

## Doing business in Hungary

Hungary is an open economy and greatly dependent on its export partners, its economic outlook is very much dependent on international events. Hungary is one of the UK's most significant EU trading partners. In 2010 combined trade between the countries exceeded £4.5 billion, an increase of 30% from the previous year.

### What are the Opportunities?

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Hungary is set to remain an attractive business market for UK-based companies, with opportunities for innovative and cost effective products and solutions. In addition use of funds from the EU Cohesion fund result in a number of opportunities.

## Life Science sector in Hungary

**Biotechnology plays a key role in Hungary's development and makes a vital contribution in numerous areas – high quality job creation, economic growth, utilisation of renewable energies, biological environmental protection, public health and the health industry.**

### Life science – why Hungary?

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- The highest number of biotechnology companies in the region.
- Internationally recognized academic and university infrastructure, offering a wide array of life-science courses.
- R&D is conducted at universities and research institutes, as well as in R&D centres established in Hungary by leading global pharmaceutical companies (e.g. GSK, Teva etc.).
- Highly educated, skilled workforce at relatively low cost.
- The biotech sector is given priority in the country's economic plans. Legal and tax incentives are offered for biotech innovation and the Hungarian Biotechnology Association has been established to promote biotech companies.
- Strong pharmaceutical manufacturing history. Some of the world's largest pharmaceutical companies (Sanofi, Teva, Servier, GSK, AstraZeneca, BMS) are present in Hungary through their affiliates or supply centres for not only Hungary, but also for CEE, Ukraine, Russia and the Balkans.

The Hungarian biotech sector has gained global recognition in the past 10 years and is in the leading position among the new EU-member states.

Realistically, Hungary is unlikely to fully close the gap or get significantly close to European countries with leading biotech sectors (Germany, United Kingdom, France) or even mid-sized sectors (Sweden, Austria, Norway). It can be stated that the top 10 EU positions are already taken, and this situation is unlikely to change. Currently the Hungarian biotech sector is comparable in size to an average European bioregion (Berlin region, Vienna region, etc.), more specifically measures up to half/one third of those.

A realistic goal for the whole Hungarian biotech sector would be to reach the dimensions of such a mid-sized European bioregion by 2030.

Source: UK Trade & Investment (<http://www.ukti.gov.uk>), Hungarian Investment and Trade Agency (<http://www.hita.hu/>)

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