



NETHERLANDS-HUNGARIAN CHAMBER OF COMMERCE
HOLLAND-MAGYAR KERESKEDELMI KAMARA

Annual Report 2017

NETHERLANDS-HUNGARIAN COMMERCIAL ASSOCIATION

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EXECUTIVE SUMMARY

Strategic Direction

During the course of 2017 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	2017 Actual	2018 Objective
Members	72	82
Events	33	30
Event Participation	577	650

Members

Number of members as of December 2017: 72

Out of which: 14 Strategic Partners, 14 Corporate Patron Members, 42 Corporate Members, 2 Personal Members

During 2017 we acquired 8 new members (7 CM; 1 PM)

Events

Number of events held January 2017-December 2017: 33

Total number of event participants: 577

Show-up percentage: 89%

Communication

Our LinkedIn and Facebook page are operating well, the online community is continuously growing.

Financials

Operational result 2017: 1,198,390 HUF

We successfully continued with recently introduced new events in 2017:

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, Friesland Campina, Kempinski Hotel Corvinus, Shell and Nexon were hosting these breakfasts in 2017, and the business challenges that we discussed were among others: *talent acquisition and retention, digitalization.*

Rice Table 2017

Our second Rice Table Dinner Party took place on 19 May 2017. It was a great evening with 140 guests to enjoy the unique Indonesian culinary experience that has a great tradition in the Netherlands. 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, Heineken, AutoPalace and KLM for sponsoring the event.



OBJECTIVES 2018

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.

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. We introduce a Media offer including complimentary and paid exposure opportunities.

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.

	2017 Objective	2017 Actual	2018 Objective
Strategic partner	12	14	14
Corporate patron	18	14	15
Corporate member	50	42	50
Non-corporate	4	0	1
Personal member	4	2	2
Total	90	72	82

New members in 2017

DAF Trucks
 Go Digital
 MidOceanBrands
 PCE Pelleting
 Sanoma MDC
 Topigs Norsvin
 United Food Concepts
 Elzo Molenberg

Cancellations in 2017

Apollo Vredestein
 Prima Energia
 S-Group

Financials

We plan to increase our expenditure on digital marketing and participation at conferences. This should result in more members, and more guests at our events, so we forecast a positive result for next year.

1. Events

1.1. Past events 2017



Date	Event	Topic
19 January	Annual General Members Meeting	
2 February	Corvinus University: Corporate Relationship Opportunities	<i>Opportunities for companies</i>
14 November	EU-Chambers Business Chill	
22 February	Expatriate (every)Days in practice	
23 February	Brain Chain - CBRE	
24 February	Digitalization Breakfast in co-operation with the Swiss Chamber and the Spark Insitute	<i>Trends and Challenges for the corporate world</i>
28 February	Business Lunch of the French Chamber	<i>Economic outlook for 2017 focus on the labour market</i>
6 March	Dutcham Business Drinks	
30 March	Brain Chain – FrieslandCampina	
21 April	Rice Table	
19 May	Leadership Seminar at Randstad	<i>The Future of Recruitment</i>
1 June	Brain Chain – Kempinski Hotel	
16 June	Company visit: Budapest Airport Jointly with the French Chamber	
21 June	JVSZ Business Forum with Mihály Varga	
22 June	Meet&Greet H.E. René van Hell	
20 September	JVSZ Leadership Forum with János Süli	
21 September	EU-Chambers Business Chill	
21 September	Brain Chain - Shell	
22 September	Digital Culture Business Breakfast in co-operation with the British and Swiss Chambers and the Spark Insitute	<i>Workplace 2.0, the new way</i>
3 October	Visit to the Sapa plant	
6 October	Business Lunch with the Hungarian-French Chamber of Commerce	
10 October	BCSDH Business Forum	
12 October	Legal Breakfast at Szecskay Attorneys at Law	<i>General data protection regulation (GDPR)</i>
18 October	EU-Chambers Business Chill	
19 October	Leadership Breakfast Event with Hammel&Hochreiter	<i>Labour Market: Hot pie or or nice new world?</i>
10 November	ZUYD Study Tour	
13-18 November		

16 November	Leadership Breakfast	<i>Technology aspects of GDPR</i>
16 November	JVSZ Business Lunch with Zoltán Cséfalvay	
17 November	Brain Chain - Nexon	
27 November	Loving Vincent pre-premiere movie night	
29 November	Dutch Business Day in Székesfehérvár by the Netherlands Embassy and FMKIK	
30 November	Visit to the Szent Miklós School and Childrens Home	<i>Handed over the donations</i>
13 December	Christmas Drinks	

*Blue Color marks those events, where Dutcham was a promotional/co-operative partner

1.2.Event Objectives 2018

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:** the date is planned for 24 May 2018, 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**
- **Several other on-topic events**

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

Planned events for 2018

Q1

January

- 8 January: Annual General Members Meeting

February

- Brain Chain
- Business Lunch or Business Drinks
- Digital culture breakfast series – Big Data

March

- Breakfast@my company
- Leadership workshop

Q2

April

- Brain Chain
- Business Lunch
- Real Estate seminar
- Digital Leadership event

May

- Rice Table

June

- Summer Drinks
- Brain Chain
- Factory visit

Q3

July

- 27-29 July, Formula1 – The Orange Experience

September

- Business Lunch or Business Drinks
- Brain Chain
- Smart city/Sustainable urbanization conference

Q4

October

- Breakfast at my company
-

November

- ZUYD Study tour – company visits
- Brain Chain

December

- Christmas Drinks

2. Charity

2.1. Charity 2017

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 3rd party institutions for secondary studies. They put a special emphasis on music and performing arts as part of the education program.

Our charity action in 2017 broke records with the in-kind and financial donations. As a result, we were able to provide the school with furniture, PCs, books, toys and clothes. We wish to highlight CBRE, Business Lease and Tebodin for their active contribution. Moreover, Dutcham and CBRE together supported the foundation of the school with 500,000 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 2018

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 2018 and hope to get your contribution as well.

Wish to eliminate the waste generated at our events and find a partner with whom we can officially distribute the leftover food for those in need.

3. Marketing & Communication

3.1. Marketing & Communication 2017

Besides operating our **website** www.dutcham.hu and setting our foot in **social media** <https://www.facebook.com/dutchamhungary/>, <https://www.linkedin.com/company/netherlands-hungarian-chamber-of-commerce?trk=biz-companies-cym> 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.

As the copies of the **Bulletin** we published in 2016 for our 15th Anniversary lasted through the year, we decided not to issue a new one in 2017.

3.2. Marketing Objectives 2018

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

We started co-operating with a digital media consultancy company to help us gain even better online presence that would result in better visibility of our member as well.

In 2018 we introduce an extended **Media Offer** that lists all possibilities- both complimentary and paid features – that we can provide to our members.

Please find it here:

https://drive.google.com/open?id=11BGIAycJiPI62YfIXf_BsldJZA3rYyHc

In 2018 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. Board of Directors and Supervisory Board

4.1. Board of directors 2017

The Board of Directors, as elected at the AGMM on 19 January 2017 comprised of:



Lóránt Kibédi Varga
Chairman
Managing Director
CBRE



Elzo Molenberg
Deputy Head of Mission
Netherlands Embassy



Frido Diepeveen
Vice-chairman



Tamás Sellyey
Group Sales Director
DVM Group



Rick Enders
General Manager
Budapest Marriott Hotel



Paul Stolk
Owner
Shine Management



Balázs Erényi
Treasurer
Managing Partner
Bon Pharma



Katinka Zinnemers
General Manager
Abacus Medicine



José Matthijsse
Managing Director
HEINEKEN Hungary

4.2. Board of Directors Structure 2017

In 2017 the Board consisted of the following positions:

- Chairman
- Vice-Chairman
- Treasurer
- Charity/CSR Manager
- HR Manager
- Networking Events Manager
- Event Manager

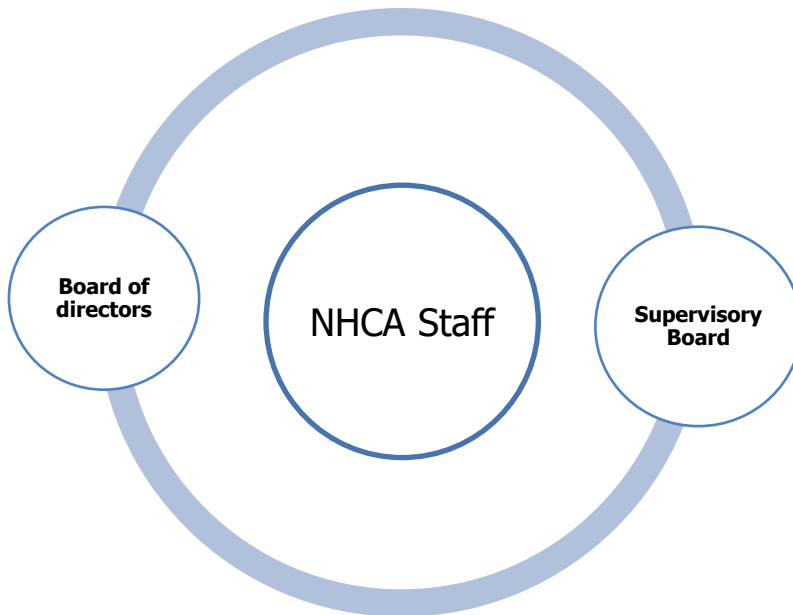
4.3. General Responsibilities of Board Members

- 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

4.4. 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/CSR Manager
 - Assist in developing and monitoring the NHCA's charity and CSR 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
- HR Manager
 - Assist in developing and monitoring the NHCA's HR events
 - Actively participate in organizing and attending HR events
- Networking Manager
 - Assist in organizing networking events with other Chambers of Commerce, business communities
- Events Manager
 - Assist in developing and monitoring the NHCA's events strategy
 - Actively participate in organizing and attending events

4.5. Organizational Structure of the NHCA



4.6. Candidates for the Board of Directors in the Membership Year 2018

Frido Diepeveen, Personal Member
 Rick Enders, General Manager, Duna Szálloda (Budapest Marriott Hotel)
 Balázs Erényi, Managing Partner, Bon Pharma
 Lóránt Kibédi Varga, Managing Director, CBRE
 Tamás Sellyey, Group Sales Director, DVM Group
 Paul Stolk, Owner, Shine Management

Members of the Board of Directors whose term will expire only in 2019:
 José Matthijsse, Managing Director, Heineken Hungary
 Elzo Molenberg, Deputy Head of Mission, Netherlands Embassy
 Katinka Zinnemers, General Manager, Abacus Medicine

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

4.7. Supervisory Board 2017

At the latest AGMM the elected candidates for the Supervisor Board were:



László Pálmai
 CFO
 BI-KA Logisztika



Alinka Tóth
 deputy regional
 director, SMEs
 ERSTE Bank



András Török
 Finance
 Manager
 Business Lease

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)

4.8. Supervisory Board 2018

Member of the Supervisory Board whose term will expire only in 2019:

András Török, Finance Manager, Business Lease Hungary

Candidate for the Supervisory Board in the Membership Year 2018:

László Pálmai, CFO, BI-KA Logistics
Zsolt Mácz, ERSTE Bank

As Alinka Tóth is on maternity leave, we have an additional place left in the Supervisory Board, as it has to comprise of 3 people.

If you wish to support the Association by playing an active role in the Supervisory Board, please send your application to beata.rakos-szegleti@dutcham.hu till 29 December 2017.

4.9. Office Staff

The NHCA has employed two full-time employees in 2017:



Beata Rakos-Szegleti,
executive



Anita Bíró,
office assistant

5. Financials

5.1. Financial Year 2017

	Budget 2017	Actual 2017 FY (estimation)	Variance
	Budget	19 December	Actual/Budget
Income	22,045,000	21,978,329	-66,671
Membership Fees	15,490,000	15,950,000	460,000
Marketing	650,000	701,103	51,000
Event Participation	3,800,000	4,245,755	445,755
Sponsorship	2,100,000	1,080,000	-1,020,000
Other income (interest, rounding)	5,000	1,471	-3,529
Expenses	20,653,956	20,779,939	-125,983
Salaries & Related Costs	11,937,956	12,365,841	-427,885
Rental costs	600,000	483,505	116,495
Marketing materials	1,115,000	370,468	744,532
Events	3,500,000	4,114,458	-614,458
Charity	400,000	300,000	100,000
Utilities (electricity, IT maintenance, internet, service costs)	1,031,000	1,061,168	-30,168
Office Maintenance	390,000	166,433	223,567
Financial Administration	150,000	123,377	26,623
Post and Courier Services	30,000	31,821	-1,821
Depreciation	100,000	432,704	-332,704
Other Costs	200,000	338,630	-138,630
Non-Refundable VAT	1,200,000	991,534	208,466
Balance	1,391,044	1,198,390	

The Association closed the year with positive balance, almost reached the planned figure, which is in line with the effort to build a reserve in order to cover the loss it made in 2016. The positive balance is primarily a result of higher income from Event participation and less expenses on Marketing and Office Maintenance.

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

We activated the website only this year, this is reflected in the Depreciation which we originally planned with a lower amount.

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.

5.2. Statement from the Supervisory Board for the Financial Year 2017

The Supervisory Board reviewed the financial administration of the NHCA related to the 2017 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 2017.

5.3. Proposed Membership Fee 2018

The Board of Directors proposes to keep the current membership fees as follows:

Membership type	Annual fee 2018	Free tickets
Key Annual Sponsor*	1,000,000 HUF	2 free tickets all year to any event including the Rice Table
*Strategic partner with extended promotional opportunities (it already includes the strategic partner membership fee)		
Strategic Partner	460,000 HUF	5 free tickets/year to any event excluding the Rice Table
Patron Member	250,000 HUF	4 free tickets/year to any event excluding the Rice Table
Corporate Member	160,000 HUF	2 free tickets/year to any event excluding the Rice Table
Non-corporate Member	80,000 HUF	
Personal Member	50,000 HUF	

5.4. Proposed Budget 2018

The Board of Directors proposes the budget below for the 2018 Membership Year (in HUF).

Budget 2018	
Income	22,665,000
Membership Fees	16,130,000
Marketing	1,930,000
Event Participation	4,000,000
Sponsorship	600,000
Other income (interest, rounding)	5,000
Expenses	21,441,709
Salaries & Related Costs	11,544,337
Marketing	1,200,275
Events	3,895,000
Charity	400,000
Utilities	1,890,847
Office Maintenance	276,750
Financial Administration	153,750
Post and Courier Services	30,750
Depreciation	410,000
Other Costs	410,000
Non-Refundable VAT	1,230,000
Balance	1,223,291

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. Moreover we trust that our members will take advantage of the opportunities provided by the Media Offer. As a result, we also expect more members to join the chamber next year.