

INNOVATION  ADOPTER

# RUSSIA



Population: 142,122,776 | GDP: \$4.016 trillion | Language: Russian | Unicorns 2009-2018: 0



## What did Russia do right?

Taxes in Russia are relatively low, and the country offers its citizens very affordable internet service. Any citizen who registers as an individual entrepreneur for tax purposes may rent out their residence for profit via short-term rental platforms.



## What can Russia do better?

Russia can significantly improve its levels of both personal and political freedom and encourage growth in its new business entry rate, which is currently a lackluster 4.34 per 1,000 people. It could also pass coherent rules for commercial drone operators, which are currently unclear.

## KEY TAKEAWAYS



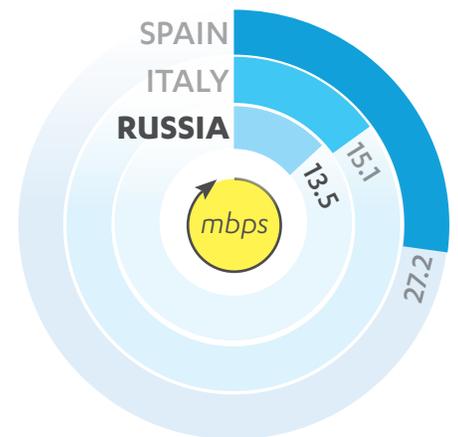
Russia's mixed grades on the 2019 Scorecard reveal promising attitudes toward innovative technology, but many areas need improvement.

The country has a solid average download speed of 13.5 Mbps, and mobile networks are looking toward the next generation of technology to boost those speeds. Russia expects to begin rolling out 5G service in 2020 and reach 80 percent of the country's population within five years.

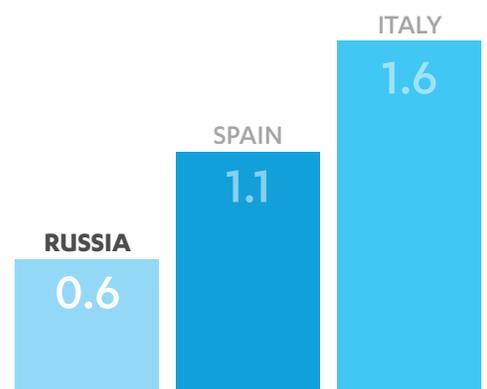
Reliable 5G connectivity may also contribute to widespread use of self-driving vehicles (SDV), another area in which Russia can improve. In 2018, the machine learning company Yandex tested an SDV on public roads in Moscow. Russia demonstrates few additional advancements in this area, however, falling behind many other European and Asian countries, and it lacks economic and political freedom.

Sources: (RCR Wireless) (Yandex)

## Mean Download Speed (Fixed & Mobile)



## Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



### Tax Friendliness

Streaming services are subject to tax. The corporate tax rate is 20 percent, and the top individual tax rate is 13 percent.



### Short-Term Rentals

Short term rentals operate throughout the country without restrictive regulations, but hosts must register as individual entrepreneurs.



### Diversity

Immigrants make up 8.1 percent of the population and the country is somewhat ethnically diverse.



### Resilience

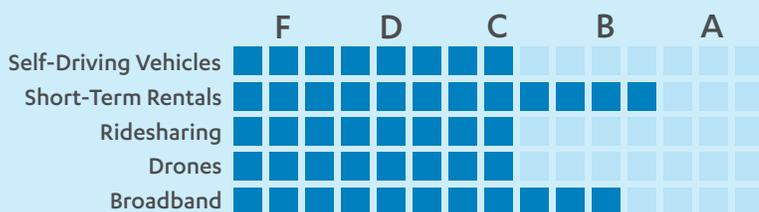
Although much of Russia's economic activity takes place in areas not overly prone to natural hazards, it also has high corruption.



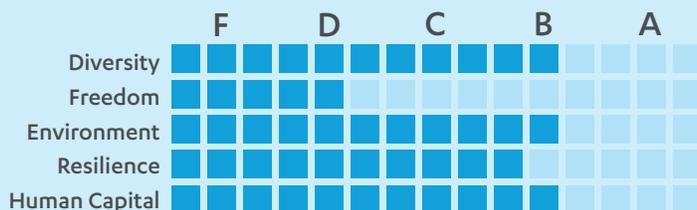
### Broadband

The mean download speed of fixed and mobile internet is above average at 13.5 Mbps.

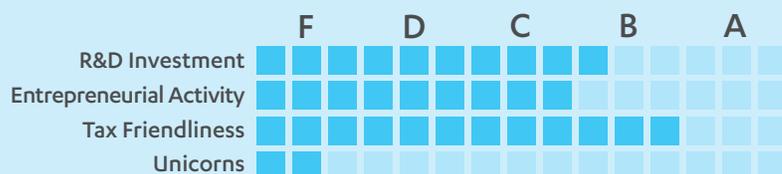
## Technology



## 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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