



# JOURNAL



T H E V O I C E O F A M C H A M H U N G A R Y

## Competitive Recommendations Sent To **PM And Cabinet**

On January 29, the new "Cooperation For A More Competitive Hungary 2018" recommendation package was sent to Prime Minister Viktor Orbán and his cabinet.

The first "Cooperation For A More Competitive Hungary" recommendation package was published in February 2016 and AmCham has been dedicated to publishing and discussing its recommendations with the government since then, in pursuit of the improvement of Hungary's competitiveness.

The new 16-point package represents our commitment to move our economy and country forward, and it is once again considered a living document, open for further dialogue. We would like to continue this dialogue with our members, the business community, academia and our government partners to make Hungary more competitive globally, more attractive to investors and to think ahead of the game in the current economic race.

The new publication is separated into four broad chapters which are in line with our Policy Task Forces: General Business Climate (**Investment**), Competitive Workforce and Education (**Competitive Workforce**), Innovation and Research & Development (**Innovation**) and Digitalization (**Digitalization**).

### Highlights of our recommendations and areas for development include:

- Widening the labor supply;
- Creating a more balanced industrial portfolio by advancing the paradigm shift to "Invented in Hungary";
- The gradual phasing-out of crisis taxes;
- The introduction of new incentives to support labor mobility, focusing on families;
- Supporting key competencies and skills in education;
- Further raises to the education budget;
- Enhancement of a more structured cooperation between business and education;
- More effective foreign language teaching;
- Creating a more supportive innovation ecosystem in higher education;



Farkas Bárony, AmCham President, and CEO Írisz Lippai-Nagy, present the "Cooperation For A More Competitive Hungary 2018" recommendation package.

- Gaining an international competitive advantage through revolutionary digital projects.

As part of our advocacy flow, the publication of the package is followed by a structured dialogue where the recommendations are discussed with the government at regular working group meetings with representatives of the Ministry for National Economy, state secretary roundtables, business forums and conferences (for example the "Business Meets Government Summit", "Competitive Education Conference", and the "Business Meets Universities Workshop").

The first of those meetings has already taken place. On February 15, István Lepsényi, Secretary of State for Economic Development and Regulation and other high-level representatives of the Ministry

for National Economy (NGM) met an AmCham delegation led by AmCham president Dr. Farkas Bárony, at the first AmCham-Ministry for Economy quarterly strategic working group meeting of 2018.

The state secretary thanked AmCham for preparing and sharing the "Cooperation For A More Competitive Hungary" recommendation package with the government for the third time. He said that the annually published recommendations, along with the series of strategic working group meetings, provide a stable and efficient framework for regular dialogue between our organizations.

AmCham President Dr. Farkas Bárony emphasized that AmCham very much appreciates all the support and cooperation the

state secretary and his team provide to AmCham on competitiveness issues.

The agenda of the meeting included the evaluation of Hungary's current macroeconomic environment, a review of policy progress and joint projects since our last meeting held in October 2017, and the discussion on the General Business Climate recommendations presented by representatives of the board, the Investment PTF, the Tax Committee and the Electronic Manufacturers' Committee.

Expert level consultations will continue to take place. The Ministry expressed its openness to several issues raised, including the increased

*Continued on page 8.*

### COMING UP

#### Safe Haven: Morning Seminar with K&H Bank

AmCham Conference Room » **Tuesday, 27 March**

There are many challenges ahead of us both globally and locally. We have no clear picture about Donald Trump's policy. What kind of effect will Brexit have on Europe? Do we have to fear China? There are improving fundamentals on the surface, Hungarian economic growth is accelerating, but is it strong enough to cope with the world situation? Registration and breakfast run from 8:30 a.m., the presentation and discussion from 9-11 a.m. The event will be held in English with no translation and is free for AmCham members and business partners of K&H Bank.

#### Mark your calendar: IV. HR Dream Day

Google Ground » **Wednesday, 30 May**

Our biannual HR conference/workshop returns this spring, championed by the HR Committee. Are disruptive, new HR technologies the future or should we stick to the good ol' classics? What will the next years bring HR in terms of recruitment, assessment or in-house training? Join our inspiring event with 100 like-minded HR leaders for more. A detailed program will follow in the coming weeks.

# MORE INSIDE

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**3** Regulatory Committee kick-starts 2018

**7** Little chance seen for change in government after elections



# Advocacy Update



Jim Schellinger, Secretary of Commerce for the State of Indiana.

## INTELLECTUAL PROPERTY OFFICE MEETING

Dr. Viktor Łuszcz, president of the Hungarian Intellectual Property Office (HIPO), met with the AmCham Innovation Policy Task Force on January 18, with Łuszcz and his colleagues giving an overview of HIPO's activities and goals.

AmCham CEO Írisz Lippai-Nagy, together with PTF co-Lead Csaba Márkus, board representative Bea Előd, and fellow PTF members engaged in an informative discussion with the HIPO representatives about possible means of strengthening business-academic cooperation in research & development & innovation in

Hungary. AmCham activities in relation to fostering a stronger innovative ecosystem were also presented and discussed.

The Innovation PTF has been focusing on business-university R&D&I cooperation for many years now. In January 2017, a project titled "Business Meets Universities" was launched with the goal of initiating a dialogue that creates a mutually beneficial advantage, and cooperation with measurable benefits for both the academic and the business spheres. Since last year, a series of discussions and in-depth interviews have been organized to understand the key stakeholders' views.

One key area with regards to tech transfer activities of universities is developing a legally transparent ecosystem which promotes the creation and commercialization of intellectual property. Participants agreed that IP is the cornerstone of innovation, and there is a need for an increased focus and awareness of IP issues among all stakeholders.

At the meeting, AmCham handed over the new "Cooperation For A More Competitive Hungary 2018" recommendation package to HIPO's president, and participants agreed to continue discussions and to further explore possibilities for cooperation and joint projects.

## HUNGARIAN PACT4YOUTH WORKING GROUP

The third meeting of the Hungarian Pact4Youth working group was held at AmCham Hungary on January 26. The working group gave an opinion on the current programs initiated by the Ministry of Human Capacities and discussed the objectives and next steps of the Hungarian Pact4Youth initiative.

Since 2016, the European Pact for Youth initiative has worked to improve opportunities for young people across Europe. Business and civil society leaders have together constructed the following joint policy proposals:

- Make vocational education and training/apprenticeships an equal choice for youth;
- Make business-education partnerships the new norm across Europe;
- Bring entrepreneurship education in learning into the mainstream.

A National Action Plan has to be developed and AmCham Hungary is one of the actors involved,

together with the National Youth Council (the lead organization), the Ministry of Human Capacities, the Ministry for National Economy, the Ministry of Foreign Affairs and Trade, the National Union of Students in Hungary (HÖÖK), the New Generation Center (Új Nemzedék Központ), the UN Youth Delegate, Bridgestone Hungary, Meló-Diák Ltd., the European Youth Card Association and the National Kid Association.

## TALKS WITH INDIANA STATE DELEGATION

On February 19, AmCham Hungary hosted a high-level delegation from Indiana to learn more about its economic ties to Europe and the latest pro-business developments in the Hoosier State.

Jim Schellinger, Secretary of Commerce for the State of Indiana, Andrea Richter, senior advisor to the Secretary for International Engagement, Jake Miller, Director of Field Operations for the Indiana Secretary of Commerce from the Indiana Economic Development Corporation, and Jan Cristoph Wiedemann, Director of the Indiana Economic Development Corporation's US State of Indiana, European Office formed the delegation.

A number of businesses founded in Indiana already have bases in Hungary, such as Koch Enterprises, Allison Transmission and Remy Inc., and economic relations between Hungary and Indiana are expanding dynamically. In June 2017, Eric Holcomb, Governor of Indiana and Péter Sijjártó, Minister of Foreign Affairs and Trade signed a memorandum of understanding to focus on strengthening business ties. Indiana is the first U.S. state to make such a formal agreement with Hungary.

# Board Of Directors



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US Embassy in Hungary





# AmCham Regulatory Committee Kick-starts 2018

## Cotinued GDPR Talks And Dialogue With Ministry Of Justice



U.S. Embassy Chargé d'Affaires David J. Kostelancik (seated at center) with a delegation from the Regulatory Committee.

### GDPR Fireside Chat

The U.S. Embassy Chargé d'Affaires David J. Kostelancik hosted a delegation of the chamber's Regulatory Committee for a "Fireside Chat" on January 26, to discuss the latest developments around the soon-to-be implemented European Union's General Data Protection Regulation (GDPR).

The delegation, representing 13 member companies from the Regulatory Committee led by its chair, Dr. Gábor Orosz, sat down with Chargé Kostelancik to discuss the committee's work and achievements concerning the new regulation.

After introducing their companies' activities, participants had a fruitful and informal discussion with the Chargé about the challenges of the GDPR, which comes into force from May 25.

Previously, AmCham's healthcare companies, the Electronic Manufacturers Committee and the representatives of the SSC sector participated in

this exclusive and informal meeting series with former Ambassador Colleen Bell.

AmCham is thankful for its long-standing and ongoing cooperation with the U.S. Embassy and is looking forward to organizing the next event in the "Fireside Chat" series.

### Regulatory Committee Input For GDPR Preparations

The Chamber's Regulatory Committee has published a document summarizing the role and employment status of the Data Protection Officer (DPO) in order to help member companies in interpreting the applicable DPO-specific rules of the General Data Protection Regulation (GDPR).

Last November, AmCham organized an informative conference, attended by Dr. Attila Péterfalvi, president of the National Authority for Data Protection and Freedom of Information (NAIH) and Deputy State Secretary of the Ministry of Justice Dr. László Péter Salgó, to address and discuss the

most important aspects of preparation and compliance with GDPR.

The committee has now put together a document (in Hungarian) that includes a summary of the role, the employment status and responsibilities of the DPO: "Összefoglaló az adatvédelmi tisztviselő jogállásáról, szerepéről és a rá vonatkozó összeférhetetlenségi szabályokról".

This document aims to help member companies in interpreting the applicable DPO-specific rules of the GDPR. The document – key elements of which were first presented to the membership at the AmCham conference by working group co-lead Dr. Ádám Liber – had earlier been sent to NAIH and amended on the basis of its comments.

It is important to note, however, that this document is not approved by the authority; it is a recommendation that has no binding force and it only serves for informational purposes. AmCham would like to thank the Regulatory Committee for its valuable work, and for

representing members' interests in the regular dialogue maintained with the Ministry of Justice and NAIH. If you have any questions about the document or about the work of the Regulatory Committee, please e-mail Judit.szilagyi@amcham.hu.

### GDPR Best Practices

AmCham member National Instruments hosted a special meeting on January 30, to share corporate GDPR best practices at its facility in Debrecen.

Representatives from Ormai és Társai CMS Cameron McKenna Nabarro Olswang LLP, Hegymegi-Barakonyi és Társai Baker & McKenzie Attorneys at Law, Invitech Solutions and Lexmark Hungary, including AmCham First Vice President Péter Csucska, participated in the session.

The meeting is an excellent example of chamber members working together to share experiences, knowledge and best practices.

### Committee In Ministry Consultations On GDPR Trade Secrets

At the request of the Ministry of Justice, the Regulatory Committee has compiled and sent a robust package of recommendations on those pieces of sectoral legislation that are relevant and need to be modified in AmCham's view for the sound implementation of the General Data Protection Regulation of the European Union (GDPR) in Hungary. The committee looked at a number of pieces of legislation, including the Labor Code, the Act on Electronic Communications, and the Act on Attorneys among others.

In mid-January, the detailed set of recommended modifications was sent to the Ministry of Justice, who channeled them to the other ministries in charge of the specific legislation, and to the Hungarian National Authority for Data Protection and Freedom of Information (NAIH).

During the week of February 26, the committee's GDPR topic leads participated in a series of inter-ministerial expert level meetings to discuss and present the AmCham arguments. In parallel to the GDPR consultations, the committee has been actively supporting the Ministry of Justice in its work on the planned transposition of the EU Directive on the Protection of Trade Secrets.

## Justice Ministry Meeting

Hungary's Minister of Justice László Trócsányi welcomed a delegation from AmCham's Regulatory Committee led by committee chair Gábor Orosz and AmCham CEO Írisz Lippai-Nagy in his office.

At the February 16 meeting, the delegation had the opportunity to discuss the status and hear the opinion of the minister and his colleagues, including Deputy State Secretary Zoltán Nemessányi and Deputy State Secretary László Péter Salgó, on a number of important legislative pieces.

The committee has reviewed and worked out an AmCham position on 13 different legislative drafts between January 2017 and February 2018, including the implementation of the GDPR and the planned transposition of the EU Directive

on the Protection of Trade Secrets, which were discussed by the participants in more detail.

Minister Trócsányi emphasized the importance of the regular, professional input provided by AmCham to the public consultation process of legislative drafts and thanked the chamber, and the Regulatory Committee in particular, for its outstanding work.

The minister also commented on AmCham's "Cooperation For A More Competitive Hungary 2018" recommendation package published this January, and he confirmed the ministry's openness in continuing the dialogue on those legislative issues that are important for AmCham, as a prominent representative of the business community in Hungary.



A reliable and stable framework for cooperation and direct consultation is provided by the Strategic Partnership Agreement first signed by AmCham and the Ministry of Justice in 2011, and re-confirmed in 2014. To discuss legislative

priorities, a similar meeting was organized for Minister Trócsányi and the Regulatory Committee in January 2016, and then with Deputy State Secretary Zoltán Nemessányi, the key contact for AmCham, in February 2017.





# FDI in Hungary

## Continental To Build EUR 100 mln Plant In Debrecen

German-owned automotive industry supplier Continental will build a EUR 100 mln parts plant on 7,000 sqm in Debrecen, Minister of Foreign Affairs and Trade Péter Szijjártó announced on February 21, mfor.hu reported. The government is supporting the investment, which will create 450 jobs, with a HUF 10.6 billion grant, Szijjártó said. Continental

board member Jose Avila said the company had picked Debrecen for the investment because of the excellent infrastructure and well-trained workforce. Construction of the plant, which will make mechatronic products, sensors and transmission control units, will start in Q3 of 2018 and production is due to start in Q3 of 2020, he added. Continental employs about 8,000 people at six plants and a commercial center in Hungary.



## Adient Opens EUR 47.5 mln Expansion In Mór

U.S. automotive company Adient inaugurated a EUR 47.5 mln expansion of its unit in Mór (90 km west of Budapest) late last year. Head of operations Sorin Moisescu said the new 12,000 sqm plant would turn out more than two million seats a year for premium customers such as BMW and Daimler. Adient employs more than 2,700 people at its three units in Hungary, in Mór, Mezőlak (171 km west of the capital) and Kecskemét (89 km southeast). The Mór unit supplies Daimler, BMW, Rolls Royce, Renault, Nissan and the Volkswagen group. It had revenue of close to HUF 50 bln (around EUR 159 mln) in 2016. Headcount at the unit was almost 2,000 and will be expanded by 200 over the next two years thanks to the new capacity.

## Arconic-Köfém Investing USD 138.4 mln In Capacity Expansion

Automotive industry supplier Arconic-Köfém is investing HUF 35 bln (USD 138.4 mln) in a 17,000 sqm production hall in Székesfehérvár, (64 km southwest of Budapest). The government is providing a HUF 8.3 bln tax break for the project,

Minister of Foreign Affairs and Trade Péter Szijjártó said at the start of the plant's construction. The investment will raise production of aluminum wheels by 500,000 units and create at least 200 jobs, Szijjártó was cited as saying by business news portal vg.hu. Arconic Inc. CEO Chip Blankenship said construction work will conclude in 2019, by which time the headcount at the plant will rise to 700. Arconic employs a total of more than 2,200 workers in Hungary at its bases in Székesfehérvár, Nemesvámos (128 km southwest of Budapest, near Veszprém) and Eger (139 km northeast of the capital). The company has invested USD 550 mln in Hungary since 1993, noted Blankenship.

## B. Braun Medical To Invest USD 118 mln

German-owned B. Braun Medical Magyarország will build a HUF 30.7 bln (USD 118 mln) intravenous kit plant at its base in Gyöngyös (78 km northeast of Budapest), Minister of Foreign Affairs and Trade Péter Szijjártó announced on January 18, magyaridok.hu reported. The government is awarding the company a HUF 6.1 bln grant to support the investment, Szijjártó said. In addition

to manufacturing, B. Braun also develops products at the base in Gyöngyös, supported by partnerships with Hungarian universities and local schools, B. Braun Melsungen AG supervisory board chairman Ludwig Georg Braun said. B. Braun has invested almost HUF 60 bln (USD 236.4 mln) in Hungary over the past 25 years and employs close to 1,400 people in the country including almost 100 development engineers. The latest investment will create 400 new jobs.

## Coca-Cola To Expand Production Plant

Coca-Cola HBC Magyarország has purchased a 13-hectare parcel in order to expand the area of its production plant in Dunaharaszti (19 km outside the center of Budapest), mfor.hu reported. When the development is completed in 2020, it will be Coca-Cola's largest Central Eastern European production base. Coca-Cola signed a strategic partnership agreement with the government of Hungary in 2012 and since then has spent more than HUF 20 bln (USD 78.8 mln) in this country.

## LogMeln Sells IoT Startup To Google For USD 51 mln

Google has announced that it will acquire the Internet of Things (IoT)-platform Xively from Hungarian-founded LogMeln, Inc., forbes.hu reported citing blog.google. Xively offers solutions for companies in any industry to benefit from the IoT. The acquisition, when it is completed, will complement Google Cloud's effort to provide a fully managed IoT service that connects and manages data from globally dispersed devices. It can thus accelerate the building of an IoT connected business. LogMeln said the transaction means that it is leaving the IoT connectivity platform space, but it will continue to invest in its Support-of-Things initiatives for products like LogMeln Rescue, Bold360, GoToAssist, Central, Rescue Lens and Seelt.

## NI Hungary Invests USD 21.5 mln In Plant And Service Center

Hardware products manufacturer and developer National Instruments (NI) Hungary is investing HUF 5.44 bln (USD 21.5 mln) in an electronics manufacturing plant and service center in Debrecen, (231 km east of Budapest) Minister of Foreign Affairs and Trade Péter Szijjártó said on Friday, civishir.hu reported. The investment will create 210 workplaces, mostly for graduates and the government will provide a HUF 2.55 bln grant for the project, Szijjártó added. National Instruments Corporation President and CEO Alex

## Record Of EUR 3.5 Bln Of Investments In 2017

Government incentives resulted in 96 investments worth a combined EUR 3.5 bln last year, creating more than 17,000 jobs, Minister of Foreign Affairs and Trade Péter Szijjártó said at the seventh Annual HIPA Investor of the Year Gala. The number of projects significantly increased compared to last year, indicating that projects requiring new technology, better qualification and expertise have become the focus. Another important trend is that two-thirds of the projects were reinvestments or expansion, which is an excellent indicator that market players are satisfied with the domestic economic environment and the operation and efficiency of the Hungarian entity, so they reinvest their profits in Hungary.

Davern said 180 of the 210 new positions have already been filled. NI Hungary will construct a fourth building at the site, for 250 staff, by the end of 2019, he added. NI Hungary employs almost 1,500 people. "During its 17-year presence in the city, Nationals Instruments has become a symbol of a modern, innovative and dynamically developing Debrecen," said Mayor László Papp (Fidesz-KDNP).

## Thyssenkrupp Opens USD 132.1 mln Plant In Hungary

Thyssenkrupp Components Technology inaugurated a HUF 33.5 bln (USD 132.1 mln) automotive parts plant in Jászfényszaru (72 km east of Budapest) on March 2. The government supported the investment with a grant of more than HUF 10.5 bln. The investment will create about 500 jobs at the base by 2019. The plant will turn out camshafts and steering systems. Thyssenkrupp is also building a springs and stabilizers plant in Debrecen (231 km east of the capital), where serial production is due to begin before the end of this year. The company operates an automotive systems factory in Győr (121 km west) and a software development competence center in Budapest. Karsten Kroos, chairman of the management board of the Business Area Components Technology of Thyssenkrupp AG, said that Hungary has become one of the key players in the European car industry. Last year some 480,000 cars were made here. Thyssenkrupp employs around 1,100 workers in Hungary.

## R&D Roundup

### Audi to set up USD 24.4 mln R&D center

German carmaker Audi will set up a HUF 6.2 bln (USD 24.4 mln) research and development center at its base in Győr, Minister of Foreign Affairs and Trade Péter Szijjártó said on February 19, Hungarian news agency MTI reported. Thirty development engineers will work at the center, focusing on both electric motors and internal combustion engines. A government grant is covering about 20% of the investment, Szijjártó added. He was speaking at an event marking Audi's 25th year in Hungary. He noted that the company had invested EUR 8 bln in the country during that period and now employs 12,300 people directly, and another 30,000 indirectly. The production of electric motors and of the Q3 model will start this year, Audi Hungária managing director Achim Heinfing said. Audi Hungária will be the center of electric motor production within the Audi group, which wants electric motors to account for 25% of total motor production by 2025.

### Continental to open AI center in Bp

German-owned automotive industry supplier Continental is establishing a HUF 5.5 bln (USD 21.6 mln) artificial intelligence center in Budapest that will employ 100 software and hardware engineers from May 2018, portfolio.hu reported. Hungary's government is supporting the investment with a HUF 1.37 bln grant. Continental Automotive Hungary employs more than 8,000 people at present, including almost 5,000 in its automotive business. Karl Haupt, who heads Continental AG's Advanced Driver Assistance Systems Business Unit, said the company is developing complete systems for self-driving vehicles. Continental AG development director Thomas Brohm said the new center would focus on deep machine learning and real-time software applications. The Budapest team will be innovation leaders within the company, while Hungary's engineering traditions and economic environment will support Continental's strategies, he added. Budapest was selected because of the presence of

an active automotive industry, universities and research centers, as well as specialists

### EPAM Systems opens development center in Szeged

U.S.-based software engineering and IT consulting company EPAM Systems inaugurated a development center in Szeged, southeast Hungary, on February 1. EPAM has been operating in Hungary for ten years and now employs more than 1,500 software developers in Budapest, Debrecen and Szeged, said managing director Bence Vinkó. Minister of Foreign Affairs and Trade Péter Szijjártó said the new center was the result of a strategic agreement signed by the government and EPAM in August 2016.

### Hyundai Electric expands R&D in Hungary

Hyundai Electric and Energy Systems, an affiliate of Hyundai Heavy Industries, said that it will develop research and development activities in Hungary to provide renewable energy-related technologies, vg.hu reported on February 19. Hyundai Electric has recently integrated two

R&D centers in Budapest into one big center to manufacture prototype products, test them and store equipment needed for R&D activities, the company said in a statement.

### Biotech firm Foss to set up USD 7.8 mln R&D center in Pécs

Danish biotechnology company Foss will set up a HUF 2 bln (USD 7.8 mln) R&D center in Pécs (238 km south of Budapest), Minister of Foreign Affairs and Trade Péter Szijjártó said on February 4, hirado.hu reported. The government is funding the investment with a HUF 773 mln grant. The investment will create 88 jobs for highly-qualified professionals. Foss VP for R&D Niels Degn said the company had chosen Hungary because of the professional competencies of the local labor force and the positive attitude of the government and the University of Pécs. The R&D center is being established through Soft Flow, a Pécs-based biotech company that Foss acquired two years earlier. About 80% of the world's grain and 85% of global milk output is analyzed using methods developed by Foss.





# The AmCham Hungary

## Wall Of Fame Winter 2017-18



**December 12:** Business Forum with Márton Nagy, Deputy Governor of the Central Bank.



**January 18:** Career Orientation at Kispesti Deák Ferenc Gimnázium.



**January 18:** Cut GDPR Preparation Costs and Time with Analytics - VirtDB Morning Seminar.



**January 22:** Patron Dinner with Róbert Ésik, President of HIPA.



**January 24:** Hosting a delegation from Indiana to discuss the pro-business climate of the Hoosier state.



**February 4:** SuperBowl LII Party at TGI Fridays.



**February 15:** Meeting with State Secretary István Lepsényi.



**February 26:** Start Your Business! returns to Corvinus University of Budapest.



**March 12:** Is Labor Shortage the Real Issue? HR roundtable with János Köllő and István János Tóth, MTA.





# New Members On Board

## CORPORATE



## Schneider Electric



### Country President:

Mr. Zsolt Veres

**Address:** 1133 Budapest,  
Váci út 96-98.

**Web:** [www.schneider-electric.hu](http://www.schneider-electric.hu)

Schneider Electric is the global specialist in energy management and automation. With revenues of ~€25 billion, our 160,000+ employees serve customers in over 100 countries, helping them to manage their energy and process in ways that are safe, reliable, efficient and sustainable. From the simplest switches to complex operational systems, our technology, softwares and services improve the way our customers manage and automate their operations. Our connected technologies reshape industries, transform cities and enrich lives. At Schneider Electric, we call this Life Is On.

## BUSINESS



## Grey Eminence Strategic Relations



### Founder & General Manager:

Mr. Ákos Lehel Németh

**Address:** 1065 Budapest,  
Révay u. 10. (Révay10 Irodaház)

**Web:** [www.greyeminence.hu](http://www.greyeminence.hu)

Grey Eminence Strategic Relations was founded in 2011. It specialises in public affairs (principally government relations), as well as in public relations with strategic views (especially in business and political positioning, image-building and positioning of mayors, city image development, image-building of companies and company leaders and reputation management). It builds upon confidential advisor-client cooperation through understanding the link between the companies' internal operation and the economy, politics, society and media. Professional experience covers the energy industry, military industry, tobacco, transport, IT, logistics, agriculture, environment protection, pharma, state and municipal administration as well as the non-profit sector.

## BUSINESS



## MINUSPLUS



ARCHITECTURE AND DESIGN

### Managing Directors:

Mr. Donát Rabb, Mr. Zsolt Alexa,  
Mr. Ákos Schreck

**Address:** 1114 Budapest, Orly utca 4.

**Web:** [www.minusplus.hu](http://www.minusplus.hu)

Minusplus is a Budapest based innovative architecture and design studio focused on custom made architecture. Solutions are adapted fully to the client's requirements, by a variety of means in order to realize a coherent architecture. This attitude is reflected in the diversity of our work.

## BUSINESS



## OrientTax Zrt.



### Partner:

Mr. Károly Radnai

**Address:** 1124 Budapest,  
Csörsz utca 43.

**Web:** [www.orientax.hu](http://www.orientax.hu)

OrientTax is an independent tax advisory firm founded in 2009 by tax advisors. Our firm has been growing steadily in recent years, our advisory team counts 20 tax professionals. We serve more than 100 clients, mostly Hungarian affiliates of well-known international groups and large or medium-sized Hungarian enterprises. Our clients are major players of numerous industries (agriculture, pharmaceuticals, energy, financial and banking, telecommunication, IT, media and entertainment, etc.)

## BUSINESS



## Wanari Kft.



### CEO:

Mr. Attila Regős

**Address:** 1061 Budapest,  
Anker köz 2-4. IV/4.

**Web:** [www.wanari.com](http://www.wanari.com)

Uniting 18 years of enterprise software development experience with strong mobile and cloud development skills, Wanari is open for subcontracting as a software development partner (for software houses, system integrators, SaaS companies, digital agencies, and startups with a fitting tech tool stack, etc.). Capable of creating modern enterprise systems, both cloud and on-premise, and fast enough to create an MVP for a startup.

## TAKE-OFF



## Beáta Kalamár, Executive Coach & Leadership Developer



### CEO: Ms. Beáta Kalamár

**Address:** 1027 Budapest,  
Frankel Leó út 5. II/21

**Web:** [www.beatakalamar.com](http://www.beatakalamar.com)

Beáta Kalamár, Executive Coach & Leadership Developer ([www.beatakalamar.com](http://www.beatakalamar.com)) provides unique, personalized and invaluable support to leaders on how to tackle complex challenges and uncertainties of today's global business market and to achieve breakthrough business results. Her main focus areas: Transformational Leadership – CRAFT Leadership – Admission to C-Suite – Building High Performing Transformational Leadership Teams.

## TAKE-OFF



## CNA International Executive Search



### CEO Hungary:

Mrs. Márta Ocskay

**Address:** 1126 Budapest,  
Dolgos utca 2.

**Web:** [www.cnaint.hu](http://www.cnaint.hu)

CNA Executive Search Hungary Kft. serves local and international clients; our key success factors are mature professional knowledge and standards, high customer orientation and engagement, and providing the best solution. Our local team act as a trusted advisor and establish long-term business relationships. We are a leading practice in the field of executive search for top & middle managers, key people and also in HR Consulting & Management Diagnostics (management audit, assessment and development centers, career coaching, outplacement programs, competence evaluation). We also evaluate and appraise existing leadership competence and skills.

## TAKE-OFF



## Fin-E-Sport Business Solutions



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Our company offers a very special tax optimisation consultancy and services to corporates. This is a win-win set up, beneficial corporate tax optimisation option, which we trust to be relevant to all companies present in Hungary in financial and social responsibility aspects as well. The corporate tax has to be paid in every case to the Tax Office, and with this system corporates get the tool in their hands to redirect their payable tax to certain dedicated purposes and organisations according to their policies, priorities or preferences (it can also be implemented into their CSR programs), nevertheless they receive tax refunds in return.



# Slight Chance For Major Power Changes After 2018 Elections

**Fidesz will most likely be able to hang on to power after the upcoming general elections, but the room for maneuver of the next administration will largely depend on what size majority it will have and how much EU funding will be available, a political roundtable discussion hosted by the AmCham established.**

By Levente Hörömpöli-Tóth

As was also the case four years ago, the possible outcomes of the parliamentary elections in Hungary was reflected on by the heads of two think tanks, Ágoston Mráz of Nézőpont Intézet and Péter Krekó of Political Capital.

What could have been a rather dull exchange of views even a week before the meeting at the Budapest Marriott Hotel on February 28 was enlivened by the unexpected opposition victory in the mayoral election in Hódmezővásárhely,

a long-time stronghold of the governing Fidesz party and its Christian Democrat allies.

Could the fact that Fidesz had lost that by-election against all odds cause the opposition forces to start dreaming of seizing power in the upcoming national elections as well? The analysts agreed that since the polls failed to predict the outcome in Hódmezővásárhely, there is more chance for a nationwide come-from-behind success for the opponents of Fidesz. However, they also pointed out that 45% of the votes was enough for a two-thirds majority in 2014, and even though the popularity of Fidesz has been somewhat dropping, the most likely scenario is still an absolute majority. To ensure that happens, it would help if the government switches to emphasizing the positive performance of the economy, noted one of the experts.

What the next government would put on its legislative agenda will very much be up to the size of its majority. As was speculated, the treatment of economic players probably will not change. Government activity might increase in the telecom sector should it decide to set up a state-owned mobile provider; or in retail, should it decide to return to the idea of gaining more influence there.



Ágoston Mráz of Nézőpont Intézet, Robin Marshall editor of Journal and Péter Krekó of Political Capital.

The number one concern of the population remains healthcare, so that is an area where action is long overdue. "It has become a symbol that the administration is renovating stadiums instead of hospitals. The electorate is made up of some three million pensioners, who are the most active voters and who have more experience with the sector, which is another reason to do something about it at last," one of the experts noted.

Key will be the amount of EU funding to enter the Hungarian economy, but it remains a question how much money will be available and how it will be distributed among member states after 2020. There is a fair chance that the matter will become a lot more political as eligibility might be linked to the observation of the rule of law and

a commitment to handling the migrant crisis. On exact policies to follow after the elections the analysts remained rather cautious. After all, all Fidesz said back in 2014 was "We will continue what we had been doing". The general sentiment still seems to be that the more specific you are before the vote, the more risks it carries. Yet, Minister of Economy, Mihály Varga has hinted that the personal income tax rate might be lowered further, though that might face some obstacles, as several EU states are already upset by Hungary's current rate of 9%.

On the other hand, Jobbik has promised to set up an SME-specialized bank, while the left-wing parties have talked about the possibility of returning to a progressive tax regime.

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

Though every region and country are different and have their unique characteristics, the most important question remains universal: how can we truly leverage digitalization, so it improves not only our IT infrastructure but our core business as well? Hungarian organizations and experts have a solid knowledge base and great entrepreneurial approach, making it an attractive market. Of course, there is always room for improvement, but our work is really exciting and rewarding here.

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

In our experience, business decision makers have realized that digitalization is not only an IT matter, it's about reimagining how you bring together people, data, and processes to create value for your customers and maintain a competitive advantage in a digital-first world. To achieve this, organizations have to start thinking and operating like a digital company and, though we already see the first steps, we must proactively drive this mindset change.

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

We always say at Microsoft that cooperation



Gabriella Szentkúti,  
general manager.

is key to creating opportunities in the communities where we do business, and to fulfil our commitment to serving the public good through innovative technologies and partnerships. AmCham is a great platform for this cooperation and knowledge transfer, providing amazing possibilities to raise awareness of the business opportunities in the Hungarian market.

#### About Microsoft

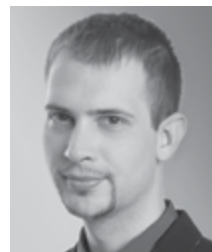
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## Competitive Recommendations Sent To **PM And Cabinet**

*Continued from page 1.*

support of investments targeting the southern regions of Hungary, the increased focus and promotion of the circular economy and the identification and support of the SSC sector.

The discussion of details on Competitive Workforce and Competitive Education, Innovation and R&D will be on the agenda of the next meeting, which is planned for June.

AmCham is proud to say that, as a result of these expert level consultations, we have made considerable progress in many areas with our previous recommendation packages (for more details on this, see page 16 of our "Annual Report

2017" publication) and we are looking forward to further discussions and joint work.

"AmCham would like to thank its members and partners for sharing their expertise and for their contribution towards developing policy recommendations," said AmCham CEO Írisz-Lippai-Nagy. "We are a powerful network and community and thanks to the commitment and engagement of our members, we have real success stories that we are proud of and that we can build on in the future to be a more effective and indispensable partner in enhancing Hungary's competitiveness."

If you are interested in reading the whole text of the 16 points strategic working plan, send an email to: [judit.szilagyi@amcham.hu](mailto:judit.szilagyi@amcham.hu)

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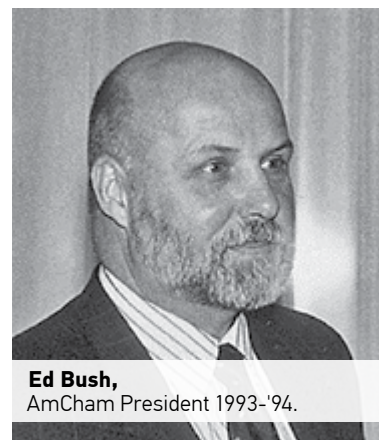


## Former AmCham President **Ed Bush Remembered**

**By Péter Fáth**

Just before the holiday season, AmCham Hungary received the sad news, that former president Edward J. Bush, Jr. had passed away.

He was not only a charismatic leader, but a friend to many in the chamber, with his nickname of "Bush bácsi" (Uncle Bush), which he was even able to pronounce properly.



**Ed Bush,**  
AmCham President 1993-'94.

him muttering under his mustache, "And what about the Pope from Rome?"

Edward J. Bush, Jr. was born and raised in New Kensington, Pa. He graduated from "Ken-Hi" in 1960, excelling in academics and football. He was appointed to the U.S. Naval Academy at Annapolis, Md. As a 1964 graduate midshipman, Ed served in the U.S. Marine Corps as a 2nd Lieutenant.

Serving two tours of duty in Vietnam, he received the Purple Heart, among other honors. He continued a military reserve career until 1972, retiring with the rank of Major.

Ed attended George Washington University and received his Juris Doctorate degree. He was a member of the Washington D.C. Bar Association and a chartered life underwriter.

With more than 35 years of experience in the life insurance industry, Ed's professional career led to management positions in the United States and worldwide. Through his extensive travels, Ed acquired many business associates and close friends around the world. In 2011, he retired to Sarasota, Florida to be near his loving family.

God bless you Ed. Rest in peace.

He came to Hungary around 1990 as head of AIG's operations in Hungary. After establishing AHICO in Budapest, he found time for voluntary work with AmCham. He was elected and served as president between 1993 and 1994.

He was serious in business but had an excellent sense of humor too. We enjoyed working with him very much. One of the most hilarious moments in my life was when we first visited the head of the Hungarian Chamber of Commerce. We went together with the president of the Canadian Chamber of Commerce, Michael Carter.

When we arrived at the reception desk at the Kossuth tér office, I asked the receptionist to call his boss and announce that: "Presidents Bush and Carter have arrived". We heard

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