The State of European Tech Review

Atomico, a London investment firm specialized in new technologies, has just published its annual report The State of European Tech, a large meta-study, this being the third edition that takes a look at the European technological sector. The private equity company has joined many partners to offer a very fine radiography of the sector, where public and private institutional sources rub shoulders with big data and social networks

.

According to this study, almost half (or about $1.76 billion) of the funds raised through Initial Coin Offerings (ICOs) was raised by European companies. Europe is particularly well positioned in fundamental technologies, with $3.5 billion invested in high tech companies this year, with a billion more than last year, and does not lack assets in the global competition for digital talent. The continent has about 5.5 million developers as opposed to 4.4 million in the United States. Germany and the United Kingdom and the hubs of Berlin and London are the heaviest contributors to this legacy, both in terms of a number of developers and attractiveness. Based on the data provided by Stack Overflow, Switzerland has approximately 144,000 professional developers, 20,000 more than in 2016 and is in the European top 3 of blockchain users.

"Europe is traditionally strong in cryptography, with leading researchers from European academic institutes, and industrial hubs based on cryptographic expertise in France, Estonia, Belgium, and Switzerland," said George Danezis from University College London.

"There are more ICO projects from entities based in Europe than in any other region of the globe."

To write the part of his study devoted to ICOs, Atomico mainly relied on data provided by TokenData. Although 90% of the funds raised via ICOs were in 2017, the figures presented covered all the cryptocurrency fundraisings conducted since 2014.

The analysis also indicates that half of the funds raised in Europe concerned startups based in Switzerland, mainly in the city of Zug, a city of 30,000 inhabitants considered by many as a tax haven, and which would have become a real hub of innovation related to blockchain technology.

Ricky Tan from TokenData said he expects this figure to increase in the following years. In the report, he stated that:

"We see a pattern of geographical diversity between ICO founding teams and also within the teams themselves. If the future of business ideas lies in decentralization, then decentralized founding teams will be a key aspect of it."

Blockchain projects pioneers: UK, Germany, and Russia

As mentioned by the report, "Europe is well positioned to play a key role in the ecosystem of crypto-currencies," and "there has been a sharp increase in the number of European developers involved in cryptocurrencies, especially in projects related to Ethereum."

Based on an analysis proposed last month by Deloitte, which was based on figures from the GitHub site, the study indicates that the United Kingdom, Germany, and Russia host the largest number of blockchain projects. For example, of the 8,265 blockchain projects active in Europe, there are 1,674 in the United Kingdom, 1,307 in Germany and 721 in Russia. However, these figures are still much lower than in the United States, where 9,565 active blockchain projects are hosted.

The study also indicates that Europe represents the largest number of Bitcoin nodes by region, with 5,221 nodes. It is followed by the United States (3,375) and China (622). These Bitcoin nodes are computer machines that run software to store the entire Bitcoin blockchain. They will be able to check the validity of all transactions conducted on the network.