Italy is a Moderate Innovator.

Over time, performance has increased relative to that of the EU in 2012. The strong increase in 2018 is largely explained by improved performance on the indicators using CIS data.

Innovators, Intellectual assets and Attractive research systems are the strongest innovation dimensions. Italy scores high on SMEs innovating in-house, Design applications, SMEs with product or process innovations, and SMEs with marketing or organizational innovations. Human resources, Finance and support, and Linkages are the weakest innovation dimensions. Low-scoring indicators include Population with tertiary education, Venture capital expenditures, Innovative SMEs collaborating with others, and Broadband penetration.

Structural differences with the EU are shown in the table below. Italy shows the highest positive difference to the EU in Turnover share SMEs, Employment share in manufacturing and Employment share in services, and the biggest negative difference in Average annual change in GDP, Top R&D spending enterprises and FDI net inflows.

The colours show normalised performance in 2019 relative to that of the EU in 2019: dark green: above 125%; light green: between 95% and 125%; yellow: between 50% and 95%; orange: below 50%. Normalised performance uses the data after a possible imputation of missing data and transformation of the data.

### European Innovation Scoreboard 2020

**Indicator** | **IT** | **EU**
--- | --- | ---
**Performance and structure of the economy** | | |
GDP per capita (PPS) | 29,100 | 29,100 |
Average annual GDP growth (% GDP) | 0.55 | 1.84 |
Employment share manufacturing NACE C (%) | 18.3 | 16.8 |
of which High and medium tech (%) | 33.2 | 37.5 |
Employment share services NACE G-N (%) | 45.2 | 41.4 |
of which Knowledge-intensive services (%) | 57.0 | 34.3 |
Turnover share SMEs (%) | 43.5 | 38.7 |
Turnover share large enterprises (%) | 31.4 | 45.2 |
Entrepreneurial enterprises share of value added (%) | 8.3 | 11.1 |
**Business and entrepreneurship** | | |
Enterprise births (10+ employees) (%) | 1.1 | 1.1 |
Total Entrepreneurial Activity (TEA) (%) | 3.8 | 6.7 |
FDI net inflows (% GDP) | 1.3 | 2.6 |
Top R&D spending enterprises per 1.0 million population | 6.4 | 16.2 |
Buyer sophistication (1 to 7 best) | | |
**Governance and policy framework** | | |
Ease of starting a business (0 to 100 best) | 73.0 | 76.6 |
Basic school entrepreneurial education and training (1 to 5 best) | 1.9 | 4.0 |
Govt. procurement of advanced technology products (1 to 7 best) | 2.9 | 3.5 |
Rate of law (1 to 7 best) | 0.3 | 1.1 |
**Demography** | | |
Population size (millions) | 57.1 | 446.2 |
Average annual population growth (%) | 0.19 | 0.14 |
Population density (inhabitants/km²) | 203.9 | 1066.8 |

### EU targets for 2020

**Indicator** | **2015** | **Latest** | **Target**
--- | --- | --- | ---
Gross domestic expenditure on R&D (% of GDP) | 1.34 | 1.36 | 1.53 |
Tertiary educational attainment (% of population aged 30-34) | 25.39 | 27.5 | 28.0 |

1 Sources are provided in the introduction to the country profiles.

### European Semester country report and country specific recommendations:

https://ec.europa.eu/info/publications/2020-european-semester-country-reports_en
https://rio.jrc.ec.europa.eu/en/country-analysis/Italy