

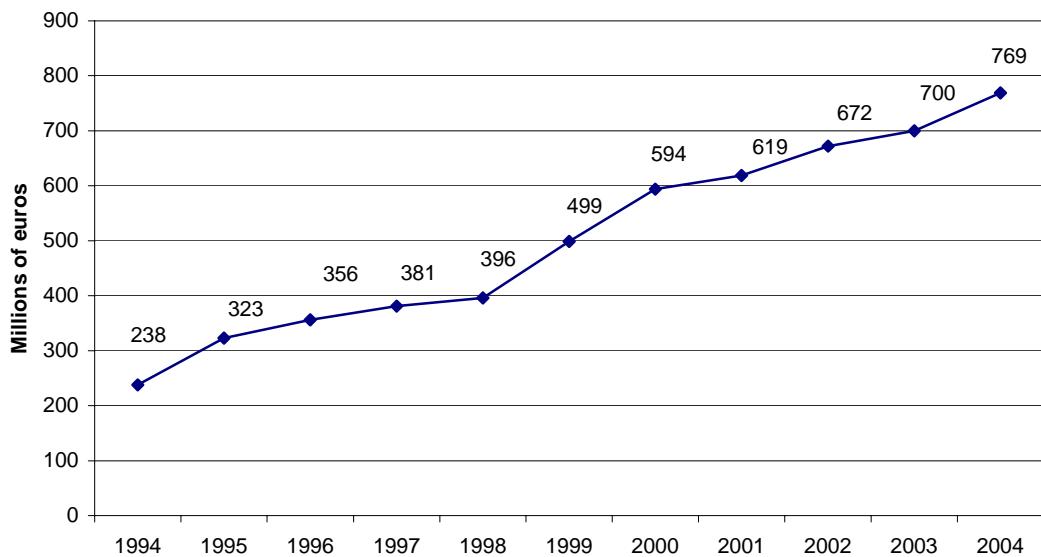
Expenditure on R&D in the A.C. of the Basque Country increased by 9.8% in 2004

In terms of percentage of GDP, expenditure went from 1.41% in 2003 to 1.44% in 2004

In 2004 a total of 769 million euros was invested in Scientific Research and Technological Development (R&D) activities in the A.C. of the Basque Country, 9.8% more than the previous year, according to EUSTAT data. This increase was point eight per cent higher than that of the State as a whole over the same period. In current euros, internal expenditure earmarked for Research and Development work in the A.C. of the Basque Country has doubled in the last eight years.

Internal expenditure on R&D in 2004 represented 1.44% of GDP (point nought three per cent more than the previous year), putting it above the Spanish average (1.07% in 2004 from 1.05% in 2003), but below the European Union-25 average (1.90% in 2004 from 1.92% in 2003).

Graph 1: Internal Expenditure on R&D in the A.C. of the Basque Country.



Source: EUSTAT

It can be seen that there is a positive relation between the level of GDP per inhabitant and the percentage of GDP earmarked for R&D. The wealthiest countries are those that make the greatest investment in R&D, which is to say those which surpass 2.5% of their GDP: Sweden, Finland, Japan, Iceland, Denmark and the USA. Among those making an intermediate investment -between 1.5% and 2.5% of their GDP- are: Germany, Austria, France, Belgium, the United Kingdom, Luxembourg and Norway. Lower level investment in R&D is seen in Ireland (1.20%), Italy (1.14%), Spain (1.07%), Hungary (0.89%), Portugal (0.78%) and Poland (0.58%).

Table 1: Evolution of R&D expenditure in relation to GDP (%)

	2000	2001	2002	2003	2004
A.C. of the Basque Country	1,42	1,40	1,44	1,41	1,44
Spain	0,91	0,92	0,99	1,05	1,07
European Union-25	1,89	1,93	1,93	1,92	1,90

Source: A.C. of the Basque Country: EUSTAT
 Spain: INE – European Union: EUROSTAT

79% of R&D expenditure in the A.C. of the Basque Country is executed in the business sector

As regards the execution sectors, companies accounted for 79% of R&D expenditure, 18% was dedicated to University Research and the remaining 3% was executed by various public organisations dependant on the Administration. In this area results also differed significantly from those of the State, where companies executed only 54% of R&D expenditure during 2004, Higher Education 30% and the Public Administration the remaining 16%.

The scientific discipline with the highest expenditure and which employed the greatest number of people was engineering and technology, accounting for 77% of resources and employing 71% of the personnel dedicated to R&D.

If we focus on industrial companies, Machinery and mechanical equipment, Aeronautical and aerospace construction and Metal manufacture stood out as the most significant research products. These sectors consumed between them 23% of all current expenditure dedicated to R&D by companies.

As for services companies, Telecommunications, Software and R&D Services were the products to which most resources were dedicated, accounting for 24% of total current R&D expenditure between them.

From the point of view of funding, the private sector, via companies, destined 508 million euros to Research, 66% of the total, maintaining its contribution with regard to the previous year; public funding came to 30% and the remaining funding came from overseas (4%). The A.C. of the Basque Country remained among the countries with the most private funding, on a footing with countries such as the USA, Sweden or Germany.

30.6% of R&D personnel were women

Total R&D personnel working equivalent to full-time in the A.C. of the Basque Country came to 11,925 people (5% more than in 2003), of which 62% were researchers (7,414). R&D in the A.C. of the Basque Country accounted for 12.8 per thousand of the employed population (9 per thousand for the State), while investigators made up 8 per thousand (5.6 per thousand for the State).

The highest percentages of female participation in R&D activities were in Public Administration and in Higher Education with 46.2% and 43.5% respectively, while in companies this percentage stood at 25.8%.

Table 2: R&D indicators

	A.C. Basque Country		Spain	European Union-25
	2003	2004	2004	2004
R&D expenditure (%) according to funding (*)				
Companies	66,1	66,0	48,0	54,3
Administration	29,9	29,7	41,0	34,9
Other sources	0,1	0,1	4,8	2,3
Overseas	3,8	4,2	6,2	8,5
R&D expenditure (%) by execution sector				
Companies	79,1	79,1	54,4	64,3
Administration	3,1	3,2	16,0	12,8
Higher Education	17,8	17,7	29,5	21,9
Private Non-profit Making Institutions	0,0	0,0	0,1	1,1
Personnel dedicated to R&D (**)				
Total personnel	11.353	11.925	161.933	2.047.531
Researchers	7.142	7.414	100.994	1.207.409

(*) Figures for European Union funding are from 2003

(**)E.F.T.: Equivalent to Full-time

Source: A.C. of the Basque Country: EUSTAT –
 Spain: INE – European Union: EUROSTAT

Methodological note: GDP data for the A.C. of the Basque Country, Spain and the European Union used in this press release are those estimated in the latest methodological review carried out in 2005 by both EUSTAT, INE and EUROSTAT.

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