ABOUT HUNGARY

AUTOMOTIVE INDUSTRY

LABOUR FORCE

SUPPLIER NETWORK

INNOVATION, E-MOBILITY, AUTONOMOUS DRIVING

HUNGARIAN INVESTMENT PROMOTION AGENCY (HIPA)

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Automotive Industry in Hungary

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ABOUT HUNGARY

MAIN FIGURES

- **AREA**: 93,023 m²
- **TIME ZONE**: GMT + 1 HOUR
- **POPULATION**: 9,797,561 (2017, HCSO)
- **CAPITAL**: Budapest
  - Population: 1,752,704 (2017, HCSO)
- **OTHER MAJOR CITIES**
  - Debrecen (201,981)
  - Szeged (161,137)
  - Miskolc (157,177)
  - Pécs (144,675)
  - Győr (129,301)
- **FORM OF GOVERNMENT**: PARLIAMENTARY REPUBLIC
- **CURRENCY**: FORINT (HUF)
- **GDP (PPS)**: EUR 192,855 MILLION (2016, HCSO)
- **GDP GROWTH**: 4.0% (2017, HCSO)
- **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
- **INFLATION**: 2.4% (2017, HCSO)

**Automotive Industry in Hungary**
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.

### About Hungary

**FDI in Focus**

<table>
<thead>
<tr>
<th>Country</th>
<th>Inward FDI stock of GDP (2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>66%</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>62%</td>
</tr>
<tr>
<td>Slovakia</td>
<td>51%</td>
</tr>
<tr>
<td>Poland</td>
<td>40%</td>
</tr>
<tr>
<td>Slovenia</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: wiiw FDI Database

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

**YOU CAN**

Count on the Government’s commitment to further improve the business climate.
The initial evaluation of ten countries resulted in a short list of three countries, in which we analyzed several regions and cities. Finally, we made a decision for Hungary and more specifically in favor of Miskolc. Hungary was chosen as our investment location among other reasons due to the availability of a developed infrastructure, logistics conditions, strong industrial traditions and background, as well as due to the availability of skilled workforce and an investor-friendly environment. Also, the renowned technical university of Miskolc as well as the availability of technical and vocational schools played a crucial role while considering our long term plans and strategy.

Kersten Bachmann
Director, EMEA Operations Airbag
Joyson Safety Systems
ABOUT HUNGARY
BUSINESS ENVIRONMENT

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

- has modified its taxation and incentive system related to R&D activities to make Hungary the innovation hub of CEE.
- is helping companies to function reliably by providing a clear agenda on economic development and FDI strategy.
- has introduced a new incentive scheme supporting technology intensive investments.
- has created the most competitive CIT in the EU with 9% flat rate.
- has introduced its unique economic development plan based on Industry 4.0 requirements.
- offers companies a strategic partnership and provides them with fast access to the Government.
- further improved the practice-based dual education system built on industry needs.

INVESTMENTS IN FOCUS

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Automotive Industry in Hungary

...is committed to further reduce taxes on employment.
HUNGARY
ranked among the
TOP 5 COUNTRIES in the BOCUSE D’OR competition in 2017

ABOUT HUNGARY
QUALITY OF LIFE

HUNGARIAN PARLIAMENT BUILDING
ranked 10th in world’s top 10 landmarks for 2018 by TripAdvisor

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.

EXPATS LIKE HUNGARY
Budapest is a city full of surprises and wonders, with its lively centre, pretty parks, majestic river, tall church spires, and lavish spas. One of the most exciting cities in the world, Budapest is full of secrets, hidden spots to explore, and old favourites to revisit. This is the city where being bored is not an option.

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?
János Csonka and Donát Bánki constructed the first petrol vaporizer, (carburetor), which they patented in February 1893. János Csonka was the first to utilise the use of aluminium in the manufacturing of engines, he also developed controlled inlet valves and high voltage magneto ignition for petrol engines.

József Galamb with others together framed the concept of the famous Model-T Ford. His intention was to create a car that would be cheap and simple to manufacture. In this model he applied technical innovations, such as the planetary gear and the removable cylinder head. In 1913, with his lead, the Ford Factory switched to serial production on its production lines. This resulted in the Model-T becoming the world’s first mass produced affordable car. During its 20 year production, over 155 million units were manufactured.

Ferenc Pavlics was a technical director for General Motors, later participating in the formation of the Lunar Roving Vehicle in the Apollo Space Programme.

Ferenc Anisits (Dr.) played a hugely significant role in the development of the first eight-cylinder, direct-injection diesel engine and headed up the BMW Diesel Development Centre in Steyr, Austria. Under his leadership the electronically controlled diesel injection system was introduced in 1993, for which he was awarded Ernst Blickle Innovation Award in 1995.
One of the largest engine manufacturing plants in the world is located in Győr where Audi produces CNG and E-Engines as well.

Mercedes-Benz is currently building up its second factory in Hungary.

Robert Bosch is the largest industrial employer in Hungary and has the largest R&D centre in Budapest outside Germany.

Aims to strengthen Hungary as an innovation hub for automotive developments.

Wide range of engineering and IT education in close cooperation with leading corporate partners.

Develops a unique independent proving ground in Zalaegerszeg for autonomous and electric vehicles.

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Wide range of engineering and IT education in close cooperation with leading corporate partners.

They have already chosen us!
OVER 40 OF THE TOP 100 GLOBAL OEM PARTS SUPPLIERS IN HUNGARY

MORE THAN 700 SUPPLIERS IN THE AUTOMOTIVE INDUSTRY

The production value of the automotive industry amounted to EUR 26.1 billion in 2017.

The production value of the automotive industry achieved an annual average growth of 13% between 2010 and 2017.

The automotive industry accounted for 28.7% of manufacturing output in 2017.

According to KPMG Study, production in Hungary is estimated to grow with a compound annual growth rate of roughly 8% (2017-2024) – vs. ~ 3% for China and less than 1% for Western Europe.*

175,800 – The number of people employed in the automotive industry in 2017 Q4, which is 4% of total employment.

Source: HCSO, 2017 Q4
* KPMG Automotive Executive Survey, 2018

AROUND 500,000 PASSENGER CARS WERE MANUFACTURED IN HUNGARY IN 2017

4 OEMs HAVE ALREADY CHOSEN US (AUDI, MERCEDES, OPEL, SUZUKI)

1,194 EUR/MONTH AVERAGE GROSS EARNINGS IN THE AUTOMOTIVE INDUSTRY (HCSO, 2017)

91.8% OF THE AUTOMOTIVE INDUSTRY’S OUTPUT IS EXPORTED

THE AUTOMOTIVE INDUSTRY GIVES AROUND 20% OF HUNGARY’S TOTAL EXPORTS

MAIN EXPORT MARKET EU 87%
AUTOMOTIVE INDUSTRY
OEMs

Did you know that... the world's largest engine factory is in Győr, Hungary?

Achim Heinfling
Chairman of the Board of Management
Audi Hungaria Ltd.

“We decided to establish a production unit in Hungary 25 years ago. Since then AUDI HUNGARIA Zrt. has become the biggest engine factory and one of the most modern car production plants of the world. It employs more than 12,000 people. The central location of Hungary, the advanced infrastructure, the stable political and economic conditions of Hungary as an industrial site and skilled workforce all contribute to the success of our company. We are at home in Hungary, in a beautiful city, in Győr.”

YOU CAN COUNT ON THE QUALITY LABOUR FORCE ACROSS HUNGARY

AUDI HUNGARIA Ltd.

LOCATION
Győr

FOUNDATION
1993

NUMBER OF EMPLOYEES
12,307 (2017)

CNG (from 2017)
E-engine (from 2018)

PRODUCTS
Audi TT Coupé, TT Roadster, A3 Limousine and A3 Cabriolet, RS 3 Limousine

NEW PRODUCTS
Q3 (from 2018)
Q4 (from 2019)

CAR PRODUCTION
105,491 (2017)

ENGINE PRODUCTION
1,965,165 (2017)

STRATEGIC PARTNERSHIP with Széchenyi István University providing dual education

SIGNIFICANT TEAMWORK among humans and collaborative robots
Did you know that...

...a total of 770 robots cover the entire manufacturing process in the Esztergom plant?

I believe that Hungary, and especially its automotive supplier base, has an outstanding potential for development. As to our car plant in Esztergom, it is located in the heart of the country, but it is also close to the capital city of Budapest, which is the largest Hungarian city with the largest pool of professional talent. The constantly developing infrastructure of our country allows for the Suzuki products, such as Vitara, an easy access to the European and global markets. Our talented, dedicated and hard-working innovation-minded personnel enable us to provide our customers with world-class cars, which have the 'Made in Hungary' plaque on them while embodying the values of Hungarian talent alloyed with state-of-the-art Japanese technology.”

Dr. László Urbán
Deputy CEO
Magyar Suzuki Corporation
Did you know that...

CLA and CLA Shooting Brake are made solely in Kecskemét, Hungary?

Since the production has started in 2012, the past years have been a success for Mercedes-Benz Kecskemét plant in Hungary. We are particularly proud to say that two of the three Mercedes-Benz models made in Kecskemét, called the CLA and CLA Shooting Brake are produced exclusively for customers around the world. In 2018, Mercedes-Benz’s new A-Class also joins the production range of the Kecskemét site. In addition, we will invest 1 billion EUR in building a second factory until the end of the decade to create 2,500 new jobs. The construction of the Mercedes-Benz Academy Kecskemét training center started in 2017, which in the first place opens up space for students in the dual education to study with the most innovative educational tools from September 2018. Our series of investment is a clear sign of our commitment to Hungary, the government and the leaders of Kecskemét are key partners in our endeavors. We believe in quality work that is the most important aspect of our work and for that we rely on an effective and loyal employee team in Hungary.”

Christian Wolff
CEO
Mercedes-Benz Manufacturing Hungary Ltd.
After 25 years of production and a total investment of over 1.5 billion Euros, Opel Szentgotthárd reached a new historical milestone in 2017, becoming part of Groupe PSA. With new owner came expansion of the product portfolio, which now will include also the award winning 1.2 liter three cylinder turbo gasoline PSA engine. Hungary is important for us, not only because of our manufacturing presence – Opel has the largest carpark with over 500,000 vehicles running on the Hungarian roads and the brand has always been in the top three in terms of sales since it officially started back in 1991. I trust that with the new engine project we have everything in place to look forward to another successful chapter for Opel in Hungary.”

Grzegorz Buchal
Managing Director
Opel Szentgotthárd Ltd.

Did you know that…
“Engine of the year 2017” award winner 1.2 L 3-cylinder turbo PureTech gasoline engine will also be manufactured in Szentgotthárd?
YOU CAN RELY ON GLOBALLY ACKNOWLEDGED HUMAN CAPITAL AT A COMPETITIVE COST

"Continental is one of the leading technology companies in the world. Day by day we strive to create the highest quality products and services, we are a pioneer in the field of technological development. Our company operating for 25 years in Hungary perform manufacturing, software-development and distribution activities at Budapest, Veszprém, Szeged, Mako, Vac, Nyiregyhaza and Budaörs. Following the investments realized in the past years at Nyiregyhaza, Vac and Mako, our company launches an artificial intelligence development centre at Budapest in May 2019. A greenfield investment will also commence at Debrecen. We expand continuously our activities in Hungary, because of the competitive business environment. Continental contributes to creating a sustainable labour force situation - which is a key issue for us – by cooperating with a number of prestigious universities, through our participation in dual learning, our internship program and training centre."

Dániel Rábai
Head of Focus Country, Continental Group Hungary

"DENSO Manufacturing Hungary Ltd. currently has - including rented associates - more than 5,000 employees, so we can say that we are one of the biggest employers of our Central-Transdanubian region. The cause for this great performance is that in Hungary we found a real good place to invest and to develop our business. The central location of Hungary on the continent ensures continuous economical development to the country. Besides that the Hungarian workforce have real good features as the people are clever, hardworking and the school system gives a sincere and useful knowledge on each level. I believe that Hungary was a wise choice for our mother company as in 2017 DENSO celebrates its 20th year of operation in Hungary and the company plans to stay in the country for much more decades."

Kato Yukihiro
President
DENSO Manufacturing Hungary Ltd.

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Kato Yukihiro
President
DENSO Manufacturing Hungary Ltd.

COMPETITIVE LABOUR COSTS IN THE INDUSTRY
Total hourly labour costs, € (2016)
THE MEETING POINT
OF CORPORATE CULTURE
& EDUCATIONAL POTENTIAL

- Strong focus on engineering and IT education in dual education system
- Close cooperation between corporate partners & universities
- Participation in student competitions
- Customized curriculums & departments strongly linked to the actual needs of the industry
- Training of young engineers based on internationally approved standards

LABOUR FORCE
EDUCATION SYSTEM

OVERVIEW
OF THE EDUCATION SYSTEM
IN HUNGARY

- Elementary school
- Grammar school
- Vocational school – technical training
- Vocational school – vocational “grammar” school
- Higher education
- Qualification and matriculation
- Co-operation with industry on all levels

LABOUR FORCE
DUAL EDUCATION SYSTEM

- Participation in real industrial projects during studies
At the end of academic year 2016/2017 the number of students who were engaged in vocational dual training was over 50,000. Until 2018 it is expected to increase to 70,000.

Owing to the practice-based education system, highly-skilled graduates will enter the labour market annually meeting the ever-growing demand of enterprises.

In the 2017/2018 academic year 26 higher education institutions offered dual education programmes. The number of partner organisations increased to almost 600.

In the 2017/2018 academic year, higher education in the dual form in Hungary is provided in the agricultural, economic, engineering and information technology areas, thus highly qualified young graduates will continue to be available for companies.

Selected partners in dual education are displayed on the map. Number of students in the field of engineering and IT.

BUDAPEST
- Budapest University of Technology and Economics
- Óbuda University
- Eötvös Loránd University
- Dennis Gabor Collage
- Pázmány Péter University

MISKOLC
University of Miskolc
- Faculty of Materials Science and Engineering
- Robert Bosch Faculty of Mechatronics

GYŐR
Széchenyi István University
- Audi Hungaria Faculty of Automotive Engineering

DEBRECEN
University of Debrecen

KECSKEMÉT
John von Neumann University

Veszprém University of Pannonia

PÉCS
- University of Pécs
- University of Dunaújváros

DUNAÚJVÁROS

SZEGED
University of Szeged

Other cities with engineering or IT faculties: Nyíregyháza, Székesfehérvár, Eger, Zalaegerszeg, Sopron, Szombathely

At the end of academic year 2016/2017 the number of students who were engaged in vocational dual training was over 50,000. Until 2018 it is expected to increase to 70,000.

Great number of available productive labour with competitive costs.

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Source: Educational Authority, 2017
Marc de Bastos Eckstein
General Manager
thyssenkrupp Components Technology Hungary

“Thyssenkrupp is a technology leader in the field of steering systems and a major innovative partner of the automotive industry worldwide. Our Competence Center in Budapest develops complex steering systems and novel functions that include software and also hardware for both passenger cars and light trucks. We give our OEM partners a way to differentiate themselves by a unique steering and precise handling feel.

With production plants of steering systems and integrated camshafts located also in Hungary, we can fully leverage the know-how of our Competence Center in Budapest. As the latest milestone of thyssenkrupp’s history in Hungary, a springs and stabilizers plant is under construction in the Eastern part of the country.”
Beside big players, two Hungarian innovative companies, Almotive and Commsignia also have R&D activity in the field of artificial intelligence and autonomous driving.

### MAIN R&D ACTIVITIES IN HUNGARY IN THE AUTOMOTIVE INDUSTRY

- **BOSCH**
  - autonomous driving and e-mobility related projects

- **KNORR-BREMSE**
  - mechanical components (for brakes and drive trains) and electrical systems and components (software, hardware), pneumatic brake systems, SW components, I-Com Assist (Drives Advisory System)

- **CONTINENTAL**
  - product development of electronic control and camera control units, driving assistance systems

- **IBIDEN**
  - design and manufacturing Diesel Particle Filters for vehicle exhaust gas and Sealing Materials for automotive catalytic converters

- **AVL**
  - powertrains, measuring tools and software development

- **TDK**
  - smart-car parts development such as keyless entry and ignition system, optical parking assist systems, lane departure warning systems, or various board recognition

- **NG**
  - development of navigation and various software for the automotive industry, which are used by more than 30 OEMs

- **NATIONAL INSTRUMENTS**
  - cutting-edge measurement and automation devices

- **PHOENIX MECANIC**
  - development of plastic and mechanical components

- **BYSSINGNAP**
  - electronic and autonomous steering systems (e.g. cross-wind compensation, lane keeping assist, parking assistance), autonomous driving

- **Audi Hungary**
  - engine development (CNG engine), humanoid robot hands

- **Valeo**
  - product development of electronic control and camera control units, driving assistance systems

- **Almotive and Commsignia**
  - two Hungarian innovative companies

#### INNOVATION
Hungary was the first in the CEE region to adopt an e-mobility concept.

Direct and indirect incentives to promote e-mobility

Government program to increase the number of charging stations

Upgrading the public transportation fleet to electric vehicles to 25%

The government aims to upgrade the governmental fleet of EVs to 30% by 2030.

Supporting R&D&I activities related to e-mobility

Daniel Korioth
Representative of the Bosch Group in Hungary

“The world is changing and this requires us to change as well. Bosch is in the midst of a transition to a new form of mobility and stand at the threshold of the age of connectivity. We want to play an active role in shaping both. The Bosch Group’s strategic objective is to create solutions for a connected life and to improve quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is “Invented for life.” This offers a promising future. Bosch has been present in Hungary since 1898 with its products. This year the company is celebrating the 120th anniversary of the opening of its first Hungarian operation. After its re-establishment as a regional trading company in 1991, Bosch has grown into Hungary’s largest foreign industrial employers with currently nine Hungarian subsidiaries. In Hungary more than 14,200 committed associates (as per January 1, 2017), amongst them more than 2,400 in research and development work day by day with passion on one of the most exciting things ever: shaping the future. I believe Hungary is capable of being in the driver seat for a successful change.”
E-MOBILITY

EV MANUFACTURING

HUNGARY TO BECOME THE LARGEST EV BATTERY MANUFACTURER IN EUROPE

Audi started its e-engine production in the beginning of 2018 in Győr

EV-related R&D
Bosch and Thyssenkrupp have significant e-mobility related R&D activities

SK Innovation:
EV battery production in the plant in Komárom will be launched in 2020

Samsung SDI:
EV battery production started in 2017 in Göd

BYD:
Pure electric bus production since 2017 in the city of Komárom

GS Yuasa Corporation:
Starts lithium-ion battery manufacturing in Miskolc in 2018
ZALAZONE TEST TRACK

GOVERNMENTAL INVESTMENT

IN AUTONOMOUS DRIVING

- Autonomous & electric vehicle test environment fusion with classic dynamic elements

TESTING ELEMENTS
- Dynamic platform
- Braking surface
- Handling course
- Connecting road network
- High-speed oval track
- Smart City zone

FURTHER PROVING GROUND DEVELOPMENT
- 5G & ITS G5 Networks testing environment
- Bad roads
- Slopes
- Noise measurement surface
- Additional vehicle dynamical modules
- Expansion of the Smart City urban and suburban environment

R&D AND EDUCATIONAL BACKGROUND, DEDICATED COURSES
- Autonomous Vehicle Control MSc (English) in Budapest
- Autonomous Vehicle Programming MSc (English) in Budapest
- Automotive Test Engineer BEng in Zalaegerszeg
- Mechatronic Engineering BSc in Zalaegerszeg
- Basic and advanced research in Artificial Intelligence, Co-operative control, Cyber security and Driverless technologies

Several elements are available from 2018, complete finish in 2020.
The BorgWarner turbocharger plant in Oroszlány was originally built to serve one of the most important Audi factories located in the region, but it soon began to manufacture the products itself as well and broaden its customer portfolio. From the very beginning, the company has seen strong growth, doubling its turnover year by year. BorgWarner has been committed to make this growth possible along the following reasons:

- Investments creating workplaces and providing opportunities for the economic development of different regions have highly been encouraged by Hungarian Government Incentives.
- BorgWarner has an excellent customer footprint in Hungary.
- Hungary and the region itself have an adequate industrial culture, well learned in the automotive industry.
- Hungarian universities in Hungary and salaried workforce can be hired from countrywide.
- The region itself has also been providing available labor force; both white collars and blue collars.
- Hungary’s advantage is also its great logistics opportunities and infrastructure.

Attila Bogár
General Manager of BorgWarner Oroszlány Ltd.

“The BorgWarner turbocharger plant in Oroszlány was originally built to serve one of the most important Audi factories located in the region, but it soon began to manufacture the products itself as well and broaden its customer portfolio. From the very beginning, the company has seen strong growth, doubling its turnover year by year. BorgWarner has been committed to make this growth possible along the following reasons:

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Continental has a more than 25 years history in Hungary. The company has several sites across the country, in the following cities: Budapest, Budaörs, Veszprém, Makó, Nyíregyháza, Szeged, and Vác employing more than 8,000 persons. ContiTech manufactures in Szeged two main product groups: textile conveyor belts mainly for the mining industry and rubber as well as composite hoses mainly for the oil industry. The site has the world’s biggest capacity of textile conveyor belt production and supplies approximately one third of the oil hose market. ContiTech plants in Makó, Nyíregyháza and Vác provide the biggest portion of heating-cooling tubes within Continental. The Automotive plant in Budapest and Veszprém produce vehicle electronic components and microelectronic circuit modules, using state-of-the-art and innovative technologies, being engaged in almost all areas of vehicle electronics for the Continental divisions Chassis & Safety, Powertrain and Interior, and supplies all major car producers worldwide. The product range in Budapest includes brake systems, various comfort and chassis electronic components, sensor clusters, electronic control units for electronic stability systems and hybrid drive systems, body control electronics, oil sensors etc. Tire division is represented by a commercial office and a logistic center in Budaörs.

Bosch has been present in Hungary since 1898 with its products and in 2018 it is celebrating the 100th anniversary of opening of its first Hungarian operation. Now Bosch is one of Hungary’s largest foreign industrial employers with currently 9 Hungarian subsidiaries, including 7 manufacturing plants. The Engineering Center Budapest is the largest European development center outside Germany. The Bosch Group employs roughly 13,500 people in Hungary, including more than 2,300 engineers in R&D. The company’s growth is also supported by the activities of the Hungarian Investment Promotion Agency.
HOW DO WE SUPPORT YOUR AUTOMOTIVE PROJECT?

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

- 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.
- meetings with HR & real estate agencies, law firms and other consultants based on your needs.
- 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
Address: 1055 Budapest, Honvéd utca 20.
Customer service: investment@hipa.hu
Telephone: +36 1 872 6520
Web: www.hipa.hu
OUR SERVICES

FOR INTEGRATORS

SUPPLIER LISTS = Filtering SUPPLIER LISTS by company requests

PARTNERSHIP AGREEMENT = Cooperations and common projects to develop Hungarian suppliers

DEVELOPMENT OF ACTUAL SUPPLIERS = Training for the Hungarian suppliers and potential suppliers

FOR OEMs / SUPPLIERS

B2B, SUPPLIER FORUM = Personal encounter between potential suppliers and producers

CERTIFIED SUPPLIER DATABASE = Online, interactive certified supplier database and virtual marketplace

EXHIBITIONS = Appearance on Hungarian and international exhibitions and fairs

PUBLICATIONS, MARKET INFORMATION = Information about the current Hungarian supplier base

UNIVERSITY AND R&D COOPERATION = Supporting educational and R&D cooperation between universities and suppliers

EDUCATION, TRAINING = Professional trainings in several fields (efficiency trainings, benchmarking techniques, automotive standards)
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 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.

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.

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.
THEY HAVE ALREADY CHOSEN US!