



***UpGradeSME***

*Improving policy instruments supporting innovative SME performance*

## **Action Plan**

***Pannon Business Network Association and Ministry of Finance Hungary***

Hungary, West-Transdanubian Region and Central-Hungarian Region

March 2019



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## Part I – General information

Project:	UpGradeSME
Partner organization:	Ministry for Finance, Hungary
Other partner organizations involved:	Pannon Business Network Association
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## Part II – Policy context

The Action Plan aims to impact:	<input checked="" type="checkbox"/> Investment for Growth and Jobs programme
	<input type="checkbox"/> European Territorial Cooperation programme
	<input type="checkbox"/> Other regional development policy instrument

Name of the policy instrument addressed:	EDIOP 1.3.1 - Supporting (international) market access of micro, small and medium sized enterprises (HU)
Name of the new policy instrument addressed:	EDIOP 1.2.7 - Support for complex development of fast growing (gazelle) businesses

## Part III – Actions

### 1. The background

Lessons learnt from the project that constitute the basis for the development of the present Action Plan:

#### 1.1 The policy instrument:

In Hungary, the call for proposals EDIOP 1.3.1 focused on the support of the internationalization of the micro, small and medium sized enterprises, in the framework of the Economic Development and Innovation Operational Programme (EDIOP) 2014-20.

EDIOP 1.3.1. - after having recognized the shortage of the financial, human and information resources of the Hungarian SMEs - was willing to support the appearance of companies on new markets by ensuring effective foreign marketing activities, participation on international exhibitions, B2B events, and fairs. It also targeted to ensure the required knowledge for participating successfully the market competition. The call for proposals also supported consultations, elaboration of market researches and studies, supporting the export capability of the companies. SMEs could apply with own project proposals and receive a support with an intensity of maximum 50%, dependent on the company size and the location. The main beneficiaries of the call for proposals were SMEs with value and export growth potential. Through their development they could also get connected to local,

national but most preferably to international networks, meanwhile also intensifying their participation. The duration of a single project was maximum 24 months.

## 1.2 Economic background in Hungary

If we compare the export activities of the small and medium sized enterprises with the exporting of the large companies we detect a contrast namely that however SMEs consist 99% percent of the Hungarian entrepreneurial sphere their contribution to the exporting activities is far under 30% and large companies provide over 70% according to data collected in 2013 and 2014.

As it is stated in the analysis of the SME sector in Hungary manufacturing SMEs are the leading actors in internationalization but they represent less than one-third of the small- and medium sized companies. Service sector companies are overrepresented which usually do not have innovation in the focus. On the other hand, innovation capacity, which can lead to effective product development, requires professional knowledge, financial resources, advantageous business, and scientific connections.

According to the SME survey of the UpGradeSME project carried out during 2017 in the involved 6 European regions, core regions have rather technology and innovation cooperations as main drivers of internationalization while periferical – lagging - regions focus on low-end price segments.

## 1.3 Background analyses:

To provide authentic proposals for the improvement of the policy instrument EDIOP 1.3.1 we examined several factors and programs in Hungary and on European level as well. The detailed results are summarized in the 3 analysis documents elaborated by Pannon Business Network and the Ministry of Finance of Hungary (MA). Here a short outline is provided. In the analytical background of the current action plan we built up a comprehensive picture about the economic surrounding, current state and opinion of the European and Hungarian SMEs through the following steps:

- (1) We analyzed **the result of EU-wide surveys and basic statistical data**. We examined the COSME survey, the UpGradeSME company survey, the Small Business Act survey and the current economic status of the small and medium sized enterprises based on the Statistical Office's data.
- (2) We listed the main barriers of the SMEs coming from the **peripheral countries**.
- (3) We summarized the main findings of the **international scientific literature** with special focus on the role of the change agent, the family run businesses and ways of policy making
- (4) We **draw conclusions from the UpGradeSME Learning** through the analysis of the involved 6 policy instrument on base of policy METHODOLOGY, IMPACT, COMMUNICATION and INTEGRATION topics.
- (5) We examined and took into consideration the adaptable measures of the **UpGradeSME good practices** and the valuable learnings gained during the **international exchange of experience workshops, study visits and staff exchanges**.
- (6) We presented Hungarian **case studies**.
- (7) We studied the **export barriers of US SMEs** to gain a wider perspective.
- (8) We analyzed the results of the internationalization component of the Hungarian program HGC Academy (EDIOP Priority 1., 2018-2019)
- (9) We elaborated proposals on base of the **deep analysis of the Hungarian subsidizing system**
  - a) Contribution to the harmonisation of existing regional and national tools by starting conversation and defining measures with Hungarian national policy instruments supporting SME internationalisation:
    - a. Support of entry into the external market could be included in several EDIOP calls for proposals as complementary activities

- b. Development of a national strategy to support SMEs' access to external markets: better harmonisation of the instrumental system and strengthening of synergies between the different institutional actors

#### 1.4 Results of the targeted Policy Instrument so far (EDIOP-1.3.1):

On base of the deep analysis of the policy instrument EDIOP 1.3.1. carried out by the Managing Authority the following results are reported:

- Calls for proposals 2014-2018
  - Number of submitted applications: 577
  - Amount of subsidy: HUF 5,4 billion (~16.600.000 EUR)
  - Available budget: HUF 2,38 billion (~7.323.000 EUR)
  - Contracted beneficiaries: 283
  - Contracted amount of subsidy: HUF 2,38 billion (~7.323.000 EUR)
  - Average amount of subsidy per beneficiary: HUF 8,4 million (~25.900 EUR)

#### 1.5 Experiences of beneficiaries and other stakeholders:

Related the realization of the call EDIOP 1.3.1 the following experiences have been made from side of the different actors:

- Experiences of the colleagues from the Management Authority (Ministry of Finance)
  - Some of the applications were considered to be filled with false information, the call for proposals attracted fraud suspicious applications, which resulted work overload.
  - Applications made in good faith were complicated to declare with all the eligible expenditure. A lot of imperfect invoices were submitted in foreign languages for small amounts which were complicated to correct and made disproportionate workload even for the beneficiaries and also for the financial controllers.
  - Missing the appropriate definitions and limit of eligibility of different costs resulted overpricing more budget lines (website, accommodation, etc.)
  - The call for proposals was not found by the target group, because in several cases applicants with limited human resources and no relevant history wanted to realize ambitious plans.
- Experiences of beneficiaries – the SMEs
  - The duration of the project selection period lead to forced modifications of the content and so the contract. It resulted inappropriate work overload and required extra time from both side. Example: The planned fair or exhibition is done by the time the project got the approval so it was extra time to find a similar event and modify the contract according to this.
  - Long and unnecessarily detailed control procedure of the requests of payment.
  - Participation on fairs or exhibitions is a mistake to be in the focus of the call for proposals. This activity is not the most important step on the way of the successful exportation. There is a problem to indicate the proper exhibition for the product in the application form before the market research is done.
  - It is obligatory to make the market research for the host country of the exhibition or fair. Usually the biggest fairs/exhibitions are international ones so participating in one of these not necessary means that the target group of the product/service is in the same country as the exhibition is organised in.
- Experiences from the Hungarian National Trading House
  - They received complains about the target sector of the call for proposals is narrowed to manufacturing industry. However it is a fact based on the Operational Programme so there is no room for expansion.

- There was a requirement from start-ups to access to this kind of grants because their presence on foreign market is crucial from the side of sales and it would be a huge financial assistance for them.

### 1.6 UpGradeSME good practices provided inspiration:

In the following lines, those UpGradeSME good practices are presented which provided with adaptable measures or inspired our ideas in the composition of the proposed two actions of the Action Plan.

#### *PIPE program for training SMEs on foreign trade, Chamber of Commerce, Industry and Shipping of Seville*

The three stages program is a good example for supporting SMEs in internationalization on different fields in a complex way. The program helps the SMEs to access to a wide range of services for 2 years including technical expertise and financial support.

The support package include:

- Up to 2 years plus of comprehensive ongoing support with access to a wide range of services, high-level expert support across all stages of exporting.
- Collaboration with agencies and professionals involved in the export process
- Financial support.

#### *Methodology towards a wider model of innovation agencies, Steinbeis Europa Zentrum*

This Good Practice derives from the H2020 project InnoMedia which was a peer-learning action aiming to improve the effectiveness of regional Innovation Agencies (IAs). Participants were 3 innovation agencies from IT, HU, DE.

In the program the organizations designed a new and comprehensive approach for a new business and organizational model for IAs because innovation agencies can't always equip SMEs with demanded support in terms of innovation & internationalization.

The new approach in the Good practice was: the agency itself is the driving force as it becomes the interface with regulatory bodies and the engine of the relationship with local SMEs & research world. IAs will establish a local contact point within the IA to develop & maintain the relationship with and between agents of innovation and internationalization sphere (esp. SMEs).

The measure mostly inspired us in defining actions was the role of the Innovation Agencies by focalizing on thematic areas and on the needs of the SMEs and this way to provide direct support services for the companies. Support services for SMEs like technology, communication & business coaching and the access to business angels & venture capitalists, boot camps.

#### *International Trade Support, Friesland, BDF*

There are many regional SMEs in Friesland which are supplying half-fabricate products to companies in other parts of the country and which are then exported. These Frisian companies should develop a specific product or product line for themselves and start exporting. To find out who is able go abroad a first line organisation is needed to directly meet the entrepreneurs. The inspiring action here was the connection of the requirement of innovative products and the successful exporting supported by direct assistance.

The advisor of ITS can on one hand signpost the entrepreneur to a known body in the region (such as Enterprise Europe, World Trade Center or other international support organisations) and can detect their unique needs by meeting them. This is an inspirative thinking for our actions.

Related our Action 1 of the action plan the most inspiring features of the Frisian program was the elimination of the administrative burden by enabling the easy application of SMEs.

## PROMOTION OF RO3 SMEs ENTERPRISE EUROPE NETWORK (PROSME), South Muntenia Regional Development Agency

The good practice is interesting in connection with Action 2 because it is providing growth-oriented, integrated business and innovation support services for achievement of specific objectives. One of the pillars of the SME development program is to facilitate access to the external market through the use of information services and advisory for companies. This practice also shows that in addition to direct support, advisory activities play an important role in internationalization and access to relevant information.

### 1.7 Conclusions

*The main conclusions drawn from the analysis procedure are the following:*

- (a) Internal factors affecting internationalization performances of SMEs:
- The human factor of internationalization is determining, skills and human capacity has to be improved. The existence of the so-called change agent – who is in charge of the internationalization processes inside the company - and the presence of an entrepreneurial team is essential.
  - The trust in the advantages of a membership in a supplier chain
  - Productivity
  - The presence of the marketable product and service
  - Family ownership
  - Innovation capacity
  - The presence of the company strategy related internationalization
  - Financial resources
  - Decision taking procedure – time and method
  - Method of the entry into the new market – entry mode
- (b) *External factors affecting internationalization performances of SMEs:*
- Status of the domestic market and the international market
  - The presence of different business networks and the connection possibilities to international supplier chains
  - Type of available national and international financial incentives, subsidies, financing of the internationalization process – more effective are regional models like in Leeuwarden (NL) and Baden-Württemberg (DE) than national subsidizing models (HU and RO) - regional and national policies and a supporting ecosystem optimized to the special needs of the companies
  - Supportive national and international legal frames
  - Factors of the new market, the demand and the competitors
  - Less administrative burden

### 1.8 Implications:

As a main conclusion, internationalization activities should be supported by improving the internal abilities of the companies and by forming legislative and economic frames:

- **Complex policy instrument:** to frame the policy instruments that way that internationalization and innovation support is connected
- **Skills development:** The lack of managerial experience and language skills can be in close relation with the lack of in-depth knowledge about the target markets however, the Hungarian Policy instrument tackles this challenge by providing support for market research with the involvement of experts.
- **Financing:** multi-level financing tool as a solution

- **Modifying the supported activities and supporting the harmonization of tools:** the Hungarian policy instrument provides until now only a ‘small slice’ of possible services towards SMEs, which are partly overlapping with other tools.
- **Administrative burden:** administrative burden is a bottleneck for successful SME internationalization. A proposal is that the emphasis should be put on digitalization of application and realization processes, which helps the simplification of documentation, monitoring and the contact between beneficiary and program officer.
- **Knowledge transfer:** the support of the share of internationalization knowledge inside the company is an essential step in export activities, which is also supported by previous internationalization experiences of the CEO and the staff members with different backgrounds and skills, the entrepreneurial team.
- **International networks:** the support of active participation in international networks is essential for companies. This should apply also for the support of SMEs to apply for the membership of international supplier chains through consultation services, mentoring and enabling networking. The enhancement of the economic symbiosis between the large companies and SMEs on an advantageous level.
- **Mentoring services:** companies should get direct support through different mentoring activities to be able to elaborate a conscious internationalization strategy for the long-term. This should include an auditing and mentoring phase to identify deficiencies of the employees’ skills and company challenges and to train their competencies. UpGradeSME good practices from Leeuwarden, Steinbeis Europa Zentrum and South Muntenia Regional Development Agency provide examples for the effectiveness of these kind of actions.
- **Supportive ecosystem:** the motivation of bottom-up initiated projects by the actors like in the Netherlands, Leeuwarden (Water sector) + regional level programming possibility with the involvement of regional actors.

## 2. ACTION 1

### 2.1 ACTION 1: Reformulating the focus of policy instrument EDIOP 1.2.7 and 1.3.1

Policy background:

To enable a notable change in the original measure of the EDIOP 1 policy instrument - EDIOP 1.3.1 - is not possible in the current programming period (until 2020). In the new programming period, a new call is expected, and the Managing Authority - Ministry of Finance - is going to utilize the results of UpGradeSME in elaborating the features for it.

Thus in the current programming period the Managing Authority – Ministry of Finance - is focusing on the improvement of another measure inside EDIOP 1, namely EDIOP 1.2.7. which has the title “*Support for complex development of fast growing (gazelle) businesses*” with the aim to provide complex support for high growth potential among small and medium-sized enterprises in the Hungarian manufacturing and convergence regions with special focus on innovation and internationalization.

The first round of this call – a national pilot program - have been started in January 2018 and will be closed in May 2019. Inside this call one action was the so called HGC Academy with special focus on the direct support of SMEs on the field of internationalization, technology readiness, managerial competences, online presence, finances and the utilization of CRM and ERP systems and the identification and improvement of the marketable products.

Coordinator of the realization of this pilot program was IFKA Nonprofit Ltd, the Hungarian operative body of the Ministry of Innovation and Technology. Pannon Business Network is the contracted partner of IFKA Non-profit Ltd and the realization assistant body of HGC Academy. During this first pilot call, contractual activity of PBN was and is to provide policy recommendation to the policy instrument which recommendations will be taken into consideration in the design of the new call of EDIOP 1.2.7 expected in the 1<sup>st</sup> semester of 2019. Ministry of Finance is the body to compose and open the new call and to act as Managing Authority. Within the framework



of the EDIOP 1.2.7 announcement, the project size between 25 and 500 million HUF is planned, and the primary condition is to maintain the earlier growth rate, primarily in terms of revenue.

The typical challenge of the previous EDIOP announcements from the former entrepreneurial point of view is that it focused on a single development aspect – e.g. innovation, or facilitating access to the external market - while not taking into account the complexity of the operations of companies and the interaction of their elements.

The advantage of the call EDIOP 1.2.7 contrary to EDIOP 1.3.1 is that while EDIOP 1.3.1 originally focuses on the support of internationalization of the micro, small and medium sized enterprises without any specialization on the circle of applicants and only focusing on a small slice of activities, EDIOP 1.2.7 focuses on enabling the growth of a special circle of Hungarian companies by realizing a set of complex actions.

During the preparation of the UpgradeSME proposal the exclusive focus was on 1.3.1. call, that is dedicated to internationalization of SMEs. However, during the implementation of the UpgradeSME project it was an obvious outcome and conclusion that internationalization is a result of multiple factors, varying from innovation-orientation character to change agent features – most of the cases the owner. Another reason was that 1.3.1. ran out of budget by the end of UpgradeSME. These two factors drove to the conclusion that the instrument should be the same objective with a more holistic approach – this is why the policy instrument 1.2.7. was selected, where PBN had a direct impact on the improvement. 1.2.7. aims at internationalization as well, yet as a result of a series of complex activities. Therefore both instruments are essential for the action plan.

As ACTION 1 the following activities are proposed:

- Extending the circle of eligible activities of the programme and abandoning the exhibition centricity of the call for proposals with making the eligible activities more diverse and complex.
  - Participation in exhibitions/fairs or the organization of foreign product shows should not be a binding activity
  - New activities to support
    - Support of activities related to the preparation for entry into the foreign market (f. ex.: participation on training courses, personal advisory and preparation of businesses for involvement in international networks and global value chains)
    - Support of activities that are indirectly linked to entering the external market (f. ex.: the settlement of wage of the employee dealing with the enter in to the foreign market)
- Reduce the administrative burden for the applicants to have a more user-friendly approach through the following activities:
  - Introduction of unit costs and maximum costs for as many activities as possible to avoid overpriced projects
  - Increasing the subsidy rate: a subsidy rate of 80-100%, which is higher than 50%, as the entry into the external market is a high risk business activity
  - Simple and normative call for proposals with the following elements:
    - small amount of support and / or small amount of project size (3 000-9 000 EUR)
    - Circle of eligible activities containing 1-2 items
    - Strict application criteria
    - Pre-qualification
    - Lump sum settlement

The expected result of this action is to realize the support of at least 100 SMEs. The applicant SMEs will be preselected on base of the criteria of having a rate of excellence – on base of the existing high-growth potential.

## 2.2 Players involved

The organizations in the country who are involved in the development and implementation of the action and explain their role:

The policy instrument EDIOP 1.3.1 and the new measure EDIOP 1.2.7 are both national level tools. The main actor to be involved is the Ministry of Finance (former: Ministry for National Economy), as the Managing Authority of the tools. The Managing Authority is going to compose and publish the new call.

IFKA Non-profit Ltd. is the background organization of the Innovation and Technology Ministry of Hungary and the implementing body of the activities inside EDIOP 1.2.7.

Innovation and Technology Ministry of Hungary is the initiator of the policy instrument idea and the coordinator of the IFKA Nonprofit Ltd.

Pannon Business Network is in close cooperation with the Ministry of Finance through several programs. As a project partner and business network in contact with the SMEs of the West-Hungarian Region and West-Hungary aims at supporting the realization of the action plan by monitoring and assisting the Ministry in the implementation. PBN as the contractual partner of IFKA Non-profit Ltd. assisted operatively in the 1<sup>st</sup> HGC Academy program in the EDIOP 1.2.7 call between 2018-2019 and provided policy input for the new call.

As in Hungary the policy instruments are centralized in design and in operation as well more emphasis should be given to those intermediary organizations – business networks, SME associations, clusters, chambers, technology centres, Business Development Council and NGOs – who are in direct contact with the final beneficiaries SMEs and also universities and research actors should be involved. Their role should be a consultative role by representing the interest of SMEs during the implementation of the action plan through different forums like online consultation.

As also the country report of the Small Business Act outlines there are certain initiatives for the bottom-up approach in Hungary, but further improvements are needed. The elaboration of the policy instrument are supported by a public consultation process but this is for a narrow circle of actors, the tools should be optimized and the circle of actors widened.

## 2.3 Timeframe

The opening of the new call is to be expected in the 3<sup>rd</sup> semester of 2019 and the realization should be implemented in 2019-2021.

## 2.4 Costs

The non-reimbursable support for 1 applicant is between 25M-500M HUF, the support-ratio is maximum 50%. The total budget of the new call will be announced upon the launch of the call.

## 2.5 Funding sources:

If the Managing Authority opens the new call for proposal, the funding source will be the Economic Development and Innovation Operational Programme (EDIOP) Priority 1.

# 3. ACTION 2

## 3.1 Action 2: The setup of a sustainable mentoring system for small and medium sized enterprises

### Policy background:

Skills and knowledge: high percentage of the Hungarian SMEs are not experienced in internationalization processes due to the personal factor and the lack of knowledge about the target market.

The survey of the Hungarian companies refers to the fact that the drivers of export activities are those owners or CEOs who do not have any international background, no experiences in working at a multinational company or life experience in another country. This is contrary to the countries of the core regions where the company leaders generally gained international experience.

Language skills are also the drawback of going abroad. The personal factor is highly determinant also according to the international literature, including a skilled and motivated approach. The person of the change agent is a key element. Knowledge is essentially connected to the person. If we remember on the problematic approach of family run SMEs not to share internationalization and knowledge with 'outsiders' in the company or the importance

of the knowledge about the new market which is emphasized in case of all UpGradeSME policy instruments we come to the conclusion that in the policy instrument more emphasis should be put on the personal development on a complex way.

The example of the Dutch policy instrument 'Groen Werkt!' namely to organize an intensive 5 day-training for talented entrepreneurs how to internationalize through the own innovative approach (Water Campus Business Challenge) is a good example for a supportive component of the new call for proposals.

The above presented UpGradeSME good practices prove the efficiency the of the direct mentoring services in reaching a higher level of SME competitiveness with special focus on internationalization and innovation:

- PIPE program for training SMEs on foreign trade, Chamber of Commerce, Industry and Shipping of Seville
- Methodology towards a wider model of innovation agencies, Steinbeis Europa Zentrum
- International Trade Support, Friesland, BDF
- PROMOTION OF RO3 SMEs ENTERPRISE EUROPE NETWORK (PROSME), South Muntenia Regional Development Agency

### 3.2 Action (please list and describe the actions to be implemented)

The proposed ACTION 2 of the action plan is the set up and the optimization of a sustainable mentoring system for small and medium sized enterprises with the following focus:

- **Team of skilled mentors:** the setup of a specialized mentor network with a coordinative body. This will be a network of skilled facilitators coming from the business sector. In case of 6 special focus areas 6 mentors have to be involved and a coordinative and administrative backup team of at least 3 people.
- **International market-readiness audit program for SMEs:** specialized activity carried out by the mentors, which contains the basic analysis of the internationalization activities, the research, innovation and product creation potential of the companies and supports the product development. Support in production smartification. On the spot mentoring and joint workshops.
- **International partner search:** support in the searching for cooperative partners internationally, with connected study visits, supporting the establishment of SME and R&D partnerships by e.g. matchmaking events.
- **Trainings/ work shop:** special learning for SMEs, good and bad examples, experienced actors and by providing subsidies for international learning processes like inland trainings and workshops, study visits, participation on professional fairs, staff exchange programs, international training programs. At least 6 training occasions.
- **Online tool:** the development and implementation of an online tool for documentation and follow up of the mentoring processed for SMEs. The aim is to have an always-updated instrument with targeted searching possibilities
- **Priority project approach:** the project owner should be a professional organization with public background, which provides a wide range of services for SMEs (trainings, work-shops, mentor program tailored to the needs of businesses, participation on fairs and exhibitions, tailor-made market information, market research and analysis, preparing business relation database)

The expected result of this action is to realize the support of at least 100 SMEs. The applicant SMEs will be preselected on base of the criteria of having a rate of excellence – on base of the existing high-growth potential.

### 3.3 Players involved

The organizations in the country who are involved in the development and implementation of the action and explain their role:

The main actor to be involved is the Ministry of Finance (former: Ministry for National Economy), as the Managing Authority of the tools. The Managing Authority is going to compose and publish the new call.

IFKA Non-profit Ltd. is the background organization of the Innovation and Technology Ministry of Hungary and the implementing body of the activities inside EDIOP 1.1.4.

Innovation and Technology Ministry of Hungary is the initiator of the policy instrument idea and the coordinator of the IFKA Nonprofit Ltd.

Pannon Business Network is in close cooperation with the Ministry of Finance through several programs. As a project partner and business network in contact with the SMEs of the West-Hungarian Region and West-Hungary aims at supporting the realization of the action plan by monitoring and assisting the Ministry in the implementation. PBN as the contractual partner of IFKA Non-profit Ltd. assisted operatively in the 1<sup>st</sup> HGC Academy program in the EDIOP 1.1.4-16 call between 2018-2019 and provided policy input for the new call.

As in Hungary the policy instruments are centralized in design and in operation as well more emphasis should be given to those intermediary organizations – business networks, SME associations, clusters, chambers, technology centres, Business Development Council and NGOs – who are in direct contact with the final beneficiaries SMEs and also universities and research actors should be involved. Their role should be a consultative role by representing the interest of SMEs during the implementation of the action plan through different forums like online consultation.

Experienced mentoring organisations and higher education and research facilities to collaborate in the implementation of the action.

IT developers.

### 3.4 Timeframe

The opening of the new call in the EDIOP 1.1.4-16 is to be expected in the 3<sup>rd</sup> semester of 2019 and the realization should be implemented in 2019-2021.

### 3.5 Costs (if relevant)

Emerging costs are:

- hourly fee of 6 mentors and the coordinative team (3 colleagues)
- organizational costs of workshops, trainings and matchmaking events (speakers, catering, technical background)
- organizational costs of study visits inland and abroad
- the specialization and maintaining of the online mentoring system

The approximate budget for the action is 500.000 EUR per year.

### 3.6 Funding sources (if relevant):

If the Managing Authority opens the new call for proposal the funding source will be the Economic Development and Innovation Operational Programme (EDIOP) Priority 1.

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Stamp of the organisation (if available):** \_\_\_\_\_