

INNOVATION  LEADER

CHILE

Population: 17,925,262 | GDP: \$452.1 billion | Language: Spanish | Unicorns 2009-2018: 0



What did Chile do right?

The country enjoys relatively low tax rates and an increased new business entry rate of 8.93 per 1,000 people, up from 8.03 in 2018 — boosting its Entrepreneurial Activity grade to a B+ from a B. Chile also saw major gains in the Ridesharing and Environment categories. Ridesharing is now operating freely, improving Chile’s grade to an A from an F. Air and water quality rose, as well, improving Chile’s Environment grade to an A+ from a C+.



What can Chile do better?

Chile could increase the amount it invests in research and development and ease drone regulations that hinder commercial operators and require recreational users to earn pilot credentials.

KEY TAKEAWAYS

Chile became an Innovation Leader in 2019, with improvements in several areas, including the emerging technology categories Self-Driving Vehicles and Ridesharing, where Chile improved from an F to an A this year.



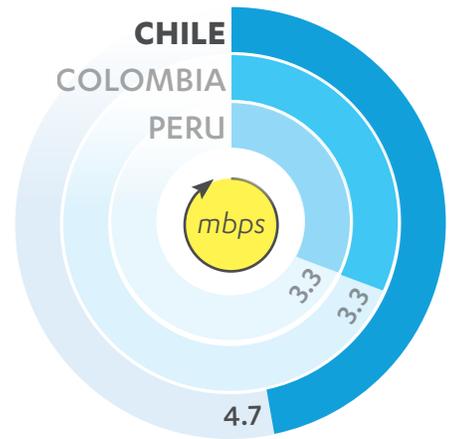
Chile remains friendly to Short-Term Rentals, although it could do more to encourage drone development. Other areas for continued improvement include spending on R&D Investment, which stands at a paltry 0.4 percent of gross domestic product, and high-skilled employment.

A regional star in Entrepreneurial Activity, Chile earns a B+ in the category, ranking above Peru, Brazil and Argentina in the ease of starting a business. Chileans create 8.93 new businesses per 1,000 people aged 15-64, leading their nearby states by a large margin. The figure is bolstered by Start-Up Chile, a government-backed accelerator that provides equity-free investments, mentorships and networking to entrepreneurs who start businesses in the country.

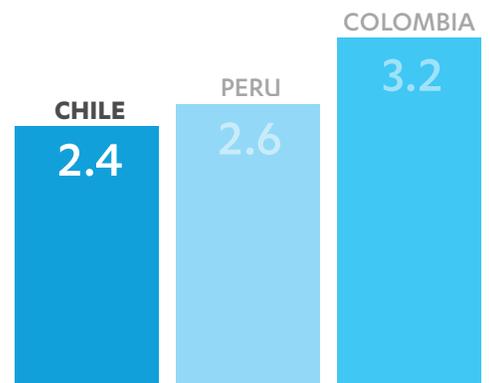
So far, Start-Up Chile has funded over 1,300 startups, worth a total of Chilean \$958 billion (USD \$1.4 billion as of December 2018). One successful company, Observe Technologies, uses artificial intelligence to make fish farming more efficient by analyzing data on feeding and other factors and relaying it to farmers. The company was a natural fit for Chile, which counts salmon and trout among its top exports.

Sources: (Start-Up Chile) (Start-Up Chile)

Mean Download Speed (Fixed & Mobile)



Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



Freedom

There are above-average levels of both personal and political freedom. Chile's grade increased slightly to a B from a B- in 2018.



Resilience

Although Chile has weak national infrastructure and a high risk of natural hazards, it has low corruption and high supply chain visibility.



Environment

Air quality is below the WHO's standard, but 100 percent of the population has access to clean and protected water sources. The country's grade increased from a C+ to an A+ this year.



Tax Friendliness

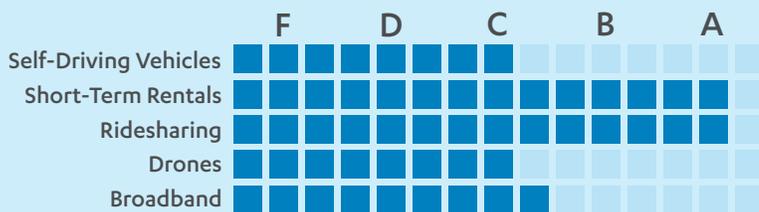
Streaming services are not subject to tax. The corporate tax rate is 26 percent and the top individual tax rate is 35 percent.



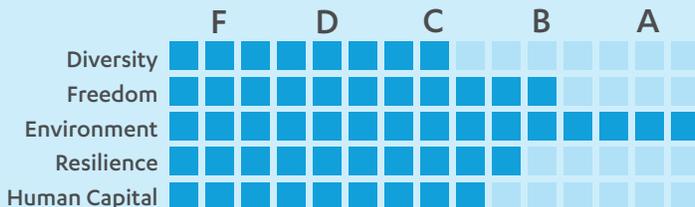
Human Capital

25.2 percent of Chile's workers are highly skilled, and the country awarded 32.2 percent of college degrees in STEM fields, up from 18 percent in 2018. Chile's grade increased to a C+ from a C- in 2018.

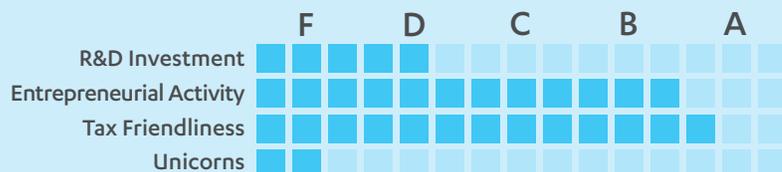
Technology



Society



Economy



ABOUT THE SCORECARD

With the 2019 International Innovation Scorecard, the Consumer Technology Association expands the report in breadth and depth, adding 23 new countries and two new categories. In this second edition, we evaluate 61 countries and the European Union across 28 indicators to determine whether they stifle progress or fuel the fires of innovation.

Each country on the Scorecard ranks in one of four tiers: Innovation Champions excel in almost all areas, followed by Innovation Leaders, which earn high scores in most. Behind the Leaders are Innovation Adopters, which promote innovation in some areas but not others. Finally, Modest Innovators may support innovation in one or more areas, but they show the greatest room for improvement.

ABOUT CTA

The Consumer Technology Association (CTA)[™] is the preeminent trade organization representing the \$398 billion U.S. consumer technology industry, which supports more than 15 million jobs. CTA serves over 2,200 companies, ranging from the startups and small businesses that make up 80 percent of its membership to some of the world's best-known brands. CTA also owns and produces CES[®], the world's premier gathering for consumer technology and the innovators who turn today's dreams into tomorrow's realities. Profits from CES are reinvested into CTA's industry services.

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