

Research and Development

Current definitions

Applied research

Original work performed in order to acquire new knowledge for the purpose of a practical and specific application.

Basic research

Experimental or theoretical work with the aim of acquiring new knowledge on the underlying principles of observable facts and phenomena, without a specific application or use.

Capital spending for *intra-muros* R&D activities

Expenses for R&D activities that directly or indirectly affect capital formation.

Current spending on *intra-muros* R&D

Current expenses for R&D activities, such as staff expenses, the purchase of goods and services or the payment of external consultants' fees for direct collaboration in *intra-muros* R&D activities.

Economic activity

Activity producing goods or services through the use of work, plants and raw materials. An economic activity is characterised by the use of production factors, a production process and one or more products (goods or services). For statistics purposes economic activities are classified using an international system. The European classification system is known as NACE.

Enterprise (or undertaking)

Economic and legal unit that produces goods or services destined for sale, and which is entitled by current legislation or company statute to distribute profits to its shareholders, whether public or private. An enterprise is managed separately or jointly by one or more natural persons or by one or more legal entities. Enterprises include: sole proprietorships, partnerships, corporations, cooperatives and special companies owned by municipalities, provinces or regions. Self-employed workers and professionals are also considered under enterprises.

European System of Accounts (ESA)

In 1970 the European Statistics Institution (Eurostat) adopted a harmonised system of accounts known as ESA. In 1995 this system was modified in line with the System of National Accounts (Sna93) drawn up by the UN and other international institutions, including Eurostat itself. ESA95, approved as an EC Regulation (Council Regulation (EC) no. 2223/1996 dated 25 June 1996), allows for a complete and comparable quantification of the economy of EU member states using an integrated system of flow and capital accounts defined for the entire economy and divided into groups of economic operators (institutional sectors).

Experimental development

Systematic work based on existing knowledge acquired through research and practical experience, performed in order to complete, develop or improve materials, products and productive processes, systems and services.

Full-time equivalent (FTE)

The average time actually dedicated to research during one year. Therefore, six months' work in the reference year by a full-time research worker will be counted as 0.5 Full-time equivalent (FTE) units. In the same way, if a full-time research worker dedicates half his/her time to research activities during an entire year, the result will still be 0.5 Full-time equivalent (FTE) units. As a result, one worker involved in research activities for 30% of his/her contractual working time and another worker working for 70% will correspond to one Full-time equivalent (FTE) unit.

Institutional sectors (European System of Accounts – ESA95)

Groups of institutional units (enterprises, sole proprietorships, households, public authorities, etc.) which demonstrate independence and decision-making capacities in economic-financial matters and which keep regular accounting books (with the exception of households).

Intra-muros research spending

Expenses for R&D activities performed by enterprises and public institutions using their own staff and equipment.

Other research staff

All staff supporting research activities: specialised or generic workers, administrative and secretarial staff.

Private nonprofit organisation

A legal or social entity whose status does not allow it to make profits or earnings for those who own, manage or fund it.

Public Administration sector (S.13 List)

On the basis of the European System of Accounts, Istat composes the list of the institutional units within the "Public Administration" sector (Sector S13), whose accounts contribute to the construction of the Consolidated Economic Account for Public Administration. The compilation of the list complies with classifications and standards of definition set out by the national and European statistics system.

ESA95 requires each institutional unit to be classified within Sector S13 according to prevalently economic criteria, regardless of its legal status.

Public institution

Economic and legal unit whose core purpose is to produce goods and services not destined for sale and/or the redistribution of income and wealth, and who are prevalently funded by obligatory contributions made by households, enterprises and nonprofit institutions or unlimited transfers from other public administration institutions. Port Authorities, Chambers of Commerce, Municipalities, Ministries, Provinces, Regions and State universities are all examples of public institutions.

R&D worker

A person working in a legal- economic unit and directly involved in R&D activities, either as employee or self-employed (full time, part time or on a training contract), even when temporarily absent (for work, holiday, illness, suspension from work, income support Fund, etc.). The definition includes both fixed term and permanent contracts, employees with ongoing collaboration contracts (*collaborazione coordinata e continuativa*), consultants directly involved in onsite R&D activities and scientists assigned research funding.

Research and Development activities (R&D)

The range of creative work organised in a systematic manner with the aim of extending knowledge (including knowledge about mankind, culture and society) or applying this knowledge in new ways.

Researchers

Scientists, engineers and specialists in the various scientific disciplines involved in creating new knowledge, products and processes, methods and systems, including managers and administrative

staff involved in planning and directing the technical aspects of a research project.

Technicians

Staff involved in research projects who perform technical or scientific duties under the supervision of a researcher.

University

Includes all universities in the national territory, both state-run, private and free universities.