



EU Insight - Innovation Union Scoreboard 2015

On 7 May 2015, the European Commission released its latest study on the state of innovation in the European Union. Like its predecessors, the [Innovation Union Scoreboard 2015](#) (now in its 14th edition), provides a comparative assessment of the research and innovation performance of the 28 EU Member States and selected associated and neighboring countries. The aim of the assessment is to help Member States identify and better understand areas of strength and/or weakness regarding innovation and to determine appropriate actions to facilitate their respective innovation performances.

The report

To determine the state of affairs concerning innovation across individual Member States, the report draws on a methodology used in previous editions. This methodology is based on a composite indicator, which is comprised of 25 different individual indicators. This composite indicator, known as the “Summary Innovation Index,” summarises a range of indicators which are broken down into three main types—Enablers, Firm activities and Outputs—and eight key dimensions. (*because of changes to some of the indicators used, a direct comparison with the results of the 2014 Scoreboard was not possible)

According to this year’s report, although stable, innovation in the EU is stalling, and in some cases, is in decline. The reasons for this finding are manifold, but key amongst them are lingering effects of the 2008 financial crisis. For many Member States, the financial crisis has had a major impact on private sector innovation, with many innovation firms going into decline, less patents applied for, investments in venture capital shrinking, and high-tech products importation and general product sales being down, to name just a few of the problems affecting this sector. In addition to this finding, this year’s Scoreboard also points out that the decline in innovation is present in 13 of 28 Member States. However, not all is bad news for Europe in relation to innovation. Even though 13 Member States demonstrate a poor or weakening performance in terms of innovation, the remaining 15 have, however, actually improved their performance. This is especially true for Malta, Latvia and Bulgaria. Also to come out the Innovation Scoreboard is the fact that while convergence in terms of innovation growth is occurring, it is happening too slowly.

Categories and Leaders

Using the performance indicators for innovation mentioned above, the Member States were divided into four classifications. These performance groups are broken down into the following types: innovation leaders, innovation followers, moderate innovators, and modest innovators. Ranked in the top group of innovation leaders are Sweden, Germany, Denmark and Finland. These countries are in turn followed by Austria, Belgium, France, Ireland, Luxembourg, the Netherlands, Slovenia and the UK. Behind these two groups are Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Italy, Lithuania, Malta, Poland, Portugal, Slovakia and Spain. While the last group, that of modest innovators is made up of Bulgaria, Latvia and Romania. These rankings position the various EU Member States in terms of their innovation performance relevant to the EU average. Countries in the first category of innovation leaders are all well above the EU average, while those in the second innovation followers group are either above or close to the average. Those in the moderate innovators category are viewed as performing well below the EU average.

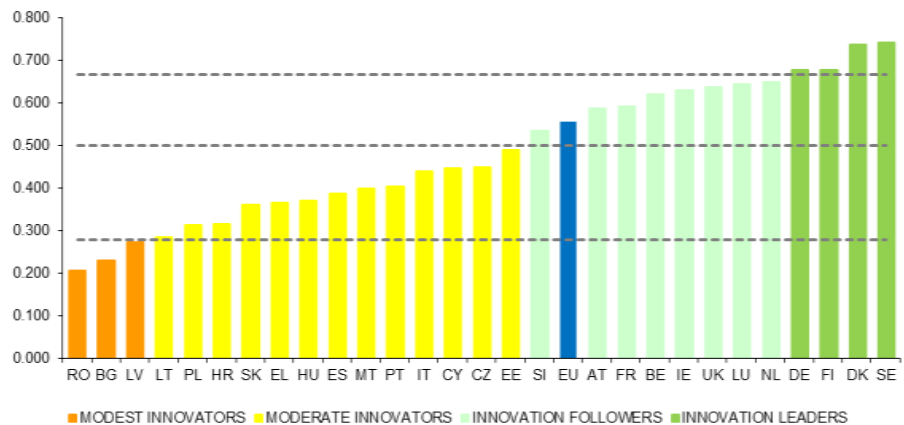


Figure 1: EU Member States's innovation performance

Of all the countries studied, Sweden performs the best innovatively. Furthermore, all the countries listed in the top group have remained stable from the previous year (2014), with only Cyprus and Estonia changing group membership (downward). Where change becomes most obvious is within the various groups themselves. For example, amongst the innovation leaders, Finland and Germany have exchanged places.

To further understand how EU Member States are performing, the Innovation Union Scoreboard 2015 also assessed other European and non-European countries. Among European countries, Switzerland is the top performer in general, outperforming all EU Member States combined. Whereas globally, South Korea and the United States rank as the best innovators.

To learn more about the Innovation Union Scoreboards and how the EU Member States have fared in the last decade, please follow this link: http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards/index_en.htm.

Sources

- 1) Innovation Union Scoreboard 2015. European Commission. http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards/files/ius-2015_en.pdf Accessed 22 May.
- 2) Innovation Union Scoreboard 2015: Executive Summary. European Commission. Accessed 22 May 2015.
- 3) "Unleash Innovation to Spur Growth in Europe. European Commission. Press Release. http://europa.eu/rapid/press-release_IP-15-4927_en.htm. Accessed 22 May 2015.