

Mobility: Immigration alert

March 2024



Hungary

New implementing regulations go into effect as immigration application processing resumes

Executive summary

Effective 1 March 2024, new implementing regulations went into effect in Hungary, and authorities began processing visa and permit applications under the new immigration system following a two-month suspension of immigration application processing. The new implementing regulations introduce further changes to the provisions of the immigration bill that was approved by the parliament in December 2023.

Background

Hungary's [new immigration bill](#) went into effect on 1 January 2024, nine months earlier than initially expected. To provide time to impacted entities (including companies and applicants) to comply with the new system, the immigration authorities suspended application processing between 1 January 2024 and 29 February 2024 and did not accept any new applications, except those for residence permits in the national interest (which were subject to ministerial review and approval). Processing of applications submitted before 1 January 2024 was also suspended. Permits that expired during this period were automatically extended to 30 April 2024.

Key developments

On 29 February 2024, the Hungarian government published implementing regulations to the new immigration bill. Pursuant to these regulations, effective 1 March 2024, eligible individuals can apply to obtain the following categories of permits:

- ▶ *Guest Worker Permits*. These permits are valid for one to three years. Holders cannot sponsor dependents and are not eligible to apply for permanent residence.

- ▶ *Highly Skilled Worker Permits*. These permits are valid for three to four years depending on the permit type. Holders can bring in dependents and apply for permanent residence if they meet the relevant criteria. Two examples of this category of permits are:
 - ▶ *Hungarian Cards*. This is a new category of permits which are available to local hires or assignees who have qualifying degrees. These permits are valid for up to three years. Holders must apply for a new Card when they change employers.
 - ▶ *EU Blue Cards*. Qualifying individuals are now eligible to apply for EU Blue Cards even if they do not have a university degree, provided they have three to five years of relevant work experience.
- ▶ *Permits for "Other" Categories*. The new bill eliminated the "Residence Permit for Other Purposes," which was available to individuals who did not fulfil the criteria for any other type of permit but met the general requirements for residence authorization. The new implementing regulations introduce several new permits for "other" categories are available to such individuals (e.g., trainees).
- ▶ *Permits for Serbian and Ukrainian nationals*. These permits offer benefits similar to those available to holders of Highly Skilled Worker Permits (e.g., holders of these permits can bring in dependents and apply for permanent residence if they meet the relevant criteria). However, applicants do not require as high a level of education to apply for these permits (as compared to Highly Skilled Worker Permits).

Other changes

The implementing regulations also introduce the following changes:

- ▶ Highly Skilled Worker Permit applicants are required to have specific degrees (depending on the permit type) and are not eligible for these permits if they hold other degrees (including advanced degrees). This is expected to limit the opportunities available to third-country nationals.
- ▶ Guest Worker Permit applicants are prohibited from holding specific job positions. A list of 300 such positions was recently published by the Hungarian government.
- ▶ Only individuals who apply for new permanent residence permits on or after 1 January 2025 will be subject to Hungarian culture and language tests. The immigration bill previously stated that this requirement applied to holders of all permits who sought to extend their permits.
- ▶ Work permit applicants are subject to quotas based on their nationality.

Impact on employers

The new law is expected to promote the employment of Hungarian nationals, attract skilled international talent and limit long-term opportunities for lower skilled workers. Companies may review their existing employees' eligibility for the new types of permits and identify appropriate immigration pathways for them as needed. They may also adapt their hiring policies as required to ensure compliance with the new system.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

EY | Building a better working world

EY exists to build a better working world, helping create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2024 Ernst & Young LLP.
All Rights Reserved.

EYG no. 002233-24Gbl

2101-3682263
ED None

ey.com

Veronika Olah

Partner - People Advisory Services, Global Immigration
Tel: +3630 559 1221
Email: veronika.olah@hu.ey.com

Gabor Garab

Senior Manager - People Advisory Services, Global Immigration
Tel: +3670 501 8461
Email: gabor.garab@hu.ey.com

Aniko Pinter

Manager - People Advisory Services, Immigration
Tel: +3670 653 4491
Email: aniko.pinter@hu.ey.com

Ben Willis

Partner - People Advisory Services, EMEIA Immigration Leader
Tel: +44 20 7951 9589
Email: ben.willis@uk.ey.com

Seema Farazi

Partner - People Advisory Services, EMEIA Immigration Leader
Tel: +44 20 7951 7122
Email: seema.farazi@uk.ey.com