



EUROPEAN COMMISSION
EUROSTAT

Directorate G: Business and trade statistics
Unit G-4: Innovation and digitalisation

Harmonised Data Collection for the CIS 2020

Introduction

This document specifies the information (variables and categories) to be collected with the Community Innovation Survey (CIS) 2020 at the enterprise level.

National Statistical Institutes (NSIs) are not required to

- *collect all variables (or all particular items of variables) with an enterprise survey using this data collection form, but some (items of) variables can originate from other sources, such as the Statistical Business Register or other business surveys.*
- *design the questionnaire for the national enterprise survey exactly as it is presented in this document. However, in order to produce internationally comparable statistics and indicators, the NSIs should ensure that the information that would become available with this data collection form will become available at the enterprise level for their country. For the same reason, questions 3.1 to 3.8 and 3.12 to 3.13 have to be presented in a questionnaire in the order as presented in this data collection form.*

There are two types of footnotes in this data collection form. Footnotes that are denoted with

- *asterisks are proposed to appear in the questionnaire;*
- *numbers are for information purpose for NSIs.*

The questions are marked in three categories:

• *Questions marked in **violet** are **obligatory** under Regulation (EU) 995/2012*

• *Questions marked in **blue** are not obligatory under Regulation (EU) 995/2012, but **VERY important***

• *Questions marked in **yellow** are not obligatory under Regulation (EU) 995/2012, but **important***

1 Enterprise identification

The enterprise identification should be extracted from the Business Register. Whenever possible, this information should be used, and consistency with the Business Register should be assured.

Name of enterprise	
Address*	
Postal code	
Main activity**	
If available: BR number	

* NUTS basic regions (2 digit code)

** 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 [your country]
- Exclude the activities of all subsidiaries or parent enterprises

2 Strategies and Business Environment

2.1 During the three years 2018 to 2020, how important were the following strategies to the economic performance of your enterprise? [STRA]

	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"/>	STRA_FIMPGS
Focus on introducing <u>new goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FNWGS
Focus on <u>low-price</u> (price leadership)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FLOWP
Focus on <u>high-quality</u> (quality leadership)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FHQUAL
Focus on a <u>broad range of goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FBRGS
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"/>	STRA_FSMGS
Focus on satisfying <u>established customer groups</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FESTCUS
Focus on reaching out to <u>new customer groups</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FNWCUS
Focus on <u>standardised goods or services</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FSTDGS
Focus on <u>customer-specific solutions</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STRA_FCSOL

2.2 During the three years 2018 to 2020, to what extent do the following characteristics describe the conditions faced by your enterprise ? [COND]

Applies fully Applies somewhat Applies very little Applies not all

Tick one box per row

Goods or services become outdated quickly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_GOUT_AF	COND_GOUT_AS	COND_GOUT_AL	COND_GOUT_NALL
Future technological developments are difficult to predict	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_TPRED_AF	COND_TPRED_AS	COND_TPRED_AL	COND_TPRED_NALL

Competitor goods or services are easily substituted with those of your enterprise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_ESUB_AF	COND_ESUB_AS	COND_ESUB_AL	COND_ESUB_NALL
Entry of new competitors leads to a major threat of your enterprises' market position	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_CTHR_AF	COND_CTHR_AS	COND_CTHR_AL	COND_CTHR_NALL
Competitor's actions are difficult to predict	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_CPRED_AF	COND_CPRED_AS	COND_CPRED_AL	COND_CPRED_NALL
Changes in demand are difficult to predict	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_CHDEM_AF	COND_CHDEM_AS	COND_CHDEM_AL	COND_CHDEM_NALL
Strong competition from abroad	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_CABR_AF	COND_CABR_AS	COND_CABR_AL	COND_CABR_NALL
Price increases lead to loss of clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COND_CLLOS_AF	COND_CLLOS_AS	COND_CLLOS_AL	COND_CLLOS_NALL

2.3 During the three years from 2018 to 2020, did your enterprise offer any of the following types of goods or services to meet user requirements? [CONC]

A user can be an end customer or an enterprise which uses a product as an intermediate product.

	Yes 1	No 0	
Goods or services <u>co-created* with users</u>, i.e. <u>the user had an active role in the creation of the idea, design and development of the product (co-creation)</u>	<input type="checkbox"/>	<input type="checkbox"/>	CONC_PRD_CO
Goods or services <u>designed and developed* specifically to meet the needs of particular users (customisation)</u>. This excludes mass customisation, i.e. customised versions of standard products.	<input type="checkbox"/>	<input type="checkbox"/>	CONC_PRD_CUS
<u>Standardised goods or services offered to different users in the same way</u>. This includes mass customisation.	<input type="checkbox"/>	<input type="checkbox"/>	CONC_PRD_STD

* A difference between customisation and co-creation is that for '*customisation*' the enterprise designed and developed the product *alone*, whereas for '*co-creation*' the enterprise designed and developed the product *together with the user***.

2.4 During the three years 2018 to 2020, did your enterprise (1): [IPR_OUT]

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

* (1): For NSIs: Those countries where 'utility models' are relevant can include a respective category.

2.5 During the three years 2018 to 2020, did your enterprise: [IPR_OUT]

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

2.6 During the three years 2018 to 2020*, did your enterprise purchase or license-in patents or other IPRs? [IPR_IN]

		tick all that apply	
IPR_IN_LIC_PUR	Yes <input type="checkbox"/> 1	if yes: <u>from business enterprises or individuals</u> <u>from public research organisations, universities or other higher education institutions</u>	<input type="checkbox"/> IPR_IN_LIC_PRIV
			<input type="checkbox"/> IPR_IN_LIC_PUB
	No <input type="checkbox"/> 0		

* The time of the licensing-in or purchase is relevant, not the use of patents or IPRs during the three years 2018 to 2020 or at the time when this survey is filled in.

2.7 During the three years 2018 to 2020, did your enterprise purchase machinery, equipment or software based on: [PUR_MES]

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

2.8 During 2018 to 2020, how important were the following factors related to climate change for your business? [CLIM]

	Degree of importance				
	High	Medium	Low	Not relevant	
	3	2	1	0	
<u>Government policies or measures</u> related to climate change	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CLIM_GOV
<u>Increasing customer demand</u> for products that help mitigate or adapt to climate change (e.g. low-carbon products)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CLIM_CUST
<u>Increasing costs or input prices</u> resulting from climate change (e.g. higher insurance fees, higher prices for water, adaptation of processes or facilities)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CLIM_PRIC
<u>Impacts of extreme weather conditions</u> (e.g. damages/disturbances)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	CLIM_WEATH

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 has been introduced 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 2018 to 2020, did your enterprise introduce any: [INNO_PRD]

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

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 2018 to 2020, did your enterprise introduce any new or improved products (goods or services) that were: [INNO_PRD]

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

3.3 Using the definitions above, please estimate the percent of your enterprise's total turnover in 2020 from: [TUR_PRD]

1. Products introduced during the three years 2018 to 2020 that were not previously offered by any of your competitors	TUR_PRD_NEW_MKT <table border="1" style="width: 100px; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px; text-align: center;">%</td> </tr> </table>				%	} TUR_PRD_INN	Please provide a combined estimate of sales from innovative products when not able to differentiate between items 1 and 2.
			%				
2. Products introduced during the three years 2018 to 2020 that were identical or very similar to products already offered by your competitors	TUR_PRD_NEW_ENT <table border="1" style="width: 100px; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px; text-align: center;">%</td> </tr> </table>				%		
			%				
3. Products that were unchanged or only marginally modified during the three years 2018 to 2020 (include the resale of new products purchased from other enterprises)	TUR_PRD_NINN <table border="1" style="width: 100px; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px;"></td> <td style="width: 25px; text-align: center;">%</td> </tr> </table>				%		
			%				
Total turnover in 2020	<table border="1" style="width: 100px; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 25px; text-align: center;">1</td> <td style="width: 25px; text-align: center;">0</td> <td style="width: 25px; text-align: center;">0</td> <td style="width: 25px; text-align: center;">%</td> </tr> </table>	1	0	0	%		
1	0	0	%				

3.4 Who developed these product innovations? ? [DEVE_PRD]

Tick all that apply

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

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

¹ Not previously available on the market. (Wording can be adapted to national circumstances, e.g. to 'New to the market').

² Already previously available on the market. (Wording can be adapted to national circumstances, e.g. to 'New to the enterprise').

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 brought into use by the firm.

3.5 During the three years 2018 to 2020, did your enterprise introduce any of the following types of new or improved business processes that differ significantly from your previous business processes? [INNO_PCS]

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

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

3.6 Who developed these business process innovations? [DEVE_PCS]

Tick all that apply

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

* 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 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 2018 to 2020, did your enterprise have any of the following types of innovation activities? [INNA]

Research and Development (R&D):

	Yes 1	No 0	
In-house research and development (R&D) activities*?	<input type="checkbox"/>	<input type="checkbox"/>	INNA_IH_RND
if 'yes' did your enterprise perform in-house R&D during the three years 2018 to 2020:			
<u>Continuously</u> (your enterprise had permanent R&D staff) <input type="checkbox"/>			INNA_IH_RND_CONT
<u>Occasionally</u> (as needed only) <input type="checkbox"/>			INNA_IH_RND_OCC
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"/>	INNA_RND_CONTR_OUT

Innovation activities that did not lead to any innovation introduced during 2018 to 2020:

	Yes 1	No 0	
Ongoing innovation activities at the end of 2020**	<input type="checkbox"/>	<input type="checkbox"/>	INNA_ONGO
Abandoned or suspended innovation activities***	<input type="checkbox"/>	<input type="checkbox"/>	INNA_ABDN
Completed innovation activities¹****	<input type="checkbox"/>	<input type="checkbox"/>	INNA_COMPL

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

** The innovation activity was not completed at the end of 2020 and will be continued in 2021.

*** The innovation activity was discontinued during 2018 and 2020 either with plans to resume the activity later ('suspended activity') or without such plans ('abandoned activity')

**** The innovation activity was completed at the end of 2020 but has not resulted in the introduction of an innovation by the end of 2020, e.g. because it concerned only a part of a new or improved product or business process, or because the introduction is foreseen to happen later.

Note for NSIs

1 Note that the 'innovation questions' 3.1 and 3.5 refer to completed innovation activities that have led to an innovation. Therefore, there is no overlap between questions' 3.1 and 3.5, and this category referring to innovation activities that have NOT led to an innovation.

If 'no' to all options in questions 3.1, 3.5, and 3.7, go to question 3.9.

Otherwise, go to question 3.8.

3.8 How much did your enterprise spend on innovation and research and development (R&D) in 2020? [EXP_INNO]

- Please note that question 3.8 refers, exceptionally, **only to the year 2020**, not the three year period 2018 to 2020.
- Please tick 'none' for all categories if your enterprise did not have any expenditure on innovation and/or R&D in 2020.

Expenditures on innovation and R&D in 2020

Please estimate if you lack precise accounting data

Please tick, if there were no such expenditures in 2020

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	EXP_INNO_RND_IH
R&D contracted out to others (including enterprises in own enterprise group)	_____,_____,_____,000 €	<input type="checkbox"/> none	EXP_INNO_RND_CONTR_OUT
All other innovation expenditures* (i.e. excluding R&D)	_____,_____,_____,000 €	<input type="checkbox"/> none	EXP_INNO_INN_XRND
<i>Of which:</i>			
Own personnel working on innovation	_____,_____,_____,000 €	<input type="checkbox"/> none	EXP_INNO_INN_XRND_OWN_PER
Services, materials, supplies purchased from others for innovation	_____,_____,_____,000 €	<input type="checkbox"/> none	EXP_INNO_INN_XRND_SMSP
Capital goods for innovation (acquisition of machinery, equipment, software, IPRs, buildings etc.)	_____,_____,_____,000 €	<input type="checkbox"/> none	EXP_INNO_INN_XRND_CGO

* 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 During the three years from 2018 to 2020, did your enterprise try to obtain the following types of funding? [FUND]

	<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>	<i>No</i>	<i>Yes</i> 1	<i>No</i> 0
<u>Equity finance</u> (finance provided in exchange for a share in the ownership of the enterprise)	<input type="checkbox"/> FUND_EQUIT_SUC C	<input type="checkbox"/> FUND_EQUIT_NS UCC	<input type="checkbox"/> FUND_NEQUIT	<input type="checkbox"/>	<input type="checkbox"/> FUND_EQUIT_SU CC_RNDINN
<u>Debt finance</u> (finance that the enterprise must repay)	<input type="checkbox"/> FUND_DEBT_SUCC	<input type="checkbox"/> FUND_DEBT_NSU CC	<input type="checkbox"/> FUND_NDEBT	<input type="checkbox"/>	<input type="checkbox"/> FUND_DEBT_SUCC_RNDINN

3.10 During the three years from 2018 to 2020, did your enterprise receive any public financial support from the following levels of government? [FUND]

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

	<u>Yes</u>		<u>No</u>			<u>If your enterprise received financial support: was part of this used for R&D or other innovation activities?</u>		
	1	0	1	0		Yes	No	
<u>Local or regional authorities*</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FUND_AUT_LOC_REG	<input type="checkbox"/>	<input type="checkbox"/>	FUND_AUT_LOC_REG_RNDINN
<u>National government*</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FUND_GOV_CTL	<input type="checkbox"/>	<input type="checkbox"/>	FUND_GOV_CTL_RNDINN
<u>EU Horizon 2020 Programme for Research and Innovation</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FUND_EU_HP2020	<input type="checkbox"/>	<input type="checkbox"/>	FUND_EU_HP2020_RNDINN

Other financial support from a European Union institution*

FUND_EU_OTH

FUND_EU_OTH_RNDINN

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.

3.11 During the three years from 2018 to 2020, did your enterprise use tax incentives or allowances for the following purposes? [TAX_CRED]

	Yes 1	No 0	
<u>Tax credits or allowances for R&D or other innovation activities</u> <i>[name of national scheme]</i>	<input type="checkbox"/>	<input type="checkbox"/>	TAX_CRED_RNDINN
<u>Tax credits or allowances for all other types of activities</u>	<input type="checkbox"/>	<input type="checkbox"/>	TAX_CRED_OTH

3.12 During the three years 2018 to 2020, did your enterprise co-operate* with other enterprises or organisations ? [COOP]

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

* 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 3.13
Otherwise go to question 3.14

3.13 Please indicate the type of innovation co-operation partner by location [COOP]

Type of co-operation partner	[Your country]	Other EU* or EFTA**	All other countries
<i>Business enterprises outside your enterprise group</i>			
<u>Consultants, commercial labs, or private research institutes</u>	<input type="checkbox"/> COOP_PRV_CN_NAT	<input type="checkbox"/> COOP_PRV_CN_EU_EFTA	<input type="checkbox"/> COOP_PRV_CN_NEU_NEFTA
<u>Suppliers of equipment, materials, components or software</u>	<input type="checkbox"/> COOP_PRV_SUPPL_N AT	<input type="checkbox"/> COOP_PRV_SUPPL_EU_E FTA	<input type="checkbox"/> COOP_PRV_SUPPL_NEU_NE FTA
<u>Enterprises that are your clients or customers</u>	<input type="checkbox"/> COOP_PRV_CLCU_N AT	<input type="checkbox"/> COOP_PRV_CLCU_EU_EF TA	<input type="checkbox"/> COOP_PRV_CLCU_NEU_NEF TA
<u>Enterprises that are your competitors</u>	<input type="checkbox"/> COOP_PRV_COMP_N AT	<input type="checkbox"/> COOP_PRV_COMP_EU_EF TA	<input type="checkbox"/> COOP_PRV_COMP_NEU_NEF TA
<u>Other enterprises</u>	<input type="checkbox"/> COOP_PRV_OTH_NAT	<input type="checkbox"/> COOP_PRV_OTH_EU_EFT A	<input type="checkbox"/> COOP_PRV_OTH_NEU_NEFT A
<u>Enterprises within your enterprise group</u>	<input type="checkbox"/> COOP_EG_NAT	<input type="checkbox"/> COOP_EG_EU_EFTA	<input type="checkbox"/> COOP_EG_NEU_NEFTA
<u>Universities or other higher education institutions</u>	<input type="checkbox"/> COOP_UNIV_NAT	<input type="checkbox"/> COOP_UNIV_EU_EFTA	<input type="checkbox"/> COOP_UNIV_NEU_NEFTA
<u>Government or public research institutes</u>	<input type="checkbox"/> COOP_GOV_RI_NAT	<input type="checkbox"/> COOP_GOV_RI_EU_EFTA	<input type="checkbox"/> COOP_GOV_RI_NEU_NEFTA
<u>Clients or customers from the public sector***</u>	<input type="checkbox"/> COOP_PUB_CLCU_N AT	<input type="checkbox"/> COOP_PUB_CLCU_EU_EF TA	<input type="checkbox"/> COOP_PUB_CLCU_NEU_NEF TA
<u>Non-profit organisations</u>	<input type="checkbox"/> COOP_NPO_NAT	<input type="checkbox"/> COOP_NPO_EU_EFTA	<input type="checkbox"/> COOP_NPO_NEU_NEFTA

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

** 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.

3.14 During the three years 2018 to 2020, has legislation or regulation affected your enterprises' innovation activities in any of the ways shown in *columns A to C* ? [LEG]

Type of legislation or regulation	Initiated or facilitated innovation activities	Prevented, hampered or increased costs of innovation activities	Had no effect /not relevant
	<i>Tick all that apply*</i>		
	<i>Column A</i>	<i>Column B</i>	<i>Column C</i>
Product safety, consumer protection	<input type="checkbox"/> LEG_SPPC_IF	<input type="checkbox"/> LEG_SPPC_PHIC	<input type="checkbox"/> LEG_SPPC_NIMPC
Environmental	<input type="checkbox"/> LEG_ENV_IF	<input type="checkbox"/> LEG_ENV_PHIC	<input type="checkbox"/> LEG_ENV_NIMPC
Intellectual property	<input type="checkbox"/> LEG_IP_IF	<input type="checkbox"/> LEG_IP_PHIC	<input type="checkbox"/> LEG_IP_NIMPC
Tax	<input type="checkbox"/> LEG_TAX_IF	<input type="checkbox"/> LEG_TAX_PHIC	<input type="checkbox"/> LEG_TAX_NIMPC
Employment, worker safety or social affairs	<input type="checkbox"/> LEG_EMPSWAS_IF	<input type="checkbox"/> LEG_EMPSWAS_PHIC	<input type="checkbox"/> LEG_EMPSWAS_NIMPC
Data Protection Regulation	<input type="checkbox"/> LEG_DPR_IF	<input type="checkbox"/> LEG_DPR_PHIC	<input type="checkbox"/> LEG_DPR_NIMPC

* More than one box per row can be ticked. It can be for instance that your enterprise has several different innovation activities. For example, for one innovation activity product safety regulation might have initiated your innovation activities while for another innovation activity it had prevented your innovation activities.

3.15 During the three years 2018 to 2020, how important were the following factors in hampering your enterprises' decision to start innovation activities*, or its execution of innovation activities* ? [HAMP]

	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"/>	HAMP_LFIN_INT
<u>Lack of credit or private equity</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_LCRED_LEQUIT
<u>Difficulties in obtaining public grants or subsidies</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_DIF_SUB
<u>Costs too high</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_HCOST
<u>Lack of skilled employees</u> within your enterprise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_LQLF_SAL
<u>Lack of collaboration partners</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_LCOLL_PTN
<u>Lack of access to external knowledge</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_LACS_KNOW
<u>Uncertain market demand</u> for your ideas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_UNC_MKT_DM
<u>Too much competition</u> in your market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_HCOMP
<u>Different priorities</u> within your enterprise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HAMP_DPRIOR

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

Innovations with environmental benefits

- An innovation with environmental benefits is a new or improved product or business process of an enterprise that generates positive or lower negative environmental impacts, compared to the enterprise's previous products or processes, and that has been made available to potential users or brought into use. The environmental benefit can be the primary objective of the innovation or a by-product of other objectives.
- The environmental benefits of an innovation can occur during the production of a good or service, or during its consumption or use by the end user of a product. The end user can be an individual, another enterprise, the government, etc.

3.16 During the three years 2018 to 2020, did your enterprise introduce innovations with any of the following environmental benefits, and, if yes, was their contribution to environmental protection rather significant or insignificant?

[ECO]

Environmental benefits obtained within your enterprise	Yes, significant	Yes, but insignificant	No
Reduced material or water use per unit of output	<input type="checkbox"/> ECO_MAT_SG	<input type="checkbox"/> ECO_MAT_NSJ	<input type="checkbox"/> ECO_MAT_NO
Reduced energy use or CO2 'footprint' (i.e. reduced total CO2 emission)	<input type="checkbox"/> ECO_ENO_SG	<input type="checkbox"/> ECO_ENO_NSJ	<input type="checkbox"/> ECO_ENO_NO
Reduced soil, noise, water or air pollution	<input type="checkbox"/> ECO_POL_SG	<input type="checkbox"/> ECO_POL_NSJ	<input type="checkbox"/> ECO_POL_NO
Replaced a share of materials with less polluting or hazardous substitutes	<input type="checkbox"/> ECO_SUB_SG	<input type="checkbox"/> ECO_SUB_NSJ	<input type="checkbox"/> ECO_SUB_NO
Replaced a share of fossil energy with renewable energy sources	<input type="checkbox"/> ECO_REP_SG	<input type="checkbox"/> ECO_REP_NSJ	<input type="checkbox"/> ECO_REP_NO
Recycled waste, water, or materials for own use or sale	<input type="checkbox"/> ECO_REC_SG	<input type="checkbox"/> ECO_REC_NSJ	<input type="checkbox"/> ECO_REC_NO
Environmental benefits obtained during the consumption or use of a good or service by the end user	Yes, significant	Yes, but insignificant	No
Reduced energy use or CO2 'footprint'	<input type="checkbox"/> ECO_ENU_SG	<input type="checkbox"/> ECO_ENU_NSJ	<input type="checkbox"/> ECO_ENU_NO
Reduced air, water, soil or noise pollution	<input type="checkbox"/> ECO_POS_SG	<input type="checkbox"/> ECO_POS_NSJ	<input type="checkbox"/> ECO_POS_NO
Facilitated recycling of product after use	<input type="checkbox"/> ECO_REA_SG	<input type="checkbox"/> ECO_REA_NSJ	<input type="checkbox"/> ECO_REA_NO
Extended product life through longer-lasting, more durable products	<input type="checkbox"/> ECO_EXT_SG	<input type="checkbox"/> ECO_EXT_NSJ	<input type="checkbox"/> ECO_EXT_NO

If no to all options, go to section 4
 Otherwise go to question 3.17

3.17 During 2018 to 2020, how important were the following factors in driving your enterprise's decisions to introduce innovations with environmental benefits?

[ENV]

	Degree of importance				
	High 3	Medium 2	Low 1	Not relevant 0	
Existing environmental regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENEREG
Existing environmental taxes, charges or fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENETX
Environmental regulations or taxes expected in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENREGF
Government grants, subsidies or other financial incentives for environmental innovations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENGRA
Current or expected market demand for environmental innovations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENDEM
Improving your enterprise's reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENREP
Voluntary actions or initiatives for environmental good practice within your sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENAGR
High cost of energy, water or materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENCOST
Need to meet requirements for public procurement contracts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ENV_ENREQU

4 Basic information on your enterprise

The variables collected as part of Section 4 should be extracted from the Business Register and other surveys within FRIBS. Whenever possible, this information should be used, and consistency with the Business Register and other surveys within FRIBS should be assured. Only if this is not possible, NSIs should collect this information as part of the survey, and Member States have to assure that the concepts and terminology used is compliant to the one used in the Business Register and/or defined in FRIBS.

4.1 What was the average number of persons employed* by your enterprise in 2018 and 2020 ?³ [EMP]

2018	2020																																
<table border="1" style="margin: auto; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> </tr> <tr> <td colspan="8" style="text-align: center; padding: 5px;">EMP18</td> </tr> </table>									EMP18								<table border="1" style="margin: auto; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> </tr> <tr> <td colspan="8" style="text-align: center; padding: 5px;">EMP20</td> </tr> </table>									EMP20							
EMP18																																	
EMP20																																	

* Total number of persons (headcount) who work in the enterprise (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the enterprise's premises and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). It excludes manpower supplied to the enterprise by other enterprises, persons carrying out repair and maintenance work in the enterprise on behalf of other enterprises, as well as employed persons on compulsory military service or long-term leave.

4.2 Approximately what percentage of the persons employed in your enterprise in 2020 had a tertiary degree⁴ ? [EMPUD]

	Tick only one	
0%	<input type="checkbox"/>	EMPUD_PC0
1% to less than 5%	<input type="checkbox"/>	EMPUD_PC1T4
5% to less than 10%	<input type="checkbox"/>	EMPUD_PC5T9
10% to less than 25%	<input type="checkbox"/>	EMPUD_PC10T24
25% to less than 50%	<input type="checkbox"/>	EMPUD_PC25T49
50% to less than 75%	<input type="checkbox"/>	EMPUD_PC50T74
75% or more	<input type="checkbox"/>	EMPUD_PC_GE75

³ Please provide an integer number.

⁴ ISCED 2011 levels 5 to 8. Level 5: Short-cycle tertiary education, Level 6: Bachelor or equivalent, Level 7: Master or equivalent, Level 8: Doctoral or equivalent.

4.3 What was your enterprise's total turnover⁵ in 2018 and 2020? [TUR]

2018	2020																
<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td> </tr> </table>									<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td> </tr> </table>								
TUR18	TUR20																

4.4 Approximately, what was the percentage of turnover in 2020 from [TUR]

Customers located in your country	___ %	TUR_NAT
Customers located in other EU* and EFTA** countries	___ %	TUR_EU_EFTA
Customers located in countries not included above	___ %	TUR_NEU_NEFTA
Total	100 %	

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

** Iceland, Liechtenstein, Norway, Switzerland.

4.5 Age of enterprise [ENTE]

The concepts used in this question will have to be compliant with the one used in the Business Register. Two versions could be used for this question (see below). Version **A1 is the preferred version**. Version A2 would be acceptable in cases where administrative data, e.g. from the Business Register, is not available.

When the age of the enterprise is obtained from business registers, the year of starting business activities should be used instead of the year the legal entity was established.

4.5.A1 In which year was your enterprise established?

Ask for the calendar date. If not possible:

| ENTE_TIME

4.5.A2 Was your enterprise established

Tick only one

In 2018 or later	<input type="checkbox"/>	ENTE_Y_GE2018
In 2016 or 2017	<input type="checkbox"/>	ENTE_Y2016T2017
Between 2012 and 2015	<input type="checkbox"/>	ENTE_Y2012T2015
In 2011 or before	<input type="checkbox"/>	ENTE_Y_LE2011

⁵ 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 give gross premiums written.

4.6 How much did your enterprise spend in 2020 on the following items ?

[EXP_TOT]

		Total expenditure in 2020		
		Please estimate if you lack precise accounting data	Please tick, if there were no such expenditures in 2020	
Acquisition of machinery, equipment, buildings and other <u>tangible assets</u>	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_ACQ_MEBTA
Marketing, brand building, advertising (include in-house costs and purchased services)	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_MKT
Training own staff (include all in-house costs including wages and salaries of staff while being trained, and costs of purchased services from others)	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_TNG
Product design (include in-house costs and purchased services)	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_PRD_DESG
Software development, database work and data analysis (include in-house costs and purchased services)	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_SOFT_DBA
Registering, filing and monitoring own Intellectual Property Rights (IPRs) and purchasing or licensing IPRs from others	____,____,____ €	<input type="checkbox"/> none		EXP_TOT_IPR

Notes for question 4.6 can be found as an annex to this questionnaire.

Answer questions 4.7 to 4.9 only if your enterprise is part of an enterprise group

4.7 In 2020, was your enterprise part of...[ENTGRP]

		Yes	No	
		1	0	
(a) an enterprise group* with the head office⁶ located in [your country]⁷		<input type="checkbox"/>	<input type="checkbox"/>	ENTGRP_HD_NAT
<i>If yes:</i> Are all of the enterprises of that group located in your country		<input type="checkbox"/>	<input type="checkbox"/>	ENTGRP_ENT_EG_NAT
(b) an enterprise group* with the head office¹ located abroad		<input type="checkbox"/>	<input type="checkbox"/>	ENTGRP_HD_FOR
<i>If yes:</i> Country in which head office is located**			ENTGRP_HD_LCT

* A group consists of two or more legally defined enterprises under common ownership. Each enterprise in the group can serve different markets, as with national or regional subsidiaries, or serve different product markets. The head office is also part of an enterprise group.

** Insert country code according to ISO standard.

⁶ 'Head office' means the 'Ultimate controlling institutional unit of a foreign affiliate', i.e. the institutional unit, proceeding up a foreign affiliate's chain of control, which is not controlled by another institutional unit. Consistency with the Statistical Business Registers and Statistics on Foreign Affiliates (FATS) should be assured where possible.

⁷ For validation purposes, note that the 1st category (a) and 3rd category (b) of this question are mutually exclusive.

4.8 During the three years from 2018 to 2020, did your enterprise engage in any of the following activities with one or more enterprises of your enterprise group ?

[INFL] and [OUTFL]

	Yes, other enterprise <u>in your country</u>	Yes, other enterprise <u>abroad</u>	No
<i>Tick all that apply</i>			
<u>Inflows from other enterprises in your group:</u>			
Receiving technical knowledge*	<input type="checkbox"/> INFL_TKNOW_NAT	<input type="checkbox"/> INFL_TKNOW_FOR	<input type="checkbox"/> INFL_NTKNOW
Receiving financial resources	<input type="checkbox"/> INFL_FINRES_NAT	<input type="checkbox"/> INFL_FINRES_FOR	<input type="checkbox"/> INFL_NFINRES
Receiving personnel	<input type="checkbox"/> INFL_PER_NAT	<input type="checkbox"/> INFL_PER_FOR	<input type="checkbox"/> INFL_NPER
In-sourcing of business activities	<input type="checkbox"/> INFL_SOURC_NAT	<input type="checkbox"/> INFL_SOURC_FOR	<input type="checkbox"/> INFL_NSOURC
<u>Outflows to other enterprises in your group:</u>			
Transferring technical knowledge*	<input type="checkbox"/> OUTFL_TKNOW_NAT	<input type="checkbox"/> OUTFL_TKNOW_FOR	<input type="checkbox"/> OUTFL_NTKNOW
Transferring financial resources	<input type="checkbox"/> OUTFL_FINRES_NAT	<input type="checkbox"/> OUTFL_FINRES_FOR	<input type="checkbox"/> OUTFL_NFINRES
Transferring personnel	<input type="checkbox"/> OUTFL_PER_NAT	<input type="checkbox"/> OUTFL_PER_FOR	<input type="checkbox"/> OUTFL_NPER
Out-sourcing of business activities	<input type="checkbox"/> OUTFL_SOURC_NAT	<input type="checkbox"/> OUTFL_SOURC_FOR	<input type="checkbox"/> OUTFL_NSOURC

*Technical knowledge includes all knowledge needed to solve technical problems in the production process; it excludes all general knowledge not specifically needed to solve particular technical problems.

4.9 During the three years from 2018 to 2020, did your enterprise try to obtain funding in the form of intra-group loans? If funding was obtained successfully, was this funding used for R&D or other innovation activities? [FUND]

<u>Try to obtain intra-group loans</u>				
<i>Yes, successfully obtained some funding of this type</i>	<i>Tried, but not successful</i>	<i>No</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
FUND_IG_LOAN_SU CC	FUND_IG_LOAN_NSUCC	FUND_NIG_LOA N	Yes 1	No 0
			<input type="checkbox"/>	<input type="checkbox"/>
			FUND_IG_LOAN_RNDIN N	

If your
enterprise
obtained
funding in the
form of intra-
group loans,
was this partly
or fully used
for R&D or
other
innovation
activities?

Part 2: Notes that can support Member States in implementing the expenditure questions 3.7, 3.8 and 4.6.

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

Question 3.7 – 3.8

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.

Question 4.6

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 and enforce own intellectual property rights (IPRs). And expenditures made to acquire others' intellectual property (patents, industrial designs, etc.) through purchase or licensing.