



EUROPEAN COMMISSION
EUROSTAT

Directorate G :Global Business Statistics
Unit G-4: Innovation and information society

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Harmonised Data Collection for the CIS 2018

Final Version (as of 26 April 2018)

1 Enterprise identification

Name of enterprise	
Address	
Postal code	
Main activity*	

* NACE rev. 2 classes (4 digit code)

If your enterprise is part of an enterprise group:

- Please answer all further questions about your enterprise only for its own activities in CYPRUS
- Exclude the activities of all subsidiaries or parent enterprises

2 Strategies and Knowledge Flows

2.1 During the three years 2016 to 2018, how important were the following strategies to the economic performance of your enterprise?

	Degree of importance			
	High	Medium	Low	Not important
	3	2	1	0
Focus on improving your <u>existing goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on introducing <u>new goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on <u>low-price</u> (price leadership)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on <u>high-quality</u> (quality leadership)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on a <u>broad range of goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on one or a small number of <u>key goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on satisfying <u>established customer groups</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on reaching out to <u>new customer groups</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on <u>standardised goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on <u>customer-specific solutions</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2.2 During the three years 2016 to 2018, did your enterprise:¹

	Yes	No
	1	0
Apply for a <u>patent</u>	<input type="checkbox"/>	<input type="checkbox"/>
Register an <u>industrial design right</u>	<input type="checkbox"/>	<input type="checkbox"/>
Register a <u>trademark</u>	<input type="checkbox"/>	<input type="checkbox"/>
Claim a <u>copyright</u>	<input type="checkbox"/>	<input type="checkbox"/>
Use <u>trade secrets</u>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Those countries where 'utility models' are relevant can include a respective category.

2.3 During the three years 2016 to 2018, did your enterprise:

	Yes 1	No 0
<u>License out its own intellectual property rights (IPRs) to others</u>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Sell its own IPRs (or assign IP rights) to others</u>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Exchange IPRs (pooling, cross-licensing, etc.)</u>	<input type="checkbox"/>	<input type="checkbox"/>

2.4 During the three years 2016 to 2018, did your enterprise purchase machinery, equipment or software based on

	Yes 1	No 0
The <u>same</u> or improved technology used in your enterprise before	<input type="checkbox"/>	<input type="checkbox"/>
<u>New</u> technology that was not used in your enterprise before	<input type="checkbox"/>	<input type="checkbox"/>

3 Innovation

A **product innovation** is a new or improved good or service that differs significantly from the firm's previous goods or services and which has been implemented on the market.

Include:

- ✓ significant changes to the design of a good
- ✓ digital goods or services

Exclude:

- the simple re-sale of new goods and changes of a solely aesthetic nature

3.1 During the three years 2016 to 2018, did your enterprise introduce any:

	Yes 1	No 0
<u>New or improved goods</u>	<input type="checkbox"/>	<input type="checkbox"/>
<u>New or improved services</u>	<input type="checkbox"/>	<input type="checkbox"/>

1: For NSIs: Digital goods and services, see OM4 Chapter 3, paragraph 32 where they are referred to as knowledge-capturing products. These products can have the characteristics of either a good or service and concern the provision, storage, safekeeping, communication and dissemination of digital information that users can access repeatedly.

If 'no' to all options go to question 3.5
Otherwise go to question 3.2

3.2 In the three years 2016 to 2018, did your enterprise introduce any new or improved products (goods or services) that were:

	Yes 1	No 0
Not previously offered by any of your competitors? ²	<input type="checkbox"/>	<input type="checkbox"/>
Identical or very similar to products already offered by your competitors? ³	<input type="checkbox"/>	<input type="checkbox"/>

² Not previously available on the market. (Wording can be adapted to national circumstances, e.g. to 'New to the market').

³ Already previously available on the market. (Wording can be adapted to national circumstances, e.g. to 'New to the enterprise').

3.3 Please estimate the percentage of your enterprise's total turnover⁴ in 2018 from products (goods or services) that were, in the three years 2016 to 2018:⁵

	<u>New or improved products</u>		<u>Unchanged products</u> (or with only minor changes)*		<u>Total turnover</u> <u>in 2018</u>
	--- %	+	--- %	=	100 %
<i>If possible, separate turnover from new or improved products into products that were:</i>	=				
Not previously offered by any of your competitors⁶	--- %				
	+				
Identical or very similar to products already offered by your competitors	--- %				

* Includes the resale of new products purchased from other enterprises.

3.4 Who developed these product innovations?

Tick all that apply

- | | | |
|---|--------------------------|--|
| Your enterprise by itself | <input type="checkbox"/> | |
| Your enterprise together with other enterprises or organisations* | <input type="checkbox"/> | |
| Your enterprise by adapting or modifying products originally developed by other enterprises or organisations* | <input type="checkbox"/> | |
| Other enterprises or organisations* | <input type="checkbox"/> | |

* Include independent enterprises plus other parts of your enterprise group (subsidiaries, sister enterprises, head office, etc.). Organisations include universities, research institutes, non-profits, etc.

A **business process innovation** is a new or improved business process for one or more business functions that differs significantly from the firm's previous business processes and which has been implemented within the firm.

3.5 During the three years 2016 to 2018, did your enterprise introduce any of the following types of new or improved processes that differ significantly from your previous processes?

	Yes 1	No 0
Methods for producing goods or providing services (including methods for developing goods or services)	<input type="checkbox"/>	<input type="checkbox"/>
Logistics, delivery or distribution methods	<input type="checkbox"/>	<input type="checkbox"/>
Methods for information processing or communication	<input type="checkbox"/>	<input type="checkbox"/>
Methods for accounting or other administrative operations	<input type="checkbox"/>	<input type="checkbox"/>
Business practices for organising procedures or external relations	<input type="checkbox"/>	<input type="checkbox"/>
Methods of organising work responsibility, decision making or human resource management	<input type="checkbox"/>	<input type="checkbox"/>
Marketing methods for promotion, packaging, pricing, product placement or after sales services	<input type="checkbox"/>	<input type="checkbox"/>

If 'no' to all options go to question 3.7
Otherwise go to question 3.6

⁴ Turnover is defined as the market sales of goods and services (Include all taxes except VAT). For Credit institutions: Interests receivable and similar income, for insurance services: Gross premiums written.

⁵ This question can be designed according to national needs provided it delivers the described information, in particular the percentages for 'new or improved products' and 'unchanged products'.

3.6 Who developed these process innovations?

Tick all that apply

- | | |
|--|--------------------------|
| Your enterprise by itself | <input type="checkbox"/> |
| Your enterprise together with other enterprises or organisations* | <input type="checkbox"/> |
| Your enterprise by adapting or modifying processes originally developed by other enterprises or organisations* | <input type="checkbox"/> |
| Other enterprises or organisations* | <input type="checkbox"/> |

* Include independent enterprises plus other parts of your enterprise group (subsidiaries, sister enterprises, head office, etc.). Organisations include universities, research institutes, non-profits, etc.

'Innovation activity' includes all developmental, financial and commercial activities, undertaken by a firm, which are intended to or result in an innovation.

Research and Development (R&D) comprises creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge.

3.7 During the three years 2016 to 2018, did your enterprise have any of the following types of innovation activities? (Activities leading to expenditures)

	Yes 1	No 0
Completed activities on product or process innovation	<input type="checkbox"/>	<input type="checkbox"/>
Ongoing innovation activities at the end of 2018	<input type="checkbox"/>	<input type="checkbox"/>
Abandoned innovation activities	<input type="checkbox"/>	<input type="checkbox"/>
In-house research and development (R&D) activities*?	<input type="checkbox"/>	<input type="checkbox"/>
if 'yes': did your enterprise perform during the three years 2016 to 2018:		
<u>Continuously</u> (your enterprise had permanent R&D staff)	<input type="checkbox"/>	
<u>Occasionally</u> (as needed only)	<input type="checkbox"/>	
Contract-out R&D to other enterprises (include enterprises in your own group) or to public or private research organisations)	<input type="checkbox"/>	<input type="checkbox"/>

* Please see the annex for definitions of internal and external R&D.

**If 'no' to all options go to question 3.10
Otherwise go to question 3.8**

3.8 How much did your enterprise spend on innovation and research and development (R&D) in 2018?

- Please note that question 3.10 refers, exceptionally, only to the year 2018, not the three year period 2016 to 2018.
- Please tick 'none' for all categories if your enterprise **did not have any expenditure on innovation and/or R&D** in 2018.

	<i>Please estimate if you lack precise accounting data</i>	<i>Please tick, if there were no such expenditures in 2018</i>
R&D performed in-house (Include current expenditures including labour costs and capital expenditures (buildings, machinery, equipment, software etc.) specifically for R&D)	____,____,____,000 €	<input type="checkbox"/> none
R&D contracted out to others (including enterprises in own enterprise group)	____,____,____,000 €	<input type="checkbox"/> none
All other innovation expenditures* (i.e. excluding R&D)	____,____,____,000 €	<input type="checkbox"/> none

* include:

- Acquisition of machinery equipment, software, IPRs or buildings for innovation activities other than R&D
 - Acquisition of external knowledge for innovation activities other than R&D (e.g. patents, licenses, trademarks)
 - Product design, service design, preparation of production / distribution for innovation activities other than R&D
 - Training and professional development for innovation activities other than R&D (e.g. employee training or continued education)
 - Marketing of innovations (marketing activities directly related to innovations, including market research)
- More notes can be found as an annex to this questionnaire.

3.9 How much do you expect your enterprise's total innovation expenditures* to change in 2019 and 2020?

2019 compared to 2018

- Increase
- Stay about the same (+/- 5%)**
- Decrease
- No innovation expenditures expected
- Don't know

* Total innovation expenditures include those for R&D and all other innovation activities.

** If there were no innovation expenditures in 2018 please only indicate if these will increase in 2019.

3.10 During the three years from 2016 to 2018, did your enterprise try to obtain the following types of funding? If funding was obtained successfully, was this funding used for R&D or other innovation activities?

	<u>Try to obtain funding</u>			<u>If your enterprise obtained funding, was this partly or fully used for R&D or other innovation activities?</u>	
	<i>Yes, successfully obtained some funding of this type</i>	<i>Tried, but not successfully</i>	No	Yes 1	No 0
<u>Equity finance</u> (finance provided in exchange for a share in the ownership of the enterprise)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Debt finance</u> (finance that the enterprise must repay)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3.11 During the three years from 2016 to 2018, did your enterprise receive any public financial support from the following levels of government?

Include financial support via grants, subsidised loans, and loan guarantees. Exclude revenues from public sector* procurement contracts.

			<u>If your enterprise received financial support: was part of this used for R&D or other innovation activities?</u>	
	Yes 1	No 0	Yes 1	No 0
<u>Local or regional authorities*</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>National government*</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Other financial support from a European Union institution*</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>EU Horizon 2020 Programme for Research and Innovation</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* Include financial support via grants, subsidised loans, and loan guarantees. Exclude financing of activities under contract by the public sector*. The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals, and government providers of services such as security, transport, housing, energy, etc.

3.12 During the three years from 2016 to 2018, did your enterprise use tax incentives or allowances for the following purposes?

	Yes 1	No 0
<u>Tax credits or allowances for R&D or other innovation activities</u>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Tax credits or allowances for all other types of activities</u>	<input type="checkbox"/>	<input type="checkbox"/>

3.13 During the three years 2016 to 2018, did your enterprise co-operate* with other enterprises or organisations ?

	Yes 1	No 0
a) On R&D	<input type="checkbox"/>	<input type="checkbox"/>
b) On other innovation activities (excluding R&D)	<input type="checkbox"/>	<input type="checkbox"/>
c) On any other business activities	<input type="checkbox"/>	<input type="checkbox"/>

* Co-operation is active participation with other enterprises or organisations. Partners do not need to commercially benefit. Exclude pure contracting out of work with no active co-operation.

If 'yes' to either option a) or b), go to question 3.14

Otherwise go to question 3.15

3.14 Please indicate the type of innovation co-operation partner by location

Tick all that apply

Type of co-operation partner	Tick all that apply		
	CYPRUS	Other EU* or EFTA**	All Other countries
Private business enterprises <u>outside your enterprise group</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Consultants</u> , commercial labs, or private research institutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Suppliers</u> of equipment, materials, components or software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enterprises that are your <u>clients or customers</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enterprises that are your <u>competitors</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Other enterprises</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enterprises <u>within your enterprise group</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Universities</u> or other higher education institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Government</u> or public <u>research institutes</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Clients or customers from the public sector</u> ***	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Non-profit organisations</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* The Member States of the European Union (EU) are: Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Ireland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Sweden, and the United Kingdom.

** Iceland, Liechtenstein, Norway, Switzerland.

*** The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals, and government providers of services such as security, transport, housing, energy, etc.

3.15 During the three years 2016 to 2018, how important were the following factors in hampering your enterprises' decision to start innovation activities*, or its execution of innovation activities* ?

	Degree of importance			
	High	Medium	Low	Not a constraint
	3	2	1	0
<u>Lack of internal finance</u> for innovation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Lack of credit or private equity</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Difficulties in obtaining public grants or subsidies</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Costs too high</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Lack of skilled employees</u> within your enterprise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Lack of collaboration partners</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Lack of access to external knowledge</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Uncertain market</u> demand for your ideas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Too much competition</u> in your market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Different priorities</u> within your enterprise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* Any activity on new or improved products or processes, including ongoing or abandoned activities.

Notes in implementing the expenditure questions

The allocation of staff for each activity can be used as reference for providing expenditures.

Research and Development (R&D)

R&D comprise creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge.

Performed in-house: R&D undertaken **by your enterprise** to create new knowledge or solve scientific or technical problems.

Include: current expenditures including labour costs and capital expenditures on buildings and equipment specifically for R&D)

R&D contracted out: Your enterprise contracted-out R&D to **other** enterprises (include enterprises in your own group) or to public or private research organisations.

Other innovation expenditure

All other activities related to the development of new or significantly improved products and processes.

Machinery, Equipment and Buildings

Expenditures for purchasing physical capital goods (land and buildings, machinery and instruments, transport equipment and other equipment) and current costs for lease of tangible assets.

Exclude leasing costs for other capital goods (not contributing to asset creation).

Marketing and Branding

Internal or external work intended to enhance reputation or brand values, either of the business as a whole or individual goods or service lines, as well as to support the market placement of new goods and services. For example: market research, market tests, development of marketing strategies and methods, product launches, promotional campaigns, 'rebranding' of business, development of promotional materials, etc..

Include: (a) staff costs of all staff involved (b) associated costs, including office facilities, overheads and materials but not capital items; (c) external costs of advertising and marketing campaigns to agencies, media organisations, trade fairs, suppliers of marketing databases, etc.

Staff Training

Activities to training the skills and teaching of knowledge related to the specific activities of the firm, including on-the-job training and job-related education at training and education institutions. For example, training on IT systems, new production equipment, ISO accreditation, skills development, etc..

Include: (a) staff costs of trainers, including development and delivery of training; (b) travel and subsistence payments; (c) associated costs, including providing facilities, overheads and materials but not capital items; (d) training provided by external suppliers, whether provided on-site or elsewhere; (e) levy payments for training organisations; (f) the cost of staff time whilst being trained and therefore absent from work and on-the-job training.

Product design

The design of goods or services to develop a new or modified form, appearance or function for goods or services. Design involves a series of iterative steps to create functional products. Product design activities may also include involving potential users in the design process, pilot testing, and post-implementation studies to identify or solve problems with a design.

Include: (a) staff costs of all staff involved, e.g. graphic designers, product designers, architects, design engineers, etc.; (b) associated costs, including office facilities, overheads and materials used for these design activities but not capital goods. Estimates based on proportions of staff time are acceptable.

Exclude (a) costs of design embedded in other items of current or capital expenditure (b) design of scientific prototypes (part of R&D), design of software and other engineering activities (civil engineering, chemical engineering, mechanical engineering, electrical engineering).

Software and databases

Purchase of external software and development of software in-house. For example, operating systems, general purpose office applications (e.g. word processing), special purpose applications (e.g. financial accounting systems, databases, production control systems), etc.

Include: (a) staff costs of all staff involved, excluding contractors; (b) associated costs, including office facilities, overheads and materials used for but not capital items; (c) off-the-shelf software; software licenses and license renewals; generic and bespoke software.

Exclude: (a) software embedded in other items of current or capital expenditure, e.g. software pre-installed on IT hardware; (b) software development conducted as part of R&D.

Intellectual Property Rights (IPR)

Administrative and legal costs incurring to apply or register, document, manage, monitor, trade & enforce own intellectual property rights (IPRs). And expenditures made to acquire others' intellectual property (patents, industrial designs, etc.) through purchase or licensing.