



Portugal

From crisis to Champion

Last year, unemployment in Portugal reached an eight-year low, economic growth was at a decade-long high, and foreign investment continues to flow in. With a severe economic crisis still visible in the rearview mirror, Portugal emerged an Innovation Champion — a testament to its thriving tech scene and innovation-friendly policies.

Portuguese authorities have actively welcomed drone technology, with federal rules addressing safety and security concerns but not chilling recreational or commercial uses. The same goes for short-term rentals.

Testing of self-driving vehicles is expected to hit Portuguese roads in 2018 with “free zones” for both companies and researchers. However, unclear rules cast a pall over ridesharing services, which residents continue to use despite their illegal status. There are some signs that pending legislation may improve the situation.

Portugal was one of only six countries in the Scorecard to earn an “A+” in Freedom, thanks to a near-perfect score on a measures of freedoms of association, religion, relationships, movement and expression. The country also earned a perfect score in Environment, with air quality well above World Health Organization standards and 100 percent of the population having access to WHO-qualified improved drinking water sources.

Sources: (Reuters) (Financial Times)

WHAT DID WE DO RIGHT?

Portugal supported drone development; aviation industry regulators have said they plan to keep policies reasonable to spur growth of the sector.

WHAT CAN WE DO BETTER NEXT YEAR?

Portugal should legalize ridesharing services.

Diversity	B+
Freedom	A+
Broadband	B-
Human Capital	B-
Tax Friendliness	B-
R&D Investment	B
Entrepreneurial Activity	B
Drones	A
Ridesharing	D
Short-Term Rentals	A
Self-Driving Vehicles	C
Environment	A+



Broadband

Portugal ranks above most other countries for broadband speed and cost, thanks to a 11.1 mbps average Internet speed and relatively low average monthly Internet costs of \$13.91.



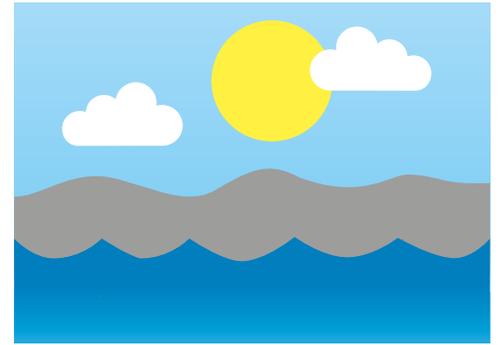
Drones

Regulators maintain an open approach, saying they will not impose overly burdensome rules on drones that might prevent development of the in-



Entrepreneurial Activity

With a thriving startup sector supported by a \$200 million investment pledge by the government, Portugal’s annual new business entry rate of 4.62 percent is above most others.



Environment

Portugal boasts air quality above World Health Organization standards, and 100 percent of its population uses improved sources of drinking water.

LISBON

One of the hardest hit countries during the latest financial crisis, Portugal has spent the past several years turning to innovation to rebuild its economy, attracting international attention in the process.

The capital is keeping pace with the nationwide efforts. Lisbon’s municipal government rolled out one incentive after another to entice entrepreneurs to the city, from reduced tax rates on start-ups and investments to a streamlined bureaucratic process.

In 2016, Lisbon played host to the Web Summit, the yearly international technology conference, a role it will continue to play until 2020. In 2016, the event added an estimated €175 million to the city’s coffers, well above the €35 million it reportedly drew to former host city Dublin.

The city already saw a six-fold jump in venture capital investment from 2015 to 2016, and the summit will continue to attract figureheads – and investors.

Several more long-term endeavors are landing inside city limits as well. Second Home, a creative co-working space, opened its doors in the city, as did Factory, well known for creating spaces for start-ups in Berlin.

Sources: (TechCrunch) (Second Home) (Reuters) (The Guardian)



Over the past several years since the latest financial crisis, Lisbon has turned to innovation to bolster its economy, offering incentives to entrepreneurs and reaping benefits as a result. The city saw a six-fold jump in venture capital investment from 2015 to 2016 and hosted the 2016 Web Summit technology conference, which added an estimated €175 million to the city’s coffers.