



2021 EU Industrial R&D Investment Scoreboard remains robust in ICT, health and green sectors

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Despite a challenging overall economic environment in 2020, companies in the EU have increased investment in research and development (R&D) in the health and ICT services sectors, according to the new edition of the [EU Industrial R&D Investment Scoreboard](#) published today. The EU remains among the leaders in green high-value patents technology and for green patents in energy intensive industries, which reflects its transformation towards climate neutrality.

Specifically, EU-based companies increased investments in R&D in the health (10.3%) and ICT services (7.2%) sectors, albeit at a slower pace than the US and China-based ones. However, for the first time in 10 years, the overall investment in R&D of companies in the EU has decreased mainly due to the weakening of R&D in the automobiles, aerospace and defence sectors. In 2020, EU-based companies reduced their overall R&D investment by 2.2%. Companies in the US and China increased their overall R&D investments by 9.1% and 18.1% respectively. US and China-based companies have expanded their share of R&D in certain sectors during the coronavirus crisis, such as health (US: 17.9%; China: 30.7%), ICT services (US: 12.4%; China: 21.2%) and ICT producers (US: 7.8%; China: 11.5%).

Although the pandemic boosted the fast-growing ICT services and health industries globally, it hit hard traditional industries, such as the automobiles (-4.3%) and aerospace and defence (-17%). The automobile sector is the most important R&D investing sector for EU companies, which contributed to the overall R&D decline. Nonetheless, 14 EU companies are ranked in the global top 50 group of the 2500 largest R&D investors.

Commissioner for Innovation, Research, Education, Culture and Youth, Mariya **Gabriel**, said: *"Investing in research and innovation is key for Europe's industry to lead the green transition, excel in the fast-growing ICT sector and lead the new wave of deep tech innovations. The EU's industrial R&D investment scoreboard shows clearly where we need to boost our efforts, calling us to invest now for the future."*

Worldwide, industrial R&D investment has proved resilient in the coronavirus crisis. In 2020, it continued to grow, by 6%, for the 11th consecutive year. In contrast, 2020 saw significant reductions in capital expenditure, net sales and operating profits. The overall positive trend for R&D investment indicates that companies are forward-looking and are preparing for the recovery by maintaining or increasing R&D, even though they have had to cut other expenditures and their revenues have been falling.

The importance of the ICT, health and automotive industries in terms of global R&D competitiveness is illustrated by the fact that the aggregated R&D of these three industries has more than doubled since 2010, and notably ICT services has tripled. As regards ranking of companies' investment levels, the ICT sector consistently occupies the top of the Scoreboard underlining the increasing digitalisation of the world economy. For 2020, all of the top five positions are in the digital sector.

The twin green and digital transitions is expected to improve EU firms' R&D performance and to reinvigorate their industrial base, in line with the priorities of the [EU industrial strategy](#) and Europe's ambitions to strengthen the innovation ecosystem and foster relevant policies.

Background

The Commission has been publishing the [EU Industrial R&D Investment Scoreboard](#) every year since 2004. The 2021 edition of the Scoreboard comprises the 2500 companies investing the largest sums in R&D in the world in 2020. The Scoreboard data, taken from companies' latest published accounts, comprise key indicators on the 2500 parent companies and more than 800 thousand subsidiaries that enable analysis of companies' economic and innovation performance. These companies, based in 39 countries, each invested at least €36.5 million in R&D for a total of €908.9 billion. The 2021 Scoreboard total R&D is equivalent to approximately 90% of the world's business-funded R&D. The sample includes 401 companies based in the EU, accounting for 20.3% of the total R&D in the

sample, 779 US companies (37.8%), 597 Chinese companies (15.5%), 293 Japanese companies (12.2%), and 430 from the rest of the world (14.2%).

For More Information

[The 2021 EU Industrial R&D Investment Scoreboard](#)

[Interactive website](#)

[EU Industry research and innovation policy](#)

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