The Global Innovation Index (GII) ranks world economies according to their innovation capabilities. Consisting of roughly 80 indicators, grouped into innovation inputs and outputs, the GII aims to capture the multi-dimensional facets of innovation.

The following table shows the rankings of Cyprus over the past three years, noting that data availability and changes to the GII model framework influence year-on-year comparisons of the GII rankings. The statistical confidence interval for the ranking of Cyprus in the GII 2021 is between ranks 25 and 28.

### Rankings for Cyprus (2019–2021)

<table>
<thead>
<tr>
<th></th>
<th>GII</th>
<th>Innovation inputs</th>
<th>Innovation outputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>28</td>
<td>31</td>
<td>21</td>
</tr>
<tr>
<td>2020</td>
<td>29</td>
<td>30</td>
<td>26</td>
</tr>
<tr>
<td>2019</td>
<td>28</td>
<td>28</td>
<td>23</td>
</tr>
</tbody>
</table>

- Cyprus performs better in innovation outputs than innovation inputs in 2021.
- This year Cyprus ranks 31st in innovation inputs, lower than both 2020 and 2019.
- As for innovation outputs, Cyprus ranks 21st. This position is higher than both 2020 and 2019.

27th  
Cyprus ranks 27th among the 51 high-income group economies.

2nd  
Cyprus ranks 2nd among the 19 economies in Northern Africa and Western Asia.
EXPECTED VS. OBSERVED INNOVATION PERFORMANCE

The bubble chart below shows the relationship between income levels (GDP per capita) and innovation performance (GII score). The trend line gives an indication of the expected innovation performance according to income level. Economies appearing above the trend line are performing better than expected and those below are performing below expectations.

Relative to GDP, Cyprus’s performance is at expectations for its level of development.

The positive relationship between innovation and development
EFFECTIVELY TRANSLATING INNOVATION INVESTMENTS INTO INNOVATION OUTPUTS

The chart below shows the relationship between innovation inputs and innovation outputs. Economies above the line are effectively translating costly innovation investments into more and higher-quality outputs.

Cyprus produces more innovation outputs relative to its level of innovation investments.
BENCHMARKING AGAINST OTHER HIGH-INCOME GROUP ECONOMIES AND NORTHERN AFRICA AND WESTERN ASIA

The seven GII pillar scores for Cyprus

High-income group economies

Cyprus performs above the high-income group average in five pillars, namely: Institutions; Infrastructure; Business sophistication; Knowledge and technology outputs; and, Creative outputs.

Northern Africa and Western Asia

Cyprus performs above the regional average in all GII pillars.
OVERVIEW OF RANKINGS IN THE SEVEN GII 2021 AREAS

Cyprus performs best in Creative outputs and its weakest performance is in Market sophistication.

The seven GII pillar ranks for Cyprus

- Creative outputs: 20
- Knowledge and technology outputs: 21
- Institutions: 26
- Business sophistication: 28
- Infrastructure: 28
- Global Innovation Index 2021: 28
- Human capital and research: 42
- Market sophistication: 46

Note: The highest possible ranking in each pillar is one.
The table below gives an overview of the strengths and weaknesses of Cyprus in the GII 2021.

### Strengths and weaknesses for Cyprus

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator name</th>
<th>Rank</th>
<th>Code</th>
<th>Indicator name</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.3</td>
<td>Cost of redundancy dismissal</td>
<td>1</td>
<td>2.2.2</td>
<td>Graduates in science and engineering, %</td>
<td>98</td>
</tr>
<tr>
<td>2.1.2</td>
<td>Government funding/pupil, secondary, % GDP/cap</td>
<td>3</td>
<td>2.3.3</td>
<td>Global corporate R&amp;D investors, top 3, mn US$</td>
<td>41</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Tertiary inbound mobility, %</td>
<td>5</td>
<td>2.3.4</td>
<td>QS university ranking, top 3</td>
<td>74</td>
</tr>
<tr>
<td>5.3.3</td>
<td>ICT services imports, % total trade</td>
<td>1</td>
<td>3.2.3</td>
<td>Gross capital formation, % GDP</td>
<td>109</td>
</tr>
<tr>
<td>5.3.4</td>
<td>FDI net inflows, % GDP</td>
<td>1</td>
<td>4.2.2</td>
<td>Market capitalization, % GDP</td>
<td>64</td>
</tr>
<tr>
<td>6.1.4</td>
<td>Scientific and technical articles/bn PPP$ GDP</td>
<td>8</td>
<td>4.3.3</td>
<td>Domestic market scale, bn PPP$</td>
<td>117</td>
</tr>
<tr>
<td>6.2.2</td>
<td>New businesses/th pop. 15–64</td>
<td>5</td>
<td>5.3.2</td>
<td>High-tech imports, % total trade</td>
<td>120</td>
</tr>
<tr>
<td>6.3.4</td>
<td>ICT services exports, % total trade</td>
<td>1</td>
<td>6.2.1</td>
<td>Labor productivity growth, %</td>
<td>95</td>
</tr>
<tr>
<td>7.1.3</td>
<td>Industrial designs by origin/bn PPP$ GDP</td>
<td>7</td>
<td>7.1.2</td>
<td>Global brand value, top 5,000, % GDP</td>
<td>80</td>
</tr>
<tr>
<td>7.3</td>
<td>Online creativity</td>
<td>8</td>
<td>7.1.4</td>
<td>ICTs and organizational model creation</td>
<td>93</td>
</tr>
<tr>
<td>7.3.1</td>
<td>Generic top-level domains (TLDs)/th pop. 15–69</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.3.4</td>
<td>Mobile app creation/bn PPP$ GDP</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Cyprus

<table>
<thead>
<tr>
<th>Output rank</th>
<th>Input rank</th>
<th>Income</th>
<th>Region</th>
<th>Population (mn)</th>
<th>GDP, PPP$ (bn)</th>
<th>GDP per capita, PPP$</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>31</td>
<td>High</td>
<td>NAWA</td>
<td>1.2</td>
<td>34.6</td>
<td>39,079</td>
</tr>
</tbody>
</table>

### Institutions

| Score/Value Rank | 80.4 26 |

1.1 Political environment
- Political and operational stability* 74.7 33
- Government effectiveness* 78.6 34

1.2 Regulatory environment
- Rule of law* 67.7 34
- Regulatory quality* 70.0 32

1.3 Business environment
- Ease of starting a business* 82.3 26
- Ease of resolving insolvency* 72.5 29

### Human capital and research

| Score/Value Rank | 38.7 42 |

2.1 Education
- Expenditure on education, % GDP 65.9 14
- Government funding/pupil, secondary, % GDP/pcap 37.4 3

2.2 Tertiary education
- Tertiary enrolment, % gross 81.3 19

2.3 Research and development (R&D)
- School life expectancy, years 15.4 47
- PSA R&D scale in reading, maths and science 438.0 45

2.4 Pupil-teacher ratio, secondary 8.1 10

### Infrastructure

| Score/Value Rank | 53.9 28 |

3.1 Information and communication technologies (ICTs)
- ICT access* 88.3 14

3.2 General infrastructure
- Electricity output, GWh/mn pop. 5,842.0 36
- Logistics performance 51.3 44

3.3 Ecological sustainability
- GDP/unit of energy use 13.9 32
- Environmental performance* 64.8 31

3.3.3 ISO 14001 environmental certificates/bn PPP$ GDP 6.2 16

### Knowledge and technology outputs

| Score/Value Rank | 39.4 21 |

5.1 Intellectual property creations
- Knowledge workers 42.2 40
- Knowledge-intensive employment, % 35.5 38

5.2 Knowledge diffusion
- Intellectual property receipts, % total trade 7.3 9

5.3 Business sophistication
- Knowledge creation 32.2 30
- Patents by origin/bn PPP$ GDP 1.4 53

### Creative outputs

| Score/Value Rank | 41.3 20 |

7.1 Intangible assets
- Global brand value, top 5,000, % GDP 0.0 80

7.2 Creative goods and services
- Cultural and creative services exports, % total trade 0.2 68

7.3 Online creativity
- Generic top-level domains (TLDs)/th pop. 15–69 7.3 8

### Market sophistication

| Score/Value Rank | 50.0 46 |

4.1 Credit
- Ease of getting credit* 53.2 22

4.2 Investment
- Domestic credit to private sector, % GDP 60.0 74

4.3 Trade, diversification, and market scale
- Applied tariff rate, weighted avg., % 1.8 25

4.3.3 Domestic market scale, bn PPP$ 34.6 117

### Business sophistication

| Score/Value Rank | 42.6 28 |

5.1 Knowledge workers
- Firms offering formal training, % 39.7 30

5.2 Innovation linkages
- University-industry R&D collaboration 43.9 59

5.3 Knowledge absorption
- Intellectual property payments, % total trade 1.5 26

5.4 Knowledge creation
- Patents by origin/bn PPP$ GDP 1.4 53
DATA AVAILABILITY

The following tables list data that are either missing or outdated for Cyprus.

### Missing data for Cyprus

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator name</th>
<th>Economy year</th>
<th>Model year</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1.3</td>
<td>Microfinance gross loans, % GDP</td>
<td>n/a</td>
<td>2018</td>
<td>Microfinance Information Exchange</td>
</tr>
<tr>
<td>6.1.3</td>
<td>Utility models by origin/bn PPP$ GDP</td>
<td>n/a</td>
<td>2019</td>
<td>World Intellectual Property Organization</td>
</tr>
<tr>
<td>7.2.3</td>
<td>Entertainment and media market/th pop. 15–69</td>
<td>n/a</td>
<td>2020</td>
<td>PwC</td>
</tr>
</tbody>
</table>

### Outdated data for Cyprus

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator name</th>
<th>Economy year</th>
<th>Model year</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.5</td>
<td>Pupil-teacher ratio, secondary</td>
<td>2018</td>
<td>2019</td>
<td>UNESCO Institute for Statistics</td>
</tr>
</tbody>
</table>
The Global Innovation Index (GII) is published by the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations.

Recognizing that innovation is a key driver of economic development, the GII aims to provide an innovation ranking and rich analysis referencing around 130 economies. Over the last decade, the GII has established itself as both a leading reference on innovation and a “tool for action” for economies that incorporate the GII into their innovation agendas.

The Index is a ranking of the innovation capabilities and results of world economies. It measures innovation based on criteria that include institutions, human capital and research, infrastructure, credit, investment, linkages; the creation, absorption and diffusion of knowledge; and creative outputs.

The GII has two sub-indices: the Innovation Input Sub-Index and the Innovation Output Sub-Index, and seven pillars, each consisting of three sub-pillars.