

# Hungary

GDP \$126 billion\*  
 Population 9.8 million\*

AFFECTED BY 100-YEAR FLOOD

\$9 billion (7%)

900,000 (9%)

AFFECTED BY 250-YEAR EARTHQUAKE

\$50 billion (41%)

2 million (23%)

CAPITAL LOSS FROM 250-YEAR EARTHQUAKE

\$6 billion (5%)

20 (<1%)

\*2015 estimates



Hungary's population and economy are exposed to earthquakes and floods, with floods posing the greater risk. The model results for present-day risk shown in this risk profile are based on population and gross domestic product (GDP) estimates for 2015. The estimated damage caused by historical events is inflated to 2015 US dollars.

About 70 percent of Hungary's population lives in urban environments. The country's GDP was approximately US\$126 billion in 2015, with close

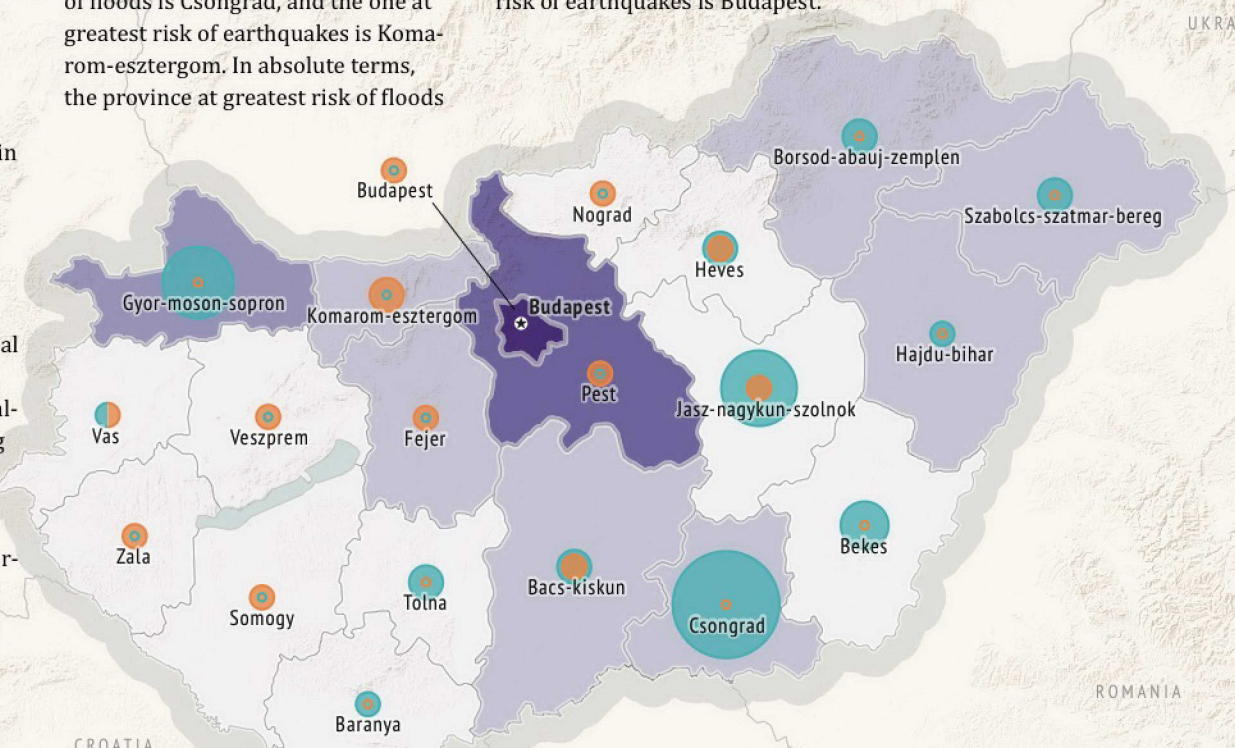
to 70 percent derived from services, most of the remainder generated by industry, and agriculture making a small contribution. Hungary's per capita GDP was \$12,800.

This map displays GDP by province in Hungary, with greater color saturation indicating greater GDP within a province. The blue circles indicate the risk of experiencing floods and the orange circles the risk of earthquakes in terms of normalized annual average of affected GDP. The largest circles represent the greatest normalized risk. The risk is estimated using flood and earthquake risk models.

The table displays the provinces at greatest normalized risk for each peril. In relative terms, as shown in the

table, the province at greatest risk of floods is Csongrad, and the one at greatest risk of earthquakes is Komárom-esztergom. In absolute terms, the province at greatest risk of floods

is Csongrad, and the one at greatest risk of earthquakes is Budapest.



## TOP AFFECTED PROVINCES



### FLOOD

ANNUAL AVERAGE OF AFFECTED GDP (%)

Csongrad	16
Jasz-nagykun-szolnok	13
Gyor-moson-sopron	9
Bekes	4
Szabolcs-szatmar-bereg	2
Tolna	2
Heves	2
Borsod-abauj-zemlen	2
Bacs-kiskun	2
Hajdu-bihar	1

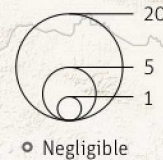


### EARTHQUAKE

ANNUAL AVERAGE OF AFFECTED GDP (%)

Komarom-esztergom	2
Budapest	1
Pest	1
Zala	1
Veszprem	1
Heves	1
Somogy	1
Nograd	1
Jasz-nagykun-szolnok	1
Vas	1

Annual Average of Affected GDP (%)



GDP (billions of \$)



There is a high correlation (r=0.95) between the population and GDP of a province.

The most deadly flood in Hungary since 1900 took place in 1970 and caused about 300 fatalities and over \$500 million in damage. More recently, in 1999, two floods occurred that together caused at least eight fatalities, affected over 100,000 people, and brought over \$400 million in damage. A single flood in 2010 caused no fatalities but almost \$500 million in damage. These statistics highlight the lives being saved by disaster risk management efforts but also the possibility that the damage associated with flooding will rise.

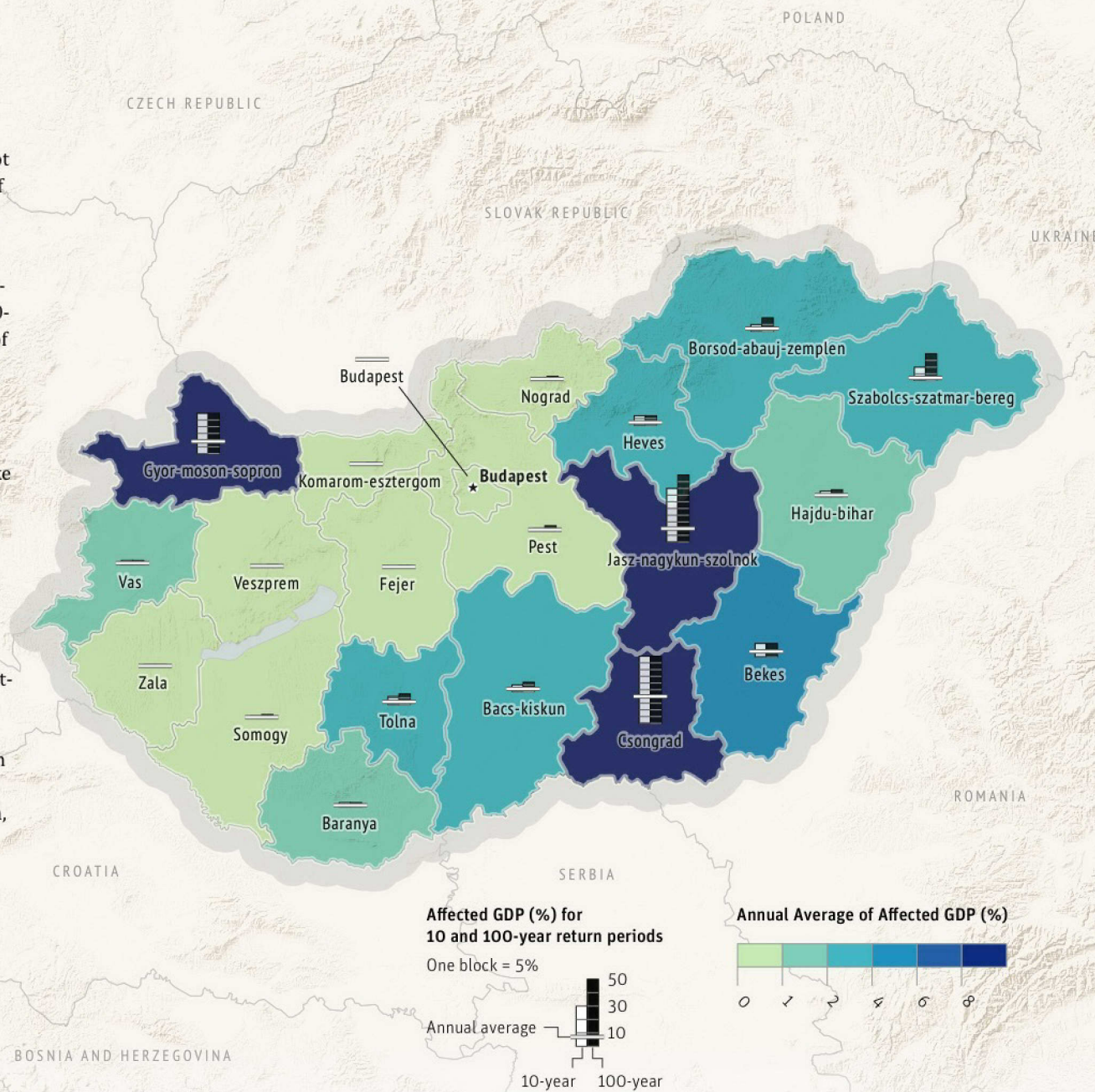
This map depicts the impact of flooding on provinces' GDPs, represented as percentages of their annual average GDPs affected, with greater color saturation indicating higher percentages. The bar graphs represent GDP affected by floods with return periods of 10 years (white) and 100 years (black). The horizontal line across the bars also shows the annual average of GDP affected by floods.

When a flood has a 10-year return period, it means the probability of occurrence of a flood of that magnitude or greater is 10 percent per year. A 100-year flood has a probability of occurrence of 1 percent per year. This means that over a long period of time, a flood of that magnitude will, on average, occur once every 100 years. It does not mean a 100-year

flood will occur exactly once every 100 years. In fact, it is possible for a flood of any return period to occur more than once in the same year, or to appear in consecutive years, or not to happen at all over a long period of time.

If the 10- and 100-year bars are the same height, then the impact of a 10-year event is as large as that of a 100-year event, and the annual average of affected GDP is dominated by events that happen relatively frequently. If the impact of a 100-year event is much greater than that of a 10-year event, then less frequent events make a larger contribution to the annual average of affected GDP. Thus, even if a province's annual affected GDP seems small, less frequent and more intense events can still have large impacts.

The annual average population affected by flooding in Hungary is about 200,000 and the annual average affected GDP about \$2 billion. Within the various provinces, the 10- and 100-year impacts do not differ much, so relatively frequent floods have large impacts on these averages.



Hungary's worst earthquake since 1900 took place in 1911 in Kecskemet, causing 10 fatalities. Others occurred in 1599, 1763, 1783, and 1879, and, most recently, in 2011.

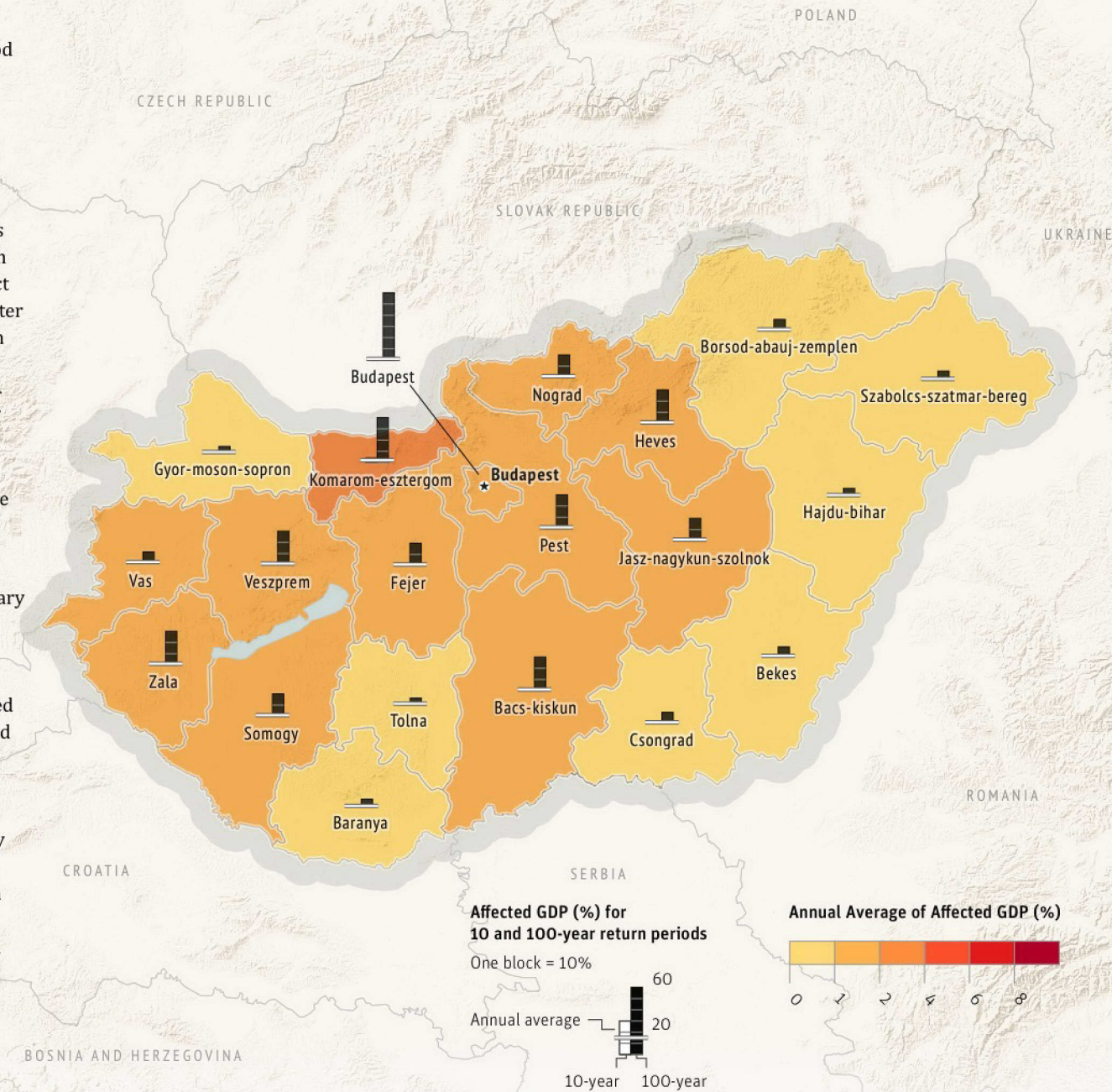
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When an earthquake has a 10-year return period, it means the probability of occurrence of an earthquake of that magnitude or greater is 10 percent per year. A 100-year earthquake has a probability of occurrence of 1 percent per year. This means that over a long period of time, an earthquake of that magnitude will, on average, occur once every 100 years. It does not mean a 100-year earthquake will occur exactly once every 100 years. In fact, it is possible for an earthquake of any return period to occur more than once in the same year, or to appear in consecutive years, or not

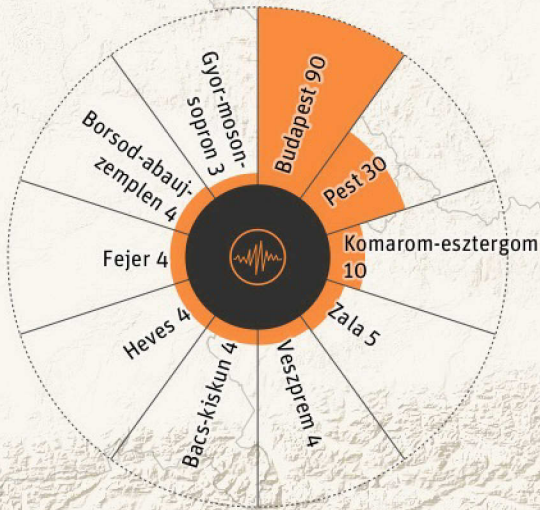
to happen at all over a long period of time.

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The annual average population affected by earthquakes in Hungary is about 80,000 and the annual average affected GDP about \$1 billion. The annual averages of fatalities and capital losses caused by earthquakes are about one and about \$200 million, respectively. The fatalities and capital losses caused by more intense, less frequent events can be substantially larger than the annual averages. For example, an earthquake with a 0.4 percent annual probability of occurrence (a 250-year return period event) could cause about \$6 billion in capital loss (about 5 percent of GDP).



**EARTHQUAKE**  
ANNUAL AVERAGE CAPITAL LOSS (MILLIONS \$)

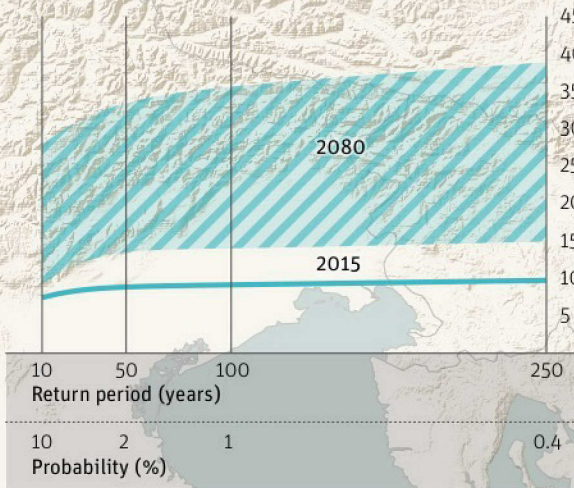


**EARTHQUAKE**  
ANNUAL AVERAGE FATALITIES

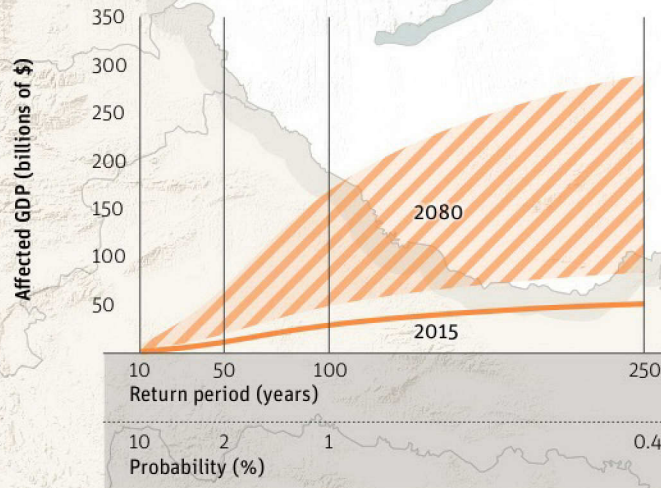


The rose diagrams show the provinces with the potential for greatest annual average capital losses and highest annual average numbers of fatalities, as determined using an earthquake risk model. The potential for greatest capital loss occurs in Budapest, which is not surprising, given the economic importance of the province.

**FLOOD**  
EXCEEDANCE PROBABILITY CURVE, 2015 AND 2080



**EARTHQUAKE**  
EXCEEDANCE PROBABILITY CURVE, 2015 AND 2080



The exceedance probability curves display the GDP affected by, respectively, floods and earthquakes for varying probabilities of occurrence. Values for two different time periods are shown. A solid line depicts the affected GDP for 2015 conditions. A diagonally striped band depicts the range of affected GDP based on a selection of climate and socioeconomic scenarios for 2080. For example, if Hungary had experienced a 100-year return period flood event in 2015, the affected GDP would have been an estimated \$9 billion. In 2080, however, the affected GDP from the same type of event would range from about \$10 billion to about \$40 billion. If Hungary had experienced a 250-year earthquake event in 2015, the affected GDP would have been about \$50 billion. In 2080, the affected GDP from the same type of event would range from about \$80 billion to about \$300 billion, due to population growth, urbanization, and the increase in exposed assets.

All historical data on floods and earthquakes are from, respectively, D. Guha-Sapir, R. Below, and Ph. Hoyois, EM-DAT: International Disaster Database (Université Catholique de Louvain, Brussels, Belgium), [www.emdat.be](http://www.emdat.be), and J. Daniell and A. Schaefer, "Eastern Europe and Central Asia Region Earthquake Risk Assessment Country and Province Profiling," final report to GFDRR, 2014. Damage estimates for all historical events have been inflated to 2015 US\$.