



NETHERLANDS-HUNGARIAN CHAMBER OF COMMERCE  
HOLLAND-MAGYAR KERESKEDELMI KAMARA

# Annual Report 2016

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NETHERLANDS-HUNGARIAN COMMERCIAL ASSOCIATION

**Keep in touch with the Dutch!**

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## EXECUTIVE SUMMARY

### Strategic Direction

During the course of 2016 we aimed to realize the goals we set for this year and we successfully implemented several elements of the planned ideas taking into consideration our Vision and Mission as follows:

**Vision:** *Be the preferred channel for conducting business with Hungary and the Netherlands.*

### **Mission**

*The Netherlands-Hungarian Commercial Association supports its members' sustainable economic growth, advocates a pro-business climate and acts as a hub for knowledge sharing and networking. In order to achieve this aim we wish to*

- create a hub for knowledge sharing and networking,
- leverage our current relationships with the embassies, business or professional associations, bilateral chambers,
- act as an advocate regarding various business challenges on behalf of our members,
- promote Corporate Social Responsibility, and
- strengthen our relationships with the local community.

Executive Summary	2016 Actual	2017 Objective
Members	75	85
Events	25	28
Event Participation	565	700

### Members

Number of members as of December 2016: 75

Out of which: 12 Strategic Partners, 16 Corporate Patron Members, 44 Corporate Members, 1 Non-Corporate Member, 2 Personal Members

During 2016 we acquired 11 new members (1 CP; 7 CM; 1 NC; 2 PM)

### Events

Number of events held January 2016-December 2016: 25

Total number of event participants: 565

Show-up percentage: 92%

### Communication

We started using Facebook and LinkedIn as new communication channels and we launched a new website in September. Our annual yearbook, The Bulletin was published in October in 500 copies.

### Financials

Operational result 2016: - 1,821,477

We successfully introduced new events in 2016:

**Brain Chain series:** 6 members from different industries at the table, hosted by one of them and moderated by one of the board members, this was the initial concept of the event series.

We started this new initiative to share ideas and information with each other in the frame of an informal breakfast event, called "Brain Chain". Through this event series we aim to enhance an even tighter cooperation among our members and create a circle of trust by providing them a platform for free discussion about the business climate.

CBRE, Jalsovszky Law Firm, AutoPalace and ERSTE Bank were hosting a breakfast in 2016, and the business challenges that we discussed were among others: *talent acquisition*, *digital marketing* and *start-ups*.

### **Rice Table**

For the first time Dutcham organized a Rice Table Dinner Party on 18 May 2016 to introduce the unique Indonesian culinary experience that has a great tradition in the Netherlands. It was an informal evening with 100 guests. H.E Wening Esthyprobo Fatandari, Ambassador of the Republic of Indonesia Budapest and H.E Gajus Scheltema, Ambassador of the Kingdom of the Netherlands were guests of honour of the evening. The Indonesian Trade Promotion Center provided tasting of traditional products they export to Hungary and a traditional Indonesian dance team entertained the guests with a surprise show. We thank the Budapest Marriott Hotel, CBRE and Heineken for sponsoring the event.



## **OBJECTIVES 2017**

### Strategic Direction

With a balanced mixture of networking events, business seminars and co-operative events we aim to follow the direction we introduced a few years ago. Celebrating our 15<sup>th</sup> Anniversary in 2017 we will put the idea of "innovation" in the focus and through the events we plan to inspect it from several aspects.

### Events

We wish to continue our successful networking events and professional seminars with more targeted audience and topics.

We are confident that our on-topic business seminars provide our members a unique opportunity to show their expertise and share best practices. To this end we keep these as well on our agenda are open to your topic ideas in case you wish to take an active role in hosting or organizing such an event.

### Communication & Marketing

We will utilize our renewed website and social media pages in order to gain more visibility for the chamber and its members and attract more guests to join our events.

## Members

Despite the fact that members cancelled their membership during the year, we have a stable base by new companies joining us and our aim is to further expand our membership base in order to secure the financial stability of the NHCA and expand the networking and business opportunities for our current members.

Hereby we thank AutoPalace and CBRE for being the annual sponsor of the Dutcham in 2016 and for their continuous support in 2017.

	2016 Objective	2016 Actual	2017 Objective
Strategic partner	12	12	12
Corporate patron	18	16	18
Corporate member	50	44	50
Non-corporate	3	1	1
Personal member	7	2	4
<b>Total</b>	<b>90</b>	<b>75</b>	<b>85</b>

### **New members in 2016**

Absolut Media  
 Adapting Minds  
 BI-KA Logisztika  
 Bon Pharma  
 Best of Budapest  
 Levente Hidán  
 Irota Ecolodge  
 Mandersloot  
 Netherlands Embassy  
 NEXON  
 S-Group

### **Cancellations in**

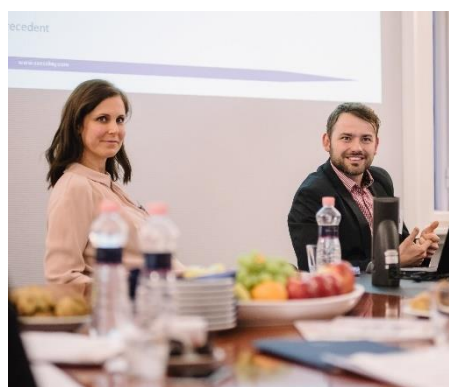
Deltion College  
 Gabriella Hubert  
 Horizon Development  
 Mercedes Benz  
 Thermal Hotel Aquincum  
 Work Force

## Financials

Since we do not plan any major investments for 2017 and at the same time, lowered some of the fixed costs, and aim to enlarge the membership, we forecast a positive result for next year.

## 1. Events

### 1.1. Past events 2016



18 January	Annual General Members Meeting	
2 February	Legal Seminar hosted by Szecskay Attorneys	
23 February	Breakfast at my company hosted by Diagnoscan	<i>The key trends of private health services in Hungary</i>
26 February	Brain Chain at CBRE	
3 March	Business Lunch with Péter Oszkó ( <i>with the French Chamber</i> )	<i>Economic perspective in Hungary for 2016</i>
22 March	Business Lunch with Mihály Patai ( <i>with the Joint Venture Association</i> )	
7 April	Business Lunch with the Canadian Chamber	
14 April	CSR Road Show Veszprém ( <i>NL Embassy</i> )	
21 April	Business Lunch on the Olympic Games in Budapest in 2024 ( <i>with Amcham</i> )	
12 May	Leadership seminar with Orgmapper	<i>Measuring the human side of business</i>
18 May	Rice Table	
20 May	Brain Chain hosted by Jalsovszky Law Firm	
26 May	Circular Economy Conference ( <i>with the NL Embassy</i> )	
15 June	Meet&Greet Business Lunch with H.E. András Kocsis	
1 July	Brain Chain hosted by Autopalace	
18 July	EU-Chambers Business Drinks	
22 September	Leadership seminar with Adapting Minds	<i>Novel approaches to stress management</i>
6 October	Business Lunch	
7 October	Brain Chain hosted by Erste Bank	
14 October	EU-Chambers Business Drinks	
10 November	Real Estate Seminar	<i>Cool Budapest</i>
23 November	EU-Chambers Business Drinks	
30 November	Businesswoman Lunch ( <i>with the French Chamber</i> )	
12 December	Circular Economy Conference ( <i>with the NL Embassy</i> )	<i>Flow management in Agriculture</i>
19 December	Christmas Drinks	

## 1.2.Event Objectives 2017

We strive to bring a balanced mixture of on-topic events and network events. We will continue organizing events together with other Chambers to enhance the networking opportunities for our members. In addition, we will continue co-operating with the Netherlands Embassy on several events.

### Networking& Socializing:

- **Rice Table:** based on the success of the inaugural event in May 2016, we will organize it again, more information is coming soon regarding the details
- **Business Lunches and Drinks**
- **The Brain Chain Series**

### Networking& Professional:

The professional seminars offer our members a podium to present themselves and to share their knowledge and experience with other members and guests. We aim to create a platform to share common interests, being it new business development or sharing stories on experiences on doing business in Hungary.

- **Breakfast@my company series**
- **HR/Leadership Seminars**
- **Real Estate Seminar**
- **"Innovation Seminar":** we wish to organize an event to share best practices on implementing innovative measures at our member companies. It can be the way of working, introducing a new service/marketing tool, developing a new product, etc.

As the topics of the events are based on your needs, we warmly welcome any ideas and suggestions. Also, if you would like to share your knowledge with others, support the NHCA and have the perfect opportunity to promote your company at the same time, please do not hesitate to contact us for information on sponsorship opportunities and share your ideas with us.

For more details on our upcoming events, please visit our website at [www.dutcham.hu](http://www.dutcham.hu)

## 2. Charity

### 2.1. Charity 2016

Dutcham has been supporting St. Miklós Primary School, EGYMI, College and Children's Home in Budapest for more than 10 years now. The institution educates children with special educational needs (learning disabilities and integrated trainable mentally handicapped and autistic) in school grades 1-8, the children above this age attend 3<sup>rd</sup> party institutions for secondary studies. They put a special emphasis on music and performing arts as part of the education program.

In 2016 organized a charity action and as a result we were able to provide with furniture, books, stationery, toys and clothes. We wish to thank CBRE, ERSTE Bank and Tebodin for their active contribution. Moreover, Dutcham supported the foundation of the school with 150,000 HUF. The management's and the staff's motivation, care and commitment to these children always makes a deep impression on us. For more information about their activities please visit their website: <http://szent-miklos-iskola.webnode.hu/>



### 2.2. Charity & CSR Objectives 2017

The NHCA will continue to support initiatives in the field of charity as well as organize community events.

Our general goal is to find niche areas where our long-term contribution really makes an impact and shows our dedication towards the project. In line with this aim we plan to continue supporting Szent Miklós Primary School and Children's Home in Budapest in 2017 and hope to get your contribution as well.



### 3. Marketing & Communication

#### 3.1. Marketing & Communication 2016

Besides launching a new **website** and setting our foot in **social media**, we continued using the online invitations and monthly **newsletters** to promote our events, share member news, reports and special offers. These platforms proved to be very effective communication channels for some of our members and we encourage all members to proactively send us press releases and reports that help us create colourful and readable content to share.

The **Bulletin** was published in 500 copies and sent to all members, as well as handed out at all our events throughout the year and this will be our official marketing material in 2017 as well. The Netherlands Embassy in Budapest and the Embassy of Hungary in the Hague also helped us promote the Association by sharing this publication with individuals and companies for whom it would be interesting to join our business community.

#### 3.2. Marketing Objectives 2017

We wish to utilize our current marketing tools even more in order to put our knowledge sharing and networking ambitions to a higher level.

In 2017 the NHCA will continue to focus on direct contact with members. We realize that the strength of our Association is the personal contact and the special atmosphere at our events. We aim to keep ourselves to our slogan "Keep in touch with the Dutch" in terms of the context of our activities.

### 4. Revised Charter

Based on a court decision we need to include the following amendments in the revised Charter, please find the exact wording in the attachment here in [English](#) and in [Hungarian](#).

Article 4. Membership. Point 4.5: Expulsion

Article 7. Members' Meeting. Point 7.2: Notice of Members' Meeting, proposals

Article 8. The Board. Point 8.1.2: Board Positions

Article 12. Miscellaneous Provisions. Point Winding-Up or Dissolution

### 5. Board of Directors and Supervisory Board

#### 5.1. Board of directors 2016

The Board of Directors, as elected at the AGMM of 18 January 2016 composed of:



Lóránt Kibédi Varga  
*Chairman*  
Managing Director  
CBRE



Joris Huijsmans  
ex-Managing Director  
HEINEKEN Hungary



Frido Diepeveen  
*Vice-chairman*  
Commercial Director  
Randstad Hungary



Tamás Sellyey  
Managing Director  
DBH-Group



Rick Enders  
General Manager  
Budapest Marriott Hotel



Paul Stolk  
Owner  
Shine Management



Balázs Erényi  
Managing Partner  
Bon Pharma



Katinka Zinnemers  
General Manager  
Abacus Medicine



Dror Harel  
ex- Country Manager  
KLM Dutch Airlines

## 5.2. Board of Directors Structure 2016

In 2016 the Board consisted of the following positions:

- Chairman
- Vice-Chairman
- Treasurer
- Charity Manager
- PR / Communications Manager
- HR Manager
- EU-Chambers Manager
- CSR Manager
- Event Manager

## 5.3. General Responsibilities of Board Members

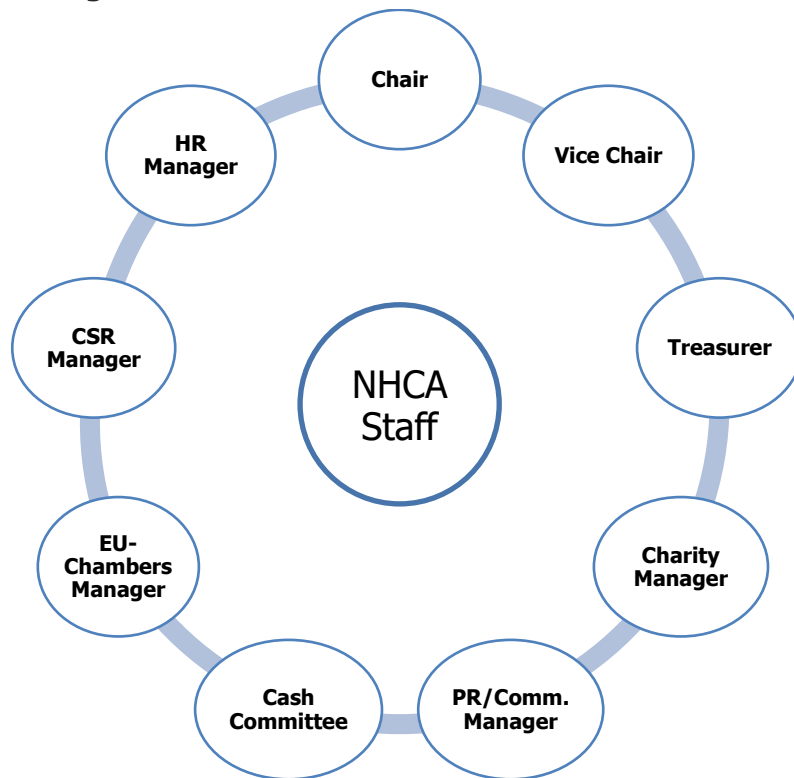
- Representation: represent the general interest of Dutch businesses in Hungary within the Board
- Participation: active participation at NHCA events, representation of NHCA at external events
- Relationship Management: maintain contact with current members and partners, actively recruit new members
- Support: financially or otherwise (e.g. contribution to contents of website, newsletters) support the NHCA

## 5.4. Position-Related Responsibilities of Board Members

- Chairman
  - Convene and preside the meetings of the Board
  - Procure that a register is kept, from which the content, date and place and number of persons being for and against the decision can be seen of the resolutions of the Board

- 
- Vice-Chairman
    - In case of absence of the President, Vice President takes over the above mentioned responsibilities
  - Treasurer
    - Track, revise and control the financial situation of the NHCA
    - Cooperate with the Supervisory Board
  - Charity Manager
    - Assist in developing and monitoring the NHCA's charity strategy
    - Active participation in charity-related events, representation of NHCA in charity issues
    - Maintain relationship with institutions supported by the NHCA, track the effectiveness and correct spending of NHCA support
  - PR / Communication manager
    - Assist in developing and monitoring the NHCA's PR / Communication strategy
    - Provide contents for website and newsletters
  - HR Manager
    - Assist in developing and monitoring the NHCA's HR events
    - Actively participate in organizing and attending HR events
    - Cooperate with the HR committee
  - EU-Chambers Manager
    - Assist in developing and monitoring the NHCA's relationship with other Chambers of Commerce, governmental institutions, NGO's, embassies, HIPA etc.
    - Actively participate in organizing and attending all EU-Chambers activities
  - CSR Manager
    - Manage the CSR topic within the Chamber
  - Events Manager
    - Assist in developing and monitoring the NHCA's events strategy
    - Actively participate in organizing and attending events

## 5.5. Organizational Structure of the NHCA



## 5.6. Candidates for the Board of Directors Membership Year 2017

The new candidates for the Board of Directors positions are:

Jose Matthijsse  
Elzo Molenberg

HEINEKEN Hungary  
Royal Netherlands Embassy

The other board members were elected for a 2-year term in 2016 and remain in position for 2017.

After the election the newly appointed Board Members will allocate the available positions within the Board during the first Board Meeting.

## 5.7. Supervisory Board 2016

At the last year's AGMM the elected candidates for the Supervisor Board were:



László Pálmai  
CFO  
BI-KA Logisztika



László Rónai-  
Horst



Alinka Tóth  
deputy regional  
director, SMEs  
ERSTE Bank

The Supervisory Board has the following responsibilities:

„The body of the Association supervising the activities of the Association and the bodies of the Association, in particular those of the Board, shall be the Supervisory Board. Furthermore, the Supervisory Board shall be responsible for supervising the implementation in compliance with the law of the Charter and the resolutions of the Members’ Meeting. The Supervisory Board shall check the annual accounts of the Association prepared by the Treasurer, prior to the annual Members' Meeting at which the accounts are presented by the Treasurer. The Supervisory Board shall consist of three members.” (Charter Article 9.1)

### **5.8. Supervisory Board 2017**

László Pálmai, representing BI-KA Logistics and Alinka Tóth, representing ERSTE Bank were elected for a 2-year term in 2016 and remain in position for 2017.

With the resignation of László Rónai-Horst we have one place left in the Supervisory Board.

The candidate for this open position is:

1. András Török, Finance Manager, Business Lease Hungary

### **5.9. Office Staff**

The NHCA has employed two full-time employees in 2016:



Beata Rakos-Szegleti,  
executive



Anita Bíró,  
office assistant

## 6. FINANCIALS

### 6.1. Financial Year 2016

	Budget 2016	Actual 2016 FY	Variance
	Budget	31 December	Actual/Budget
<b>Income</b>	<b>22,000,000</b>	<b>20,621,691</b>	1,378,309
Membership Fees	12,820,000	13,053,800	-233,800
Marketing	1,400,000	900,000	500,000
Barter contracts	1,170,000	1,157,410	-12,590
Event Participation	5,000,000	3,729,186	1,270,814
Event Sponsorship	1,500,000	1,610,000	-110,000
Other Sponsoring	100,000	170,000	-70,000
Other income (interest, rounding)	10,000	1,295	8,705
<b>Expenses</b>	<b>20,464,800</b>	<b>22,443,168</b>	<b>-1,978,368</b>
Salaries & Related Costs	11,500,000	12,171,288	-671,288
Rental costs	600,000	485,355	114,645
Marketing materials	1,765,000	2,447,544	-982,544
Events	4,000,000	4,213,020	-213,020
Charity	400,000	150,000	250,000
Utilities (electricity, IT maintenance, internet, service costs)	1,031,000	762,022	268,978
Office Maintenance	270,000	169,430	100,570
Financial Administration	148,800	158,190	-9,390
Post and Courier Services	50,000	31,940	18,060
Depreciation	100,000	181,943	-81,943
Other Costs	100,000	286,868	-186,868
Non Refundable VAT	800,000	1,385,568	-585,568
<b>Balance</b>	<b>1,535,200</b>	<b>-1,824,477</b>	<b>-1,821,477</b>

The 2016 financial result of the Association lag behind the planned budget of 2016. The negative balance is primarily due to a lower income from Event participation; for various reasons we could not organize a few planned events, while on the expenses side we had more costs regarding the realized events than originally planned.

As every year, a few companies cancelled their membership fees, on the other hand we welcomed new members. The income from Membership fees reflects this solid membership basis.

The new website was an unplanned, but necessary long-term investment as the old one broke down.

As to the Non Refundable VAT: the Chamber operates with proportionate VAT recovery. The result shows the proportion between the VAT-able and non-VAT-able income. We underestimated this cost and this matter also added to the negative balance.

## 6.2. Statement from the Supervisory Board for the Financial Year 2016

The Supervisory Board reviewed the financial administration of the NHCA related to the 2016 financial year. In the course of this review the Supervisory Board did not identify material errors and therefore suggests that the members approve the NHCA's financial administration for the year 2016.

## 6.3. Proposed Membership Fee 2017

The Board of Directors proposes a raise in the current membership fees. The increased fees would include free tickets for Dutcham events throughout the year as indicated in column 4. This way we wish to encourage our members to actively visit our events and on the other hand lower their administration with the event invoices.

Membership type	Annual fee 2016	Proposed annual fee 2017	Free tickets
Key Annual Sponsor	1,000,000 HUF	1,000,000 HUF	2 free tickets all year to any event including the Rice Table
Strategic Partner	410,000 HUF	460,000 HUF	5 free tickets/year to any event excluding the Rice Table
Patron Member	210,000 HUF	250,000 HUF	4 free tickets/year to any event excluding the Rice Table
Corporate Member	140,000 HUF	160,000 HUF	2 free tickets/year to any event excluding the Rice Table
Non-corporate Member	80,000 HUF	80,000 HUF	
Personal Member	50,000 HUF	50,000 HUF	

## 6.4 PROPOSED BUDGET 2017

The Board of Directors proposes the budget below for the 2017 Membership Year.

Budget 2017		
<b>Income</b>		<b>22,045,000</b>
Membership Fees		15,490,000
Marketing		650,000
Event Participation		3,800,000
Sponsorship		2,100,000
Other income (interest, rounding)		5,000
<b>Expenses</b>		<b>20,653,956</b>
Salaries & Related Costs		11,937,956
Rental costs		600,000
Marketing		1,115,000
Events		3,500,000
Charity		400,000
Utilities		1,031,000
Office Maintenance		390,000
Financial Administration		150,000
Post and Courier Services		30,000
Depreciation		100,000
Other Costs		200,000
Non Refundable VAT		1,200,000
<b>Balance</b>		<b>1,391,044</b>

The proposed budget is in line with our plans for this year.

We aim to utilize our current marketing tools even better and develop our online presence which needs continuous investment, this is why we extended our marketing budget.

Finally, we calculated with a more realistic figure for the Non Refundable VAT based on the 2016 figure.