



## AMERICAN-HUNGARIAN EXECUTIVE CIRCLE

### NEWSLETTER

Summer 2003

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#### **Next Lunch Meeting**

June 27, 2003

11:30 am – Noon, Networking  
Noon to 2:00 pm, Lunch Meeting  
Williams Mullen  
1666 K Street, NW, Suite 1200  
Washington, DC

**RSVP with \$30 check made out to  
“Williams Mullen” by June 20**

#### Agenda:

- I. Introduction of Attendees
- II. Update on Projects
  - a. HTEC
  - b. Budapest Metro
  - c. Others
- III. ITDH Spring Conference Report
- IV. Reports from Budapest
- V. New business initiatives



#### **Hungarian Technology Enterprise Center (HTEC)**

In April, **Laszlo Horvath** of **Active Media** met with Ministerial Commissioner **Attila Suhajda** and his work group at the Ministry of

Information Technology and Communication to discuss the HTEC project.

The Ministry has executed an agreement to proceed with the project, and has further expressed interest in using it as a model for similar projects based in Japan and Belgium.



#### **Further Hungarian Government Privatization Initiatives**

The Hungarian government has announced or has formally released requests for proposals in a number of significant tenders, spanning from infrastructure to finance and military matters.

**INFRASTRUCTURE:** Development of the Budapest Metro. This is a multi phase project involving creation of a new 7.3 kilometer metro line. The associated tenders have not yet been released, though they have been the subject of press reports. Tenders are valued in the US\$800 million range and constitute the nation's largest infrastructure project.

Further, the government is debating a new law specifying the conditions

under which private businesses may acquire water and wastewater processing facilities currently owned by the state or by municipalities. Currently, about 20 percent of the water and wastewater markets are controlled by private investors, while the rest are in public hands. To meet EU environmental standards, it is likely that large scale privatization in this area will be necessary; by 2015, for example, the entire country needs to be supplied with a sewer system.

Also, the government recently outlined plans to sell licenses for a universal mobile telecommunications system (UMTS). Tender details should be complete by the end of the year. There is speculation that 3G services could be launched by the winner as early as 2005.

Finally, five public tenders were announced in early May concerning flood prevention and rural development. The combined tenders are worth roughly US\$2 million, and bids are being accepted until June 17; the winners will be announced June 26.

**MILITARY:** The Defense Ministry is expected to release a request for proposal for the provision of military transports, ranging from 4x4s to larger troop transports. This tender is estimated to be valued in excess of US\$200 million and calls for the provision of goods over a ten year period.

**FINANCE:** The government is privatizing three large Hungarian banks this year: PostaBank, Land

Credit and Mortgage Bank, and Konzumbank. The tender for PostaBank was released May 20 and will end over the summer.

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If you would like any additional information about the matters summarized above, or similar projects being considered by the Hungarian government, please contact AHEC .



## NEW MEMBER SPOTLIGHT

### Institute for Global Environmental Strategies

Welcome to **Nancy Colleton** and the Institute for Global Environmental Strategies (IGES), the newest AHEC member. IGES was founded in response to the needs of educators and students, policy makers, and researchers, to provide policy analysis, research, strategic planning, training, and educational material development in support of the Earth sciences and related issues. IGES is an international, non-profit organization supported by public and private entities.

For further information, contact Nancy Colleton, President of the Institute for Global Environmental Strategies, at 1600 Wilson Boulevard, Suite 901 Arlington, Virginia 22209, USA.  
Phone: 703-312-0823  
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## AROUND TOWN

AHEC welcomed newcomers **H. Hollister Cantus** of the **The ILEX Group**, **Sandor Vegh** of the **Kossuth House Social Club**, **Edit V. Velenyi** of the **World Bank**, and **Dr. Attila Kovcsy** of **Deloitte & Touche** to its last meeting, thanks them for their participation, and looks forward to seeing them at future meetings.

**Laszlo Horvath** was a speaker at the IT 2003 Conference in Budapest, held by the Hungarian Academy of Sciences. His speech is available upon request. Laszlo has also recently conducted an online strategy session with the participation of top management of the Hungarian Tourist Board (Magyar Turizmus Rt).

**Nancy Colleton** and IGES organized a successful international symposium on Satellite Remote Sensing at the Ronald Reagan Center in May 13-15. The event attracted numerous high profile U.S. Government officials, including representatives from the State and Commerce Departments, NOAA, NASA, NIMA, officials from the intelligence community, military personnel from the United States and other foreign nations, and executives from the satellite, imaging and remote sensing industries.

**Arpad Toth** spoke as the luncheon keynote speaker at the Satellite Remote Sensing Symposium on May 13. His well received PowerPoint presentation entitled: "The Next Technology Wave, Impacts, Benefits

to Businesses, Consumers and Government" is available upon request. Please send your requests to [atoth@verizon.net](mailto:atoth@verizon.net).



## MISSION STATEMENT

AHEC exists to foster closer business ties among Americans of Hungarian ethnicity, through programs to bring them into contact with each other, and with other Hungarians and business executives everywhere. AHEC seeks to mutually advance and strengthen American-Hungarian business relationships.



## Membership Information

AHEC Membership is open to anyone. If you wish to join, please send to the below address notice of your interest, contact information about yourself (including a business card), and enclose an application fee of \$100, made out in the name of Williams Mullen.

## Address

<b>American-Hungarian Executive Circle 1666 K Street, N.W., Suite 1200 Washington, D.C. 20006</b>
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## AHEC Board of Directors

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