



Hungary

**1. Covid-19 Pandemic and National Recovery and Resilience Plans**

<b>Question 1</b>	Based on early indications, how satisfied or dissatisfied are you with the way your country has started implementing the national recovery and resilience plan?	Dissatisfied
<b>Question 2</b>	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
<b>Question 3</b>	How confident are you that the European Commission will enforce strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident
<b>Question 4</b>	How do you judge the overall economic policy response in your country over the past 24 months to the COVID-19 recession? (e.g. furlough schemes, tax deferrals, state aid schemes)	Poor
<b>Question 5</b>	How do you judge the overall economic policy response from the European Union over the past 24 months to the COVID-19 recession? (e.g. SURE, Recovery and Resilience Facility, single market)	Fair
<b>Question 6</b>	To what extent has the COVID-19 pandemic and recession led to scarring i.e. permanent structural damage to your national economy?	To some extent
<b>Question 7</b>	To what extent has the COVID-19 pandemic and recession led to scarring i.e. permanent structural damage to the EU27 economy?	To some extent
<b>Question 8</b>	More specifically, how much lower do you expect GDP in your country to be in 2025 than would have been the case without the crisis?	GDP in 2025 expected to be <u>4</u> % lower than what would have been the case without the pandemic



## 2. Assessment of Country Specific recommendations 2020-2021 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. Address shortages of health workers and ensure an adequate supply of critical medical products and infrastructure to increase the resilience of the health system. Improve access to quality preventive and primary care services.	Extremely important	Unsatisfactory	
CSR 2	Protect employment through enhanced short-time working arrangements and effective active labour market policies and extend the duration of unemployment benefits. Improve the adequacy of social assistance and ensure access to essential services and quality education for all.	Extremely important	Unsatisfactory	
CSR 3	Ensure liquidity support to small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular clean and efficient production and use of energy, sustainable transport, water and waste management, research and innovation, and digital infrastructure for schools.	Important	Mixed	



		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Ensure that any emergency measures be strictly proportionate, limited in time, in line with European and international standards and should not interfere with business activities and the stability of the regulatory environment. Ensure effective involvement of social partners and stakeholders in the policy-making process. Improve competition in public procurement.	Important	No Progress	
CSR 5	Strengthen the tax system against the risk of aggressive tax planning.	Helpful (but not a priority)	Mixed	

### 3. Reform Progress in your Member State in 2020 & 2021

How would you assess reform progress in 2020 & 2021, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Unsatisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2022 Reform Barometer?

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#### 4. Reform priorities for 2022

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
<b>Priority 1</b>	Consolidation of public expenditures		Yes
<b>Priority 2</b>	Quality of fiscal institutions and budgetary framework		No
<b>Priority 3</b>	Public sector efficiency		No
<b>Priority 4</b>	Competition policy framework		No
<b>Priority 5</b>	Pension and health care reforms		No