



# PORTUGAL

Population: 10,355,493 | GDP: \$314.1 billion | Language: Portuguese | Unicorns 2009-2018: 0



## What did Portugal do right?

Over 41 percent of degrees attained by Portuguese graduates are in STEM fields, and over 35 percent of the workforce is highly skilled. The country is creating free zones for drone and self-driving vehicle testing and has enacted new regulations legalizing ridesharing services nationwide.



## What can Portugal do better?

Portugal can update its regulatory framework to welcome self-driving vehicles. It could also reduce its top individual tax rate, which, at 48 percent, led to the drop in its Tax Friendliness grade from a B- to a C.

## KEY TAKEAWAYS



Amid increasing competition on the 2019 Scorecard, Portugal dropped from an Innovation Champion to an Innovation Leader. However, the country still has the building blocks to support innovation.

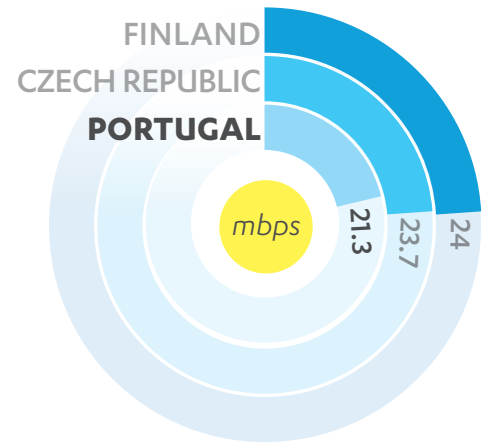
Internet service in Portugal is fast and affordable, with an average fixed and mobile download speed of 21.3 Mbps delivered at monthly costs on par with those of some larger European neighbors. A high proportion of the Portuguese workforce is highly skilled, and many students earn degrees in science, technology, engineering and math (STEM) fields.

According to a report by Startup Europe, the Portuguese startup sector is growing twice as fast as the European average, and the country boasts a new business entry rate of more than five per 1,000 people, contributing to a B in Entrepreneurial Activity.

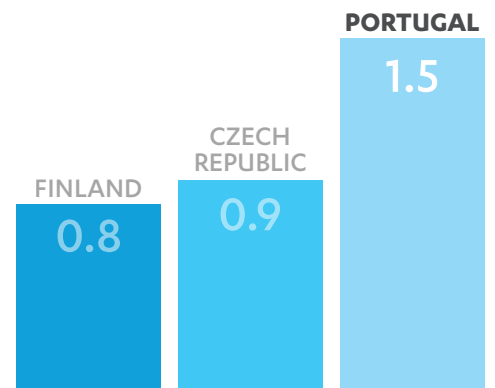
Portugal supports the sharing economy and has few rules restricting short-term rental and ridesharing platforms. Short-term rental hosts can operate largely free of burdensome rules if they enroll with a national tourism registry, and ridesharing is now legal.

Sources: (Startup Europe)

## Mean Download Speed (Fixed & Mobile)



## Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



**Drones**

The country has clear rules for commercial drone operation, but their limited scope does not support innovation and growth. Research has focused on military use, but general drone testing “free zones” are in the works.



**Short-Term Rentals**

Short-term rentals are limited to 30 consecutive days and the government is currently pressuring services to share their data. Portugal’s grade decreased to a B+ from an A in 2018.



**Entrepreneurial Activity**

The ease of starting a business in Portugal is high, and the new business entry rate is 5.01 per 1,000 people, an increase from 4.62 per 1,000 people in 2018.



**Freedom**

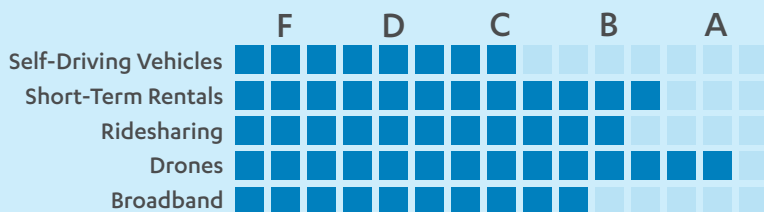
There are exceptionally high levels of both personal and political freedom.



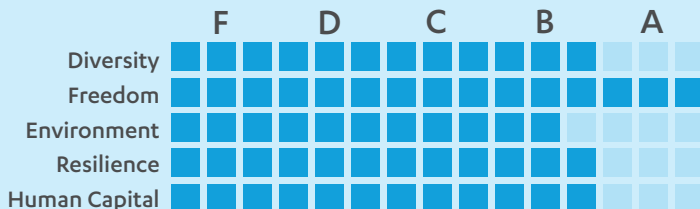
**R&D Investment**

The country spends 1.3 percent of its GDP on research and development.

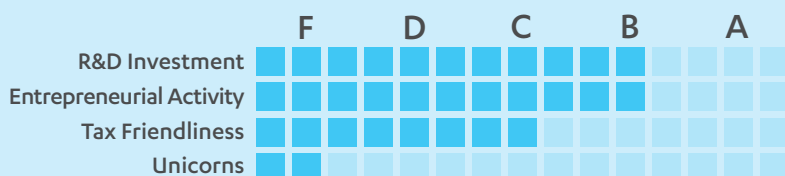
**Technology**



**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)<sup>™</sup> 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<sup>®</sup>, 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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