

16th Time World Champion in Innovation – No Reason to Rest on Her Laurels

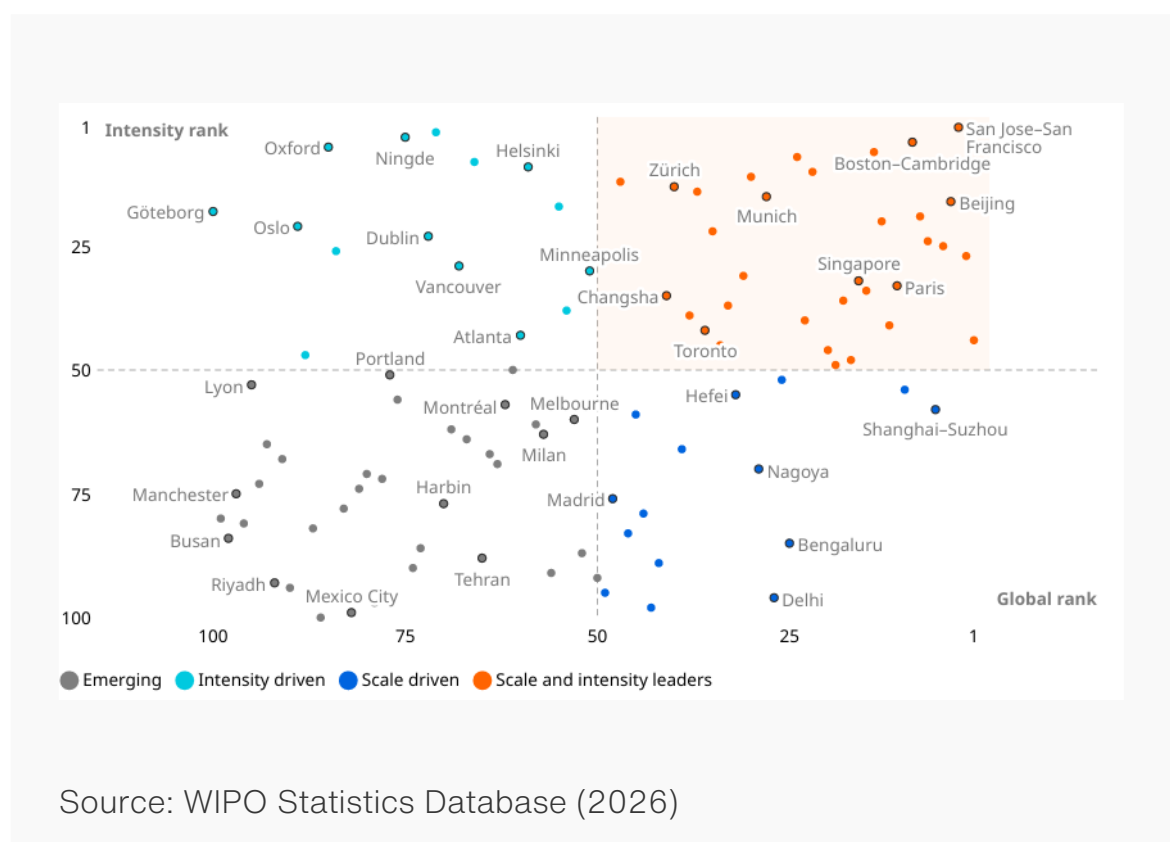
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At a glance

- Switzerland defends its position as the world leader in innovation in the Global Innovation Index.
- By moving up to 13th place in the per-capita cluster ranking, Zurich is solidifying its position as one of the world's leading innovation clusters.
- To ensure that the value created by Swiss innovation remains in Switzerland to a greater extent, better financing prospects are needed for growth companies.

Switzerland remains the world's most innovative economy. In the latest Global Innovation Index 2026, it has taken first place for the 16th consecutive time, ahead of Sweden and the United States. This success is rooted in a strong innovation ecosystem in which research, businesses, capital, and talent work closely together (see Policy Dossier “Switzerland Needs Global Talent”). The development in the global innovation cluster ranking is therefore particularly noteworthy. Zurich has improved its ranking in terms of per-capita innovation intensity from 14th to 13th place, making it one of the most innovative regions in the world. Across Europe, Zurich remains in 7th place. The city of Zurich receives special recognition as one of the few “Scale and Intensity Leaders.” This places Zurich among the small group of innovation clusters worldwide that boast a high number of patents, scientific publications, and innovative companies, as well as an exceptionally high level of innovation relative to its population size (see Figure 1).

Figure 1: Leading Innovation Clusters by Size and Innovation Intensity



Zurich's innovation cluster is not a sure thing

Zurich has the privilege of being home to ETH Zurich, a world-leading university. It is a key driving force behind the innovation cluster: In 2025, 46 ventures—24 of them spin-offs and 22 start-ups—emerged from ETH Zurich. In this way, ETH brings together research, entrepreneurship, and top international talent, thereby enhancing Zurich's appeal as a business location.

But even a top-tier cluster is not a sure thing. According to an analysis by CRIF AG, the canton of Zurich recorded the highest intercantonal outflow of companies in Switzerland in 2025, with a net total of 252 companies. Most recently, Vontobel and Cembra, two well-known financial institutions, also announced that they would be relocating their headquarters from Zurich.

This is a warning sign. If major companies leave, it weakens the ecosystem and its appeal. To ensure that Zurich remains one of the world's leading innovation clusters in the future and that Switzerland stays at the top of the innovation rankings, a competitive tax and regulatory framework is needed.

Ensuring That Value Is Created in Switzerland

It is equally crucial that successful innovations be able to grow locally. This is often where the problem lies: Despite their leading position, there is frequently a lack of sufficient domestic capital for high-growth technology companies. According to the Swiss Scale-Up Report 2026, in 2025 only 13 percent of venture capital came from Switzerland. As a result, innovative companies often rely on foreign investors for larger financing rounds. However, the more growth is financed by foreign capital, the greater the portion of value creation that accrues outside Switzerland in the long term (see Innovation World Champion with a Funding Gap).

For Switzerland to maintain its leading position in the future and benefit from the value created by Swiss cutting-edge innovation, it needs to be open to talent and technology, establish clear and attractive framework conditions, and provide better financing prospects for growing companies.

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