

Supporting reforms in

HUNGARY

DG REFORM
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Since 2017, the European Commission has provided expertise to help design over 1000 reform projects in 27 Member States through the Structural Reform Support Programme. As of 2021, the Technical Support Instrument (TSI), its successor, continues to support reforms with an emphasis on the green and digital transitions. The TSI can also support the preparation and implementation of Member States' Recovery and Resilience Plans.

PROJECTS

NEW PROJECTS UNDER TSI 2021

In the first round of the TSI, the Commission will support Hungary with 10 projects in the areas of sustainable growth, fair taxation, digitalisation of public administration, healthcare, digital higher education and supervision of the financial sector. The Commission will also provide general support to help prepare and implement the national Recovery and Resilience Plan.

Examples of new projects adopted include:



Reviewing the regulation on professional services to strengthen competitiveness



Simplifying tax reporting obligations for employers



Strengthening green procurement



Modernizing healthcare payments governance to incentivise integrated healthcare



Assessing cyber threat landscape in the financial sector





COMPLETED AND ONGOING REFORM PROJECTS

Hungary has so far benefited from 18 projects financed under the predecessor of the TSI, the Structural Reform Support Programme (SRSP). This support has addressed a broad range of policy areas, including green transition and circular economy, productivity of the SME sector, access to finance, primary healthcare and higher education. To date, 8 projects have been successfully concluded.



Introducing energy efficient investments for buildings

Buildings consume over 40 % of energy in Hungary. A vast portion of the building stock was built before 1980 with low energy performance standards. The European Commission supports Hungary by helping to assess the current energy saving potential, identifying barriers to investments and providing recommendations for developing financial instruments to facilitate public and private investment. As a result of the project, Hungary will be able to adopt an appropriate renovation strategy and thus contribute to the renovation wave, which is part of the European Green Deal. Simultaneously, Hungary is expected to reap significant energy savings.



Measuring tax compliance costs

Disproportionate administrative costs of tax compliance adversely affect entrepreneurial and innovation potential in the economy. The European Commission supported Hungary with developing measures to reduce the cost for taxpayers to comply with their tax obligations, and to reduce the cost of the tax authorities to facilitate the voluntary compliance and enforce the collection of the taxes. As a result, Hungary was able to adopt a methodology for the assessment of tax compliance cost that can also be used in other Member States.



Digitalizing higher education

Hungary is in the process of modernising its higher education, including through enhanced digitalisation of teaching and learning. The European Commission is supporting Hungary's effort to review its strategic framework for the digital transformation of the higher education system, building on other national policies and practices. The programme assists the Hungarian authorities in identifying policy options to enhance quality, inclusiveness and governance of higher education through digitalisation. As a result, Hungary will be better equipped to implement the reform on the ground.

