



Press release by the European Commission

Commission recommends reforms to improve Hungary's research and innovation system

Budapest, 20 September 2016

The European Commission presented today key policy recommendations that will help enhance the performance of Hungary in research and innovation. These recommendations were requested by Hungary under the Policy Support Facility (PSF), a new instrument under Horizon 2020, the EU's research and innovation programme.

This is the second time that an EU Member State has made voluntary use of the PSF. This new instrument gives governments practical support to identify, implement and evaluate those reforms needed to enhance the quality and impact of public research and innovation investments, and to create an attractive environment for innovation and stronger links between science and businesses.

Carlos Moedas, European Commissioner for Research, Science and Innovation, said: *"Hungary has shown courage and commitment to improve its innovation performance by seeking external advice through the Horizon 2020 Policy Support Facility. The recommendations in the Peer Review offer the government a recipe for success in achieving Hungary's structural shift towards a knowledge-based economy."*

European Commission Director-General Robert-Jan Smits said: *"Hungary has a rich science and innovation history. Hungarians were for example at the heart of Vitamin C and digital computing. The report presented today by the Horizon 2020 Policy Support Facility panel provides a golden opportunity for Hungary to do smart reforms that exploit the country's intellectual capital, the excellence in its science base and the presence of highly innovative international companies."*

The peer review took place from February 2016 to July 2016, at the request of Hungary's National Research, Development and Innovation Office. It was carried out by a panel of high-level independent experts from Germany, Ireland, Netherlands and Poland, as well as senior government officials from Austria, Finland, France and Slovenia.

The Peer Review report outlines seven policy messages:

1. Hungary has a vast science and innovation potential that can bring about a structural shift and steady growth in its economy through reform and sustained increases in public funding for research and development (R&D).
2. Hungary needs a research and innovation vision shared across government departments, understood by society and resulting from continuous dialogue with stakeholders.
3. Stakeholders are called to play a role in overseeing the operations of the National Research, Development and Innovation Office through a formal platform that brings increased transparency and responsibility.
4. Hungary's steady increase in its public R&D investment intensity should be combined with improved processes for evaluation and funding of research and innovation (R&I) projects and higher concentration of public R&I funding according to performance.
5. The conditions and career prospects of researchers should become more attractive, notably those for young researchers. Open, merit-based recruitment and performance-based promotion practices are indispensable to achieve this.
6. Hungary needs a business environment that stimulates innovation, promotes risk-taking and fosters innovation demand to create a true national innovation eco-system.
7. Stronger and more impactful cooperation between the public R&I system and innovative businesses is key for achieving better economic impact.

The report details the rationale for each policy message and the thirty-three operational recommendations. It is now the country's responsibility to ensure the follow-up to the Peer Review and the implementation of the resulting recommendations.

Background:

The Horizon 2020 [Policy Support Facility](#) (PSF) provides operational support to Member States in the design, implementation and evaluation of national research and innovation policies. The PSF provides a broad range of services around three blocks: country peer reviews, support to specific policy reforms, and project-based mutual learning exercises to improve policy-making practice. It is funded under [Horizon 2020](#), the EU's research and innovation programme, with up to €20 million.

Press contacts:

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