



EUROPEAN UNION



Population: 516,195,432 | GDP: \$20.85 trillion | Language(s): 24 official languages | Unicorns 2009-2018: 28



What did the European Union do right?

The European Union’s member states score well in markers of Resilience and Freedom. Short-term rental platforms are mostly legal and operational throughout the EU, and member states tend to dedicate a respectable percentage of their GDP to research and development. Overall, member states have access to fast and affordable broadband.

What can the European Union do better?

The European Union can adopt a welcoming approach toward ridesharing services, which are currently held to the same regulations as taxi services and other transportation companies, earning the EU a D in Ridesharing — down from a B last year.

KEY TAKEAWAYS

The European Union returns this year as an Innovation Leader, but its individual category grades have either dropped or become threatened by regulations that impede innovative technologies.



Credit: Thijs ter Haar, Flickr

Chief among these is a ruling by the EU’s highest court to classify app-based ridesharing services as transportation operations rather than technology companies. That ruling dropped the EU’s Ridesharing grade to a D on the 2019 Scorecard from a B in 2018.

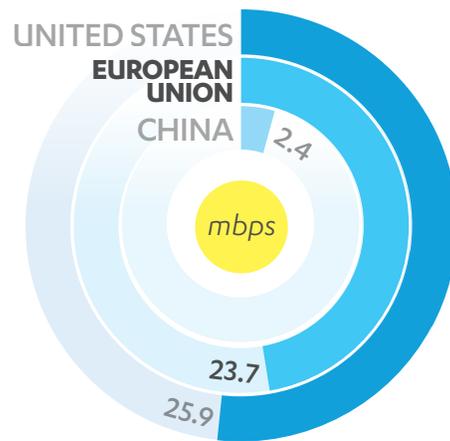
The EU’s Tax Friendliness grade may also be in jeopardy in the coming years, as policymakers consider a 3 percent tax targeting tech companies.

Despite some adverse changes, the EU continues to be a haven for entrepreneurs, with a new business entry rate of 4.8 per 1,000 and hefty numbers of high-skilled workers and science, technology, engineering and math (STEM) graduates to meet startups’ demand for talent.

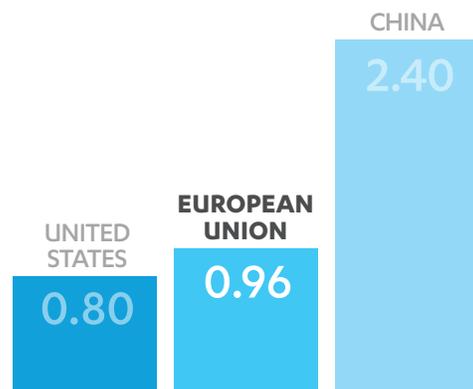
Self-driving vehicles (SDVs) represent another bright spot for the EU. In May 2018, the European Commission announced it would adopt SDV rules and invest €450 million (approximately USD \$509 million as of December 2018) in the telecommunication and transportation infrastructure necessary to roll them out.

Sources: (CNN) (Financial Times)

Mean Download Speed (Fixed & Mobile)



Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



Resilience

As a whole, the European Union has infrastructure capable of withstanding natural disasters, high supply chain visibility and relatively low levels of corruption.



Drones

The EU has a neutral approach to drone policy, largely leaving specific rules to its member states. The EU's overall grade increased to an A from a B in 2018.



Entrepreneurial Activity

Overall, the ease of starting a business in the European Union is high, but the new business entry rate is just 4.8 per 1,000 people, an increase from 4.13 per 1,000 people in 2018.



Diversity

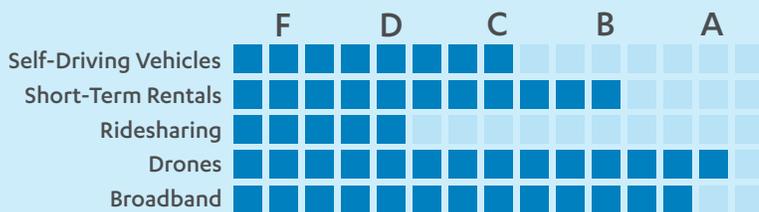
Overall, immigrants make up 10.9 percent of the population in the European Union. The EU is somewhat ethnically diverse and there is an above-average level of gender parity among workers ages 25-54.



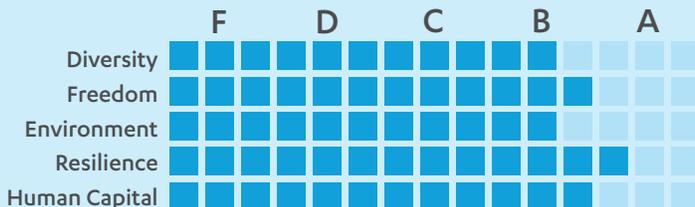
Environment

Overall, air quality is below the WHO's standard, but nearly 100 percent of the population has access to clean and protected water sources. The EU's grade increased from a C- to a B this year.

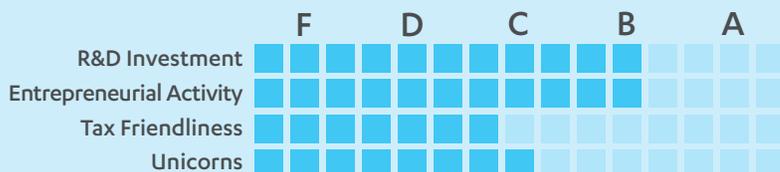
Technology



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.

CONTACTS

Izzy Santa
 Director, Strategic Communications
 isanta@cta.tech

Bronwyn Flores
 Specialist, Policy Communications
 bflores@cta.tech

- @ConsumerTechnologyAssociation
- Consumer Technology Association
- @CTA
- @CTATech