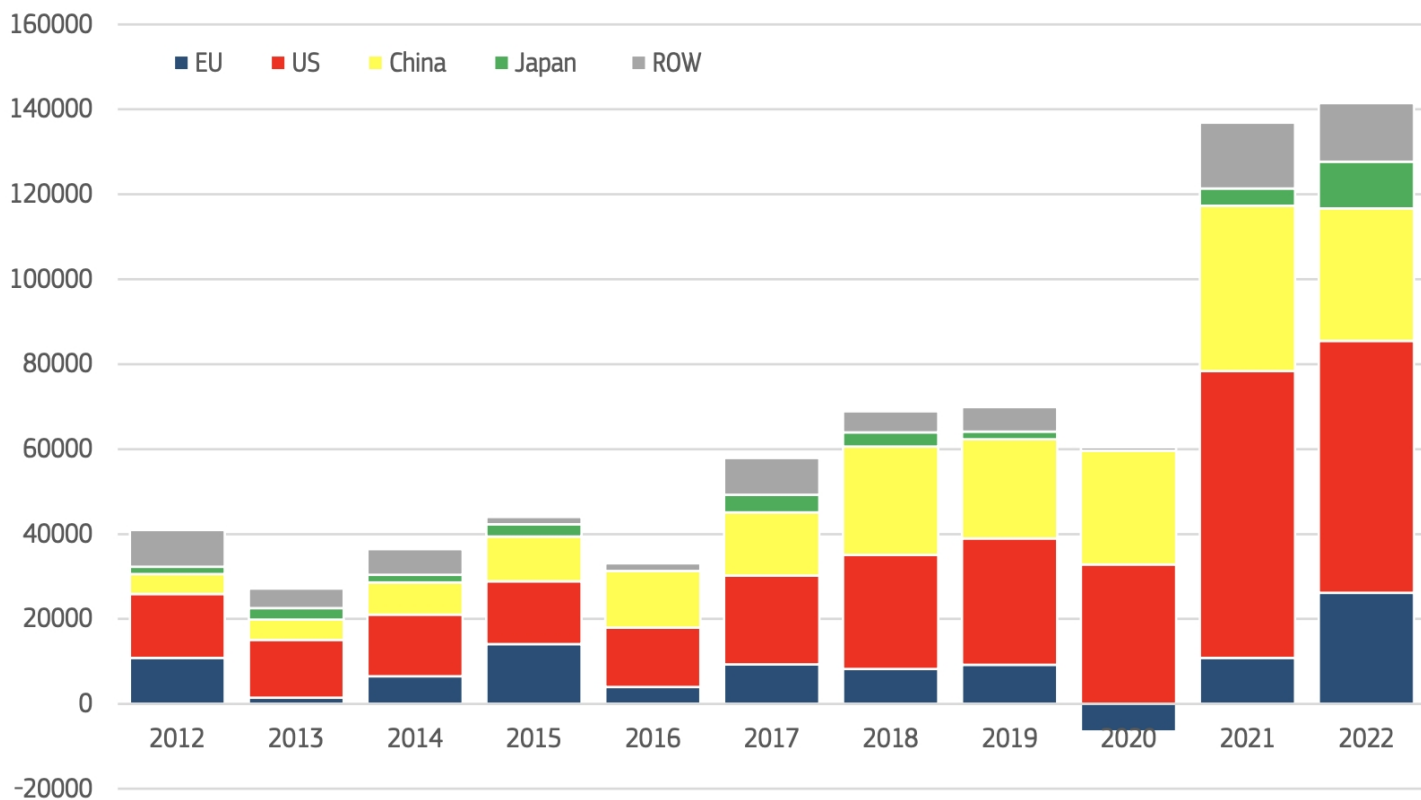


There are no translations available.

The [20th edition of 'The EU Industrial Research & Development \(R&D\) Investment Scoreboard'](#) published by the European Commission shows that in 2022 there was a peak in investment in Research and Development (R&D) by companies worldwide, totalling EUR 1,249.7 billion (EUR 141 billion more than in 2021). The report explains that to drive such investments are mainly European and Japanese companies, while US and Chinese companies invested less compared to the previous year (Figure 1). The report also notes that the top 50 Scoreboard companies (23 US, 10 EU, 5 Chinese, and 5 Japanese) invested EUR 488 billion in 2022, accounting for 39.1% of total R&D investment worldwide, whereas the top 10 account for 17.7% of the total. This shows that companies that mostly invest in R&D are big companies, a trend which has persisted over the past two decades, with four sectors (ICT producers, ICT services, health and automotive), that have been responsible for more than three quarters of R&D investment. The EU has maintained a lead position in automotive R&D investment as well as in more traditional sectors, while the US has invested heavily in ICT-related sectors and health. On the other hand, China had a substantial number of newcomers with fast growing R&D investments in the ICT and health sectors, reaching the second rank in the Scoreboard in terms of number of companies and – slightly ahead of the EU – in total R&D investment.

Figure 1 Break-down of annual R&D investment growth of top 2 500 companies across regions



Note: The vertical axis displays the change in absolute R&D investment by the 2500 companies each year (in million euros).

Source: The 2023 EU Industrial R&D Investment Scoreboard, European Commission, JRC/DG R&I.

The European Commission issued the first edition of the R&D Investment Scoreboard in 2004 to monitor and analyse industrial R&D investment trends in the context of the EU's. The EU adopted such a tool to assess level of investment by companies in its member States, to verify that such investments are on track with the EU's target to achieve a national R&D expenditure of [at least 3% of GDP](#) of its member States.

In the meantime, what is the situation in Africa? Nobody knows for sure.

Yes, because the AU institutions have not developed a stable and periodic mechanism to monitor levels of investment in R&D in Africa. A specific report that was supposed to provide such data is the African Innovation Outlook (AIO), but unfortunately it is not published regularly, because funds needed for its preparation are not always available. And in an organisation whose budget is funded for about two thirds by development partners and external donors, this is a problem. In fact, the [last edition](#) of the AIO is dated 2019, four years ago. The [Second Continental report on the implementation of Agenda 2063](#), published early 2022, points right back to such a report, revealing that the Africa's share of investments in R&D as a proportion of GDP in 2019 was only 0.45%, the lowest in the world.

The African Union, like the European Union, has established a target. To this end, two key Decisions were adopted: the Khartoum Decision of the AU Executive Council (EX.CL/Dec.254 (VIII)) of 2006, and the Decision of the Heads of State and Government [AU/Dec.161 \(VIII\) of 2007](#), which urged member states to invest at least 1% of their GDP in R&D. A modest objective, that has nevertheless been missed.

In 2015, it was the turn of [Agenda 2063](#) to relaunch this challenge. One of the goal indicators of this plan was to achieve levels of investments in R&D by the AU member States of at least 1% of their GDP within 2021, but as documented by the Second Continental report on the implementation of Agenda 2063, also this goal has been missed.

What it will be now the next step? The AU will probably insist to achieve the infamous 1% share in the next few years, but without a mechanism similar to the EU R&D Investment Scoreboard, it will be hard to track progress. The AU should therefore consider to adopt a similar tool, instead than relying on occasional reports prepared only when a donor is available to fund them.