

Hungary is navigating a complex landscape, balancing its strengths in renewable energy and universal healthcare with pressing challenges in social inequality and economic strain. With a strong commitment to sustainable energy, Hungary ranks among the EU's top three countries for solar energy production, achieving 20.2 percent of its energy from renewable sources in 2022. Universal healthcare provides all citizens with access to essential medical services, supporting public health and enhancing wellbeing across the nation.

However, Hungary faces significant social challenges, particularly with high mortgage rates and a worrying rise in child poverty.

In 2023, nearly a quarter of Hungarian children were at risk of social exclusion, marking a 6.3% increase from the previous year.

Recognising these issues, Hungary has rolled out policies aimed at driving sustainability, promoting social inclusion, and enhancing cultural access, in line with the country's vision for long-term health and resilience.

Environmental education is a cornerstone of Hungary's efforts to instill sustainable values in the younger generation. The Green Kindergarten Network - established to teach sustainable practices to young children - has achieved impressive results, with 30% of the country's kindergartens earning Green status since the programme began in 2006. By embedding

environmental awareness early on, Hungary is laying the foundation for a more eco-conscious future. In the realm of cultural education, the Lázár Ervin Programme, launched in 2019, offers primary students in grades one to eight access to enriching cultural experiences, including theatre, music, and wildlife exhibitions. This initiative is designed to develop an early appreciation for the arts and cultural heritage, providing young Hungarians with opportunities for personal growth and creative engagement.

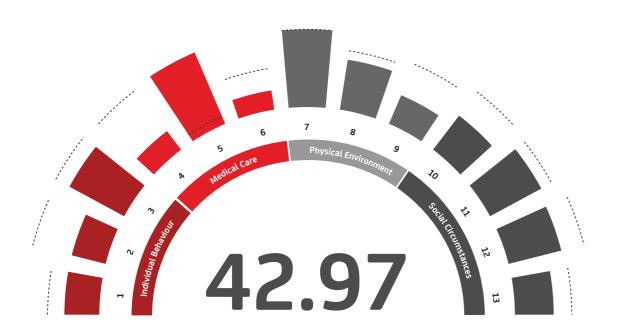
Hungary is also innovating in the field of dementia care with a unique program at the Open Air Museum. Through reminiscence sessions that utilize cultural heritage and sensory experiences, dementia patients are encouraged to recall memories, aiding in cognitive stimulation and slowing mental decline. This initiative, which is accessible to all citizens regardless of residency status, also provides valuable support to caregivers, helping reduce their stress and improve the quality of care. In 2022, the program received €12.3 million in funding, followed by €8.4 million in 2023, demonstrating Hungary's commitment to accessible, compassionate dementia care.

As Hungary seeks to build a future of resilience and inclusivity, these initiatives reflect a comprehensive approach that addresses both environmental and social needs. By advancing policies that promote sustainability, cultural enrichment, and public health, Hungary is striving to create a society that prioritizes both long-term wellbeing and a strong sense of community, even amid ongoing economic and social challenges.



Longevity Index Ranking: 22nd Empowered Living Indicator Ranking: 19th





Individual Behaviour

- 1. Nutritional Behaviour
- 2. Drug Use
- 3. Wellbeing

Medical Care

- 4. Spending
- 5. Access
- 6. Health

Physical Environment

- 7. Infrastructure & Community
- 8. Housing
- 9. Climate

Social Circumstances

- 10. Financial (Personal)
- 11. Economic Productivity
- 12. Stressors
- 13. Human Capital



Hungary Policy Driven Indicators



Economic

Hungary has introduced economic policies to streamline trade, strengthen resilience, and support sustainable growth.

The Import One-Stop Shop (IOSS) simplifies VAT declaration on low-value imports (up to €150), reducing administrative burdens for businesses and enabling smoother EU-wide distance sales.²⁰⁴ In response to the pandemic's impact, Hungary's National Recovery and Resilience Plan focuses on economic stability and sustainable development, emphasising green infrastructure and digital innovation to prepare for a more digital and eco-conscious global economy.²⁰⁵

Additional policies include tax incentives for sustainable investments and digital upskilling initiatives, encouraging businesses to adopt green practices and equipping workers with essential digital skills. Collectively, these efforts underline Hungary's commitment to a resilient and sustainable future.



Environmental

Hungary is advancing its environmental agenda with policies focused on sustainable transport and green finance. A key initiative, the Green Bus Programme, seeks to modernise public transport by cutting emissions and promoting eco-friendly travel. Funded by emissions trading scheme (ETS) auction revenues, the programme has so far supported the purchase of 135 electric buses and 4 self-propelled trolleybuses, as well as the installation of 148 charging stations, paving the way for cleaner urban mobility.²⁰⁶

In the financial sector, the Central Bank of Hungary (MNB) introduced its Green Program in February 2019 to address climate-related risks and encourage sustainable financial practices. This program aims to expand green financial services, build expertise in sustainable finance, and lower the environmental impact of the financial sector.²⁰⁷ Through these initiatives, Hungary is driving both environmental resilience and a more sustainable economy, contributing to a healthier, greener future for its citizens.



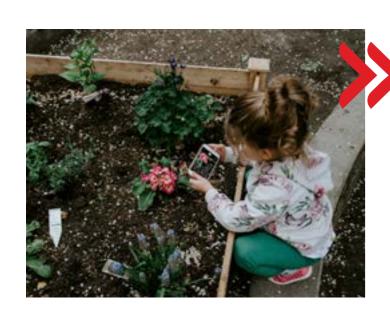
Social

Hungary is implementing a range of social policies focused on education, family support, and urban sustainability to promote wellbeing and resilience. The Pannonia Scholarship Programme allows master's and doctoral students to study abroad with credit recognition at home, expanding career and academic opportunities.²⁰⁸ The updated Vocational Education and Training (VET) Strategy aligns skills training with market demands, modernising schools and offering incentives to prepare students for competitive careers.²⁰⁹

Family support initiatives include the CSOK Plus Programme, which offers housing loans to families committing to raise children, and new Family Support Benefits, providing up to 65,000 HUF monthly for childcare, meal costs, and support for home creation and self-employed parents. The Budapest Mobility Plan enhances public transport in the capital, upgrading connections and vehicles for a more sustainable urban environment. These policies collectively reinforce Hungary's dedication to social resilience, economic growth, and the long-term wellbeing of its citizens.



Hungary **Case Studies**





Physical Environment Green Kindergarten Network²¹²

The Green Kindergarten Network initiative was devised to increase knowledge of sustainable living in young children.

Through a mix of direct and indirect methods, children are taught about the impact non sustainable practices as well as suitable alternatives.

Since 2006, 30% of kindergartens in Hungary have gained the Green Kindergarten title.





Individual Behaviour Lázár Ervin Programme²¹³

Hungary's Lázár Ervin Programme, initiated in 2019, provides primary school students in grades 1-8 with access to various cultural events, such as theater, dance, circus performances, classical music concerts, and wildlife exhibitions, once per school year.

There are no social status or residency requirements for eligibility. The program's budget was HUF 4.8 billion (EUR 12.3 million) for 2022 and HUF 3.3 billion (EUR 8.4 million) for 2023.







Medical Care Hungarian Open Air Museum²¹⁴

Open Air Museum in Hungary provides Reminiscence Sessions for those who suffer with dementia

Through cultural heritage and multi-sensorial reminiscence sessions, the museums is supporting dementia patients to connect with their past and recall and trigger long-term memories to slow down the diseases decline.

The sessions have also been found to support caregivers reducing the stress they face and provide them with tools and resources as they continue to support their loved ones.

Hungary Threats and Opportunities

1

While a quarter of Hungary is situated on floodplains, making it vulnerable to flooding, the country has been facing unprecedented challenges in recent years due to climate change. Climate change is increasing flood risks as patterns shift, bringing more rain in winter and causing earlier snow melts, as evidenced by the Danube bursting its banks in January 2024. In response, Hungarians have been actively developing innovative approaches to water management.



Watch this space: As part of a national plan, reservoirs to retain flooding and store water for future dry periods are being built, these are expected to be completed by 2050.²¹⁵

3.

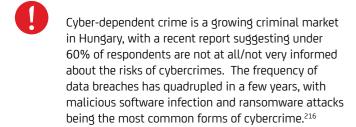


Hungary has extended the use of the Mátra Coal Power Plant from 2025 to 2029 due to delays elsewhere as they look to phase out energy powered by coal.



Opportunity: It is reported that the decommissioning of the Mátra Coal Power Plant is based on a gasfired replacement project which is set to become operational 2027. Could Hungary explore other renewable energy alternatives?

2





Watch this space: In August 2024, a Cyberfraud Act was passed to prevent cyberfraud activities. Could Hungary also look to educate their citizens of all ages the dangers of cybercrime and the importance of reporting these crimes?

4.



Hungary has an ageing healthcare workforce, a fifth of doctors are approaching retirement age. There is also a large number of healthcare professionals moving to other European countries. This ongoing staff crisis has resulted in hospital departments closing due to lack of resource.²¹⁷



Opportunity: Healthcare professionals are opting to move to western European countries with better pay and working conditions. Could Hungary explore how they can improve areas in healthcare to better support the healthcare professionals?

5.



Since the mid-2010s, the Hungarian government has introduced a long line of policies offering grants and loans to parents and would-be parents. Those who have, or pledge to have, children, are eligible for a baby grant of 10 million HUF (roughly five years' minimum wage). Families who choose to have three or more children can access especially generous tax breaks and highly subsidised mortgages.



Opportunity: The policies in place provide citizens with more confidence in having children, however these benefits and social support are restricted to heterosexual couples with the expectant mother aged 40 or below, and either party needs to be in employment. Could Hungary look to expand this to be more inclusive so that all couples have the same opportunity?

6.



Research funding at Hungarian universities was cut in 2022, as the Council of the European Union believed that standards relating to transparency and freedom were not being met by the country. This resulted in uncertainty for academic researchers, with a survey finding that 40 percent of academics had been affected.²¹⁸



Opportunity: Develop alternative sources of funding through private enterprise, whilst ensuring that academic integrity remains. A successful example of this is BMW and the Technical University of Munich. The car manufacturer partnered with the institution and invested millions to conduct research into autonomous driving.

