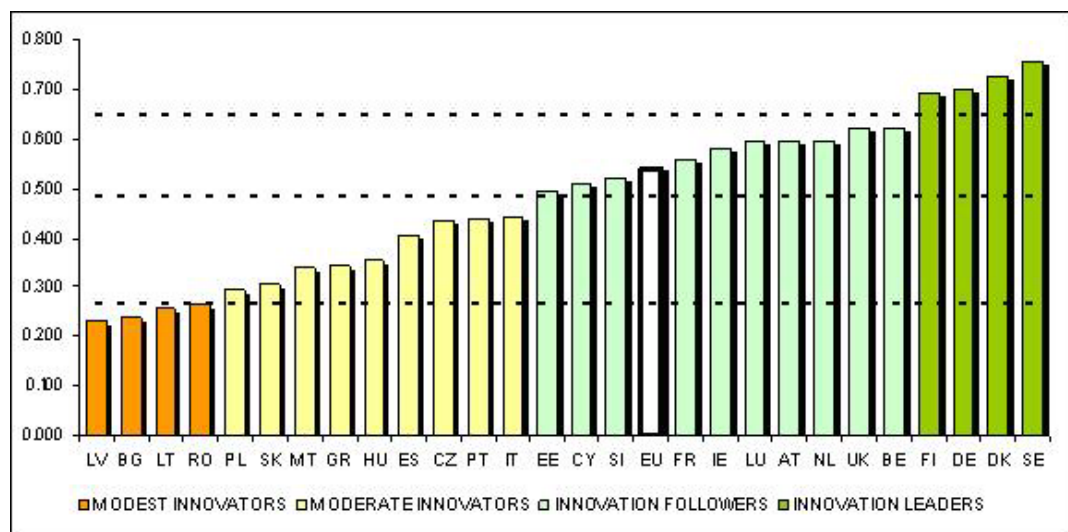
For individual summaries of the innovation performance of all 27 Member States, and other European countries -see [MEMO/12/74](#)

## Who are the innovation leaders in Europe?

The 2011 Innovation Union Scoreboard places Member States into the following four country groups:

- **Innovation leaders:** Sweden, Denmark, Germany and Finland.
- **Innovation followers:** Belgium, the UK, Netherlands, Austria, Luxembourg, Ireland, France, Slovenia, Cyprus and Estonia with a performance close to that of the EU27 average.
- **Moderate innovators:** Italy, Portugal, Czech Republic, Spain, Hungary, Greece, Malta Slovakia and Poland perform below that of the EU27 average.
- **Modest innovators:** Romania, Lithuania, Bulgaria and Latvia are well below that of the EU27 average.

**Figure 1: EU Member States' innovation performance**



Note: Average performance is measured using a composite indicator building on data for 24 indicators going from a lowest possible performance of 0 to a maximum possible performance of 1. Average performance in 2011 reflects performance in 2009/2010 due to a lag in data availability.

## What makes innovation leaders successful

Countries at the top of the ranking for the composite innovation indicator share a number of strengths in their national research and innovation systems with a key role of business activity and public-private collaboration. While there is not one single way to reach top innovation performance, it is clear that all innovation leaders, Finland, Sweden, Denmark and Germany, perform very well in R&D expenditures, including of firms. Most of the innovation leaders also perform very well in other innovation indicators related to firm activities. The top EU innovation performer Sweden dominates in three out of 8 innovation dimensions: Human resources, Finance and support, and Firm investments; while Germany and Denmark perform best in two innovation dimensions each (linkages & entrepreneurship and intellectual assets vs innovators and economic effects). European top innovators also score highly in the commercialisation of their technological knowledge.

## The EU in international comparison

As last year, the largest gap appears in the "Firm activities" category where the EU27 lags behind in terms of business R&D expenditures, public-private co-publications, and, with the US, in terms of excellent and attractive research systems. Better framework conditions for innovation will not suffice if the EU cannot attract a much higher share of the top researchers and best young scientific talents worldwide.

## Background

The 2011 Innovation Union Scoreboard draws currently on **24 indicators** that are grouped into three main categories and 8 dimensions:

- "**Enablers**", i.e. the basic building blocks which allow innovation to take place (Human resources, open, excellent and attractive research systems, and finance and support);
- "**Firm activities**", which capture innovation efforts in European firms (firm investments, linkages & entrepreneurship, and intellectual assets); and
- "**Outputs**" which show how this translates into benefits for the economy as a whole (innovators and economic effects, including employment).

## For further information:

Specific country research related data:

[http://ec.europa.eu/research/horizon2020/index\\_en.cfm?pg=country-profiles](http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=country-profiles)

R & D Scoreboard: [IP/11/1025](#) and [MEMO/11/705](#)

[Innovation Union](#)

[Europe 2020](#)

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