

In funding winter, India holds on to innovation rank

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Mumbai: India held on to the 40th rank in the club of the world's most innovative economies in 2023, which is dominated by developed nations including Switzerland, Sweden and the US.

A group of middle-income economies, including India, have emerged over the past decade as the fastest climbers in World Intellectual Property Organization's global innovation index, the latest edition of which was released on Wednesday.

While Switzerland, Sweden, the US, the UK and Singa-

Ranks 40th, Lags In Infra, R&D Spend

➤ Relative to GDP, India had **performed above expectations** for its level of development

➤ However, it ranks low in infrastructure (84th). Its **R&D-to-GDP ratio** also lags

➤ Strengths include continued strong information & communication technology **services exports** and **financing** for startups



India's ranking in the innovation index

2020	48
2021	46
2022	40
2023	40

Source: WIPO

Top Indian R&D investors in 2023 index: Tata Motors, Sun Pharma & Aurobindo

pore are the top rankers in 2023, middle-income economies including India, China, Türkiye, Vietnam, and the Philippines have made the most progress over the last decade.

"The rise in rank from 81 in 2015 to 40 in 2023 is impressive. India's performance is also far

better than development levels would predict (and that for 13 years in a row, as long as WIPO has been publishing the GII)... so achieving rank improvements for India is not easy," Sacha Wunsch-Vincent, co-editor of the index, told TOI.

"Holding steady in the ran-

kings in 2023 for the first time — after large increases since 2015 — is in itself impressive, following a period marked by lockdowns, disruptions in global supply chains and other economic challenges. In fact, a number of other middle-income economies saw their ranking fall as a result."

The index used 80 indicators to track global innovation trends in 130-plus economies, guiding policy makers and business leaders in stimulating human ingenuity. This year, the report's findings were unveiled against a background of slow economic recovery from the pandemic, high interest rates and

geopolitical conflict.

The 2023 edition identifies an increasingly uncertain outlook for venture capital that helps transform human ingenuity into new products and services, with the global value of VC funding marking a significant plunge last year.

Within central and southern Asia, India's main innovation strengths are information and communication technology services exports (5th), VC (funding) received (6th), graduates in science and engineering (11th), and global corporate R&D investors (13th). The country held the record for overperforming on innovation for the 13th consecutive year.