

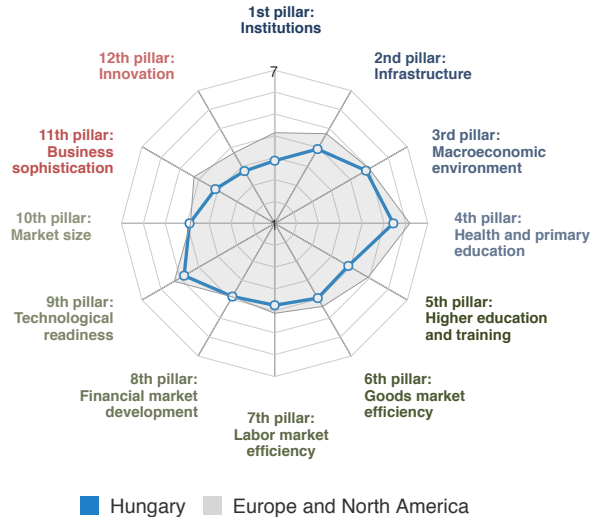
Key indicators, 2016

Source: International Monetary Fund; World Economic Outlook Database (April 2017)

Population millions	9.8	GDP per capita US\$	12,778.3
GDP US\$ billions	125.7	GDP (PPP) % world GDP	0.23

Performance overview

Index Component	Rank/137	Score (1-7)	Trend	Distance from best	Edition	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Global Competitiveness Index	60	4.3			Rank	60 / 144	63 / 148	60 / 144	63 / 140	69 / 138	60 / 137
Subindex A: Basic requirements	64	4.6			Score	4.3	4.2	4.3	4.2	4.2	4.3
1st pillar: Institutions	101	3.5									
2nd pillar: Infrastructure	56	4.4									
3rd pillar: Macroeconomic environment	46	5.1									
4th pillar: Health and primary education	78	5.6									
Subindex B: Efficiency enhancers	45	4.4									
5th pillar: Higher education and training	73	4.3									
6th pillar: Goods market efficiency	64	4.4									
7th pillar: Labor market efficiency	71	4.2									
8th pillar: Financial market development	45	4.3									
9th pillar: Technological readiness	40	5.1									
10th pillar: Market size	55	4.3									
Subindex C: Innovation and sophistication factors	79	3.5									
11th pillar: Business sophistication	96	3.7									
12th pillar: Innovation	62	3.4									

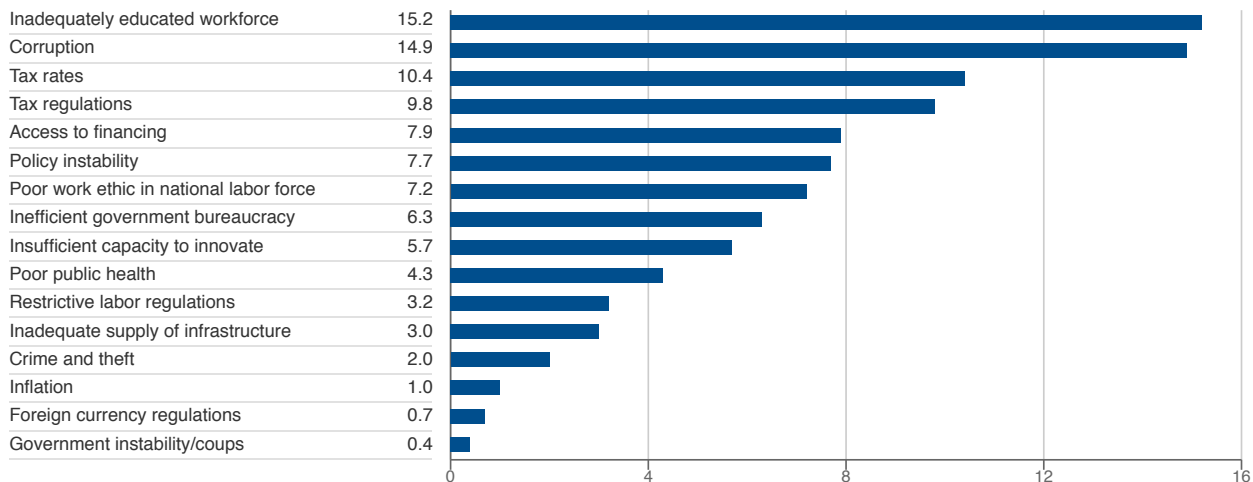


Hungary (60th) improves by nine places, returning to levels it held previously (63rd in 2015, 60th in 2014). The rise is to a large extent due to an improvement technological readiness (an increase in technology take-up by firms from a low level – from 135th to 109th on firm-level technology absorption – and significant increases in Internet

take-up by individuals, from 73 percent of the population in 2015 to 79 percent in 2016). In addition, business executives are reporting improvements in the development of financial markets as well as the business and innovation environment.

Most problematic factors for doing business

Source: World Economic Forum, Executive Opinion Survey 2017



Note: From the list of factors, respondents to the World Economic Forum's Executive Opinion Survey were asked to select the five most problematic factors for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

Index Component	Rank/137	Value	Trend	Index Component	Rank/137	Value	Trend
1st pillar: Institutions	101	3.5		6th pillar: Goods market efficiency	64	4.4	
1.01 Property rights	125	3.3		6.01 Intensity of local competition	127	4.2	
1.02 Intellectual property protection	73	4.0		6.02 Extent of market dominance	108	3.2	
1.03 Diversion of public funds	108	2.6		6.03 Effectiveness of anti-monopoly policy	73	3.7	
1.04 Public trust in politicians	105	2.2		6.04 Effect of taxation on incentives to invest	41	4.1	
1.05 Irregular payments and bribes	59	4.2		6.05 Total tax rate % profits	100	46.5	
1.06 Judicial independence	101	3.2		6.06 No. of procedures to start a business	53	6	
1.07 Favoritism in decisions of government officials	131	1.9		6.07 Time to start a business days	40	7.0	
1.08 Efficiency of government spending	108	2.5		6.08 Agricultural policy costs	122	3.0	
1.09 Burden of government regulation	106	2.9		6.09 Prevalence of non-tariff barriers	91	4.1	
1.10 Efficiency of legal framework in settling disputes	93	3.1		6.10 Trade tariffs % duty	6	1.1	
1.11 Efficiency of legal framework in challenging regulations	132	2.2		6.11 Prevalence of foreign ownership	67	4.5	
1.12 Transparency of government policymaking	125	3.1		6.12 Business impact of rules on FDI	46	5.0	
1.13 Business costs of terrorism	51	5.3		6.13 Burden of customs procedures	30	5.0	
1.14 Business costs of crime and violence	16	5.6		6.14 Imports % GDP	11	87.4	
1.15 Organized crime	56	5.1		6.15 Degree of customer orientation	65	4.6	
1.16 Reliability of police services	64	4.5		6.16 Buyer sophistication	86	3.2	
1.17 Ethical behavior of firms	127	2.9		7th pillar: Labor market efficiency	71	4.2	
1.18 Strength of auditing and reporting standards	77	4.5		7.01 Cooperation in labor-employer relations	77	4.3	
1.19 Efficacy of corporate boards	78	4.7		7.02 Flexibility of wage determination	68	4.9	
1.20 Protection of minority shareholders' interests	57	4.1		7.03 Hiring and firing practices	27	4.5	
1.21 Strength of investor protection 0-10 (best)	74	5.5		7.04 Redundancy costs weeks of salary	53	13.4	
2nd pillar: Infrastructure	56	4.4		7.05 Effect of taxation on incentives to work	88	3.6	
2.01 Quality of overall infrastructure	48	4.5		7.06 Pay and productivity	85	3.7	
2.02 Quality of roads	62	4.1		7.07 Reliance on professional management	98	3.8	
2.03 Quality of railroad infrastructure	44	3.6		7.08 Country capacity to retain talent	126	2.4	
2.04 Quality of port infrastructure	103	3.2		7.09 Country capacity to attract talent	112	2.5	
2.05 Quality of air transport infrastructure	82	4.1		7.10 Female participation in the labor force ratio to men	62	0.83	
2.06 Available airline seat kilometers millions/week	69	203.5		8th pillar: Financial market development	45	4.3	
2.07 Quality of electricity supply	61	5.1		8.01 Availability of financial services	55	4.4	
2.08 Mobile-cellular telephone subscriptions /100 pop.	64	119.1		8.02 Affordability of financial services	39	4.3	
2.09 Fixed-telephone lines /100 pop.	34	31.5		8.03 Financing through local equity market	85	3.2	
3rd pillar: Macroeconomic environment	46	5.1		8.04 Ease of access to loans	41	4.3	
3.01 Government budget balance % GDP	45	-1.8		8.05 Venture capital availability	43	3.3	
3.02 Gross national savings % GDP	47	24.3		8.06 Soundness of banks	74	4.7	
3.03 Inflation annual % change	47	0.4		8.07 Regulation of securities exchanges	111	3.5	
3.04 Government debt % GDP	106	74.2		8.08 Legal rights index 0-10 (best)	8	10	
3.05 Country credit rating 0-100 (best)	53	57.3		9th pillar: Technological readiness	40	5.1	
4th pillar: Health and primary education	78	5.6		9.01 Availability of latest technologies	43	5.2	
4.01 Malaria incidence cases/100,000 pop.	n/a	m.f.		9.02 Firm-level technology absorption	109	4.0	
4.02 Business impact of malaria	n/a	6.7		9.03 FDI and technology transfer	48	4.7	
4.03 Tuberculosis incidence cases/100,000 pop.	29	9.3		9.04 Internet users % pop.	31	79.3	
4.04 Business impact of tuberculosis	24	6.6		9.05 Fixed-broadband Internet subscriptions /100 pop.	29	28.5	
4.05 HIV prevalence % adult pop.	1	<0.2		9.06 Internet bandwidth kb/s/user	31	154.8	
4.06 Business impact of HIV/AIDS	10	6.6		9.07 Mobile-broadband subscriptions /100 pop.	94	44.5	
4.07 Infant mortality deaths/1,000 live births	38	5.3		10th pillar: Market size	55	4.3	
4.08 Life expectancy years	54	76.0		10.01 Domestic market size index	59	4.0	
4.09 Quality of primary education	87	3.5		10.02 Foreign market size index	32	5.4	
4.10 Primary education enrollment rate net %	101	90.6		10.03 GDP (PPP) PPP \$ billions	58	270.3	
5th pillar: Higher education and training	73	4.3		10.04 Exports % GDP	6	99.4	
5.01 Secondary education enrollment rate gross %	30	105.2		11th pillar: Business sophistication	96	3.7	
5.02 Tertiary education enrollment rate gross %	55	50.9		11.01 Local supplier quantity	128	3.6	
5.03 Quality of the education system	111	2.9		11.02 Local supplier quality	71	4.3	
5.04 Quality of math and science education	78	3.9		11.03 State of cluster development	90	3.5	
5.05 Quality of management schools	66	4.2		11.04 Nature of competitive advantage	59	3.7	
5.06 Internet access in schools	97	3.6		11.05 Value chain breadth	98	3.5	
5.07 Local availability of specialized training services	101	4.0		11.06 Control of international distribution	66	3.7	
5.08 Extent of staff training	103	3.5		11.07 Production process sophistication	84	3.5	
				11.08 Extent of marketing	134	3.3	
				11.09 Willingness to delegate authority	88	4.0	
				12th pillar: Innovation	62	3.4	
				12.01 Capacity for innovation	96	3.8	
				12.02 Quality of scientific research institutions	34	4.7	
				12.03 Company spending on R&D	85	3.1	
				12.04 University-industry collaboration in R&D	68	3.4	
				12.05 Gov't procurement of advanced technology products	109	2.8	
				12.06 Availability of scientists and engineers	91	3.6	
				12.07 PCT patents applications/million pop.	28	24.7	

Note: Values are on a 1-to-7 scale unless indicated otherwise. Trend lines depict evolution in values since the 2012-2013 edition (or earliest edition available). For detailed definitions, sources, and periods, consult the interactive Economy Profiles and Rankings at <http://gcr.weforum.org/>