

6 March 2014

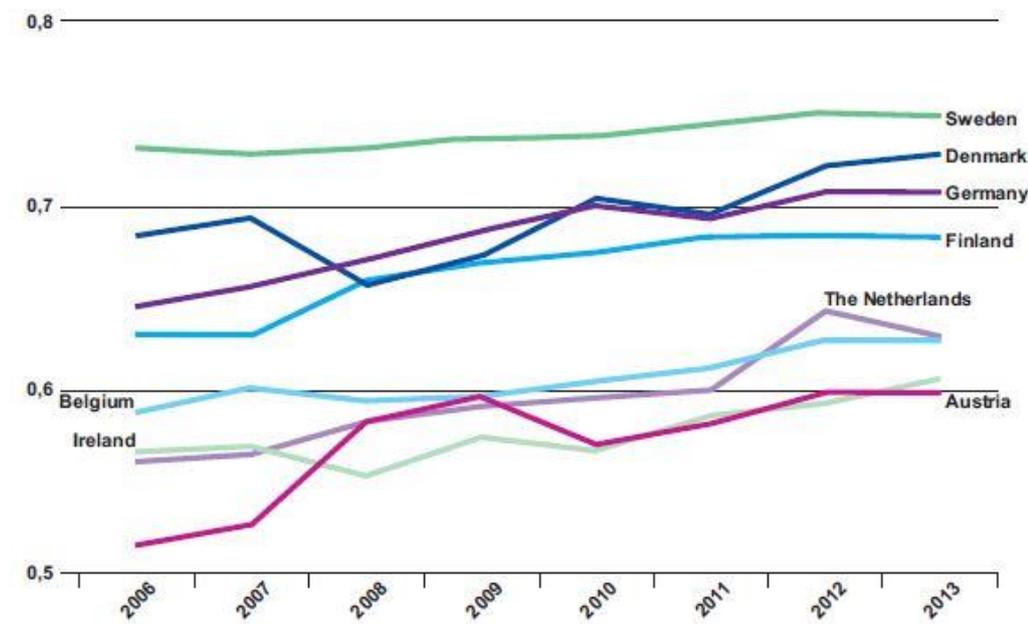
## Recommendation on priority of research, technology and innovation

### Background

The Innovation Union Scoreboard 2014 was published on 4 March 2014. The sobering result: Austria falls one place again in the ranking and is now placed 10th. This is the fourth fall in a row. The four innovation leaders Sweden, Denmark, Germany and Finland continue at the top.

The relative gap to the leading countries is actually reduced, because Austria, vis-à-vis the overall index since 2006, has grown faster than the four innovation leaders. Sweden, Denmark, Germany and Finland, however, are still on a far higher level, and Austria's dynamic has stagnated since 2009. This is also the reason for Austria's continuous regression, because Belgium, the Netherlands, Ireland and the UK have grown more intensively than Austria in this period.

Figure 1: Development dynamic of the IUS 2006-2013



Source: Innovation Union Scoreboard 2014

Conclusion: Austria's catch-up dynamic is currently insufficient. Continuing as before is therefore not an option, as other comparable countries show stronger development dynamic. If Austria intends not to fall further in

global competition and lose its connection with the lead group, the highest priority must be given to the issues of research, technology and innovation, and the required financing must be provided, with structural adjustments also being required. The Council has already defined the required budget method in its "Recommendation for financing universities and research until 2020" dated 16 January 2014. This is also a prerequisite for achieving the target set by the Austrian Government in its RTI strategy of joining the group of innovation leaders by 2020.

## **Recommendation**

The Council recommends the efforts to implement the measures included in the RTI strategy be pursued with the highest possible priority and the required financing basis be made available. On one hand, the proposals of the Council on structural reforms of the RTI Governance in its "White paper for controlling research, technology and innovation in Austria" must be followed up on.

On the other hand, the required innovation dynamic must also be ensured for the long term with appropriate financing. The budget method for achieving the R&D spending target of 3.76 percent required for this must be adhered to.