

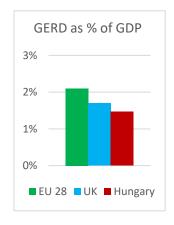


UK Science & Innovation Network Country Snapshot:

Hungary

Hungary - Science and Innovation Landscape

Hungary's gross domestic expenditure on research and development (GERD) increased to 1.47% of GDP in 2019 (in absolute numbers 1.950 million Euros), compared to a 2.1% average across the European Union, according to the OECD. 45% of Hungary's R&D expenditure comes from the business sector, 33% from governmental sources, and 13% from foreign sources. National priorities are strongly influenced by EU programmes. The new research and innovation (R&I) funding structure was modelled on the structure of the EU Horizon Europe programme. Hungary was ranked 35th on the Global Innovation Index in 2020. According to the 2020 EU Innovation Scoreboard, Hungary is a "moderate" innovator, but Hungary aims to qualify for the higher tier within a decade. Hungary ranks 21st in the EU Digital Economy and Society Index (DESI 2020).



Although Hungary lags behind in the digitalisation of business and digital public services, it is among the leaders in 5G readiness and broadband connectivity. Recently Hungarian start-ups are often more attractive for venture capital than many Western European countries. A 2020 study by the <u>Finnish Venture Capital Association</u> shows that Hungary outperforms the region, and is one of the leading players in Europe in terms of venture capital invested in start-ups as a percentage of GDP.

Research and innovation development is strongly supported by the Hungarian government. In January 2015 the National Research, Development and Innovation Office (NKFIH) was created (https://nkfih.gov.hu/about-the-office). It is the Hungarian equivalent of UKRI. NKFIH is supervised by the Ministry of Technology and Innovation. 17 so-called national laboratories and scientific hubs

(https://nkfih.gov.hu/for-the-applicants/innovation-ecosystem/national-laboratoriesprogramme/laboratories/dedcription-of-laboratories) — modelled around the Horizon Europe missions - were created in 2021 with the objective to pool the best domestic professional talent in areas of special importance for the national economy, and to address global challenges while increasing their international visibility.

Hungary has spent the last decade developing its scientific infrastructure. Hungary takes part in several large research infrastructures, including the world-class Attosecond Light Pulse Source - Extreme Light Infrastructure, (a joint European project of the highest-intensity lasers), the European Social Survey, and CERN Data Centre, which has been, additionally to Geneva, located at Wigner Research Centre for Physics in Budapest. Hungary is also one of the nine Central European states which initiated the Central European Research Infrastructure Consortium (CERIC) project. CERIC is designed to create the region's largest distributed infrastructure consortium, consisting of analytical and materials science infrastructures. In 2020, Hungarian

Hungary's position in Global Innovation Index 2020:

35th

Position of UK in Hungary's H2020 collaborations:

5th

www.gov.uk/government/world/organisations/uk-science-and-innovation-network

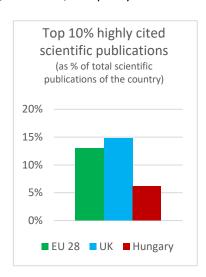


universities started an ambitious science park development programme with government funding to improve industry – higher education collaboration.

The European Institute of Innovation and Technology (EIT) was established in 2008 with its headquarters in Budapest. It is the first Europe-wide institution based in Hungary. The EIT is the EU's flagship institute designed to connect European business and research, and to integrate innovation, research and economic growth in Europe. The mission of EIT is carried out through the so-called Knowledge and Innovation Communities (KICs), integrating European innovation platforms of leading European stakeholders from industry, academia, and policy.

UK Science and Innovation in Hungary

In Hungary, UK science and innovation based policy making, and science and innovation in general have a good reputation. The position of the UK in Hungary's international collaborations is third after the US and Germany, as evidenced by the number of joint publications (Web of Science: 2016-2020). However, there are not any recent bilateral government agreements, or bilateral UK-Hungarian R&D programmes. Most co-authorships were with the US, followed by Germany, and thirdly with the UK. Between 2016-2020 the most active co-authorships with the UK out of the overall number of Hungarian scientific papers were in the fields of physics and space science, clinical medicine, health sciences, basic medical research, and biological sciences (Web of Science).



There are many opportunities for UK engagement. Hungary benefits from substantial EU funding. Hungary's performance in Horizon 2020 ranked high within the EU13: for example, third in grants awarded for Horizon 2020

after Poland and the Czech Republic. In Horizon 2020, 1866 UK-Hungarian collaborative projects were reported by April 2021, putting the UK fifth among Hungary's collaborators.

Hungarian scientists are the most successful within the EU13 for receiving grants of the European Research Council. Hungary was the first EU13 country to win a synergy grant in 2013. In 2018 Hungary had 6.2% of overall scientific publications within the top 10 % most cited scientific publications worldwide (compared to 14.62 % of the UK).

Value of UK exports to Hungary:
£2.6b

Value of UK imports from Hungary:
£3.2b

DIT Tade&Investment Factsheet, May 2021

SIN works to support UK science and innovation policy objectives through exchange with Hungarian counterparts, and by reporting on the Hungarian science and innovation landscape. Promoting UK science excellence and policies across Hungary is a key objective. Horizon Europe is an excellent tool for building UK collaborations with Hungary. Collaborations and exchanges supported by SIN in the past three years included the areas of AI policy, smart cities and transport, hydrogen economy, innovation to support energy transition, C19 drug research, sharing UK experience in interdisciplinary climate research and measuring research performance.

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