



Making
Cities
Work

HUNGARY

Capital: Budapest (2000)
Largest City: Budapest 1,819,000

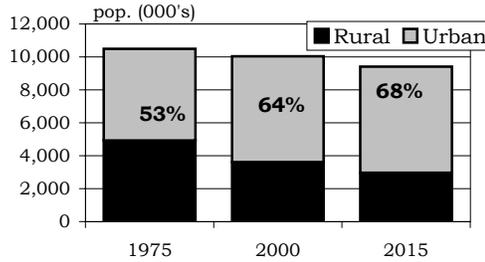
| | |
|---------------------------------|-----------------|
| 2000 Population | 10.0 m billion |
| 10-year Avg. Annual Pop. Growth | -0.3% |
| GDP (2000) | \$113.9 billion |
| GDP per capita | \$11,349 |
| GDP growth | 5.5% |
| GNI per capita (2000) | \$4,740 |
| World Bank Classification | Upper Middle |
| Population Below Poverty Line | 0.9 m billion |



Urban Profile

Urban Population

6,422,000
lived in
urban areas
in 2000.



Annual Growth Rates (2000-2015)

Urban 0.0%
Rural -1.3%

| City Sizes | # of cities |
|--------------|-------------|
| 10 million + | 0 |
| 5-9.9 m | 0 |
| 2.5 - 4.9 m | 0 |
| .75-2.49 m | 1 |

Urban Migration Trends

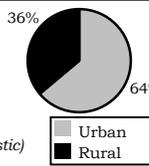
Urbanization has accelerated in the past few decades. In 1949, 37.5% of the population lived in 50 towns around Hungary. In 1995, 65% of Hungarians lived in 194 cities. The declining national population, a process that has been ongoing since the early 1980s, has left its marks on the urban population as well. From 1985-1995, only 75 towns have actually increased their population. About one-third of the urban population lives within the Budapest metropolitan area, which has the largest industrial workforce in the country. The major provincial centers are Miskolc, Debrecen, Szeged, Pécs, and Győr, each of which has a pop. exceeding 100,000.

Urban Poverty

552,292
urban dwellers
were below the
poverty line.

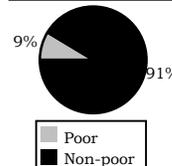
(based on a national statistic)

POVERTY IN HUNGARY



64% of the
country's poor
live in
urban areas.

URBAN POVERTY



9% of
the urban
population
is poor.

Income Inequality

(wealthiest 20% divided by poorest 20%)

| | |
|----------------|-----|
| Nation ('96) | 4.5 |
| Budapest ('93) | 9.2 |

Economy & Employment

| (Country) Sector | GDP (2000) | Employment (1990) |
|------------------|------------|-------------------|
| Agriculture | 5% | 15% |
| Industrial | 35% | 38% |
| Services | 60% | 47% |

UNEMPLOYMENT

| | |
|--------------------|------|
| Nation (est. 2000) | 9.4% |
| Budapest (1995) | 6.0% |

UNEMPLOYMENT. The conversion to a market-oriented society brought a severe decline in industrial production, with an approximately 40% (345,000) job loss for the less educated workforce in Budapest. At the same time, new jobs started to develop as a result of the commercial and service orientation of the city (64,000), along with new wealth for younger, well-educated people.

Decentralization

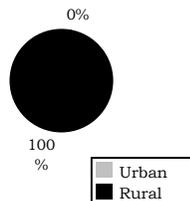
Sample Urban Area: Budapest, pop. 1,819,000

(UNCHS - HABITAT, 1998; USAID E&E Bureau)

| | | | | | |
|----------------|------------|---------------------|--------------------|---------------|------------------------------|
| Able to set | * | of local tax levels | Able to choose | all | contractors for projects |
| Able to set | * | of user charges | Funds transfer | is | known in advance |
| Able to borrow | all | of funds | Central government | cannot | remove local govt. officials |

Infrastructure & Basic Services

0
urban dwellers
lack water supply.

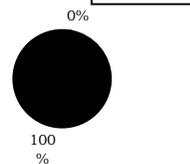


0% of people
without water
supply live in
urban areas.

Population without Water Supply in 2000

| | (000's) | % of rel. pop. |
|-------|---------|----------------|
| Urban | 0 | 0% |
| Rural | 72 | 2% |
| Total | 72 | 1% |

0
urban dwellers
lack sanitation
coverage.



0% of people
without sanitation
coverage live in
urban areas.

Pop. without Sanitation Coverage in 2000

| | (000's) | % of rel. pop. |
|-------|---------|----------------|
| Urban | 0 | 0% |
| Rural | 72 | 2% |
| Total | 72 | 1% |

Health

A Budapest study showed that lead concentration in the air was up to 27 times higher than national standards. According to recent health examinations, many children have more lead in their body than is permitted for an adult industrial worker. In the last 20 years the number of people suffering from asthma and lung cancer rose 12 and 3 fold respectively. Hungary now has the lowest life expectancy in Europe. Air pollution in Hungarian cities is caused mainly by motor vehicles and to a lesser extent by industry and households.

Crime

Since 1989, Hungary has seen steady growth in criminal activity, and by 1997 crime rates had grown to approximately half a million criminal acts per year. The political, social and economic changes that Hungary has endured have fundamentally altered the incidents of crime from primarily burglaries to more sophisticated crimes. Hungary's cities, including Budapest, are plagued by sophisticated organized crime including drug trade, prostitution, smuggling of aliens, illegal trade of goods, armed robbery, blackmail, and counterfeit activities affecting the business sector.