

## Business Meets Government: Focus On Predictability



From left to right: Ferenc Pongrácz (Tungsram), Zoltán Marcinkó (Ministry of Finance), Sándor Baja (Randstad), Magdolna Csath (National Competitiveness Council), Zoltán Maruzsa (Ministry for Human Capacities), Zoltán Szabó (BT)

**In many cases, the information channels between governments are simply too long. Along the way, messages get diluted, momentum is lost. The more direct the connection, the more rapidly the market can adapt to new challenges. Simply put, this is the idea behind the annual Business Meets Government Summit, the fifth edition of which was held at the Budapest Marriott Hotel on October 16.**

The American Chamber of Commerce in Hungary, together with the Hungarian Investment Promotion Agency (HIPA) launched the Business Meets Government Summit in 2015. In his opening speech of the 2019 edition, AmCham's second vice president, Kevin A. Murray described the event as a mutual effort "to spark a meaningful dialogue with the government with our common goal of making Hungary more competitive and a better place to invest and reinvest."

A dialogue needs to be fueled by facts and AmCham had recently launched several initiatives aimed at creating value, Murray said. One is the launch of the Career Orientation Program to support secondary schools and corporate volunteers by building a platform where they can easily organize career orientation visits all over the country, a development of the chamber's earlier Career Ambassador program.

AmCham is also behind the new business sector project, BSS Hungary, a unique industry collaboration to promote the importance of – and career paths and opportunities in – of one of the most advanced and dynamically developing sectors, Murray said.

### U.S. Relations

U.S. investments in Hungary are doing just fine, while other areas of cooperation have had their

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### COMING UP

#### AmCham x Marriott Thanksgiving Charity Dinner Budapest Marriott Hotel » November 26, 2019

AmCham's annual Thanksgiving charity fundraiser, run in partnership with Budapest Marriott Hotel, celebrates a grand old American tradition, and this year featuring a guest performance by American-Hungarian singer-songwriter Viktor Király. As usual, there will be a charity auction and raffle during the event, all proceeds from which will go to the AmCham Foundation (ACF) and the SOS Gyermekfalvak Magyarország. Tickets for the evening cost HUF 17,000 including VAT/person. Children aged 9-14 years receive a 50% discount, while those under eight can attend for free. Book a table for ten and get a 10% discount!

#### 30th Anniversary Gala Parliament » November 14, 2019

In 1989, AmCham Hungary was founded to help develop international business in our country, to build a strong business community and to promote the highest standards of business conduct and integrity. Three decades later, the chamber is an influential representative of more than 350 companies and a trusted partner of government, dedicated to use the knowledge and expertise of its membership to improve the competitiveness of Hungary. Celebrate three decades of success with us in November!

#### XXXI General Assembly and Board Elections Budapest Marriott Hotel » December 12, 2019

The general assembly will run from 9 a.m.-1 p.m. and will elect a new first vice president, a new secretary treasurer and two board members-at-large. The deadline for submission of all requested materials for those wishing to run is Tuesday, November 5. If you have any question regarding nominations, contact Ildikó Takács-Berka at the AmCham office on +36/1 428-2084 or via elections@amcham.hu.

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# Dear AmCham Members, Dear Friends!

Fall is always the busiest season at AmCham and it is no different this year either.

We kicked off the season with exclusive meetings with Minister László Palkovics and Dr. László György, State Secretary for Economic Planning and Regulation from the Ministry for Innovation and Technology, Norbert Izer, State Secretary for Tax Affairs, and Dr. László Szabó, Ambassador of Hungary to the United States to get an update on the status of the American-Hungarian relationship.

With the V Business Meets Government Summit, organized with our partners the Hungarian Investment Promotion Agency, our annual advocacy cycle is slowly coming to an end and a new round is about to begin as we lay down the foundations of the next "Cooperation For A More Competitive Hungary" recommendation package, the culmination of a year's hard work.

One of the highlights of our event calendar, the BMG summit is a great platform to address the most pressing challenges the

business community faces, as well as collect input from the membership. This year, our focus was to assess the state of the labor market and our workforce.

After a lively panel discussion, participants joined workshops hosted by our partners from the Big 4 to discuss what needs to be done to improve the labor pool, boost innovation, maximize the potential of the digital transformation, attract further investments as well as build an even more supportive business environment.

The stimulating discussions surely gave our Policy Task Forces and committees a lot to think about, so the work will not stop here. I encourage everybody to attend our working group meetings where we will continue the discussion, analyze the input you all provided and try to find solutions to the issues explored at the summit.

In October, we celebrated another chapter in our long and eventful professional

relationship with HIPA at Inspiring Hungary, the agency's event dedicated to displaying our country's economic prowess as an international hub for business. AmCham hosted its own cluster where our experts talked about the latest developments in the Invented in Hungary era, how business and university partnerships fuel innovation and how the digital transformation can accelerate Hungary's move up the value chain.

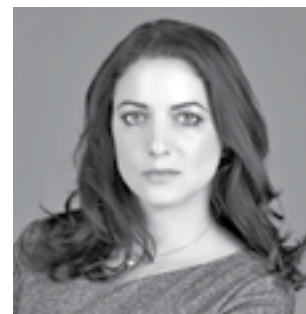
In addition, we introduced the Business Services Sector and U.S. Financial Institutions projects, two extraordinary examples of industry cooperation dedicated to promoting the impact and potential of their respective sectors. The BSS Hungary project is full speed ahead with a dedicated section at the HVG Job Fair, a new event series Open\_Doors@business-services and a brand-new website. You can read more about these programs on Page 7.

The last few months have been quite eventful and highly productive for AmCham, but I am



glad to say we have even more in store for you. The office is buzzing with excitement ahead of the 30th anniversary gala on November 14 and we cannot wait for the traditional Thanksgiving Charity Dinner with the Budapest Marriott Hotel where we will once again support SOS Children's Villages and the AmCham Foundation.

*Until next time,  
Irisz Lippai-Nagy,  
Chief Executive Officer*



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ups and downs, Ferenc Kumin, Deputy State Secretary for the Development of European and American Relations said. The three pillars of U.S.-Hungary cooperation are: investment and trade; defense; and politics.

The first pillar shows excellent figures: there are 1,700 American enterprises in Hungary, responsible for creating 105,000 jobs, with the United States the second most important trade partner after the European Union. In terms of Defense, the two countries earlier this year signed the Defense Cooperation Agreement (DCA), a significant step forward in the bilateral cooperation.

The third pillar had previously seen "some challenges", as Kumin noted, but with the Trump administration, relations are gradually getting better. A cornerstone in the political cooperation was the official visit of the Hungarian Prime Minister to Washington DC in May this year, and a long tete-a-tete discussion with U.S. President Donald Trump.

Answering a question, the state secretary elaborated on the energy independence of the country, noting that the gas supply is "a big concern" for the Hungarian government.

"The solution is coming, but is not easy, because this region is a pretty tricky region," he said. Hungary could have imported gas from Romania, Croatia and Serbia, but "it is never easy to deal with these countries," Kumin explained. At the time of speaking, for example, Romania does not have a government, he pointed out. Hungary has done its homework and now the Romanian government and ExxonMobil must come up with a solution to start extracting and exporting gas from the Black Sea, Kumin concluded.

#### State Incentives

Róbert Ésik, CEO of HIPA, presented the main elements that the Hungarian administration is focusing on in order to maintain its high GDP growth rate. First, further lowering the social contribution tax on wages. This is a good example for predictability, as Hungary planned this measure for a period of six years, and now, halfway through it, the implementation is on the right course. Another element is related to topping up the corporate income tax, an



Róbert Ésik

area previously addressed by AmCham. The elimination of the top up is an advantage to all businesses in Hungary, Ésik noted.

He also highlighted a new incentive, launched on October 1, where simple job creation is no longer a precondition for eligibility for government-funded VIP cash subsidies for asset-based investments. The government has decided to expand the geographical areas under preferential conditions for cash subsidies. With Baranya County newly included, there are currently five counties under the preferential regime, where the threshold is EUR 5 million for eligibility in the case of an asset-based investment. This new asset-based investment approach will focus on technology and increasing productivity, Ésik indicated.

Following the keynote addresses, a panel discussion focused on the Hungarian labor market issues. An interactive discussion between the panelists and participants at the summit revealed some of the answers as to why is it so difficult to find candidates for jobs. The lack of a professional background, high salary expectations and the brain drain were the main reasons revealed.

As for solutions, there is a strong need to encourage mobility, with the construction of worker dormitories, panelists agreed. A recent



Farkas Bárony

development is that Hungarians working abroad are becoming more and more open to returning home, and this is an element that the government should put more emphasis on.

As for "importing" labor from neighboring non-EU countries, this can be a solution, but not to all problems. They will never become teachers in Hungarian schools, for example,



Kevin A. Murray

and raising the level of Hungarian education is crucial for preparing the labor force of tomorrow. A quick survey conducted within the audience revealed some of the shortcomings in active Hungarian employees: low levels of language, problem solving and digital skills. Those are exactly the skills that can be improved with a better education system, panelists agreed.



Future-proofing Education workshop with László Kucsák, Dr. Zoltán Gloviczki, Gabriella Hajnal, Tünde Kis, Róbert Bencze



Filling the DigitalSkill Gaps workshop with dr. Ildikó Taksz, dr. László György, Tamás Jankó, dr. Gábor Csiszér



Business Dynamism workshop moderated by Botond Rencz, Country Managing Partner of EY.





## Minister Palkovics: Shooting For A Top Five Living And Working Ranking

**Better cooperation between industry and universities, cleaner and safer forms of energy, and waste management issues are some of the areas high on the state's agenda László Palkovics, Minister for Innovation and Technology, told company representatives at an AmCham Business Forum.**

Palkovics made his now regular annual visit to the American Chamber of Commerce in Hungary on September 16, and spoke about the issues and plans Hungary has in the area of innovation.

Having given an overview of the current macroeconomic situation, the minister moved on to the vision the ministry is focusing on right now:

That Hungary will be one of the top five European countries in which to live and work in by 2030.

To achieve that, the ministry defined four main focus areas: Creative Hungarians and innovative enterprises; transportation; clean, smart and affordable energy; and a clean country.

In the field of energy, for example, coal-based power plants should be modified and converted to become "green", rather than shut down. By doing so, jobs could be spared and green targets better achieved.

"As far as carbon neutrality is concerned, as a conservative government we have been

criticized for not signing the 2050 target figures," Palkovics said. "As for the 2030 figures, we can do that but it would be irresponsible to define target for 2050 when neither the technological, nor legal or financial conditions are there."

### Energy and Waste

Currently, permissions for 2,700 MW of photovoltaic capacity has been given to companies. Of this, some 800 MW are generated by solar energy, but its share will rise as of 2020. The minister also talked about nuclear energy, stressing that more research should be done on its waste management.

He also touched upon general waste and water waste management: the networks are

old and large amounts of investments are need to, for example, deal with the upgrade of the sewer system.

Moving on to innovation, Palkovics underlined the importance of cooperation between industry and universities.

"We need to bring the different participants together," he said. That was the reason why the government has restructured the basic research networks, not with controversy.

"We would like to provide the conditions for this basic research network to cooperate with others." Another crucial element will be science parks, which are to be built around universities; there will be such facilities in Zalaegerszeg, Debrecen, Pécs and Győr, etc., the minister said.

"We would like to have our universities cooperate with industry." Participating in a technical trial is as good as writing a scientific paper and appearing in the citation indexes, he added. He said there was a need to increase financial support in the 2020 budget and beyond as Hungarian research and innovation is not well financed. Local research and educational institutions also find it hard to cooperate with their European partners, the minister said.

As of 2021, the European Union's Horizon Europe program will allocate EUR 100 billion, the largest amount yet, for R&D. If Hungary does not participate, the country will lose, the minister warned.

"That is why we need to force our universities to cooperate with their Western European peers. Despite what most would think, that the European education system is harmonized by the Bologna process, the only element that is common is student mobility. Universities are unable to cooperate with each other at a professional level – so this, too, has to be changed. Also, Hungarian universities are not visible in international rankings, and the state must increase its expenditure."

Education generally remains a basic issue, he admitted. "We are continuing to modify the vocational educational structure", he said. New types of training, including a five-year program called a "technicum" will be introduced, from which students can move onto university.

### Digitalization

On digitalization, Palkovics mentioned that Hungary is placed 11th in the world in terms of internet accessibility/coverage and 4G coverage.

"We would like to maintain this position for 5G; we have already made some steps," he explained. "The 5G tendering process is running, let us see what the applications will come."

Many AmCham member companies are part of the Artificial Intelligence Coalition. "I have received a promise that, by the end of October, an action plan will be deployed and the strategy will be ready by January," the minister said.

"Money will be there, the structures will be there, so now we need to work," Palkovics said. "We believe that we are very innovative in Hungary, which is partially true," he added. "We also need to show that to others."

*Editor's Note: A version of this article appeared in the Budapest Business Journal of October 8 under the headline "Hungary Must Invest To Demonstrate Its Innovative Nature To The World".*







# Ambassador Szabó: Visiting AmCham Is 'Like Coming Home'



**Hungary's Ambassador to the United States thanked business leaders for being the best reference point to attract more American FDI when he spoke at a now annual American Chamber of Commerce forum.**

"Whenever I come to meet AmCham, I come home," László Szabó told guests at the Kempinski Hotel Corvinus Budapest on August 29. Before his career as a public servant, Szabó had worked for a couple of AmCham member companies, serving as vice president of Eli Lilly and CEO of Teva Hungary.

"Once I even ran for board membership, but failed," he recalled to laughter. "Obviously there was a very high standard, but I am very impressed by what you do." He said AmCham and the German-Hungarian Chamber of Industry and Commerce were the two "most representative" business associations in Hungary.

"Quite clearly you know your business, you know why you are here, and you know Hungary," he told the leaders present.

Szabó said the political relationship with the United States had been completely restored, helped by a U.S. decision to reengage with Central and Eastern Europe. Previously, America had made clear it was setting the agenda.

"We were told how to behave and lead our lives," the ambassador complained. "More positive things have happened in the last two years than in the last 10-15 years in the political arena," he said.

He gave credit for the U.S. change of heart over the region to Wes Mitchell, the foreign policy expert who was the Assistant Secretary of State for European and Eurasian Affairs from October 2017 until February 2019 and "who probably knows more about the Habsburg Empire than anyone in this room".

## Reengagement

Szabó said the new policy had been based on "how to reengage allies of the United States and how to work together to avoid global threats" from the likes of China and Russia. Ministerial visits had followed the policy pivot, culminating

in the White House meeting between President Donald Trump and Viktor Orbán.

"I believe that meeting to have over-exceeded everyone's expectations, on both sides," the ambassador said. "The meeting lasted two times longer than planned, and there was clear chemistry between the two leaders." But improved relations are not just down to the ushering in of the Trump administration in Washington D.C. in 2017; Hungary's impressive economic growth is also a factor.

"Prime Minister Orbán reminds us all the time that without a strong economy, you cannot have a strong voice in politics."

Although Hungarian companies could struggle with meeting capacity demands in the United States, quality should not be an issue, the ambassador said. "I am delighted to inform you that the most expensive wine in the Trump Hotel is a Tokaj from Hungary."

There has been a 6.8% increase in bilateral trade volume, with Hungarian exports growing by 11%

in the first five months of the year. U.S. businesses have a total of USD 12.4 billion in investments "clicking and ticking" in Hungary, and employed 105,000 people in the country, the ambassador said.

## More Potential

Even so, his trips around the United States left him certain "we still have a lot of unfulfilled opportunities" and that there was "incredible openness" to make further deals with Hungary.

And the embassy is doing its bit to help. A Business Promotion and Development Campus has been built in a repurposed building in the grounds of the former Hungarian Embassy on Spring of Freedom Street (Szabó described the real estate as a "really ugly building" but among the most valuable owned by the Ministry of Foreign Affairs).

The idea is to give startups looking to break into the American market the three things the ambassador said entrepreneurs had told him they needed most initially: "Accommodation, Wi-Fi and coffee". Through its networks the embassy could help establish "first contact", the ambassador said, but after that the startups must have something of value to offer investors to get a second meeting.

"We can also help you make your business case if you are fighting with HQ for an investment," Szabó told the local heads of U.S. multinationals.

Connectivity between the States and Hungary has improved, with direct flights from Budapest to New York, Chicago and Philadelphia. "Unfortunately, Washington is still out of the picture though, as my wife never fails to bug me," the ambassador joked.

Szabó acknowledged there were challenges ahead, not least the threat of a U.S.-China trade war, and the possibility that the EU could also become a tariff target. Hungary clearly stands by free trade, the ambassador said but he believed there is a "serious desire" to find a resolution on both sides, although there is little Hungary can do, beyond hoping a solution can be found.

"Whenever big empires fight, small countries are never on the winning edge of the result," the ambassador remarked dryly.

*Editor's note: A version of this article appeared in the Budapest Business Journal of September 6 under the headline "Ambassador Keen to Help with 1st Contact and Beyond".*







# FDI Roundup

## Site Of BMW Factory Handed Over

A parcel of land in Debrecen (230 km east of Budapest) on which BMW will build a EUR 1 billion factory has been handed over to the German automaker, vezess.hu says. Construction of infrastructure at the site has been completed and BMW Group has taken ownership of the land.

Minister for Innovation and Technology László Palkovics said some HUF 130 bln in state funding had been allocated for upgrading transport infrastructure around the site and an additional HUF 35 bln had been earmarked for improvements to the local school system, vezess.hu notes.



Construction machinery working on the site of the future BMW factory near Debrecen on September 23, 2019.

Photo by LifeLibrary/Shutterstock.com

## Daimler Starts Production Of Mercedes-AMG Models in Kecskemét

German car maker Daimler started production of three Mercedes-AMG Performance models at its plant in Kecskemét (91 km southeast of Budapest), autopros.hu reports. The company manufactures its AMG models only in Hungary. The Mercedes-AMG models come with a 2-liter four-cylinder turbo engine with variants that provide power of 285kW or 310kW. Earlier in the year, the plant added the second-generation CLA Shooting Brake and the next-generation CLA Coupe to its production palette. Daimler turned out 190,000 cars in Kecskemét last

year. The first AMG models will be exported to Poland, autopros.hu says.

## Bürkle Inaugurates Factory In Debrecen

German machinery manufacturer Bürkle has inaugurated a factory in the Debrecen Regional and Innovation Scientific Technology Park (230 km east of Budapest), autoszektor.hu reports. Xanga, which operates the park, repurposed a production hall for Bürkle at a cost of EUR 3 million. Bürkle has outfitted the building with EUR 2 mln of equipment. Robert Bürkle GmbH CEO Jurgen Schroer said 40 people are employed at the factory, but headcount is expected to rise in the coming years with two more additions to the facility.

## Joyson Safety Systems Plans USD 16 Mln Expansion In Miskolc

Chinese-owned automotive supplier Joyson Safety Systems will invest USD 16 million into expanding its plant in Miskolc (230 km north of Budapest), Minister of Foreign Affairs and Trade Péter Szijjártó said, napi.hu reports. The company designs and makes mobility safety products. The government is supporting the investment with a HUF 4.9 bln grant, Szijjártó added. Joyson Safety Systems decided to set up its plant in Miskolc in 2013, investing USD 68 mln and creating 2,100 jobs. The company exports more than 90% of its output, napi.hu reports.

## LogMeln To Make New Hires In Hungary

LogMeln, which offers a range of cloud-based connectivity services, plans to raise headcount in Hungary by 10%, the company told state news agency MTI. Staff numbers at LogMeln's offices in Budapest and Szeged (170 km southwest of Budapest) are expected to climb to more than 500 by early next year as more global functions are managed by the office in the capital. Boston-based LogMeln, which was launched in Budapest, now has 25 offices on four continents.

## LOT Adds Budapest-New York Flights, Scraps Chicago Service

LOT Polish Airlines will add more direct flights between Budapest and New York to its timetable in May, but scrap its flights connecting the Hungarian capital with Chicago, profitline.hu said, citing the company. LOT will raise the number of Budapest-New York flights from four to seven a week. LOT launched its long-haul flights between Budapest and the United States in the spring of 2018, profitline.hu says.

## Samsung SDI Expands Factory Through HUF 390 Bln Investment

Minister of Foreign Affairs and Trade, Péter Szijjártó said that South Korea's Samsung SDI, which manufactures electric vehicle batteries, will expand production capacity at its plant in Göd (25 km north of central Budapest), index.hu reports. The investment amounts to HUF 390 billion and will create 1,200 workplaces. The government will provide a non-refundable grant for the project in proportion to its size and importance, the minister said. [It has since been announced that the EC is investigating the case to see if Hungary has broken EU regulations on regional state aid.] Samsung SDI senior managing director Woo-Chan Kim said the firm has been producing batteries in Hungary since 2016. It is investing more than

EUR 1 bln in Hungary and said it remains committed to expanding its local operations. Samsung SDI has two factories in Asia and just one in Europe, in Göd, index.hu notes.

## Suzuki To Produce Hybrid Engines In Hungary

Japanese car maker Suzuki will start putting hybrid engines into two of the most popular models at its plant in Esztergom (52 km north of Budapest) from next year, business daily Világgazdaság reported. The hybrid engines will reduce vehicle emissions and ensure Suzuki complies with new European Union rules in force from 2020, Magyar Suzuki sales director Péter Tóth told the paper. The new rules stipulate emissions per vehicle must be cut to 90.3 g of CO<sub>2</sub> per kilometer. At present, average CO<sub>2</sub> emissions of Suzuki vehicles stands at 109 g/km, Tóth said, napi.hu added.

## GS Yuasa Builds EV Battery Plant In Miskolc

Japanese vehicle battery manufacturer GS Yuasa has inaugurated a HUF 9 billion lithium battery plant in Miskolc (230 km north of Budapest), portfolio.hu reports. The Hungarian government supported the investment with a HUF 465 million grant, Minister of Foreign Affairs and Trade Péter Szijjártó said at the ceremony. The new, 60,000 sqm unit will create 51 jobs in the city. The majority of its lithium batteries are manufactured for export, portfolio.hu says

## Infineon Technologies Launches HUF 32 Bln Expansion In Hungary

German semiconductor manufacturer Infineon Technologies laid the cornerstone of a HUF 32 billion expansion at its base in Cegléd (82 km southeast of Budapest), portfolio.hu reports. Hungary's government is supporting the investment, which will create 275 jobs, with a HUF 6.4 bln grant, Minister of Foreign Affairs and Trade Péter Szijjártó said at the ceremony. Production at the plant will start at the end of 2021, and headcount at the base in Cegléd will climb close to 1,600.

## SIAD Opens HUF 12 Bln Factory

Italian industrial and medical gas company SIAD inaugurated a HUF 12 billion factory in Gyöngyöshalász (80 km northeast of Budapest), news site origo.hu says. The plant is SIAD's second in Hungary. Group chairman Roberto Sestini said SIAD picked the location because it wants to become a supplier to the local plant of India's Apollo Tyres. The new plant is highly automated, he said, adding that SIAD's headcount in Hungary is just 55.

## Sennebogen Lays Cornerstone Of HUF 10 Bln Plant

Termelés-Logistic-Centrum Kft. (TLC), which makes steel parts for the material handling equipment manufactured by German parent Sennebogen, laid the cornerstone of a HUF 10 billion plant in Litér (113 km northwest of Budapest), autopros.hu reports. The government is supporting the investment, which will create 80 workplaces, with a HUF 1.27 bln grant, Minister of Foreign Affairs and Trade Péter Szijjártó said at the ceremony. TLC owner Walter Sennebogen said production at the plant is expected to start at the end of next year. TLC managing director Michael Seiferling said the new plant is being constructed to fill growing orders. TLC employs 550 workers at a base in Balatonfüred (130 km west of Budapest) on the northern shore of Lake Balaton.

## US Biomed Firm VRI Buys Hungaro-Gal

U.S. biomedical company Vanessa Research Inc (VRI) has announced it acquired Hungarian pharmaceutical contract manufacturer Hungaro-Gal Kft. for an undisclosed price, state news service MTI reports. "VRI will continue Hungaro-Gal's contract manufacturing services and intends to maintain and grow their existing customer base," the U.S. company said in a press release. VRI also plans to use Hungaro-Gal's facilities to produce Shylicine, its trademarked oral solution developed for the treatment of microvillus inclusion disease, a rare pediatric disorder that causes chronic diarrhea.



Photo by MTI/Zsolt Czeglédi





## The AmCham BSS Project

**AmCham Hungary has been instrumental in a ground breaking cooperation that sees rival companies come together to raise the awareness and attractiveness of the Business Services Sector in Hungary**

The Business Services Sector (BSS) Attractiveness Forum, the first ever industry cooperation on sector branding, was launched by AmCham Hungary this February. As of today, 22 companies and organizations have joined this unique and inspiring initiative, which aims to raise awareness of the sector, make it more visible and to promote BSS as a preferred career choice for students in secondary schools and higher education, as well as career starters.

Since the launch, project member companies have joined forces to create a branding and communication strategy for the sector, including the industry's employee value proposition framework. A website ([www.bsshungary.com](http://www.bsshungary.com)) was launched to provide relevant information about the business services sector and it is also accompanied by social media channels to connect with the younger generation.

### HVG Job Fair

Beyond that, two major events were also organized in 2019. In early October, the BSS Project had a dedicated stage at the HVG Job Fair, one of the largest and most important

career events in Hungary. Among the all-day workshops and more than 200 exhibitions, AmCham held panel discussions delving into the mystery behind business service centers and the vast career opportunities the sector offers.

During the two-day program, 10 roundtable discussions were held, each of which addressed a different theme regarding this sector. Speakers included employees ranking from CEOs to career starters, all sharing their personal perspectives and insights on their career in BSCs.

Five panels focused on different aspects of BSS; however, discussions were entirely spontaneous and were more oriented towards what the guest speakers – working members of the BSS community – could offer. After all, the main aim of these discussions was to be both informative as well as personal, so that young, interested, potential employees roaming the job fair could relate to them and learn about a growing industry.

AmCham members jointly organized these BSS panels, and they continue to work together in promoting the sector with strategic partner support from the Debrecen BSC Roundtable and the Hungarian Service and Outsourcing Association (HOA).

### Open Doors

In October-November, an event series called "open\_doors@business.services" will be organized,



where the participating BSCs invite young talents into their offices. Fifteen companies have committed themselves to show their offices, explain the career opportunities they offer and educate those who are interested in what the BSS community can offer.

The number of companies joining the initiative is growing; at the time of writing, participating companies are: Albemarle, Aldi, Blackrock, BP, BT, Celanese, Citi, Corning, CPL Integrated

Services, Diageo, Deloitte, Eaton, ExxonMobil, IBM, Karrier Hungária, Lexmark, National Instruments, Randstad, TATA Consultancy Services, Thermo Fisher Scientific and Unisys.

To learn more about the sector and the BSS cooperation, visit [www.bsshungary.com](http://www.bsshungary.com) or check on social media channels under the name of BSS Hungary!







# AmCham Promotes Business Services At Inspiring Hungary



AmCham had the honor to showcase the business services sector in Hungary at the exclusive Inspiring Hungary conference organized by the Hungarian Investment Promotion Agency on October 1.

The day-long conference gave a unique opportunity to connect key investors and economic stakeholders from home and abroad

as well as to expand networks, while learning more about the country's key assets, economic successes and innovation abilities through clusters, keynotes and round tables with leading experts and government officials.

AmCham's Innovation and Business Services cluster was opened with an inspirational welcome speech by Péter

Szalay, chief operating officer at IBM Hungary, who highlighted dedicated entrepreneurs and talents who dared to dream big and achieved the unachievable, setting an example for all of us.

"Innovation is triggered by curious and courageous individuals who look beyond the conventional and come up with unprecedented answers

and ideas," said AmCham President Dr. Farkas Bársony, opening the round table discussion.

The panel, consisting of Dr. György Drótos (Corvinus University of Budapest), Kata Krecsmári-Kővári (LogMeln), Kevin Murray (Citi), Prabal Datta (Tata Consultancy Services) and Zoltán Szabó (BT) came together to discuss why regional and global decisions are made in favor of Hungary

The emphasis was firmly on Hungary as an ideal investment destination, a place to find innovative partners, a skilled workforce and an economic environment with favorable taxation and infrastructure.

Undoubtedly, the business service sector has demonstrated a steady growth in Hungary in the past 15 years, during which time the service portfolio has expanded to include more high value-added services.

BT's Szabó highlighted the importance of raising sector awareness to attract and retain talented individuals. For this reason, AmCham has provided a platform to more than 20 companies to launch a sector-wide cooperation that helps prospective employees become more familiar with the BSS.

The services sector including business services, engineering and R&D activities has become a leading driver for job creation for inward FDI, especially in recent years in Hungary. Business service centers providing HR, finance and IT services are transforming into Centers of Excellence, offering complex high added-value jobs to youngsters; meaningful tasks are also guaranteed at engineering and R&D hubs.



## State Secretary Meeting With László György

AmCham's Policy Task Force Leads and board representatives had their latest meeting with State Secretary László György, who was appointed as AmCham's key government contact by Minister for Innovation and Technology László Palkovics, on September 24.

AmCham has regular discussions with State Secretary György to ensure a progressive

and structured consultation with the ministry. At this latest meeting, AmCham representatives introduced two of the chamber's latest campaigns, the Business Services Sector Project (see Page 7) and the U.S. Financial Institutions Project, and exchanged views on several topics including current labor regulations, university innovation ecosystems and the government's strategies related to digitalization.

## Exclusive Meeting With Ministry Of Finance Officials

AmCham Tax Committee lead Károly Radnai, AmCham CEO Írisz Lippai-Nagy and several of the chamber's experts from the tax committee met with State Secretary Norbert Izer and his colleagues in the Ministry of Finance on September 18.

The two sides had a constructive and detailed discussion on the business environment and tax-related suggestions from AmCham's "Cooperation For A More Competitive Hungary" recommendation package such as the burdens of tax administration, anomalies of the client gate (*ügyfélkapu* and *cégkapu*),

experiences with corporate tax consolidation, local business tax issues.

The chamber believes that regular meetings between AmCham and the Ministry of Finance provide an excellent opportunity for progressive consultations and mutual understanding of key issues, with a special focus on taxation. All participants agreed to continue this cooperation and to work together in order to improve the business environment and Hungary's competitiveness through business friendly tax rules and legislation.



AmCham's delegation from the left: Miklós Sánta (EY), Írisz Lippai-Nagy, tax committee chair Károly Radnai (Orientax), board member Ákos Burján (PwC) and Gábor Beer (KPMG).





**July 7:** Independence Day Family Celebration.



**August 29:** Business Forum with László Szabó, Ambassador of Hungary to the US.



**September 5:** Digitalization PTF Meeting with IVSZ.



**September 16:** Business Forum with Dr. László Palkovics, Minister of Innovation and Technology.

# The AmCham Hungary

Wall Of Fame: Fall 2019



**September 18:** Exclusive Meeting with Izer Norbert, State Secretary for Tax Affairs.



**October 2-3:** BSS Project at HVG Jobs Fair.



**October 3:** Digital Leadership Development Seminar with Menedzsmentor.



**October 3:** Start Your Business at Eötvös Loránd University.



**October 7:** Business After Hours at Parisi Udvar Hotel.



**October 10:** Attraction-Based Sales Workshop with Actionlab.



**October 24:** Exclusive Meeting with Dr. László György, State Secretary for Economic Strategy and Regulation.





## PATRON PROFILE

## LEXMARK INTERNATIONAL TECHNOLOGY HUNGARY KFT.

**Why is Hungary a good place to do business?**

Diverse and highly skilled talent, friendly business environment, good location, great peer companies, and – of course – AmCham!

**What would you like to see change to improve the business climate here?**

Labor market, and workforce availability: this is the hottest topic today, and I don't see it becoming less important anytime soon. Invest a significantly higher percentage of GDP in a world-class education system. Better balance between Budapest, and Tier 2 cities; continue the journey towards a more developed business services job market, and office portfolio on the countryside. Keep reducing the social contribution tax, in order to improve Hungary's competitiveness. Maintain the pace of the shift towards high-value added activities.

**What do you most value about being an AmCham Patron member?**

AmCham is an organization that lives up to the promise given to members, and makes



**Péter Csucska**  
General Manager

a real difference at a national level. Being a Patron member in AmCham is an honor, and a privilege. We at Lexmark would like to leverage our Patron membership to get more peer visibility of the company's presence in Hungary. On top of being already well known in the Business Services Sector as a great place to work at, we would also like to get more visibility for Lexmark as a trustworthy partner in printing and imaging solutions, and as a worldwide leader in managed printing services.

Lexmark International Technology Hungary Kft. has been doing business in Hungary: since 2007. Its total workforce in the country is 300 plus.



**Lexmark**



AmCham Hungary is one of the largest American Chambers of Commerce in Central and Eastern Europe, representing American, international and local business interests in Hungary.

**JOIN US TODAY**

If you are interested in learning more about our work, please visit [www.amcham.hu](http://www.amcham.hu) or feel free to contact our membership manager, Ildikó Takács-Berka: [ildiko.takacs-berka@amcham.hu](mailto:ildiko.takacs-berka@amcham.hu) | +36 1 428 2084

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# New Members On Board

## CORPORATE



Itron Labs

**Site Lead, R&D Innovation Centre:**

Mr. John Alan Ford  
**Address:** 1052 Budapest,  
 Deák Ferenc utca 15.  
**Web:** itron.com/na

Itron is a global technology company, enabling connected Smart Cities through secure, reliable & economic delivery of critical infrastructure. Our broad product portfolio includes electricity, gas, water and thermal energy measurement and control technology, communications systems, Industrial IoT software & data management and professional services. With over 8000 employees supporting 8000 utilities providers in more than 100 countries, Itron empowers utilities to manage their finite energy and water resources in a responsible, efficient and safe manner.

## CORPORATE



Silveria Elektronikai Kft.

**Managing Director:**

Mr. Pál Szűcs  
**Address:** 6000 Kecskemét,  
 Wéber Ede utca 37.  
**Web:** silveria.hu

The SILVERIA Electronics Ltd. is a company which provides electronic manufacturing services (EMS) as a subcontractor, as well as delivering orders for custom or serial production, situated in Kecskemét, Hungary. Core activities: Mounting electronic components into printed circuit boards (assembly of PCBs, SMT and THT), with a monthly capacity of 87 million components, in two shifts, PCB engraving, Conformal coating, Cable assembly, Testing, Final assembly, and complex solutions involving one or more of the activities listed above. Number of employees: 180. Compliance: ISO9001-2015; ISO14001-2015. To provide premium service on an on going basis, the SILVERIA Ltd. applies both the LEAN and KAIZEN systems and PDCA.

## BUSINESS



Attrecto

**CEO:**

Mr. Gergely Kiss  
**Address:** 9024 Győr, Wesselényi utca 6.  
**Web:** attrecto.com

Attrecto is regarded by clients in Europe and the U.S. as engineers in developing and applying new and emerging mobile, web, and digital technologies in ingenious and powerful ways. We produce state of the art development with significant cost advantages, measurable business value and heightened ROI for clients in the USA and across Europe.

## BUSINESS



Borealis Catalyst Group

**Managing Director:**

Ms. Melinda Katona  
**Address:** 2030 Érd, Fűrészelő utca 8.  
**Web:** borealisconsulting.hu

We are an integrated organisation development, consultancy & HR tech solution company. We offer comprehensive, tailor-made, unique transformation solutions. We support companies in strategy to action, change & transformation management, organisational development, project management & HR digital solutions. 94 customers, 360 accomplished programs, more than 5.000 satisfied client & developed people, in the last 10 years. We provide support in making business performance profitable, sustainable and stable to reach customer and shareholder satisfaction. We build future-proof and change-ready companies based on systematic operation. Engaged employees, stable and competent teams support the company in reaching its goals as a result of transformation.

## BUSINESS



VLK Cresa Kft.

**Managing Principal:** Mr. Václav Kalous

**Address:** 1134 Budapest,  
 Váci út 45. D/8  
**Web:** cresa.hu

Our company stepped to strategic partnership with Cresa in 2015 and continued its operations as VLK Cresa, previously known as VLK Consulting. The new platform allows our colleagues to extend the service provided across six Central European countries – Austria, Bulgaria, Czech Republic, Hungary, Romania and Slovakia – with tailor-made real estate solutions for office, industrial, retail and hospitality sectors. This professional global platform helps us to provide our Clients in the Central European region with high quality and broader services along the same business philosophy. Our aim is to show our Clients: that behind every property, real estate requirement is a business strategy, and the property is a strategic tool.

## TAKE-OFF



Ambient Coach Hungary

**CEO:** Ms. Emese Halász

**Address:** 2030 Érd, Duna utca 60.  
**Web:** ambientcoach.com/hu/  
 szolgaltatasok

Ambient Coach Hungary was established in order to provide development programs to organizations, teams and individuals in non – profit and for-profit areas as well. We are a consulting company proven alternative to coaching, supervising and training solutions, to contribute in the soft skills development of our partners, in maintain the mental health of individuals. Uniquely, during coaching session is used Ambient Coaching, as the „-1th step” coaching approach. We are the first company keeping workshops to train individuals enable to adopt coaching mindset in sales.

## TAKE-OFF



efficient solutions

**CEO:** Mr. Gergely Visy

**Address:** 1112 Budapest,  
 Rupphegyi út 44.  
**Web:** efficient.hu

efficient solutions ltd is a real start-up established with plenty of great ideas to improve effectiveness of some certain processes and functions at bigger organizations. The first and most important service in our portfolio is employee shop. employee shop – the new employer benefit. employee shop is a great tool to strengthen your employer brand and boost the commitment of your high performing manpower. our innovative service provides an exclusive purchasing opportunity with significant savings to your colleagues: besides Your own consumer goods (if there are some) Your colleagues will get access to our other Partners' special offers ("A" brands of FMCG and durable consumer goods), offered price level 30% below market price (avg) - high perceived value on Employee's side, full logistic service - free delivery to Your office or any site of Your company, presented on an exclusive 'employer' webshop, authorized tax-optimized solutions - significant saving compared any self-managed employee purchasing program sounds exciting? looking forward to cooperating with you

## NON-PROFIT



The Primus Private Healthcare Providers Association

**President:** Mr. György Leitner

**Address:** 1054 Budapest,  
 Szabadság tér 7.  
**Web:** primusegyesulet.hu

The Primus Private Healthcare Providers Association was established by 12 key members of the domestic private healthcare sector with the intention of promoting the emergence of an ethically functioning, private healthcare sector that fully complies with patient safety requirements. Every two years, applicants must undergo a rigorous certification process by an independent professional auditor to obtain and retain the Qualified Private Health Sector Trademark.





## ACF: 30 Trees For 30 Years

By László Hajdú

On a rainy October day, board members and the volunteers of the AmCham Foundation planted 30 fruit trees marking the 30th anniversary of the organization as part of the latest "A Day to Make It Happen" program during a visit to three children's homes in the capital.

Little Marci was barely visible in the tall, unkept grass as his mother lifted him from the baby seat of the car and set him down in the yard. He was still under the Sandman's spell, his eyes barely open, which was not at all surprising since it was 8 o'clock on a Saturday morning. Despite this, Marci came to the Burattino children's home in Csepel to help his parents and many other volunteers plant trees and do some yardwork in the garden of his less fortunate playmates.

Our volunteers arrived from American Express Hungary, Avis Budget Group, BME International Secondary Grammar School, ExxonMobil, Ford

Hungary, Lexmark, NCR Hungary, and Tata Consultancy Services to work together with other dedicated individuals and, of course, the employees of the homes. There were almost 50 devoted helpers at Csepel; at the other venues, Hűvösvölgy Children's Home and the Aprónép Foundation, another 70 volunteers worked.

In the weedy garden in Csepel, excavators, hoes, pruners, and other shearing, cutting, digging tools, not to mention a fair few garbage bags, were quickly set to work, regardless of the drizzling rain. A cheerful group of ladies worked on the handrails of the roofed terrace, sanding, priming and painting like a professional team.

Others were busy in the dining hall, preparing dozens of butter and jam sandwiches as well as bread and dripping, better known as zsíroskenyér in Hungary, to replenish the energy of our tired workers. The coffee was pretty good too! Barely two hours later, the yard was unrecognizable: the waist-high weeds, fallen

branches, and broken garden chairs were all gone; what remains is a pleasant, refurbished garden for the kids to enjoy. The work was similarly cheerful and enthusiastic at the other homes as well.

The best part of the day was still ahead: the enthusiastic hands, big and small, planting 10 trees and countless Thuja coniferous bushes in the front and back garden at each home.

"It is a great pleasure for us to be here again and to make these gardens not only beautiful but also fruitful again. During the many volunteer days of our foundation, we tidied up these homes several times and it is fulfilling, heartwarming to be able to return here and do something for these children," said Edit Bencsik, a curator of the Foundation.

"In addition to celebrating the 30th anniversary of ACF, this is also a good time to look back: since the beginning, we have volunteered, raised donations for nearly 130 children's institutions and supported more than 15,000 children with around HUF 400 million, with the help of AmCham member companies. The trees planted today are symbols of a better future and

continuity. They represent our commitment as well as hope the kids," Bencsik added.

Marci, quickly overcame his initial drowsiness, joined his parents and the enthusiastic volunteers, helping in the yard, planting trees, watering plants, and lifting everybody's spirits. And he really liked zsíroskenyér too.

It is never too early to instill the spirit of volunteerism, community and care for others in the next generation.



### CAREER ORIENTATION PROGRAM

AmCham proudly launched its nationwide Career Orientation Program to provide a platform for corporate volunteers and secondary school teachers to get in touch and organize orientation classes, to help students make informed decision about their future career paths.

If you feel the urge to inspire and want to share your knowledge to help prepare the next generation for one of the most important decisions of their lives, join the 110+ companies, 220+ dedicated volunteers who have already signed up to make a difference.

Scan the QR code to visit our site and register now to become an Ambassador!



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Editor-in-chief: ROBIN MARSHALL (robin.marshall@bbj.hu) • Contributors: VIVIEN CSERNIK-TIHN, REBEKA GÁTI, PÉTER KOVÁCS, ROBIN MARSHALL, ZSÓFIA VÉGH • Photography: TAMÁS BOSNYÁK, HAJNALKA HURTA, LÁZÁR TODOROFF • Layout: ZSOLT PATÁKI • CEO: TAMÁS BOTKA

• Advertising: AMS Services Kft. (sales@bbj.hu) • Sales and Marketing: BALÁZS ROMÁN (balazs.roman@bbj.hu) • Subscriptions: circulation@bbj.hu • Website: www.amcham.hu • ISSN: 2416-1276 • For AmCham Content and Advertising: PÉTER KOVÁCS (peter.kovacs@amcham.hu + 36 1 266-9880/316)



## AmCham Office Staff



### Top row from left

CHIEF EXECUTIVE OFFICER  
**IRISZ LIPPAI-NAGY**

EVENTS MANAGER  
**ANITA ÁRVAI**

MEMBERSHIP MANAGER  
**ILDIKÓ TAKÁCS-BERKA**

PROJECT MANAGER  
**JÓZSEF GÁL**

POLICY OFFICER  
**REBEKA GÁTI**

POLICY OFFICER  
**ZSUZSANNA VARGA**

FINANCE AND OFFICE MANAGER  
**JUDIT SZEMEREI**

COMMUNICATIONS MANAGER  
**PÉTER KOVÁCS**

COMMUNICATIONS ASSISTANT  
**VIVIEN CSERNIK-TIHN**

EVENTS ASSISTANT TRAINEE  
**ZITA VÁGÚJHELYI**

**AMCHAM OFFICE CONTACT INFO • H-1051 Budapest, Szent István tér 11. • Phone: +36 1 266 9880 • Email: [info@amcham.hu](mailto:info@amcham.hu) • website: [www.amcham.hu](http://www.amcham.hu)**

