



41.7



Emerging Innovators 50.0

Change over time: 5.1

Albania *	Performance relative to EU in 2022	Performance change 2015-2022	Performance change 2021-2022
SUMMARY INNOVATION INDEX	41.7	5.0	-0.1
Human resources	56.8	-0.2	0.0
Doctorate graduates	10.0	-0.5	0.0
Population with tertiary education	78.8	0.0	0.0
Lifelong learning	88.9	0.0	0.0
Attractive research systems	39.1	14.7	6.2
International scientific co-publications	6.8	10.2	3.8
Most cited publications	50.3	48.4	10.4
Foreign doctorate students	58.6	-54.8	-0.8
Digitalisation	5.0	1.1	1.1
Broadband penetration	8.9	2.2	2.2
People with above basic overall digital skills	0.0	0.0	0.0
Finance and support	0.0	0.0	0.0
R&D expenditures in the public sector	0.0	0.0	0.0
Venture capital expenditures	N/A	N/A	N/A
Government support for business R&D	N/A	N/A	N/A
Firm investments	0.0	0.0	0.0
R&D expenditure in the business sector	0.0	0.0	0.0
Non-R&D Innovation expenditures	N/A	N/A	N/A
Innovation expenditures per employee	N/A	N/A	N/A
Use of information technologies	N/A	N/A	N/A
Enterprises providing ICT training	N/A	N/A	N/A
Employed ICT specialists	N/A	N/A	N/A
Innovators	70.4	-8.6	-8.6
Product innovators (SMEs)	81.4	-9.4	-9.4
Business process innovators (SMEs)	60.7	-7.7	-7.7
Linkages	40.8	-13.3	-14.4
Innovative SMEs collaborating with others	73.1	-27.9	-27.9
Public-private co-publications	6.3	8.7	4.9
Job-to-job mobility of HRST	N/A	N/A	N/A
Intellectual assets	5.7	5.2	-1.3
PCT patent applications	N/A	N/A	N/A
Trademark applications	12.3	13.4	-3.0
Design applications	0.0	0.0	-0.4
Employment impacts	35.2	-2.5	-2.5
Employment in knowledge-intensive activities	25.5	0.0	0.0
Employment in innovative enterprises	43.0	-4.8	-4.8
Sales impacts	55.6	3.3	5.1
Medium and high-tech goods exports	0.0	0.0	0.0
Knowledge-intensive services exports	20.9	10.0	15.2
Sales of innovative products	169.2	0.0	0.0
Environmental sustainability	98.2	37.3	0.0
Resource productivity	36.8	19.5	0.0
Air emissions by fine particulate matter	N/A	N/A	N/A
Environment-related technologies	190.8	58.2	0.0

ALBANIA is an **Emerging Innovator** with performance at 41.7% of the EU average. Performance is below the average of the Emerging Innovators (50.0%). Performance is increasing (5.1%-points) at a rate lower than that of the EU (9.9%-points). The country's performance gap to the EU is becoming larger.

Relative strengths

- Environment-related technologies
- Sales of innovative products
- Lifelong learning
- Product innovators
- Population with tertiary education

Relative weaknesses

- People with above basic overall digital skills
- R&D expenditures in the public sector
- R&D expenditure in the business sector
- Design applications
- Medium and high-tech goods exports

Strong increases since 2015

- Environment-related technologies
- Most cited publications
- Resource productivity

Strong decreases since 2015

- Foreign doctorate students
- Innovative SMEs collaborating with others
- Product innovators

Strong increases since 2021

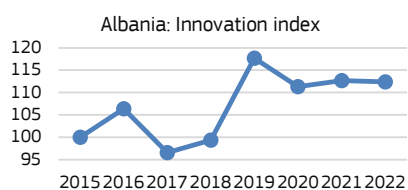
- Knowledge-intensive services exports
- Most cited publications
- Public-private co-publications

Strong decreases since 2021

- Innovative SMEs collaborating with others
- Product innovators
- Business process innovators

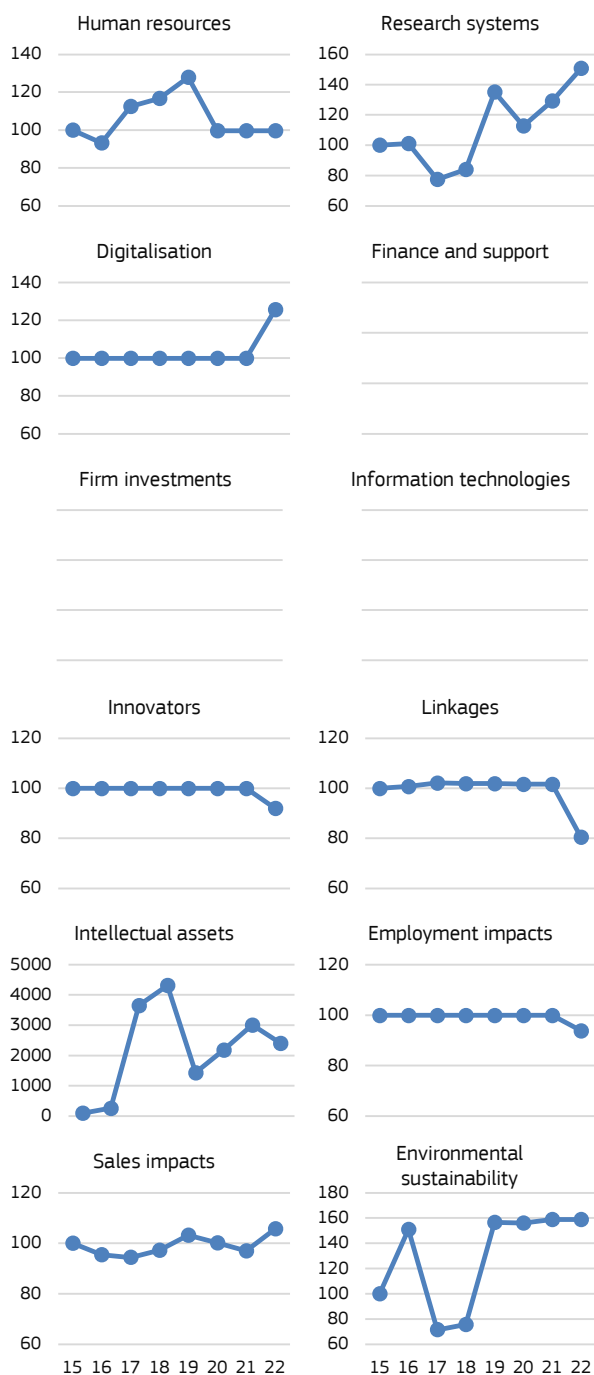
The second column shows performance relative to that of the EU in 2022. Colours next to the column show matching colour codes: dark green: above 125% of the performance of the EU in 2022; light green: between 100% and 125%; yellow: between 70% and 100%; orange: below 70%. Normalised performance uses the data after a possible imputation of missing data and transformation of the data. The next columns show performance change over time between 2015 and 2022 and between 2021 and 2022, with scores relative to those of the EU in 2015. Positive performance changes are shown in green, negative performance changes in red.

* Results for Albania (AL) are less reliable due to limited data availability. ** Data are not available, and it has been assumed that the normalised and relative to EU values equal 0, the same as the worst performing country. This assumption has been made to maximize data availability to allow to include Albania in the EIS and is in line with the latest known low R&D intensity of 0.15 in 2008.



The graph on the left shows the evolution of **innovation performance over time** against the performance of the country in 2015. Innovation performance initially increased and then declined in 2017. After a more modest increase in 2018, performance increased strongly in 2019 and declined in 2020, followed by a modest increase in 2021 and a modest decrease in 2022.

The graphs below show the evolution of innovation performance in the different **innovation dimensions** against the performance of the country in 2015. Performance increased strongest for Intellectual assets. Performance did not change for Human resources and declined for Innovators, Linkages and Employment impacts.



Performance is measured relative to that of the country in 2015 (=100). There are no results for Finance and support, Firm investments and Information technologies.

Structural differences with the EU are shown below:

- Albania has lower per capita income but a faster growing economy. Manufacturing takes up a larger share of the economy.
- FDI net inflows add positively to the innovation climate, entrepreneurial activity and the absence of top R&D spenders add negatively.
- Information on Innovation profiles is not available.
- Governance and policy framework indicators are below the EU average as drivers of research and innovation.
- Information on Climate change related indicators is not available.

	AL	EU
Performance and structure of the economy		
GDP per capita (PPS)	10,190	31,200
Average annual GDP growth (%)	0.6	-0.4
Employment share Manufacturing (NACE C) (%)	18.0	16.4
of which High and Medium high-tech (%)	n/a	38.0
Employment share Services (NACE G-N) (%)	29.3	41.1
of which Knowledge-intensive services (%)	n/a	35.8
Turnover share SMEs (%)	n/a	34.8
Turnover share large enterprises (%)	n/a	48.2
Foreign-controlled enterprises – share of value added (%)	n/a	11.7
Business and entrepreneurship		
Enterprise births (10+ employees) (%)	n/a	1.0
Total Entrepreneurial Activity (TEA) (%)	4.0	7.3
FDI net inflows (% GDP)	2.4	1.0
Top R&D spending enterprises per 10 mln. population	0.0	18.3
Buyer sophistication (1 to 7 best)	2.5	3.7
Innovation profiles		
In-house product innovators with market novelties	n/a	10.7
In-house product innovators without market novelties	n/a	12.3
In-house business process innovators	n/a	11.0
Innovators that do not develop innovations themselves	n/a	11.6
Innovation active non-innovators	n/a	3.3
Non-innovators with potential to innovate	n/a	19.9
Non-innovators without disposition to innovate	n/a	31.3
Governance and policy framework		
Ease of starting a business (0 to 100 best)	65.4	76.5
Basic school entrepreneurial education and training	n/a	3.5
Govt. procurement of advanced tech. products	1.9	3.5
Rule of law (-2.5 to 2.5 best)	-0.3	1.1
Climate change indicators		
Circular material use rate	n/a	12.2
Greenhouse gas emissions intensity of energy consumption	n/a	82.8
Eco-Innovation Index	n/a	100.0
Demography		
Population size	3.4	447.0
Average annual population growth (%)	-0.9	0.1
Population density	65.5	108.8