



5.2 HUNGARY



ungary, with a population of 10.6 million in an area of 93 thousand km² had a GNP of 993.9 billion Forints (C\$1.00 equals 54 Forints) in 1987. ● ●

The important industries are agriculture and food processing, engineering, chemicals and light industries.

TECHNOLOGY

TRENDS/STRENGTHS

Medium-term plans for 1986-1990 call for expenditures of 152-164 billion Forints (US\$3.3 billion to US\$3.5 billion) on R&D.

Under their 1986-1987 National medium term R&D Plan, the Hungarians have identified the following as priority areas:

- basic research in biology
- microelectronics (e.g. data processing, telecommunications and automation)
- reasonable utilization of raw and waste material and associated technologies
- biotechnology
- energy management
- electronic components
- automation of technology
- electronic instrumentation in precision mechanics
- pharmaceuticals (e.g. plant protection, haematherapeutic and diagnostic compound production)
- food production

KEY ORGANIZATIONS

The State Committee for Technological Development

This Committee is responsible for national R&D planning, co-ordination in allocating development resources and in maintaining international science and technology relations.

Hungarian Academy of Sciences

The Hungarian Academy of Sciences is the supreme scientific body and has two main roles:

- participates in the national direction and control of scientific research, and acts as a corporate scientific body; and
- supervises its institutions carrying out research funded mainly from the state budget

Of the 68 institutes dealing with R&D activities, 36 are under the supervision of the Academy.

KEY SUPPORT PROGRAMS

The Technological Development Fund

Funded by compulsory tax on the price of industrial goods, this centralized national fund is used by ministries and agencies directly subordinated to the Council of Ministers for supporting R&D projects directly or indirectly aimed at upgrading economic activity. This fund, in 1985, constituted 22% of the total R&D expenditure of the country.

National Scientific Research Foundation

Established in 1985, the foundation has about 4 billion Forints available over 5 years to award grants for both basic research and for improvements to the research infrastructure.

CONDITIONS OF ACCESS

Hungary is a planned economy which encourages joint ventures with foreign entities. to facilitate international co-operation, the law on the Investments of Foreigners in Hungary was passed in 1988. For example, this law protects foreigners against nationalization or expropriation.