

Reduction in Nordic R&D expenditure in 2014

Figures from OECD show that the Nordic countries spent about 326 billion NOK on R&D in 2014. Compared with 2013, this yields a reduction of 1 per cent in real terms. The cutback is largest in Finland where 2014 adds to a downward trend in R&D spending over the recent years. In 2014, there is also a decrease in Sweden for the first time since 2010. In contrast to these reductions, Finland and Sweden are still among the top R&D spenders, proportional to GDP, worldwide. The decrease in Finland and Sweden is offset by real growth in Norway and Iceland, and to a lesser extent in Denmark.

Sweden's and Finland's shares of Nordic R&D shrinking

In 2014, Sweden accounted for 40 per cent of the total R&D expenditure in the Nordic countries. Denmark's share was nearly 23 per cent and Finland's 20 per cent, while Norway accounted for 16.5 per cent. Iceland's expenses amounted to slightly less than 1 per cent. From 2013 to 2014, Sweden and Finland have given about 1 per cent each to the other Nordic countries. This could be seen as part of a larger trend where, in particular, Sweden's share waned while Denmark and Norway's shares have increased. The business enterprise sector's share of total R&D is far higher in Sweden, Finland and Denmark than in Norway and Iceland. This is mainly due to the respective countries' industrial composition and proportion of large firms in R&D-intensive industries.

R&D expenditure in the Nordic countries in 2014 by sector of performance and as a share of GDP. Billions. National currency. Per cent.

Sector of performance ¹	Denmark		Finland		Iceland		Norway		Sweden	
	DKK	%	EUR	%	ISK	%	NOK	%	SEK	%
Business enterprise sector	38,0	64	4,4	68	21,4	57	28,9	54	83,0	67
Government Sector	1,6	3	0,6	9	3,0	8	8,2	15	4,9	4
Higher Education Sector	19,7	33	1,5	23	13,3	35	16,7	31	35,9	29
Total	59,3	100	6,5	100	37,6	100	53,8	100	123,8	100
Percentage of GDP, 2014	3,05		3,17		1,89		1,71		3,16	
Percentage of GDP, 2013	3,06		3,30		1,87		1,65		3,31	
Percentage of GDP, 2012	3,00		3,42		..		1,62		3,28	
Percentage of GDP, 2011	2,97		3,64		2,49		1,63		3,25	

Source: OECD MSTI 2015/2

¹Business enterprise sector includes intramural R&D in the industrial sector and research institutes serving the industrial sector. Government sector includes research institutes who are mainly controlled and financed by the government. Private non-profit sector (PNP) is included in the government sector.

Real growth strongest in Norway

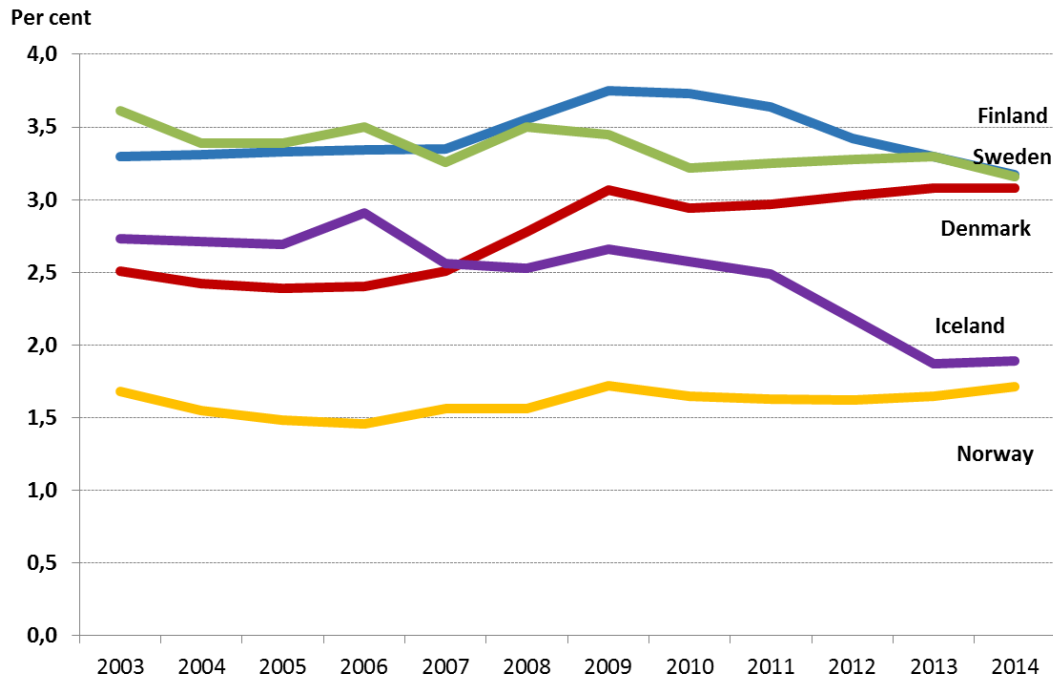
From 2013 to 2014, there was an aggregate real reduction¹ in the Nordic countries of 1 per cent. In Norway, R&D expenditure increased 3.5 per cent in real terms while in Denmark and Iceland it increased by 1 and just below 3 per cent respectively. Finland experienced a real reduction of 4 per cent while Sweden had a real reduction of slightly more than 2 per cent.

R&D as share of GDP decreasing in Finland and Sweden

Reduced R&D efforts in Finland and Sweden are also reflected in the R&D expenditure proportional to GDP. Finland has experienced a gradual reduction starting in 2009, while Sweden had a reduction in 2014 after a weak but steady growth from 2010 to 2013. The two countries have converged at a level of 3.2 per cent with Denmark slightly lower at about 3 per cent. In Norway, the R&D share of GDP increased a little more in 2014 than over the recent years, and was in 2014 at 1.7 per cent. During the whole term, the R&D share of GDP has been lower in Norway than in the other Nordic countries. In Iceland, the share was more or less unchanged from 2013 to 2014 but has earlier been higher.

¹Real growth/reduction is calculated using PPP\$ (purchasing power parity). This corrects for foreign exchange rates and national differences in purchasing power.

R&D expenditure as share of GDP in the Nordic countries. 2003–2014. Per cent.

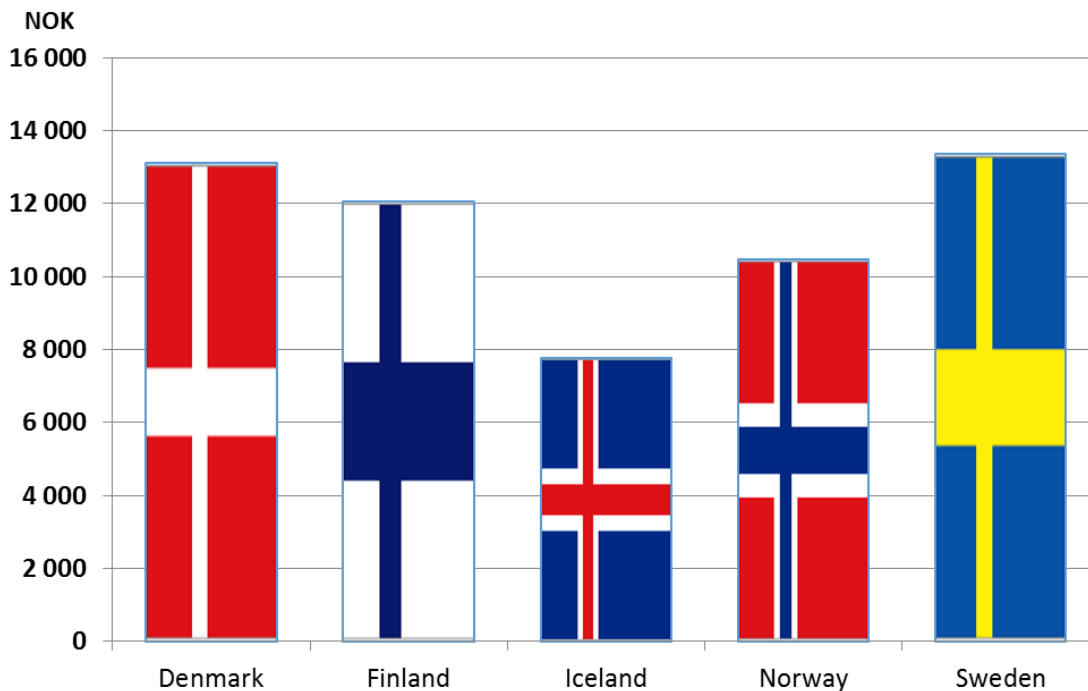


Source: OECD MSTI 2015/2

R&D expenditure per capita highest in Sweden and Denmark

In Denmark and Sweden, R&D expenditure per capita was just over 13 000 NOK. In Finland and Norway, corresponding figures were 12 000 NOK and 10 500 NOK respectively. Over the last few of years, Sweden has most often had the highest expenditure per capita followed by Finland but decrease in these countries coupled with increase in Denmark has resulted in Denmark, by 2014, being nearly on par with Sweden. Iceland was in 2014 still the Nordic country with the lowest R&D expenditure per capita with just below 8 000 NOK.

R&D expenditure per capita in the Nordic countries in 2014. NOK.



Source: OECD MSTI 2015/2