

INVEST  
IN HUNGARY



# HUNGARY

smart.  
ambitious.  
competitive.



## FDI (Europe)

Business Facilities' 2022  
Global Rankings Report

**#1**

*Best to invest overall 2023*  
in Eastern-Europe  
& Central Asia  
Site Selection Magazine

IIH  
2024  
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# About Hungary



Population  
**9,599,744**  
(2023, HCSO)



Area  
**93,025 km<sup>2</sup>**  
(2023, HCSO)



Capital (population)  
**Budapest**  
**(1,671,004)**  
(2023, HCSO)



Form of  
Government  
**Parliamentary  
Republic**



Currency  
**Forint (HUF)**



Time zone  
**GMT + 1hour**



Membership in international organisations  
**EU, UN, OECD, WTO, NATO, IMF, EC**  
EU member since 2004

## Key figures



Inward FDI stock  
**60.2%** (of GDP)  
(2022, MNB)



Investment rate  
**28.4%** of GDP  
(2022, HCSO)



### Business friendly environment

Hungary has been continuously improving its taxation system.



GDP (PPS)  
**€ 261,819.8 M**  
(2022, HCSO)



Average gross earnings  
**€ 1,278**  
(of full-time employees)  
(2022, HCSO)



GDP / capita (PPS)  
**€ 27,037**  
(2022, HCSO)



Unemployment rate  
(population aged 15-74)  
**3.6%**  
(2022, HCSO)



Corporate  
income tax  
**9% flat rate**

the  
**lowest**  
in the  
EU



Social contribution tax rate  
**13%**  
(As of 1 January 2022)

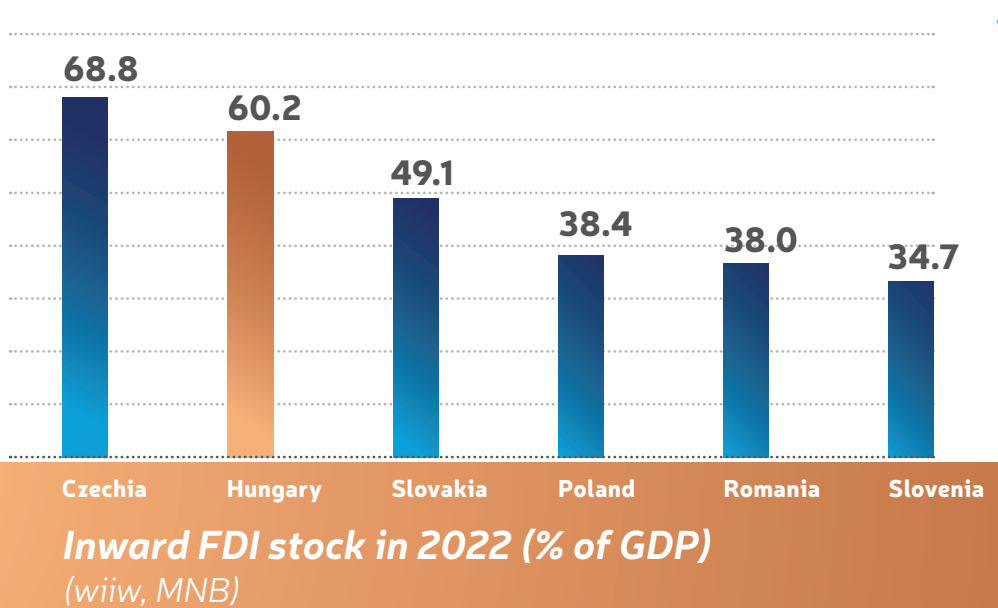
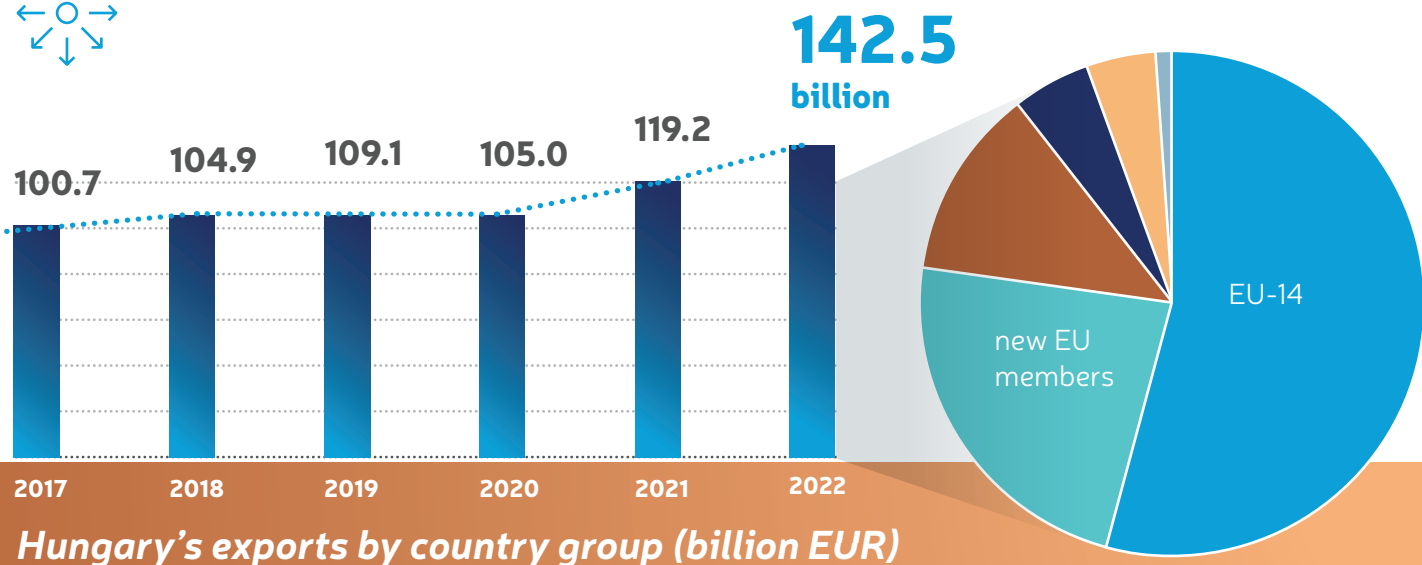


FDI focus



Export promotion

Continuously increasing FDI inflow since 2015



Hungary has the **9<sup>th</sup> highest economy complexity** ranking in the world.



In global comparison, Hungary ranks **95<sup>th</sup> in terms of the size of its population** but it is **34<sup>th</sup> in terms of the global ranking of exports**.

- non EU member European countries
- Asian countries
- American countries
- Other countries (HCSO)



**extensive network of diplomats** promoting Hungary's foreign trade relations

at **150** local representations

in **96** countries

# BUD PEST

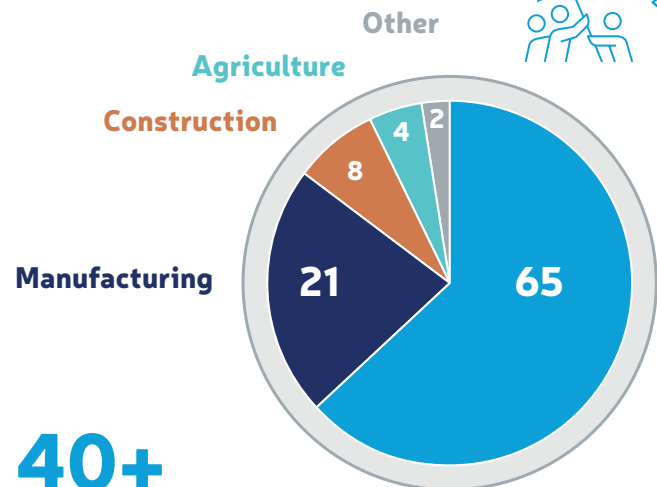


**the Most Livable City**  
in Eastern Europe according to  
The Economist's annual list

**#3**

*Brand in Europe  
Business-friendly City  
Perception Index 2023  
Emerging Europe*

**Labour pool structure**



**The Hungarian labour force** is well qualified and cost effective, which increases the country's international competitiveness.

**40+** languages served by Hungarian Business Services Centres

**Multilingual** highly educated talent pool

- English
- German
- French
- Italian
- Spanish
- Russian
- Chinese

## Dual education



Talent pool in the service of **the Hungarian economy**



**289,991** students in **tertiary** education

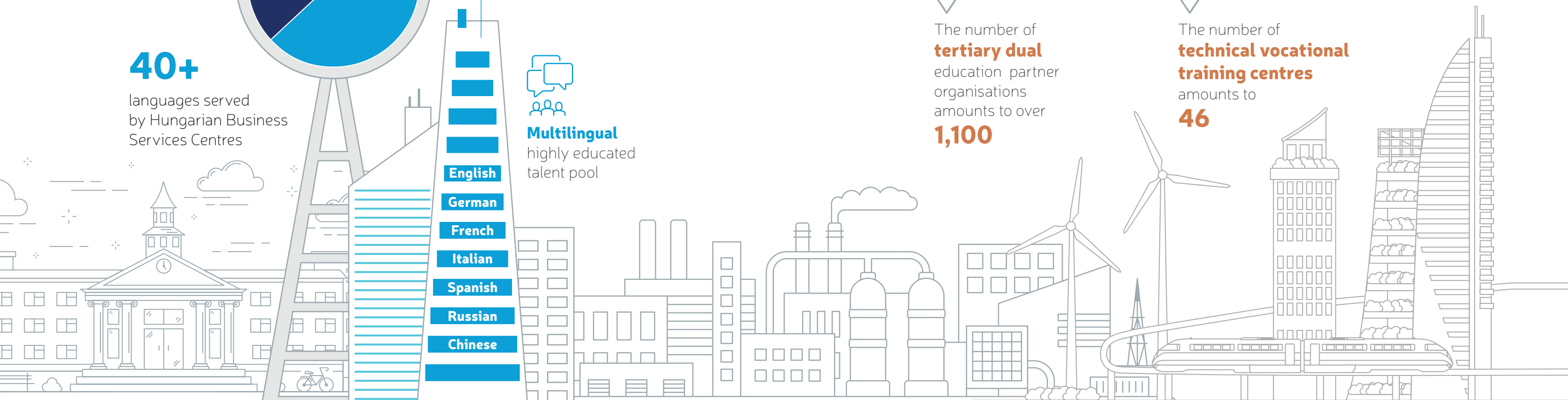


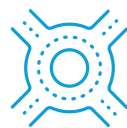
The number of **tertiary dual** education partner organisations amounts to over **1,100**

**173,208** students in **vocational** education



The number of **technical vocational training centres** amounts to **46**





**EU and Schengen** zone membership (free movement of goods)



Direct flights to **121** destinations by 37 airlines from Budapest Airport



**Nr. 1** in length of motorways in CEE (EU Transport in Figures 2021)



**Nr. 5** in railway line density in Europe

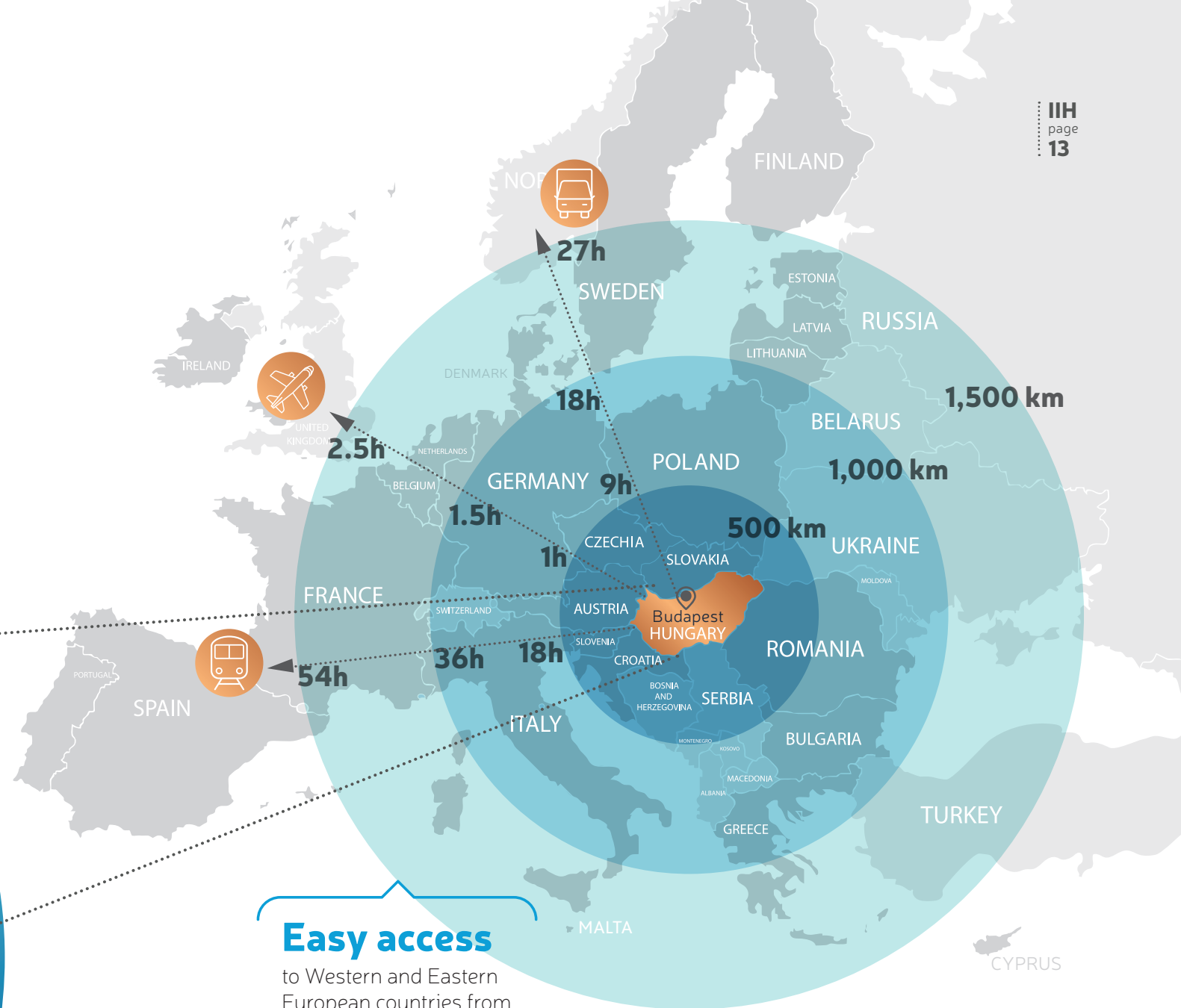
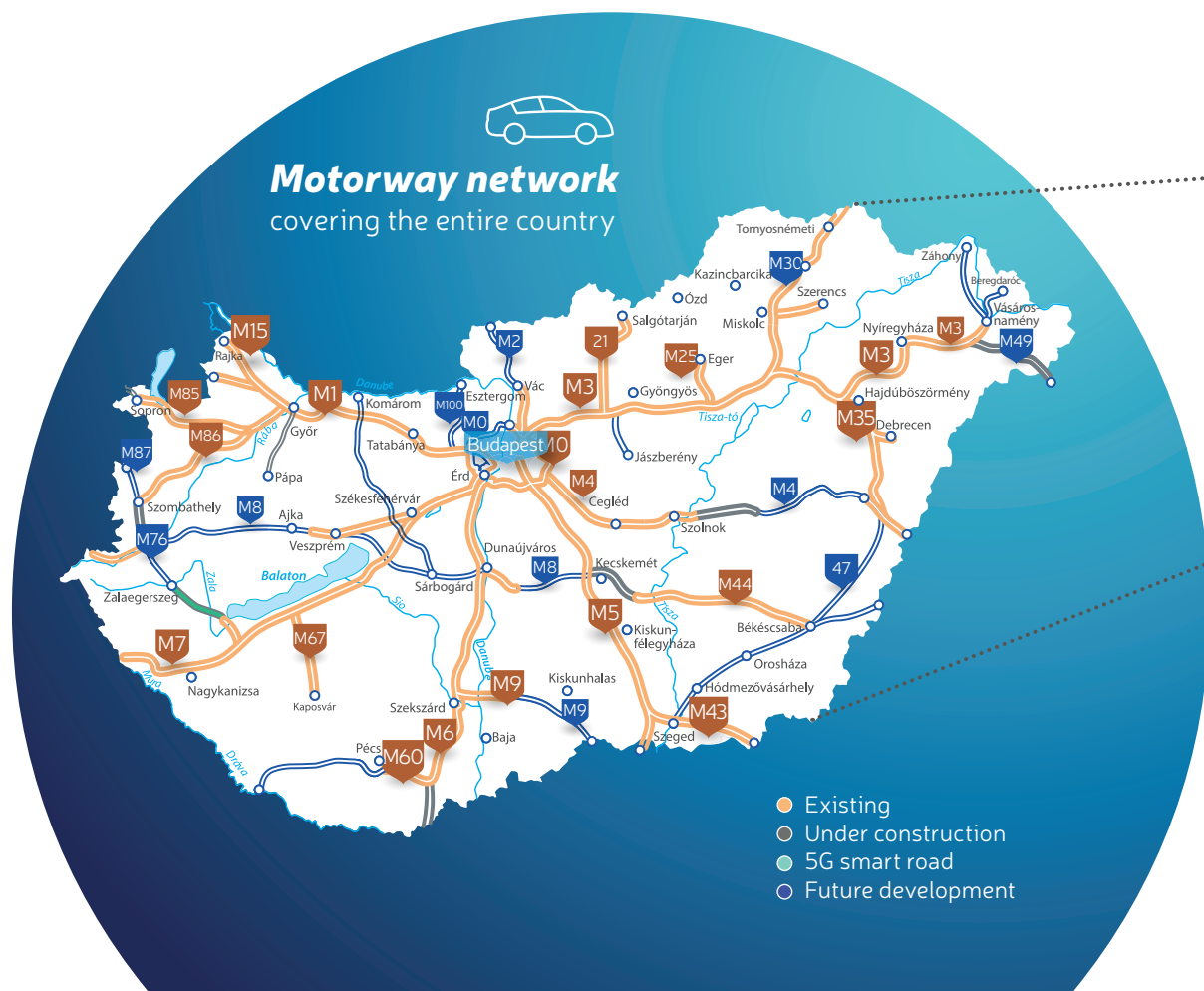


**50+** scheduled container trains weekly to European ports of the North Sea, the Adriatic and the Mediterranean



**11th fastest** broadband Internet speed in the world

**5th highest** download speed in the EU



# BUD AIRPORT



#1

**10x best**

Best airport  
in the Eastern  
European region

A1-A19 Bezálfa To gates  
B1-B19 Bezálfa To gates  
Poggyászkioskó Kijárat  
Baggage reclaim Exit

food court

LAND

WINE-GARAGE FOOD GUM

FREYWILLE

TRAVEL VALUE

HEINEMANN





1.



HIPA offers one-stop-shop management consultancy services providing tailor-made information packages and incentives for companies interested in investing in Hungary.

### Location selection

Access to information on investment sites, labour market, taxation, business environment, local suppliers and more.

2.



### Incentives

First-hand information on the full range of incentives, end-to-end management of the VIP cash subsidy system.

3.



### Business development

Identification and development of local suppliers, mediation between business and government, policy proposals to improve the business environment.

## Investment sites



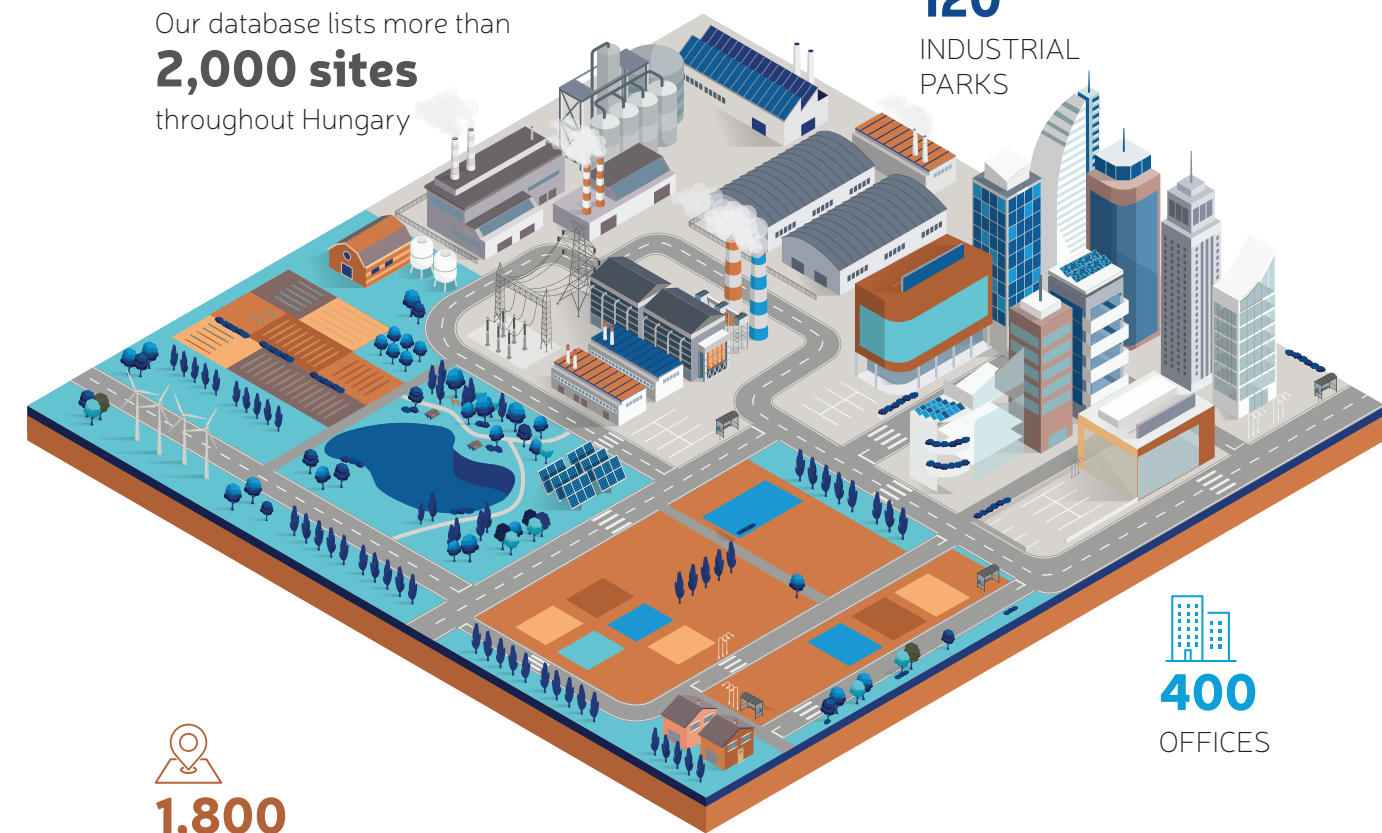
HIPA operates an internal database of investment sites in Hungary. The Investment Sites Database simplifies the task of matching investors' needs to potential locations. Searchable by size, location, available infrastructure and incentives.



Our database lists more than **2,000 sites** throughout Hungary



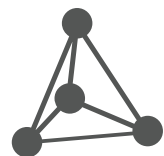
**120**  
INDUSTRIAL  
PARKS



**1,800**  
GREEN- & BROWNFIELD  
SITES



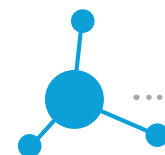
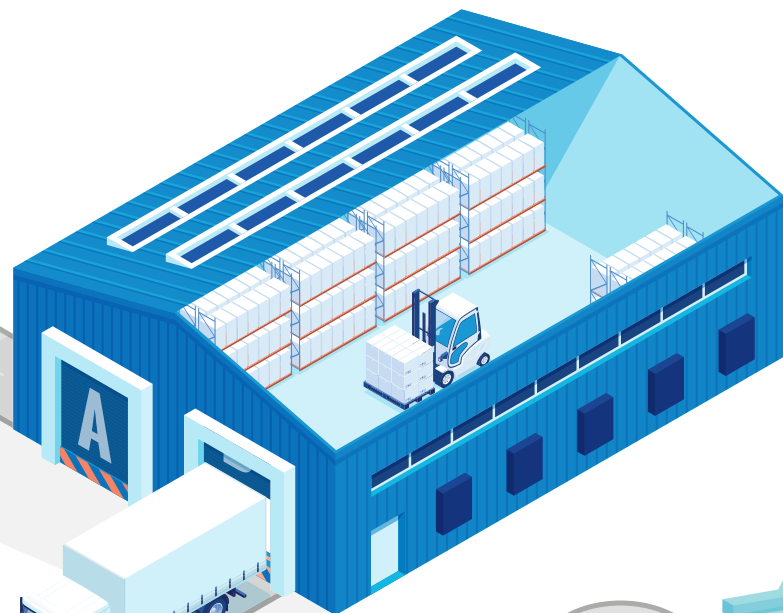
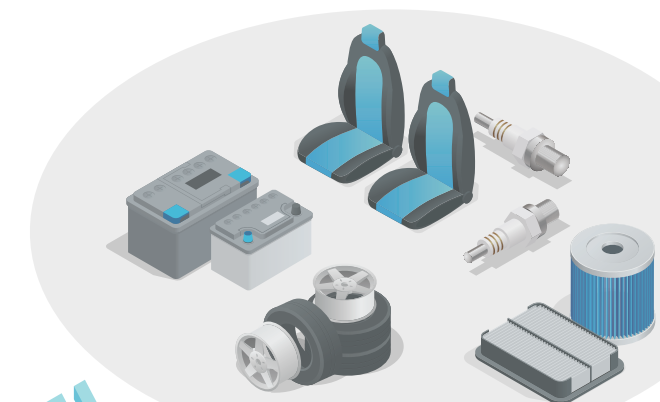
**400**  
OFFICES



## The quantity, quality and geographical location of suppliers play an increasingly important role

when choosing the location of an investment project.

It is also common in the automotive sector, that the added value by suppliers in the final product is growing increasingly. Therefore, at HIPA, we pay special attention to the supplier-related demands of our investing partners so that Hungarian enterprises can be present in as many numbers as possible in the added value chains of the multinational corporations. We are ready to provide our partners with a complete picture about Hungarian suppliers in a given sector at the earliest stage of the investment project. Later, we support the expansion of the added-value chain of the investor by presenting actual supplier's profiles in Hungary.



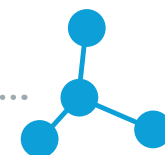
### For INTEGRATORS



**Market information**  
about the existing supplier ecosystem before the investment decision.



**Supplier database**  
about the companies in Hungary with active connections and references to the manufacturing sector.



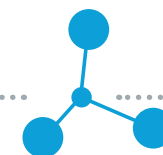
### For INTEGRATORS & SUPPLIERS



**B2B meetings**  
between integrators and suppliers in order to create business opportunities.



**Development trainings**  
focusing on quality and efficiency in order to help suppliers enter and grow within the added value chain of multinational partners.



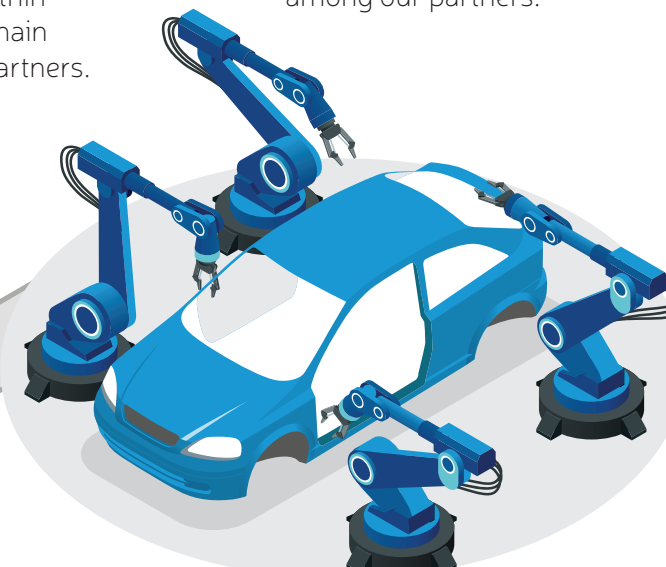
### For SUPPLIERS



**Exhibitions**  
to participate on the biggest international fairs and trade shows.



**Supplier Forums**  
to enhance horizontal and vertical connections among our partners.





responding to the dynamics of the economy



**investments (Regional Aid)**

Cash grant



VIP Cash Subsidy



Local subsidy grant by municipality (based on the regions marked on the map)



**Tax benefit**

Development tax benefit as an exemption of **80%** of the CIT payable



**R&D&I projects**

Cash grant



VIP Cash Subsidy up to **50%** of the project costs



EU co-financed tenders



**Tax benefit**

R&D&I tax benefit up to **100%** of the direct costs of the projects



**trainings**

Cash grant



up to **50%** of the training costs of the employees



**Transition towards to net-zero economy (TCTF)**

Cash grant



TCTF Cash Subsidy for the CAPEX related costs (based on the TCTF aid intensity map)



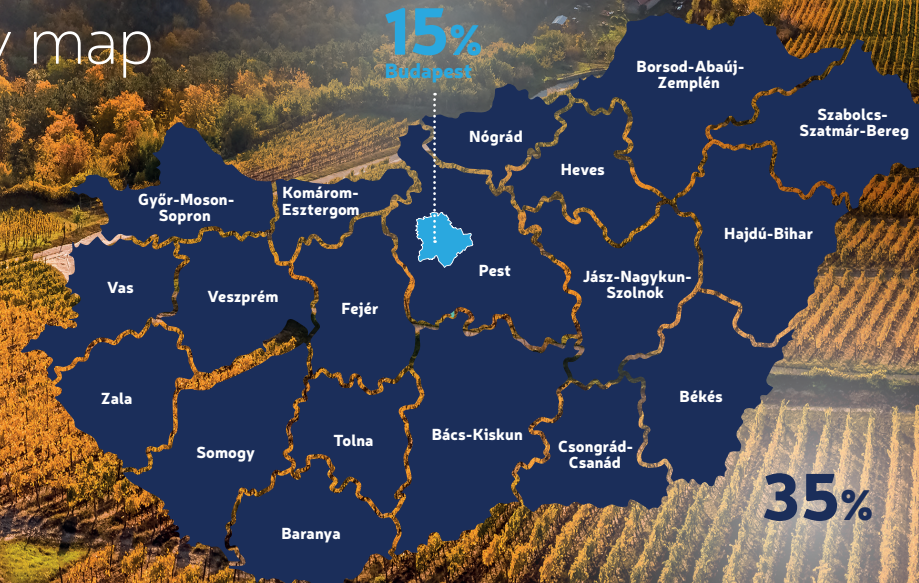
**Tax benefit**

TCTF tax benefit as an exemption of **80%** of the CIT payable

Regional aid map of Hungary (2022–2027)



TCTF aid intensity map

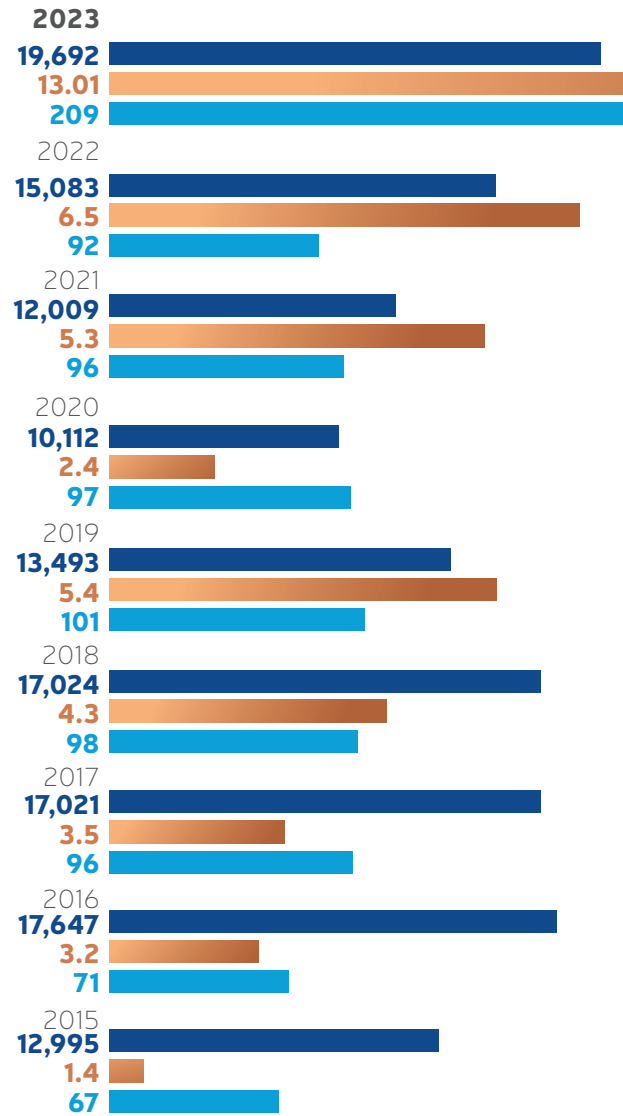




**New jobs**

**Investment volume**  
(EUR billion)

**Number of projects**



# Professional investment promotion

by HIPA



**Best to invest overall 2023**  
/ *Site Selection Magazine*

**FDI (Europe) Business Facilities' 2022**  
/ *Global Rankings Report*

**BEST STRATEGIC INVESTMENT PARTNER EUROPE AWARD 2022**  
/ *CFI.co (UK)*

## References



2021



2022



2023

**HIPA's latest awards**

The Hungarian Investment Promotion Agency (HIPA) aims to build a close cooperation with the Hungarian investor community. One important tool with this purpose is our most important event of the year, the annual "Investors of the Year" award ceremony.

## Investors of the Year Award Ceremony

Each year, companies executing the most considerable investments of the previous year are being recognized together with a Hungarian supplier and an industrial park.



- 2018
- 2019
- 2020
- 2021
- 2022



**Budapest**

IIH  
2024

Contact

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