

The Basque Country remained very close to the group of countries with high innovation

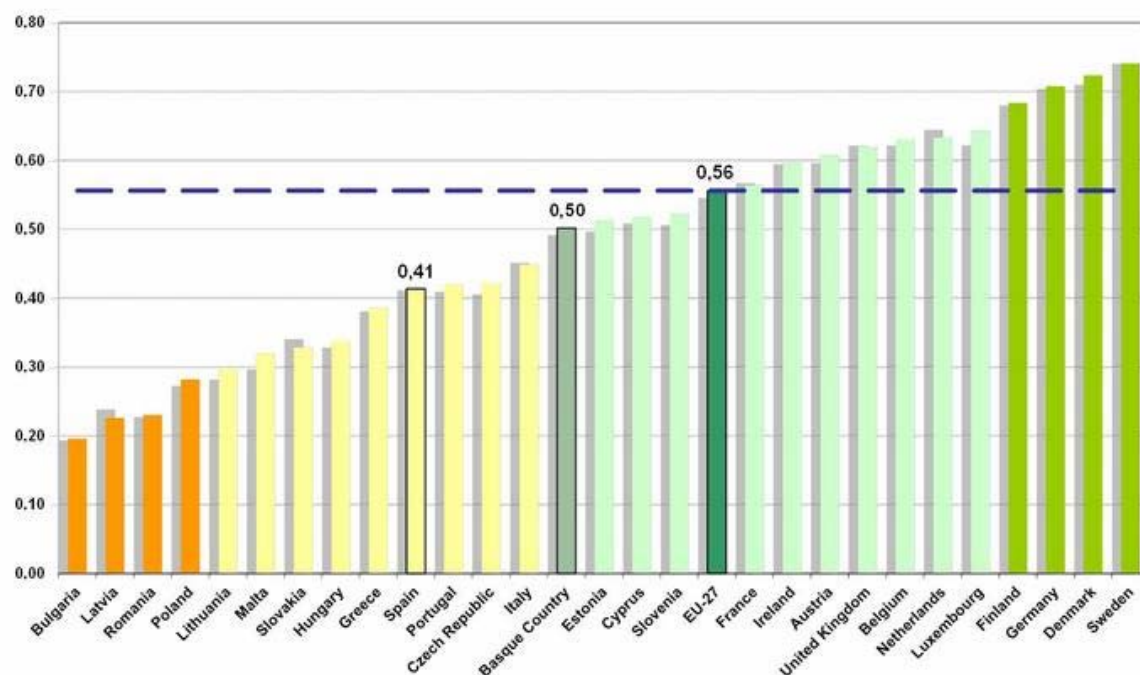
In relation to 2013, it improved by one hundredth and also reduced by one hundredth the distance from the group of innovation leaders

The Innovation Union Scoreboard - IUS 2014 - stood at 0.50 for the Basque Country, according to data prepared by Eustat, meaning that it appeared six hundredths below the EU-27 average, which had a value of 0.56, and one hundredth from the group of countries with high innovation.

In comparison with the IUS 2013, the Basque Country improved the indicator value by one hundredth, but maintained the same distance from the European average (six hundredths). However, it reduced the distance from the innovation leader countries which, as a whole, obtained a value of 0.71 in the IUS 2014, the same as the previous year.

The IUS 2014 Innovation Union Scoreboard attempts to measure the level at which the economies of the member countries have the capacity to develop innovation activities. The EU-27 countries can be grouped into four categories, according to the rating received. In the first group, **innovation leader countries**, were Sweden (0.74), Denmark (0.72), Germany (0.71) and Finland (0.68), although the European country that was at the vanguard of innovation in Europe was Switzerland (0.84), which does not belong to the European Union.

Graph 1. Innovation Union Scoreboard IUS 2014. Basque Country and EU-27



Source: Eustat and the European Commission

Columns in grey correspond to values from the previous year

In the second group, **innovation followers**, were Luxembourg, the Netherlands, Belgium, the United Kingdom, Austria, Ireland, France, Slovenia, Cyprus and Estonia with ratings of between 0.64 and 0.51.

Following these, the third group, **countries with moderate innovation**, included Italy, Czech Republic, Portugal and Spain, amongst others, with ratings between 0.45 and 0.30. Lastly, in the fourth group, **countries with modest innovation**, were Poland, Romania, Latvia and Bulgaria, obtaining between 0.28 and 0.20 points.

The IUS 2014 Innovation Union Scoreboard is structured into three main blocks, with eight dimensions, for a total of 25 indicators.

Table 1. Innovation Union Scoreboard IUS 2014. Blocks and Dimensions. Composed indexes

	EU-27	Basque Country	Spain
Panel of Innovation Indicators (IUS 2014)	0,56	0,50	0,41
Enablers	0,56	0,52	0,45
Human Resources	0,58	0,66	0,41
research systems	0,54	0,50	0,52
Finance and Support	0,56	0,33	0,40
Firm Activities	0,53	0,45	0,36
Firm Investments	0,42	0,45	0,23
Linkages & Entrepreneurship	0,55	0,52	0,33
Intellectual assets	0,56	0,40	0,44
Outputs	0,59	0,53	0,45
Innovators	0,55	0,42	0,35
Economic Effects	0,60	0,58	0,50

Source: Eustat and European Commission

The Basque Country stood out in two of these dimensions with respect to the European average: Human Resources and Firm Investments, obtaining similar figures in another three dimensions, Innovation Systems, Linkages & Entrepreneurship and Economic effects. In the remaining three dimensions, the rating obtained for the Autonomous Region was clearly below that achieved in the European Union.

In **Human Resources**, a dimension that measures the availability of highly qualified and trained individuals as key information for innovation, all of its three indicators stood out with respect to the European average: the "New doctorate graduates aged 25-34" stood at 1.80 per thousand in the Basque Country, while in the EU-27 it was 1.70 per thousand; the percentage of the "Population aged 30-34 with tertiary education" stood at 41.8%, with the community average standing at 35.8%; and the percentage of "Young people aged 20-24 with at least upper secondary education", was 82.1% for the Autonomous Region and 80.2% for the EU-27. Furthermore, this dimension of the global indicator progressed 5 hundredths in relation to 2013.

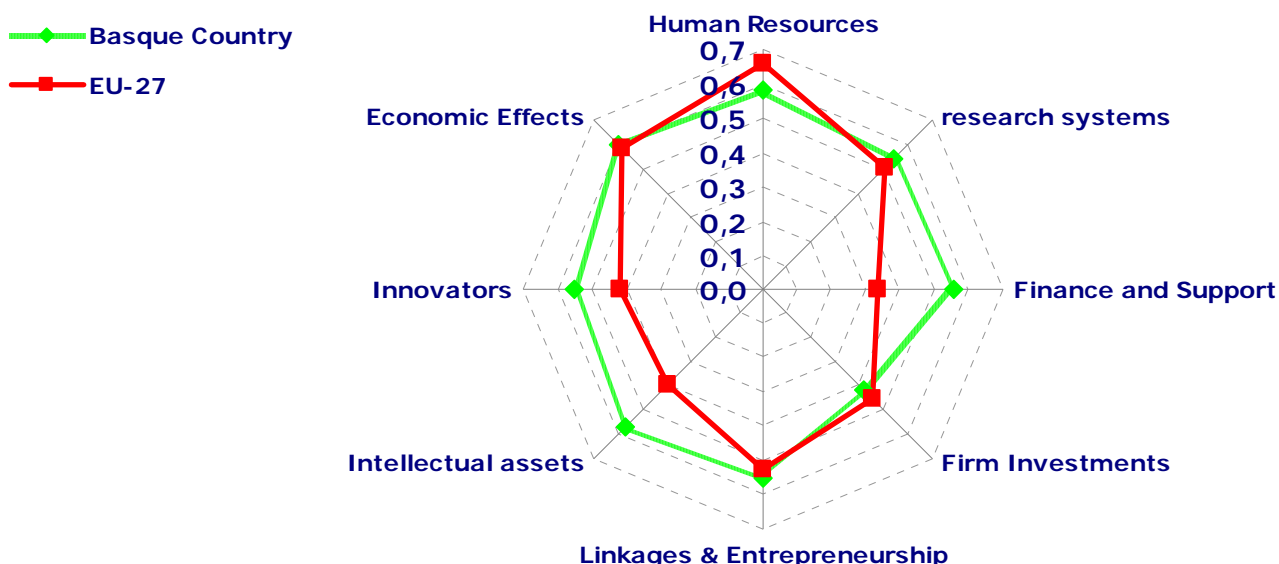
As far as **Firm Investments** is concerned, a dimension that measures spending on R&D and Innovation in the business sector, the "Private spending on R&D as a percentage over GDP" stood out, with 1.61% for the Basque Country and 1.31% for the European average. On the other hand, the "Non-R&D innovation expenditure" as a percentage of turnover stood at 0.46% in the Basque Country whilst in the EU-27 it stood at 0.56%.

Regarding the level of openness, excellences and attractiveness of **Research Systems**, a dimension that measures the international competitiveness of the scientific framework, the number of "International scientific co-publications per million inhabitants" stood out - 681 in the Basque Country compared to 343 in Europe - as did the number of "Scientific Publications most cited internationally" (excellent), 11.4% for the Basque Country and 11.0% for the EU-27. On the other hand, figures were lower for the indicator "Non-EU doctorate students amongst the total of doctorate students in the country", 14.0% in the Basque Country and 24.2% in the EU-27. The fall in this latter indicator with respect to the previous figure was responsible for the one percent decrease in the global indicator.

Regarding **Linkages & Entrepreneurship**, which takes into account the entrepreneurial efforts and collaboration in innovation with other companies and institutions, the indicator that records the percentage of "SMEs with internal innovation" was higher in the Basque Country (33.7%) than in the EU-27 (31.8%), whilst the percentage of "Innovating SMEs that collaborate in innovation" was 9.5% in the Autonomous Region compared to 11.7% in the European Union.

For its part, in **Economic effects**, a dimension that records the economic success of innovation on employment, two indicators stood out in exports and in sales due to innovation activities: "Medium and high-tech product exports" and "Knowledge-intensive services exports", with higher figures in the Autonomous Region than in Europe. However, in "Employment in knowledge-intensive activities", "Sales of new-to-market and new-to-firm innovations", and "Licence and patent revenues from abroad", the figures were lower in the Basque Country. Overall, the dimension maintained the same value as in 2013.

**Graph 2. Innovation dimensions in the Basque Country and in the EU-27.
Innovation Union Scoreboard (IUS 2014)**



Source: Eustat and European Commission

In the remaining three dimensions, although the rating is below the European average, two simple indicators can be highlighted where the Basque Country has obtained better or similar results to the European Union: "EU trademarks" and "SMEs with product or process innovations".

On the less positive side, there were a series of indicators that still lagged behind the figures seen in the European Union. In the **Finance & Support** dimension, in both “R&D expenditure in the public sector” and “Availability of venture capital”, in terms of percentage over GDP, the values obtained were below the European average, with different temporary trends for the two indicators. Expenditure in the public sector was up by two hundredths while the “Availability of venture capital” indicator also fell by two hundredths with respect to 2013. In the **Intellectual Assets** dimension, it can be seen how the “PCT Patent applications” and “EU Designs” indicators were also below average. The same occurred in **Innovators** with the percentage of “SMEs with marketing or organisational innovations”. Nevertheless, improvements were seen in all of these values in relation to the latest available data, by as much as 5 hundredths in the case of intellectual assets.

Innovation Union Scoreboard, IUS 2014

<http://ec.europa.eu/enterprise/policies/innovation/facts-figures-analysis/innovation-scoreboard/>

For further information:

Eustat - Euskal Estatistika Erakundea / Instituto Vasco de Estadística

C/ Donostia-San Sebastián, 1 01010 Vitoria-Gasteiz

Press Service: servicioprensa@eustat.es Tlf: 945 01 75 62

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