



European  
Commission

# European Innovation Scoreboard **2023** Country profile **Cyprus**



Innovation

## European Innovation Scoreboard 2023 – Country profile Cyprus

European Commission

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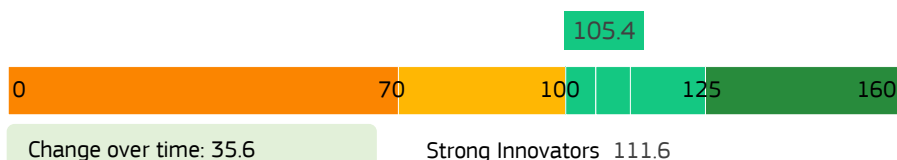
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The European Innovation Scoreboard report and annexes, and the indicators database are available at:

[https://research-and-innovation.ec.europa.eu/statistics/performance-indicators/european-innovation-scoreboard\\_en](https://research-and-innovation.ec.europa.eu/statistics/performance-indicators/european-innovation-scoreboard_en)



## Cyprus

	Performance relative to EU in 2023	Performance change 2016- 2023	Performance change 2022- 2023
<b>SUMMARY INNOVATION INDEX</b>	<b>105.4</b>	<b>35.6</b>	<b>0.6</b>
<b>Human resources</b>	<b>115.1</b>	<b>13.8</b>	<b>3.9</b>
Doctorate graduates	55.5	22.9	0.0
Population with tertiary education	199.4	5.4	5.4
Lifelong learning	86.3	8.8	8.8
<b>Attractive research systems</b>	<b>162.4</b>	<b>80.7</b>	<b>15.9</b>
International scientific co-publications	274.9	227.8	0.0
Most cited publications	106.8	0.1	21.7
Foreign doctorate students	137.4	128.2	17.5
<b>Digitalisation</b>	<b>94.4</b>	<b>44.2</b>	<b>24.6</b>
Broadband penetration	108.2	87.0	48.4
People with above basic overall digital skills	75.5	0.0	0.0
<b>Finance and support</b>	<b>39.4</b>	<b>2.0</b>	<b>-31.6</b>
R&D expenditures in the public sector	34.4	3.2	-1.6
Venture capital expenditures	61.8	-9.8	-108.4
Government support for business R&D	16.2	12.8	8.1
<b>Firm investments</b>	<b>46.4</b>	<b>29.9</b>	<b>-9.2</b>
R&D expenditure in the business sector	25.0	23.1	3.1
Non-R&D Innovation expenditures	89.2	45.6	-25.7
Innovation expenditures per employee	32.1	22.3	-6.4
<b>Use of information technologies</b>	<b>117.5</b>	<b>28.2</b>	<b>21.7</b>
Enterprises providing ICT training	134.5	32.5	19.1
Employed ICT specialists	100.0	24.1	24.1
<b>Innovators</b>	<b>154.8</b>	<b>109.0</b>	<b>-17.4</b>
Product innovators (SMEs)	152.4	93.2	-33.7
Business process innovators (SMEs)	157.0	125.9	0.0
<b>Linkages</b>	<b>223.9</b>	<b>159.2</b>	<b>0.8</b>
Innovative SMEs collaborating with others	243.7	182.3	0.0
Public-private co-publications	295.5	240.9	-14.8
Job-to-job mobility of HRST	177.1	100.0	8.8
<b>Intellectual assets</b>	<b>103.4</b>	<b>12.0</b>	<b>0.0</b>
PCT patent applications	41.3	10.3	5.1
Trademark applications	201.0	0.0	0.0
Design applications	87.5	23.4	-6.7
<b>Employment impacts</b>	<b>147.0</b>	<b>41.2</b>	<b>-1.8</b>
Employment in knowledge-intensive activities	156.6	0.0	0.0
Employment in innovative enterprises	139.2	80.3	-3.4
<b>Sales impacts</b>	<b>108.2</b>	<b>18.7</b>	<b>-1.0</b>
Medium and high-tech goods exports	81.9	-32.2	-5.2
Knowledge-intensive services exports	146.3	31.1	-12.2
Sales of innovative products	105.4	81.6	19.6
<b>Environmental sustainability</b>	<b>59.7</b>	<b>4.3</b>	<b>13.9</b>
Resource productivity	55.9	0.8	8.4
Air emissions by fine particulate matter	61.6	-3.3	-6.3
Environment-related technologies	60.6	15.6	41.3

The second column shows performance relative to that of the EU in 2023. Colours next to the column show matching colour codes: dark green: above 125% of the performance of the EU in 2023; light green: between 100% and 125%; light orange: between 70% and 100%; dark orange: below 70%. The next columns show performance change over time between 2016 and 2023 and between 2022 and 2023, with scores relative to those of the EU in 2016. Positive (negative) performance changes are shown in green (red).

**CYPRUS** is a **Strong Innovator** with performance at 105.4% of the EU average. Performance is below the average of the Strong Innovators. Performance is increasing at a rate much higher than that of the EU (8.5%-points). The country's performance lead over the EU is becoming larger.

### Relative strengths

Public-private co-publications  
International scientific co-publications  
Innovative SMEs collaborating with others  
Trademark applications  
Population with tertiary education

### Relative weaknesses

Government support for business R&D  
R&D expenditure in the business sector  
Innovation expenditures per employee  
R&D expenditures in the public sector  
PCT patent applications

### Strong increases since 2016

Public-private co-publications  
International scientific co-publications  
Innovative SMEs collaborating with others

### Strong decreases since 2016

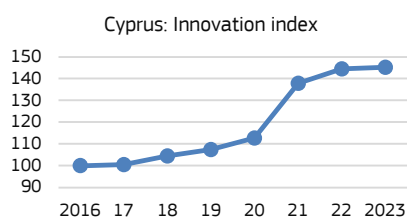
Medium and high-tech goods exports  
Venture capital expenditures  
Air emissions by fine particulate matter

### Strong increases since 2022

Broadband penetration  
Environment-related technologies  
Employed ICT specialists

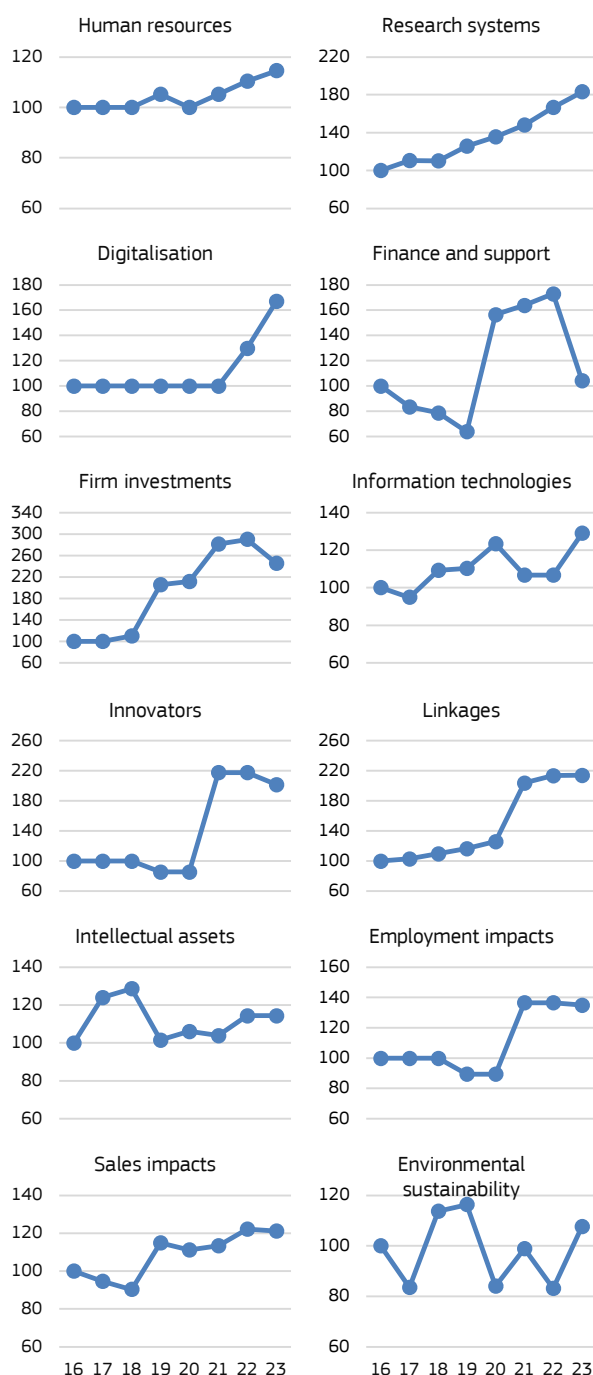
### Strong decreases since 2022

Venture capital expenditures  
Product innovators  
Non-R&D Innovation expenditures



The graph on the left shows the evolution of **innovation performance over time** against the performance of the country in 2016. Innovation performance increased steadily between 2016 and 2020 and accelerated in 2021, leading to a 45% performance increase in 2023.

The graphs below show the evolution of innovation performance in the different **innovation dimensions** against the performance of the country in 2016. Performance improved for Research systems, Digitalisation, Firm investments, Innovators and Linkages.





Performance is measured relative to that of the country in 2016 (=100).

**Structural differences** with the EU are shown below:

- Cyprus has lower per capita income, but a faster growing economy. Business services takes up a larger share of the economy, with SMEs accounting for a larger share of turnover.
- Entrepreneurial Activity, and Buyer sophistication add positively to the innovation climate, Enterprise births, FDI net inflows, and Top R&D spenders add negatively.
- Information on Innovation profiles is not available.
- Entrepreneurial training and government procurement are below the EU as drivers of research and innovation.
- Cyprus shows a weak performance on Climate change related indicators with a below average share of material resources coming from recycled waste materials, a below average reduction in greenhouse gas emissions, and a below average score on environmental innovation.

	CY	EU
<b>Performance and structure of the economy</b>		
GDP per capita (PPS)	29,600	32,600
Average annual GDP growth (%)	4.9	4.4
Employment share Manufacturing (NACE C) (%)	7.4	16.4
of which High and Medium high-tech (%)	12.9	38.0
Employment share Services (NACE G-N) (%)	52.5	41.1
of which Knowledge-intensive services (%)	40.9	35.8
Turnover share SMEs (%)	52.3	34.1
Turnover share large enterprises (%)	22.0	49.6
Foreign-controlled enterprises – share of value added (%)	5.7	11.8
<b>Business and entrepreneurship</b>		
Enterprise births (10+ employees) (%)	0.9	1.0
Total Entrepreneurial Activity (TEA) (%)	9.7	6.8
FDI net inflows (% GDP)	-5.9	2.1
Top R&D spending enterprises per 10 mln. population	0.0	20.3
Buyer sophistication (1 to 7 best)	3.9	3.7
<b>Innovation profiles</b>		
In-house product innovators with market novelties	n/a	12.2
In-house product innovators without market novelties	n/a	12.8
In-house business process innovators	n/a	16.5
Innovators that do not develop innovations themselves	n/a	6.5
Innovation active non-innovators	n/a	4.1
Non-innovators with potential to innovate	n/a	17.2
Non-innovators without disposition to innovate	n/a	30.7
<b>Governance and policy framework</b>		
Corruption Perceptions Index (0 to 100 best)	54.0	64.0
Basic school entrepreneurial education and training	3.2	3.3
Govt. procurement of advanced tech. products	3.1	3.5
Rule of law (-2.5 to 2.5 best)	0.7	1.0
<b>Climate change indicators</b>		
Circular material use rate	3.1	11.8
Greenhouse gas emissions intensity of energy consumption	98.7	82.8
Eco-Innovation Index	77.9	100.0
<b>Demography</b>		
Population size	0.9	447.1
Average annual population growth (%)	0.9	-0.1
Population density	94.5	108.8



This report provides the Country profile from the 2023 European Innovation Scoreboard for Cyprus.

*Studies and reports*