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Factsheet for case **HU-2020-16/709**

Income support for employees engaged in R+D activities

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Country	Hungary, applies nationwide
Time period	Temporary, 15 April 2020 - 31 July 2020
Type	Legislation or other statutory regulation
Category	Support for essential services – Remuneration and rewards for workers in essential services
Case created	16 April 2020 (updated 22 April 2020)

Background Information

Under government decree 103/2020 employees working in the R+D field as engineers receive an income supplement for three months during the pandemic in order to prevent job cuts in this occupational field. The income supplement is on average 40% of the gross wage and the amount is transferred from the state directly to the employee. The measure aims at preventing job losses in areas of innovation and product development due to covid.

Content of measure

The employee can apply for the subsidy for a duration of three months no later than 30 days after the end of the state of emergency or 31 Dec 2020. The support is for new knowledge, intellectual developments, products, services or procedures and methods. The recipient employee must not receive any other employment subsidy and should be employed in an R+D position. The employer must have operated for at least 6 months and prove that the request is in connection with the economic hardship suffered due to covid-19, together with steps taken to overcome the situation. They must agree to keep headcount level with that of a month before and to keep the employee on for at least 3 months after the subsidy ceases, with no salary cuts. The employer cannot be under insolvency procedures. The subsidy does not apply to work carried out at a new location compared with pre-covid (including in home office).

The income supplement paid by the state is 40% of gross income, but no more than HUF 318,920 (€911) per

month. The maximum support applies to gross monthly salaries of HUF 670,000 (€1,888) with all usual taxes payable.

Use of measure

The measure is typically useful for multinational companies in manufacturing sectors, but it is not sector-specific. There is no information on the number of possible applicants, and due to the complexity of the criteria, for example defining what qualifies as an "R+D activity", the processing of applications is not expected to be seamless.

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies	Employees Particular professions	European Funds National funds

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

There was no known involvement of social partners in this measure.

Sectors and occupations

This case is not sector-specific.

This case is occupation-specific.

Occupation (ISCO level 2)
Science and engineering professionals

Sources

- 10 April 2020: Government decree 103/2020
- 15 April 2020: Support for research & development employees (iriszoffice.hu)