INFORMATION & COMMUNICATIONS TECHNOLOGY SECTOR IN HUNGARY
HUNGARY
SMART.
AMBITIOUS.
COMPETITIVE.
ABOUT HUNGARY

MAIN FIGURES

Area: 93,023 m²

Time Zone: GMT + 1 Hour

Form of Government: Parliamentary Republic

Currency: Forint (HUF)

GDP (PPS): EUR 192,855 Million (2016, HCSO)

GDP Growth: 4.0% (2017, HCSO)

Inflation: 2.4% (2017, HCSO)

 ICT Sector in Hungary

Capital: Budapest

Population: 1,752,704 (2017, HCSO)

Population: 9,797,561 (2017, HCSO)

Other Major Cities:
- Debrecen: 201,981
- Szeged: 161,137
- Miskolc: 157,177
- Pécs: 144,675
- Győr: 129,301

Membership in International Organisations:
- EU
- UN
- OECD
- WTO
- NATO
- IMF
- EC

EU member since 2004

Climate: Temperate (similar to the rest of the continental zone)

Risk of Natural Disasters: Very Low

Debrecen (201,981)

Szeged (161,137)

Miskolc (157,177)

Pécs (144,675)

Győr (129,301)
Hungary is an open economy where particular emphasis is placed on encouraging foreign direct investment (FDI). Partnership with potential investors is a national priority; special attention is paid to the needs of companies already settled in Hungary, and to the further improvement of the business climate.

Inward FDI stock amounted to 66% of the GDP (2016) the highest ratio in the region. Source: wiiw FDI Database

You can count on the Government’s commitment to further improve the business climate.
ABOUT HUNGARY
BUSINESS ENVIRONMENT

IN ORDER TO IMPROVE THE BUSINESS CLIMATE THE HUNGARIAN GOVERNMENT...

...has introduced a new incentive scheme supporting technology intensive investments.

...has created the most competitive CIT in the EU with 9% flat rate.

...is committed to further reduce taxes on employment.

...is helping companies to function reliably by providing a clear agenda on economic development and FDI strategy.

...has modified its taxation and incentive system related to R&D activities to make Hungary the innovation hub of CEE.

...has introduced its unique economic development plan based on Industry 4.0 requirements.

...further improved the practice-based dual education system built on industry needs.

...offers companies a strategic partnership and provides them with fast access to the Government.

ICT Sector in Hungary
GASTRO STORY
The dining scene in Budapest is livelier than ever, practically you can find the cuisines of every culture in the capital, from high-end Michelin-star restaurants to no-frill eateries, small bistros and must-try food trucks.

EXPLORE THE COUNTRYSIDE
Hungary’s diverse countryside offers a wide range of outdoor activities: 11,000 kilometres of hiking routes; more than 4,000 kilometres of cycle paths; 14 golf courses; 10 national parks; and many protected nature reserves for those in love with fresh air. The protected Puszta-region, the Great Plain, the romantic Danube Bend with its historic sites, and pretty baroque towns, such as Eger, attract visitors all over the year. Lake Balaton, the largest fresh water lake in Central Europe, is a perfect holiday resort.

INTERNATIONAL SCHOOLS
Expatriates looking to stick with the curricula of their home countries can choose from a range of private international schools for their children. There are also many English, German or French public and private pre-schools for children aged from three to six. The school year starts in September and ends in June, and school buses are usually available at private schools. There are many opportunities to study in a foreign language at universities too.

Did you know that…
...the kindergarten and the elementary school division of the International School of Debrecen will start to operate in September 2019 and its upper school education starts running from September 2020?
In Hungary, the value added generated by ICT services amounted to EUR 5,108 million in 2017. In regard to per capita data it reached EUR 521 in 2017. Between 2013 and 2017, an annual average growth of 3.2% was registered in terms of value added per capita. The sector is dominated by foreign companies, since around 66% of total value added is generated by foreign-controlled companies. In this respect, multinational companies with their seats in Germany, the USA and the United Kingdom play an important role. Foreign-owned companies in the sector are characterised by high productivity, while their value added per employee on average is more than twice as high as that of Hungarian-controlled companies. In addition, the important role of foreign investors is demonstrated by the FDI stock in the sector. At the end of 2016, FDI stock in the field of ICT services amounted to almost EUR 5 billion. The sector’s share in total FDI stock is the highest in the region.

“Cloudera opened its new office in Budapest in 2015. We have since built a Central European R&D base, talent recruitment center and a technological hub enjoying excellent relations with Hungarian universities and businesses in the Hungarian capital. Hungary offers outstanding investment opportunities in the Central Eastern European region. The country provides an excellent and highly-skilled workforce with great location. We believe in the CEE region and in the Hungarian talent pool. We believe that together we can create things that are still unimaginable today through data analytics, machine learning and cloud technologies.”

At the end of 2016, FDI stock in the field of ICT services amounted to almost EUR 5 billion.

Tom Reilly
CEO
Cloudera
In recent years, the value of exports in services generated by the ICT services sector has shown considerable growth. Following an annual average growth of 6.4% between 2010 and 2017, it reached EUR 1.955 billion in 2017, that is, 8.2% of total exports in services in Hungary. The sector’s export performance is expected to expand in the coming years as well, given that the investment volume in the sector increased by 19% in 2017.

Value of exports of IT services in Hungary (million EUR)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>SERVICES PROVIDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citibank</td>
<td>IT support</td>
</tr>
<tr>
<td>Computacenter</td>
<td>IT support</td>
</tr>
<tr>
<td>Getronics EMEA</td>
<td>IT support</td>
</tr>
<tr>
<td>Greif</td>
<td>IT support</td>
</tr>
<tr>
<td>Grepton Informatics</td>
<td>IT services, Outsourcing</td>
</tr>
<tr>
<td>DXC</td>
<td>IT consulting, implementation, support services</td>
</tr>
<tr>
<td>IBM</td>
<td>Operating System Support</td>
</tr>
<tr>
<td>Capgemini</td>
<td>System support</td>
</tr>
<tr>
<td>IT Services</td>
<td>IT services, Outsourcing</td>
</tr>
<tr>
<td>KBC</td>
<td>Data center services</td>
</tr>
<tr>
<td>Transcosmos</td>
<td>IT support</td>
</tr>
<tr>
<td>Oracle</td>
<td>IT support, IT consulting, testing, IT support</td>
</tr>
<tr>
<td>Pactera</td>
<td>Services Support</td>
</tr>
<tr>
<td>SAP</td>
<td>SAP support, Cloud support</td>
</tr>
<tr>
<td>Tata Consulting</td>
<td>Services Support</td>
</tr>
<tr>
<td>T-System</td>
<td>Remote support services</td>
</tr>
<tr>
<td>Unisys</td>
<td>IT outsourcing, Application support</td>
</tr>
<tr>
<td>ZTE</td>
<td>Network operation center</td>
</tr>
</tbody>
</table>
Hungary is an ideal location for R&D centres, with a large pool of local professionals available at reasonable cost and with exceptional knowledge of the industry. Hungary hosts several R&D centres, which focus on the development of applications and systems, whether for their parent companies or for external clients.
<table>
<thead>
<tr>
<th>Data Centre</th>
<th>Type</th>
<th>Local/International</th>
<th>Sites</th>
<th>Captive/Open Telecom</th>
<th>Space (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RACKFOREST</td>
<td></td>
<td>Local/International</td>
<td>2</td>
<td>Open Professional Services</td>
<td>180 m²</td>
</tr>
<tr>
<td>ATW INTERNET</td>
<td></td>
<td>Local/International</td>
<td>2</td>
<td>Open Telecom</td>
<td>200 m²</td>
</tr>
<tr>
<td>T-SYSTEMS/GTS</td>
<td></td>
<td>International</td>
<td>3</td>
<td>Open Telecom</td>
<td>470 m²</td>
</tr>
<tr>
<td>T-SYSTEMS</td>
<td></td>
<td>International</td>
<td>4</td>
<td>Open Telecom</td>
<td>600 m²</td>
</tr>
<tr>
<td>INVITEL</td>
<td></td>
<td>Local/International</td>
<td>4</td>
<td>Open Telecom</td>
<td>1920 m²</td>
</tr>
<tr>
<td>NISZ</td>
<td></td>
<td>Local</td>
<td>3</td>
<td>Captive Government</td>
<td>2000 m²</td>
</tr>
<tr>
<td>MOL</td>
<td></td>
<td>Local/International</td>
<td>N/A</td>
<td>Captive Process Manufacturing</td>
<td>N/A</td>
</tr>
<tr>
<td>OTP</td>
<td></td>
<td>Local/International</td>
<td>N/A</td>
<td>Captive Finance</td>
<td>N/A</td>
</tr>
<tr>
<td>CITIBANK</td>
<td></td>
<td>Local/International</td>
<td>N/A</td>
<td>Captive Finance</td>
<td>N/A</td>
</tr>
<tr>
<td>ALCOA</td>
<td></td>
<td>Local/International</td>
<td>N/A</td>
<td>Captive Discrete Manufacturing</td>
<td>N/A</td>
</tr>
<tr>
<td>ACE TELECOM</td>
<td></td>
<td>Local/International</td>
<td>2</td>
<td>Open Telecom</td>
<td>2200 m²</td>
</tr>
<tr>
<td>DRÁVANET</td>
<td></td>
<td>Local/International</td>
<td>3</td>
<td>Open Telecom</td>
<td>3200 m²</td>
</tr>
<tr>
<td>TELENOR</td>
<td></td>
<td>Local/International</td>
<td>2</td>
<td>Open Telecom</td>
<td>180 m²</td>
</tr>
<tr>
<td>MVM</td>
<td></td>
<td>Local</td>
<td>2</td>
<td>Captive Utilities</td>
<td>220 m²</td>
</tr>
<tr>
<td>CERN</td>
<td></td>
<td>International</td>
<td>1</td>
<td>Captive Research</td>
<td>200 m²</td>
</tr>
<tr>
<td>KBC</td>
<td></td>
<td>Local/International</td>
<td>2</td>
<td>Captive Finance</td>
<td>2200 m²</td>
</tr>
<tr>
<td>INVITEL</td>
<td></td>
<td>International</td>
<td>4</td>
<td>Open Telecom</td>
<td>14,400 m²</td>
</tr>
</tbody>
</table>
The government is implementing an info communication development program to create Digital Hungary.

From 2019 at least 30 Mbps internet will be available in every household, and 100 Mbps internet in every second household.

The Final Goals of the Developments

- Strengthening (via digital technology) togetherness of local communities and the entire Hungarian society
- Assessing the relationship between public transport and e-mobility

4G

Hungary’s fourth generation (4G) mobile Internet coverage will be complete by the end of the year. The current rate is 95% compared to the 59% EU average.

The Industry 4.0 program supports digital transformation in all sectors of the Hungarian economy.

The Digital Workforce Program places emphasis on the training of a workforce with a high level of digital professional qualifications within the scheme of vocational training.

Adult education, retraining and continuation training

Digital community and economy development

- Providing digital devices (laptop, tablet)
- Smart city services
- Regional economic development programs
- Local SMEs IT developments
- E-government services

E-government services

- Creating integrated customer points: contact with citizens and enterprises through 260-280 one stop government
- By 2020 all public services should be electronic and the use of them should be mandatory for enterprises

The strategic directions and development priorities for the domestic infocommunications and telecommunications sector in the 2014–2020 period are set out in the National Infocommunications Strategy harmonized with the Digital Agenda of the European Union. The framework of the strategic action plan is determined in the Digital Nation Development Program (DNDP).

Zoltán Kaszás
CEO
T-Systems Hungary

“The Government’s role played in the support of digital values and skills as well as the advanced state of the Hungarian infocommunication industry have created such a unique eco-system in Europe that provides a firm basis for Hungary to be an international flagship country in the fields of digital infrastructure and the incorporated smart services. This is a significant achievement because every industry, service provider and production company needs info communication, and thus the development of infocommunication pulls along the entire economy almost automatically.”
**HUMAN RESOURCES**

### SHARE OF BUSINESSES THAT EMPLOYED ICT/IT SPECIALISTS IN 2016 (%)

- **Hungary**: 26%
- **Austria**: 25%
- **Slovenia**: 20%
- **Slovakia**: 20%
- **Czech Republic**: 19%
- **Poland**: 12%
- **Romania**: 11%

### SHARE OF THE ICT SECTOR IN TOTAL EMPLOYMENT BY SUB-SECTOR, 2015 (%)

- **Hungary**
  - Computer, electronic and optical products: 1.6%
  - Telecommunications: 0.5%
  - Software publishing: 0.1%
  - IT and other information services: 1.6%

- **Czech Republic**
  - Computer, electronic and optical products: 0.5%
  - Telecommunications: 0.4%
  - Software publishing: 0.9%
  - IT and other information services: 0.6%

- **Slovenia**
  - Computer, electronic and optical products: 1.7%
  - Telecommunications: 0.9%
  - Software publishing: 0.4%
  - IT and other information services: 0.7%

- **Slovakia**
  - Computer, electronic and optical products: 0.6%
  - Telecommunications: 0.6%
  - Software publishing: 0.1%
  - IT and other information services: 0.3%

- **Poland**
  - Computer, electronic and optical products: 1.2%
  - Telecommunications: 0.5%
  - Software publishing: 0.1%
  - IT and other information services: 0.1%

**Source:** OECD, Eurostat, 2017

- Over 60,000 ICT companies in Hungary. (HCSO, 2017)
- App. 400,000 jobs related to digital economy in Hungary. (IVSZ, 2017)
- Hungarian ICT labour is considered cost effective by international standards. In 2017, average gross monthly earnings in the field of IT services were EUR 1,652 in Hungary – one of the lowest in the region. (Vienna Institute for International Economic Studies, 2017)

- The Hungarian Association of IT Companies estimates that every new job added in the ICT sector creates 2.25 new jobs in other sectors, indicating the high significance of ICT professionals in the Hungarian economy.
YOU CAN RELY ON GLOBALLY ACKNOWLEDGED HUMAN CAPITAL AT A COMPETITIVE COST

EPAM Hungary is the main pillar of EPAM’s global operations, as it is the biggest and oldest EU Delivery Center. We have been operating in the region for more than a decade now (17 years). We developed our business here because of the high quality of education and talent in the country.

Bence Vinko
Managing Director
EPAM

Hungarian universities appear in the QS World University Rankings® 2018 (which is one of the most widely read University comparisons listing the world’s top 959 universities).

Source: HCSO, QS
The total number of IT students is over 20,000 in the education year of 2017/18. Hungary’s system of higher education produces top-quality ICT professionals. A large number of multinational and local IT companies actively cooperate with universities to ensure that new generations of Hungarian IT engineers enter the labour market with the latest knowledge and the relevant practical skills to immediately start work in the private sector.

**SOME OF THE ALTERNATIVE IT EDUCATION PROGRAMS**

- **CodeCool** – a private school offering 18-month courses for software developers
- **Blend Your Solution/IT Career Programme** – a three-to-four-month course for individuals with professional backgrounds other than informatics
- **Green Fox Academy** – offers a similar fast course in informatics with personal mentors
- **Ruaner Education Centre** – offers various programming and IT courses
- **PentaSchool** – offers a very comprehensive IT and application development educational portfolio
- **Masterfield Training Centre** – offers basic IT and programming courses + specialized training programmes, such as banking informatics
- **Training360** – offers various IT, programming and IT management courses
- **NetAcademia** – offers online courses primarily in the field of programming
The cooperation of academia and the corporate players resulted in a customized education at the Universities / Colleges of Győr, Veszprém, Miskolc, Kecskemét, Debrecen.

The meeting point of corporate culture & educational potential

Training of young engineers on internationally approved standards

Close cooperation between corporate partners & universities

Customized curriculums & departments strongly linked to the actual needs of the industry

Participation in real industrial projects during studies

Participation in student competitions
In the 2017/2018 academic year, higher education in the dual form in Hungary is provided in the following fields of training: agriculture, business and administration, engineering, information technology, social sciences and natural sciences.

In the school year 2016/2017, the number of students engaged in vocational dual training was around 53,000.

There will be large numbers of students leaving the higher education who can immediately enter the world of work, without years of education and additional financial investment. It will be important to reduce the drop-out rates, to encourage practice-oriented training and to ensure real labour market-oriented diplomas.

In the academic year 2017/2018, the number of students engaged in dual education at tertiary level amounted to around 1,500. IT education in dual form was pursued in 11 higher education institutions.

The EF English Proficiency Index 2017 (%)

Source: EF English Proficiency Index, 2017

- 95.1% of fresh graduates has English language skills
- 2nd most popular foreign language: German (71.2%)
- Followed by: French (18.3%), Russian, Italian, Spanish
- All degrees include foreign-language certificate and computer skills
Regarding our talent pool, altogether 287,018 students were enrolled in 65 institutions of higher education in the 2016/2017 academic year. Business and Administration students are the largest single group, numbering 49,810, but Engineering and IT are also popular fields of education. Number of IT students in the 2017/18 academic year is over 20,000.

In the school year 2015/2016, 559,272 Hungarian primary school students and 495,701 secondary school students were learning foreign languages, mostly English and German. Hungary has approximately 200 bilingual primary and secondary educational institutions, where over 40,000 young Hungarians study mainly in English, German, French, Italian, Spanish, Russian and Chinese.

In the academic year 2016/2017, over 50,000 full-time students learnt 36 different foreign languages in universities or colleges. The most common languages taught at universities are English, German, French, Spanish, and Russian, but more exotic languages such as Swedish, Norwegian, Finnish, Dutch, Japanese, Chinese, Portuguese, and Arabic are also taught.

“Hungary has earned a good reputation in the global software market. This reputation is based on the performance of talented and well educated people, who are filled with a spirit of innovation and perseverance.”

Balázs Ablonczy
Managing Director
SAP Hungary Ltd.
Balabit was established in Budapest, Hungary, in 2000. The company focuses on delivering technology-leading security software solutions to the global market. Our research and development centres are based in Budapest and Veszprém, and we work closely with the biggest technology universities in Hungary. We have 23 clients from the Fortune 100 List and offices all over Europe — in the U.K., France, Germany, BeNeLux, Poland, and Hungary — and we recently opened a representative office in the U.S. But our R&D centres remain in Hungary.

I think the strengths that make Hungary a good choice for local and global organizations as a target of their investments are the traditionally high levels of scientific education; EU membership and its unified administrative environment; the hot startup culture and community in Budapest, of which Balabit is a member; excellent communication and transportation infrastructure; and beautiful capital city, Budapest, which is a great place to live and has a rich cultural life and thus attracts foreign experts.
The innovative capabilities of the Hungarian ICT sector are best illustrated by the high number of local innovative companies that have emerged in recent years. Many of them operate on international markets and are regarded as leading innovators in their respective fields worldwide. Some of the most innovative companies are listed above.

<table>
<thead>
<tr>
<th>CLOUD SERVICES</th>
<th>MOBILITY</th>
<th>FINTECH</th>
<th>SECURITY</th>
<th>BIG DATA</th>
<th>TEXT AND SPEECH RECOGNITION</th>
<th>3D ANIMATION AND VIRTUAL REALITY</th>
<th>WEB DEVELOPMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>LogMeIn</td>
<td>Attracto</td>
<td>Appello</td>
<td>Balabit</td>
<td>Gravity</td>
<td>AITIA</td>
<td>DigiPics</td>
<td>CarnationGroup</td>
</tr>
<tr>
<td>Prezi</td>
<td>MobileEngine</td>
<td></td>
<td>Kurt</td>
<td>Starchema</td>
<td>Nextent</td>
<td>Dolphino</td>
<td>Isobar Budapest</td>
</tr>
<tr>
<td>Neostratus</td>
<td>Celium</td>
<td></td>
<td>Navayo Research</td>
<td>Enbrite</td>
<td>Nydeum</td>
<td>Technologies</td>
<td>P92RDI</td>
</tr>
<tr>
<td>MiniCRM</td>
<td>NNG</td>
<td></td>
<td>CrySys Lab</td>
<td>BOOKR Kids</td>
<td></td>
<td>Leonar3do</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Intelliport</td>
<td></td>
<td>TresorIT</td>
<td></td>
<td></td>
<td>ARWorks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Koonsys</td>
<td></td>
<td>Seon</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>BOOKR Kids</td>
<td></td>
<td>Quadrone</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
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INNOVATION

COOPERATION BETWEEN HIGHER EDUCATION INSTITUTIONS AND PRIVATE ENTERPRISES

“Nokia operates at the forefront of telecommunication industry with state-of-the-art software, hardware and services for any type of networks. The open-minded and collaborative Hungarian ecosystem supports our research and development centre dealing with future ready technologies like Telco Cloud, Big Data Analytics, VoLTE and 5G.”

Béla Zagyva
Country Senior Officer
Nokia

UNIVERSITIES IN BUDAPEST

BUDAPEST UNIVERSITY OF TECHNOLOGY AND ECONOMICS
Ericsson Hungary, Evosoft, IBM, Nokia, SAP, Siemens, Vodafone, Knorr-Bremse, Morgan Stanley

EÖTVÖS LÖRÁND UNIVERSITY
AdNovum Hungary, Balabit IT security, Conet Kft., DCB, Ericsson, Graphisoft SE, Humansoft, IBM, Lufthansa Systems, MOL, Morgan Stanley, Nokia Solutions and Networks, OTP, Richter, SAP, Siemens, TATA Consultancy Services, Ulyssys

UNIVERSITY OF ÓBUDA

PÁZMÁNY PÉTER UNIVERSITY
Bosch Kft., EPAM, Ericsson Hungary, evosoft, Furukawa Electric Institute of Technology, GE Healthcare Magyarország Kft., Intellifactory Kft., LogMeIn, Hungarian Telecom, Microsoft, Morgan Stanley, MorphoLogic, Nokia Solutions and Networks, SAP, Ustream, Yahoo!

EÖTVÖS LÖRÁND UNIVERSITY

DENNIS GABOR COLLEGE
IBM, Multisoft
INNOVATION

COOPERATION BETWEEN HIGHER EDUCATION INSTITUTIONS AND PRIVATE ENTERPRISES

UNIVERSITIES IN OTHER CITIES

UNIVERSITY OF PANNONIA VESZPRÉM
- Continental
- Flextronics
- GE
- IBM
- Valeo Auto-Electric
- ZIEHL-ABEGG

UNIVERSITY OF NYÍREGyhÁZA
- IT Services Hungary
- LEGO
- Manufacturing Kft.
- RowanHill Global

UNIVERSITY OF PECs
- DSS Consulting
- ESR
- Flextronics, Hauni
- IT Services Hungary
- LG Electronics, Novell
- Precognox
- Siemens
- ZIEHL-ABEGG

UNIVERSITY OF SZEGED
- CAS Software, EPAM, evosoft, GriffSoft, IT Services Hungary
- Leica Geosystems, Morgan Stanley, NNG
- Dol Software Research Hungary

UNIVERSITY OF DUNAÚJVÁROS
- Budapest Public Transport Co.
- Cisco
- DORSUM
- Evosoft
- IntelliFactory
- MAV Hungarian Railways
- National Instruments Hungary
- Siemens
- Wescast Hungary

UNIVERSITY OF MISKOLC
- Dolphio Technologies
- Johnson Electric
- Misys Hungary
- Mobile Engine
- National Instruments
- Robert Bosch
- Saigo Logistix
- SimpleSoft
- SzinvaNet
- Takata Safety Systems Hungary
- Vodafone

Szent István University, Gödöllő
- 4iG
- Siemens
- Tata Consultancy Services, Xerox

UNIVERSITY OF Szent István, Gödöllő
- DSS Consulting
- ESRI
- Flextronics, Hauni
- IT Services Hungary
- LG Electronics, Novell
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UNIVERSITY OF PÉCS
- Continental
- Flextronics
- GE
- IBM
- Valeo Auto-Electric
- ZIEHL-ABEGG
YOU CAN MAKE THE MOST OF THE COUNTRY’S STRATEGIC LOCATION: EASY ACCESS TO BOTH WESTERN AND EASTERN EUROPEAN COUNTRIES FROM THE HEART OF THE CONTINENT

Hungary is within two hours by air from most major European capitals, and provides a key link between Europe and the rapidly expanding markets of the East. The 6 hour time difference from New York and the 7 hour time difference from Tokyo enable SSCs to provide services to the East and West simultaneously.

Economic growth, good telecommunications infrastructure, skilled workforce and an environment supportive of innovation – these are key elements to succeed in today’s fast changing business world. Due to the favorable conditions Oracle Hungary experienced a continuous growth since its establishment in 1993. We have been impressed with the quality of the staff in Hungary and were able to set up new who work in development and other high added-value positions on global scale, contributing to Oracle’s success in Hungary and beyond.”

Csaba Reményi
Country Leader
Oracle Hungary
Science parks are home to both subsidiaries of international IT vendors and Hungarian companies and play a special role in facilitating cooperative R&D among them. One result of the improving cooperation between IT companies and entities such as universities is a growing pool of available IT human resources. The most important IT-related science parks are as follows:

**ZSÁMBÉK TALENTIS BUSINESS PARK**
The park offers more than 100,000 m² of class A office space just outside of the city of Budapest’s borders.

**ZALAEGERSZEG ZALA ZONE PROVING GROUND**
A complex development project with the aim of providing an optimal test environment to the cars of the future and their communication technologies. The track gives place to a full range validation process, from the prototype to the final public road test.

**PECS JANOS SZENTAGOThAI RESEARCH CENTRE**
It covers all aspects of education, research and innovation in the fields of biomedical, natural and environmental sciences. The centre hosts 25 research groups.

**VÁCI GREENS**
One of the largest Business Park in the city of Budapest. The complex won a prize in the “International Property Award” competition, and has such reputable clients like GE Healthcare.

**INFOPARK**
Established as the first innovation and technology park in CEE, it is located closely to the Budapest University of Technology. Park residents include, among others, Hungarian subsidiaries of IBM, Intel and IT Services Hungary.

**BUDAPEST GRAPHISOFT PARK**
The largest science park in CEE. The park was established by two universities - the Semmelweis University and the Pázmány Péter University, and the Hungarian Academy of Sciences (MTA).

**CORVIN SCIENCE PARK**
The largest science park in CEE. The park was established by two universities - the Semmelweis University and the Pázmány Péter University, and the Hungarian Academy of Sciences (MTA).

**SZEGED ELI SCIENCE PARK**
The Extreme Light Infrastructure (ELI) project is the first civilian large-scale high-power laser research facility to be realized with trans-European cooperation and the worldwide scientific community.
HOW DO WE SUPPORT YOUR ICT PROJECT?

BEFORE YOU MAKE A DECISION WE OFFER YOU....

...meetings with HR & real estate agencies, law firms and other consultants based on your needs.

...one-stop-shop management consultancy services to address your business needs.

...tailor-made incentive offers and information packages on the business environment, labour market, tax regulations, etc.

...location search & evaluation + site visits.

...reference visits at companies that are already established in Hungary.

...assistance with your incentive application.

AFTER YOU HAVE CHOSEN HUNGARY

We are open to your feedback and offer mediation between government and business based on your inputs.

We support your further expansion and plans.

PLEASE CONTACT US

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Telephone: +36 1 872 6520
Web: www.hipa.hu
As a member of the European Union, Hungary’s regulations on incentive opportunities are in accordance with the EU rules. One of Hungary’s competitive advantages over other countries in the region is the Government’s strong commitment to increase the competitiveness of SMEs and large enterprises in Hungary.

Alongside the regulatory tools that contribute to the competitive business environment of local companies, Hungary offers wide-ranging incentives to facilitate foreign direct investments and reinvestments by local enterprises. In addition to the “Made in Hungary” type investments, increasing emphasis is being put on “Invented in Hungary” type of projects with the aim of supporting the implementation of Industry 4.0 solutions and the strengthening of Hungary as an innovation hub of Europe.

From the beginning of 2017, favorable changes have been introduced in the non-refundable VIP cash grant system supporting R&D projects and technology-intensive investments.

### Government Incentives

Regional grants are the most typical forms of incentives for greenfield/brownfield investments or reinvestments. The maximum amount of regional incentive is shown on the regional aid intensity map. The map below illustrates that regional aid available for investment for a large enterprise may be up to 50% of the eligible costs of the investment, depending on the region. For investments not exceeding EUR 50 million, the maximum intensity ratio can be increased by 10 percent for medium-sized and by 20 percent for small enterprises.

#### These Incentives Include, But Are Not Limited To

- **Cash Subsidies** for investments, training, job creation and R&D
- **Tax Incentives** reduction of corporate tax, social tax, or for encouraging R&D activities
- **Low-interest Loans**
- **Training Subsidies**

The maximum available aid intensity decreases if the investment is a large investment (exceeding EUR 50 million). 50% of the maximum aid intensity determined in the regional aid map is available for investment between EUR 50 and EUR 100 million, with 34% of the maximum aid intensity for investment over EUR 100 million.

For information on up-to-date and individual incentive packages please contact HIPA directly.

### New Incentive Measures

Have been introduced to support the R&D activities of large enterprises throughout Hungary, including Budapest.