

BUSINESS ECOSYSTEM FOR **T**RADITION AND **I**NNOVATION

COUNTY GOVERNMENT OF CSONGRAD
ELI-HU NONP. LTD.
CSONGRAD COUNTY



action plan

sharing solutions
for better
regional policies

TRINNO

We started the TRINNO project in 2016, 5 European regions keen to work together towards a common aim: to promote regional competitiveness by improving policy instruments for business support systems that focus on applying digital innovation in the local economy.

3 years later, after numerous moments of exchange and learning, we are ready to share our regional action plans. Each region has a different plan, unique to their regional context and needs. But each action plan is the fruit of interregional policy learning in TRINNO and is a step towards better business support systems in our regions.

This action plan covers the County of Csongrad (Hungary) and has been prepared in collaboration between the County Government of Csongrad and ELI-HU, in close cooperation with regional stakeholders and with the Managing Authority of the selected Policy Instrument.



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INTRODUCTION

TRINNO project focusses in the competitiveness promotion in EU regions through improving policy instruments for business support ecosystems that focus on applying digital innovation and entrepreneurship as drivers to improve the local economy. During the project development, these two main concepts (business support ecosystems and digital innovation in traditional SMEs) have been discussed in relation to the partners' specific context, and have been used to frame the development of their action plans. For each region, the issue of digital innovation was approached in relation to the specific regional policy identified as target within the project. This introduction presents these two concepts, and how they have been applied to the TRINNO's context, followed by a brief overview of the inputs achieved during the project's phase 1.

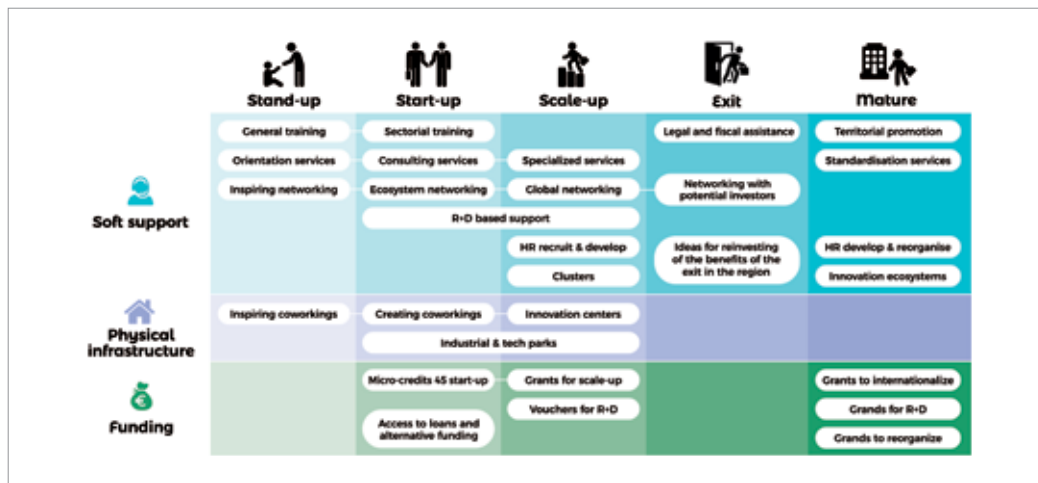
The last decades have witnessed the progressive generalization of innovation policies at the local level. The dissemination of concepts such as innovative ecosystems, territorial innovation systems or open innovation have led to a growing interest in the innovative capacity of the territories and their different components: companies, universities, technology centres, even population. The EU2020 strategy and its objectives sustainable growth, smart and inclusive, with the new funding period of ERDF 2014 2020, have only reinforced this trend, putting innovation at the centre of the European development model and the creation of wealth and employment.

It is common to hear among those dedicated to economic development policies mention the difficulty of bringing SMEs of mature and traditional sectors the need to innovate and the initiatives available to them from the public sector. Either they are not interested, or they do not know how to articulate their needs for the development of new products and services, making difficult their transition to innovation-based activities. TRINNO's partners are confronted with such challenges, in different activities linked to the traditional economy such as agri-food sector, crafts and jewellery sector and traditional SMEs in general, specifically linked to the need to promote business support systems that focus on applying digital innovation in the local economy.

TRINNO project, after review of main concepts linked to the business support ecosystem and a consultation to different stakeholders, developed a framework that addressed the different company needs, the stakeholders who should be engaged, the necessary elements to make the service a success and common challenges. Globally speaking, a complete and successful innovation ecosystem must include technology and knowledge transfer (TT / KT) from academia and industrial actors to other enterprises (particularly SMEs), no matter what is the phase in a company's life cycle. The support will adapt to the company's phase:

- | Stand-up phase when individuals or groups are equipped with the entrepreneurial attitudes and skills to attempt the creation of new company.
- | Start-up phase when resources are mobilised and regulatory requirements fulfilled to start a new company.
- | Scale-up phase when successful companies expand business to new markets or in innovative ways.
- | Exit phase when a business owner or an investor decides to cash out an investment made in the company.
- | Mature phase when a company is well established (founded for a number of years), but requires support to continue to adapt and grow particularly in times of transition and decline.

The figure below summarises TRINNO's list of business support services to link digital innovation with tradition.



Business Support Ecosystem

In each stage, the support system must include all the agents of the triple helix, in order to be able to successfully implement the different services offered. The public administration should be the one with the coordinating role, adapting the roles of each agent to fulfil the services requirements. The figure below shows what TRINNO partners have produced as the ideal framework for a successful deployment of the business support services, creating a perfect ecosystem where all agents interact to fulfil the goal of promoting innovation (digitalisation) of traditional companies.

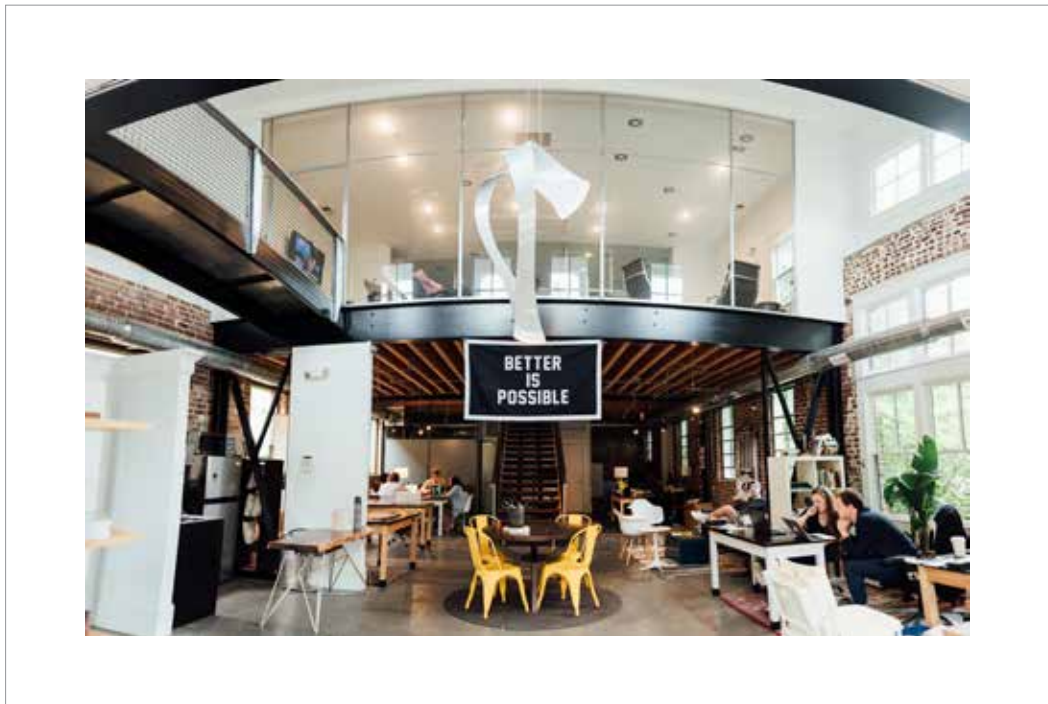


TRINNO's Perfect Ecosystem

During the first phase of the project, partners have identified sectors and digital innovation objectives they had, selecting also a diversity of good practices related to the project’s topic. The goal was to provide with examples which partners could apply to their own context, with the needed adaptations. These two processes have been the basis for the elaboration of the “dream action plan”, in which partners described the ideal activities they would like to implement in their existing policy framework to address the challenge of digital transformation of traditional business.

Specifically, the identified, organised and listed services included in the business support ecosystem, were used to find concrete tools to support digital innovation within the Policy Instruments addressed by the project, according to the sectors chosen by each partner. The goal was to identify which and how these identified services should be used to boost (and put directionality to) the digital innovation in TRINNO regions (i.e. training on digital skills; digital innovation specialized incubators; specific funds for digital start-ups, etc.).

After this process, partners completed their dream action plan, which were discussed in the different ILE of the project. Each action plan is, therefore, the result of a thoughtful process of reflection and adaptation of the concepts used to the specific realities of each participating region and policy frameworks.



PART I: GENERAL INFORMATION

project

TRINNO

partner organisation

County Government of Csongrad
ELI-HU Nonp. Ltd.

country

Hungary

nuts3 region

Csongrad County

contact person

Robert Miklós
Petra Szűcs

email address

miklos.robert@csongrad-megye.hu
petra.szucs@eli-alps.hu

PART II: POLICY CONTEXT

name of the policy instrument addressed

territorial and settlement development operational programme

the policy instrument that the action plan aims to impact is

- | investment for growth and jobs programme: NO
- | european territorial cooperation programme: NO
- | other regional development policy instrument: YES



PART III: DETAILS OF THE ACTION ENVISAGED

ACTION TITLE: DEVELOPMENT OF A BUSINESS ECOSYSTEM
IN CSONGRAD COUNTY, THROUGH DIGITAL SKILL DEVELOPMENT
OF HUMAN CAPITAL AND INVESTMENT INCENTIVES.

NEED ADDRESSED

Developing business ecosystem in the county through available tools: TOP 1st priority (development of industrial areas and parks; potential of ELI).

The **extreme light infrastructure (ELI) project** is part of the European plan to build the next generation of large research facilities. The extreme light infrastructure is the first infrastructure in the world capable of the investigation of the interactions between light and matter with the highest intensity, in the so-called ultra-relativistic range. It provides opportunities for new technical developments, thus having a considerable impact on many fields (like environment protection and medicine). The ELI is realised with trans-European cooperation: there are three pillars in Hungary, the Czech Republic and Romania in the attosecond, beamline and photonuclear applications.

The existence of ELI-ALPS in Szeged is an epoch-making, unique opportunity in Csongrád county. At present, it is just an opportunity as the infrastructure has been built up, but it is unknown what its future is going to be. Based on the international experience, significant results can be achieved with this kind of opportunities. The European scientific society gave us something important and we must establish a conscious management to create a successful ecosystem around it. Basically, ELI is capable of conducting fundamental research, which is in the beginning of the innovation chain. The economy is not really open to such research results, so the two parties need to be connected with further improving the fundamental research so the economy could use it. Therefore, the local embedding of ELI is really important, since the local enterprises are not competent to adapt any of the outputs of ELI. As a consequence, enterprises out of Csongrád county should be invited to invest in our region, which makes this process an investment incentive. This is why we connected our two actions, so the embedding of ELI became the highlighted pillar of the investment incentive action.

13 projects will be implemented until around the 2nd half of 2019. The total value of them is around 8 million Euros. In order to efficiently use the existing and the newly developed (including ELI science park) sites, the county would need to improve the circumstances of the business environment such as **personal digital skills, and business / investment promotion activities**. These are partly subsidised by the state, but more local autonomy would be needed in this field.

The opportunities of the digital revolution are exploit by the technology driven sectors, although in our region the majority of SMEs in the traditional sector has difficulties with the quick changes. The latest digital economy and society index ranks former socialist countries of the Danube region below EU average as for the digital preparedness. In this ranking, Hungary is the last but one among EU countries. Those businesses that do not adapt the digital innovations, will face drastic competitive disadvantages. This is due to their limited skills and knowledge regarding the digital technologies. In order to sustain and increase their competitiveness, their digital competences must be developed. In our region we would like to develop skills that can be categorised into two main groups. The first category is the general digital skills of enterprises and their employees: online presence, webpage, social media, online communication with partners. The second category is the digitalisation of daily processes, such as cloud systems, ERP systems, online billing program.

From **enterprise development** point of view meeting the challenges of industry 4.0 is of utmost importance, as changes with unprecedented extent are taking place around us. Those enterprises which don't react in time, will get hold of serious competitive disadvantages. Consequently, there is a real need to help the enterprises in digital transformation, which is one of our actions, namely the digital skill development of human capital.

OVERVIEW OF THE POLICY IMPROVEMENT THAT THIS ACTION REFERS TO

We have 2 activities that we find important to implement in order to support the development of our business support ecosystem in Csongrad. These are 1) digital skill development (of human capital) and 2) investment promotion activities on county level.

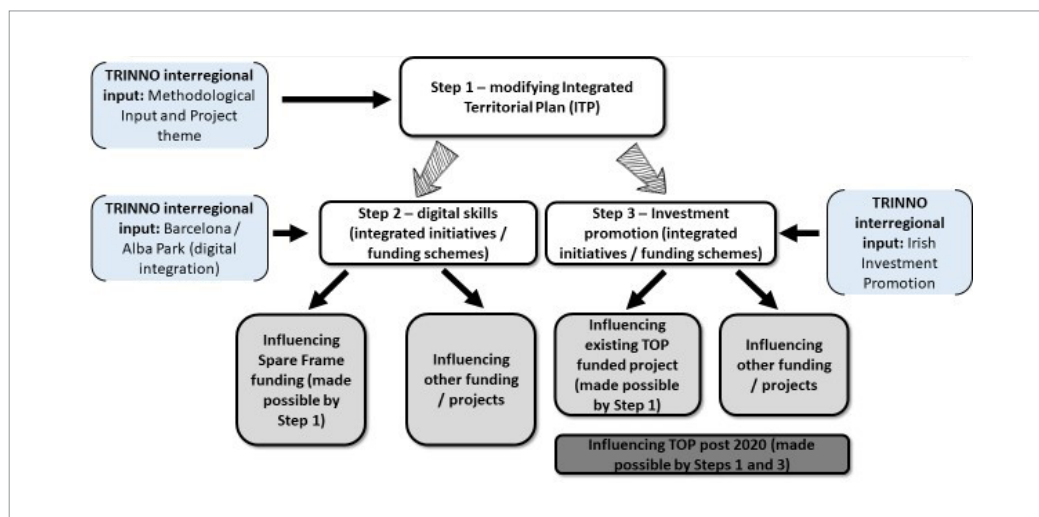
digital skills

In frames of this action we would like to emphasise the importance of digital skills should be built into general thinking, into materials of education, and special calls of the selected policy instrument or other operational programs. Nowadays digital innovation is so fast that if you miss some main development it could be impossible to catch up later. We wish to help this improvement by dissemination of the results of TRINNO and other related projects and try to find or generate financial sources serving this aim. Concrete activities planned to achieve this are listed below.

investment promotion

To reach economic growth, increasing employment rate and higher living standard it is necessary to attract new investors to the region. The phenomenon that occurs between smaller settlements and bigger cities (and between capital cities, foreign countries and other territories) can't be stopped. Talented workforce migrates to bigger places and smaller ones lose possible employees. In order to keep them in the county we must provide new and competitive circumstances in the nearby area. Concrete activities planned to achieve this are listed below.

Our strategy for **policy Improvement follows a three-step process**, as shown in the following image and described below:



development of a business ecosystem in Csongrad County, through digital skill development of human capital and investment incentives



1 **Influencing our current policy instrument, the territorial and settlement development operational programme (TOP), 2014-2020.**

In cooperation with the ministry (managing authority of TOP), the decision was made to achieve this by modifying our integrated territorial plan (ITP) which is a “regulation for implementation” of the TOP. Its content has to be accepted first by the county assembly and after that by the government in a decree. In this document, we emphasise lessons learnt from TRINNO and also make it clear that county government of Csongrad finds it very important to allocate money on projects that contain elements of digital skill development and local activities in investment promotion. The translated content of relevance to TRINNO can be found as an annexe to this document, while the full Hungarian version is available on request. That modification means that during the evaluation of projects, funded by TOP in the county, it is possible to take these points of view into consideration. To go into more details, the evaluation of TOP in country level was in progress in the time of the finalisation of our action plan. The fulfilment of programme level indicators had to be measured by the end of 2018 and based on the results additional financial resources called “spare frames” could be involved. We also had (on county level) some minor unallocated sources that could be opened for new calls. Until 2020, this is all the budget that remains from the TOP and we are working to influence that.

2 **Taking forward activities to support digital skill development, using the modified TOP and other instruments and funding sources**

Links to TOP: In general, we can state that this operational programme finances mainly investment-type projects of local municipalities. Only a few calls made it possible to plan soft elements, also implemented by local governments. For these reasons, our influence on the projects can be indirect. In priority 1, basic elements of business environment (development of industrial parks and territories) could be financed. As we have identified ICT as a key sector in the county, we will communicate the possibilities of the rural area (newly developed industrial parks and areas) through ICT companies in order to invite them to create new sites in these areas.

A direct way could be, if remaining or additional financial resources of TOP (spare frames) could be used for this purpose. We detail the steps we can take in the activity section.

As an alternative solution, other resources, for example, Interreg Danube programme is also available to go on with digital skill development in this EU financial period. We have submitted an application in this programme which focuses on digital skill improvement of SMEs. The project is to strengthen digital and innovation competences of businesses operating in traditional sectors of the Danube region through developing the capacities of the public sector and support organisations. The proposed project will provide support organisations with knowledge, methods and practical tools (guidebooks, good practice collections, training programmes and materials).

3 **Taking forward activities to support investment promotion, using running projects (including post-2020 funding) funded by the TOP, the modified TOP (including post-2020 funding) and other instruments and funding sources.**

As mentioned before, county government of Csongrad has a running project financed by TOP which is working on investment promotion beside employment subsidization. This project ends in June 2020. Within the project, we can build on the lessons learnt from TRINNO and try to implement some of the activities defined below at the staff exchange section.

THE BACKGROUND

Interregional exchange within TRINNO has contributed to the definition of the action plan in two main ways:

- | process, planning and how to modify the policy instrument (particularly related to step 1 of the action plan)
- | content (related to steps 2 and 3 of the action plan)

PROCESS, PLANNING AND HOW TO MODIFY THE POLICY INSTRUMENT (STEP 1)

The action plan went through 3 main development steps. These were the “dream action plan” (based on a business ecosystem service analysis and the collection of good practices), the “draft action plan” and now, the final “action plan”. During this process we had several interregional meetings, discussions and validation milestones.

The interregional meetings helped to shape the content and format of the action plan and to address some critical issues. Firstly, interregional exchange within TRINNO helped to define how to address the selected policy instrument (Step 1 of the action plan), as shown by these milestones:

1 *preparation phase of the project*

In that period our policy instrument, territorial development operational program (TOP) was also in an immature version, so we thought that we would be able to affect it.

2 *dream action plan*

(completed by September 2017 and discussed at ILE4, Szeged)

For that time, it was clear for us, that the financial resources of TOP almost totally run out, so any modification was difficult. We had no exact idea how to solve the situation. At this stage, exchange with partners from Tuscany and Slovenia on working with the managing authority was particularly important to understand how to engage the managing authority of the policy instrument. Both partners provided suggestions for how to engage the ministry and how to develop an agenda which could meet their interests.

3 *draft action plan*

(first draft prepared before ILE5, April 2018 / second draft prepared before ILE6, October 2018)

After several times of brainstorming we have found out a new and possible way to achieve the original goal. It was to modify the Integrated territorial programme (ITP) which is the county level regulation for TOP and county government of Csongrad is responsible for modifying it. The partner shared this proposal with TRINNO partners during the peer review at ILE5 (Kamnik) and discussion on that occasion helped to clarify how to go about this. When considering the draft action plan during ILE6 (Ireland), interregional exchange led to a completed checklist on the draft with concrete advice:

- | focus on feasible activities and think of preparing a plan B
- | more detailed activities, think more on lessons learnt and possible ways for transferring them in your reality
- | better explain learning experience and links to action plan
- | careful with monitoring: appropriate indicators should be identified
- | high risk involved in achieving activities within the predicted timeframe (draft a contingency plan where the modification could not be accepted by the MA)

4 *final action plan*

(prepared between November 2018 and end February 2019)

The added value of this phase is to further develop the actions. In the draft version, it ended by modifying the TOP. However, support from the lead partner and the advisory partner helped us to define the next steps (digital skills / investment promotion) in concrete terms.

CONTENT (STEPS 2 AND 3)

We initially identified 3 relevant GP-s in the project:

- | “Call start-up house - young enterprises” from Tuscany
- | “Barcelona innovation and entrepreneurship ecosystem”
- | “Galway technology centre” Ireland

Following analysis of these GPs (during various ILEs and through documentation), two of them were selected as places to organise a staff exchange to, Barcelona and Galway. The following describes these staff exchanges and the direct input to the action plans.

*staff exchange in Barcelona, Spain
(17/09/2018 to 20/09/2018)*

There were altogether 5 people travelling to this staff exchange. Mr. Miklós Lukovics and Ms. Petra Szűcs represented the project management team of ELI-ALPS. While Mr. Szabolcs Imreh, Mrs. Mónika Imreh-Tóth and Mr. Tibor Stelli joined them as stakeholders. Mr. Szabolcs Imreh is a senior expert from the Lavina foundation. Mrs. Mónika Imreh-Tóth is an assistant professor at the University of Szeged, Faculty of economics and business administration. Mr. Tibor Stelli is a programme managing rapporteur of the Ministry of finance. Every participant was relevant from the point of view of our action plan.

The visit in Alba park (Barcelona) gave us an example of how it is possible to embed a laser infrastructure in the local economy. The core technology - laser physics - is the same as in case of ELI-ALPS, however they work with beamlines and not attosecond laser. We had the chance to learn what method they use to make their laser infrastructure available for users.

At the spinnery it was clearly visible that in those industries, sectors which weren't founded by the digitalisation - so they are traditional - digital solutions can also be realistically applied. In this field, the enterprises of the region need to be facilitated and motivated, thus we will formulate this in the integrate territorial programme of Csongrád County.

At the supercomputer centre, it is visible how the university with some help was able to create a significant digital achievement. This can be a feasible for us as well with building on the knowledge and experience of the Faculty of science and Informatics of the University of Szeged and think about the opportunities in the future.

As it was indicated previously we found interesting examples in the spanish ecosystem which can serve as role models for future activities and we could adapt parts of their model. After the staff exchange, we drew the conclusion that the personal case study of the spinnery in Berga could serve us as an example to communicate towards those who are in denial, sceptic or haven't realised the necessity of digitalisation yet. Moreover, the Alba park good practice was very interesting as they also organise enterprises around the laser facility which is similar to the situation that we have with the local embedding of ELI.

The good practice of ALBA park that we visited was a very useful input to the investment incentive action of ours, in which the embedding of ELI is a highlighted pillar. This research facility is very similar to ELI-ALPS, and we could see how it plans and establishes a science park around itself. We learned that it is important to have a common wish of all the concerned parties - such as the city, the research infrastructure, the owner of the land, and the enterprises. Moreover, the conscious investment incentive is also of utmost importance, which unites and leads the connected actions. From our point of view, it was useful and interesting as we also have many parties in connection to the ELI Science park: joint industrial park of the city of Szeged and Hódmezővásárhely, the county, the university and the ELI-ALPS. From February 2014 there is a declaration of intent, but there are still no actions taking place. The colleagues of ALBA park emphasised that the enterprises can be reached only with serious deliberate investment incentive activity. It was a definitely a lesson learnt that it is a must for a science park to be settled in by enterprises.

*staff exchange in Galway, Ireland
(17/09/2018 to 20/09/2018)*

2 colleagues representing the county government of Csongrád. 3 stakeholders from the following organisations were participating Chamber of commerce and economy, Csongrád county, Szeged Pólus development non-profit Ltd. and South great plain regional innovation agency. All the participants play key role in the development processes of the county.

We could learn in more depth about the method of the operation of different actors of the Irish investment promotion sector. Our main questions were that how do they divide the competences; from what resources are they financed; how do they reach the potential investors; what can they offer to them, what are their main strengths? The answers highlighted many differences between the Irish process and the Hungarian possibilities. Most of them depend on central decision and long term coherent policy implementation.

But it can be stated that having regional investment promotion activity is essential for an effective business ecosystem. So our plan for phase II of TRINNO is to continue this kind of activity and find new solutions and new financial tools for it. What we can possibly implement, or built in successfully to the Hungarian investment promotion activity are the following.

Activities already built into our running, TOP financed project, motivated by lessons learnt from TRINNO and the staff exchange:

- | we have started to work on a unified brand for the county and creating an updated edition of an investment promotion brochure
- | we have identified the key sectors of the county and prepared background analysis of them

Activities we still have to integrate to our project, motivated by lessons learnt from TRINNO and the staff exchange:

- | verify the identified key sectors by the widest range of professional organisations we can reach
- | we have to prepare common communicational panels and disseminate them among business actors
- | proactivity in exploring potential investors



SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			



SPECIFIC ACTIVITIES

step 1

This step (modification of the TOP, through the integrated territorial programme), is completed at partner level and is awaiting only the legal decree from the government.

1 **draft textual modification of ITP**

30/11/2018

Suggested text of modification of integrated territorial programme of Csongrád county is ready.

2 **validation LP**

31/12/2018

Sending the draft text for the LP to examine it from project point of view.

3 **validation ministry**

31/12/2018

Accept the modification form legal and operational programme point of view.

4 **validation LSG**

30/01/2019

Evaluation from territorial and sectoral development point of view.

5 **accepted by the assembly of Csongrad County**

31/12/2018

Legal act in the form of a decree.

6 **legalised by the government**

30/06/2019

Legal act in the form of a decree.

step 2

1 **access possible spare frame funding from TOP**

30/06/2019

Analyse remaining and / or plus TOP financial resources dedicated to Csongrad county.

30/09/2019

Suggesting funds to use for digital skill development if applicable.

31/12/2019

Develop a proposal and submit it to managing authority.

30/06/2020

Project implementation.

2 **access alternative ways of funding**

31/03/2019

Work out project proposals / ideas. We have to summarize the results of TRINNO, the needs of our region and the potential financial tools and work out relevant, feasible ideas.

30/06/2019

Create partnership - It can be made inland and abroad as well. It depends on the type of the given project. Skills of experienced partners are needed for a valuable project.

31/07/2019

Prepare an application using TRINNO experiences, and apply for other funding (Interreg, Interreg Danube, cross border cooperation, etc).

from 01/01/2020

Project implementation - implementation possibly will last longer than the given timeframe, but hopefully some part results can be seen until the end of TRINNO.

We have already submitted an application in Interreg Danube program which focuses on digital skill improvement of SMEs. The project is to strengthen digital and innovation competences of businesses operating in traditional sectors of the Danube region through developing the capacities of the public sector and support organisations.

step 3

1 **use TOP resources for funding investment promotion**

30/06/2020

Our running project lasts until 30/06/2020 so activities of investment incentives at county government of Csongrád could be covered by this time. Concrete activities to be done during the project:

- | verify the identified key sectors by the widest range of professional organisations we can reach
- | we have to prepare common communicational panels and disseminate them among business actors
- | proactivity, in exploring potential investors

2 **looking for alternative ways of funding**

31/12/2020

Finding the possibilities to continue the activity is very important and doing well needs new ways of funding. If EU funding will not be available in national operational programmes, or besides them, we will continue our interregional activity and will search for cooperation- and financing possibilities on that level. Interreg Europe, Interreg Danube and cross border cooperation programs (HU-SRB and RO-HU is relevant in our region) offer potential for this.

3 **define the activity as a long-term duty**

31/03/2021

We believe that county government of Csongrád can play an important, long term role in investment incentives activity. We have to find a way to involve this activity as a voluntary activity of our organisation. In addition, as county government of Csongrad is partially taking part in the planning procedure of 2021-2027 in territorial level, we hope that we will have the opportunity to highlight on the experiences learnt from TRINNO about investment promotion. We try to reach to allocate money for that in the future TOP, or other territorial program.

PLAYERS INVOLVED

step 1

Ministry of finance: accepting ITP (Integrated Territorial Development Programme).

Chamber of commerce and industry in Csongrád county, Enterprise Europe network Hungary: jointly work out exact content of our policy proposals.

Enterprises, clusters: built in the needs of SMEs.

LSG: dissemination of TRINNO results.

Szeged Pólus nonp. ltd.: cooperation, investment promotion.

step 2

Chamber of commerce and industry in Csongrád county, Enterprise Europe network Hungary: the organisation's key word for the year 2019 is "robotisation" this is in close connection with digitalisation, so cooperation with will surely help to reach the planned aims.

First hungarian responsible innovation association: cooperation during both the preparation phase and the implementation of ideas, projects.

Members of international consortium: work together with them in interregional projects.

Stakeholders related to digitalisation, IT sector: brainstorming, validation of ideas.

step 3

Chamber of commerce and industry in Csongrád county, Enterprise Europe network Hungary: helps to reach enterprises of the region and build international partnerships.

Szeged Pólus nonp. ltd.: experienced in investment promotion of Szeged city, cooperate in idea making and organising of events.

HIPA, Hungarian investment promotion agency: help with potential investors, arriving to the Hungary and the region.

Local governments in Csongrád county: provide sites for investments, organising joint events.



RISK AND CONTINGENCY PLANS

risk in step 1 (level of probability: medium)

lack of cooperation willingness - ministry (MA of TOP)

contingency plan Negotiations about the necessity and importance of creating a real business ecosystem and about the relevance of the proposed ITP modification.

risk in step 1 (level of probability: low)

lack of cooperation willingness - assembly

contingency plan Political and professional discussion about the reasons of ITP modification.

risk in step 1 (level of probability: low)

tight timeframe

contingency plan Rescheduling the activity plan and push all the deadlines about 4 months forward.

risk in step 1 (level of probability: low)

having an effect on the originally selected policy instrument fails somehow

contingency plan Preparing a plan "B", state concept on territorial development seems a good tool, but it will affect the next planning period of the EU.

risk in step 2 (level of probability: low)

lack of available funds

contingency plan Digitalisation is one of the most important topics in the EU, and we believe that it will also remain the same in the following years. Potential TOP spare frame funds and interregional operational programs gives us good opportunities now, and hopefully in the future as well.

risk in step 2 (level of probability: low)

lack of interest from partner side

contingency plan As IT solutions and digitalisation are improving from day to day, national and international partners will always have a lot to do in this topic.

risk in step 2 (level of probability: medium)

unsuccessful application

contingency plan It is always a risk, we try to prepare the potential applications well, choosing experienced partners and feasible ideas.

risk in step 3 (level of probability: low)

low interest of investors targeting Csongrád county

contingency plan

Hungary is getting more and more popular among foreign investors. The real risk is that in the majority of the cases they don't come right into our region. We have to work hard to define our values and send the message to investors.

risk in step 3 (level of probability: medium)

limited financial resources

contingency plan

Our current project lasts until the middle of 2020. After that we have to find new opportunities taking into consideration both EU and national tools.

risk in step 3 (level of probability: medium)

competition in activities with cities in Csongrád county

contingency plan

It's not a question, it is sure. We have to reach good cooperation with cities as they have sites to invest and we don't. We have possibility and capacity to promote the county but they don't. These are only two main points of cooperation needs.

COSTS AND FUNDING SOURCES

step 1

cost description

The specified actions require mostly staff costs. Even employers involved directly in the TRINNO project, even other staff members of the county government of Csongrád have to work on the policy improvement process and on the monitoring of it. Costs that are not eligible in the TRINNO project will be covered by the county government of Csongrád. As it only will need part time work, non-eligible costs will mean about 1.500 EUR for phase II.

funding source(s)

Non-eligible costs related to policy improvement and monitoring activities will be covered by own resources of the project partners.

step 2

cost description

Costs of this phase are hardly to estimate as now we only have the basic ideas for future projects. But, if we are calculating with average partner budget of an interregional project, we can say that around 160.000 - 190.000 EUR is real per partner. A part of this amount can crop up during phase II of TRINNO.

funding source(s)

Costs are planned to be covered mostly by interregional or national subsidies and by own contribution in a smaller portion.

step 3

cost description

Our running project, related to investment promotion ends 30/06/2020. Until that time staff costs and service costs have to be paid. The calculated amount that would cover these is 30.000 - 32.000 EUR.

funding source(s)

Until 30/06/2020 TOP (our chosen policy instrument) will cover the costs. After that we plan to continue by our own organisational budget or by any new national or interregional operational program.

MONITORING

step 1 indicators

- | draft version of modified ITP document - 1 pcs
- | approved textual completion in the ITP related to investment incentives - 1 pcs
- | approved textual completion in the ITP related to digital skills - 1 pcs
- | final version of modified ITP document, approved by Assembly of Csongrád - 1 pcs

step 2 indicators

- | project ideas - 4 pcs
- | explored possible partners - 9 pcs from Hungary / abroad based on the type of the project
- | project concepts - 2 pcs
- | negotiation with relevant local stakeholders - 3 pcs
- | improved digital skills at SMEs - 3 SMEs
- | number of future entrepreneurs with increased digital-entrepreneur skills - 30

step 2 indicators



- | report about the continuation of the investment incentives activities carried on in Phase II
- | negotiation with relevant local stakeholders - 3 pcs
- | investment promotion material - 2 pcs
- | visitors of the (investment incentive of Csongrád county) webpage increase with 10% each year
- | investors with increased information about Csongrád county - 3 pcs

Note related to the original Self-defined performance indicator: Number of participants in the programmes to support the labour market (1568)

Amendment required. During the preparation phase of TRINNO project, the aim was to develop a new business ecosystem and form new projects by the influence of TRINNO. Therefore, the indicator was defined to reflect that. In the meantime, the financial resources of the chosen policy instrument has been announced. Therefore, it was necessary to redefine the goals and tools. The partners has established the above indicators that monitor the three steps of the action plan.



PART IV - OFFICIAL SIGNATURE(S)

Letter of endorsement from the organisation responsible for the policy instrument


Project acronym	TRINNO
Project title	Business ecosystem for TRadition and INNOvation
Name of the organisation (original) including department (if relevant)	Pénzügyminisztérium Európai Unió Források Felhasználásáért Felelős Államtitkárság
Name of the organisation (English) including department (if relevant)	Managing Authority for Regional Development Programmes, Deputy State-Secretariat of Economic Development Programmes, Ministry of Finance
Name of the policy instrument addressed (original)	Terület- és Településfejlesztési Operatív Prgram 1 prioritás: Térségi gazdasági környezet fejlesztése a foglalkoztatás elősegítésére 1.1 intézkedés: Helyi gazdasági infrastruktúra fejlesztése 5 prioritás: Megyei és helyi emberi erőforrás fejlesztések, foglalkoztatás-ösztönzés és társadalmi együttműködés 5.1 intézkedés: Foglalkoztatás-növelést célzó megyei és helyi foglalkoztatási együttműködések
Name of the policy instrument addressed (English)	Territorial and Settlement Development Operational Programme Axis: 1. Regional development of economic environment to help employment Measure: 1.1 Development of local economy infrastructure Axis: 5. Development of human resources on county and local level, motivation of employment and social cooperation Measure: 5.1 Employment cooperation to increase employment on county and local level
Name of partner(s) concerned in the application form (English)	County Government of Csongrád ELI-HU Nonp. Ltd.

We hereby confirm:

- that we were informed about the progress of the TRINNO project and participated actively in regional and interregional project activities during Phase 1;

- that we were consulted on the development of the TRINNO project Action Plan and that we acknowledge its content.

It is noted that the Ministry of Finance holds no legal or formal responsibility for the achievement or otherwise of the results detailed in the TRINNO Project Action Plan.

Name of signatory	Mr. Gábor Oláh
Position of signatory	Deputy State-Secretary
Date	2019 JÚL 24.
Signature and institution stamp (if exists)	



ANNEXE 1

TRANSLATED TEXT OF RELEVANT SECTIONS OF SUGGESTED MODIFICATION TO INTEGRATED TERRITORIAL PROGRAMME

The following citation in the introductory section of the integrated territorial program is about the modifications made so far in the document by Csongrád county.

fourth amendment of the integrated territorial program of Csongrád county

With this amendment, the county government uses its second modification option in 2018. In this modification the following changes will be made:

Due to the changes on operational program level, resource distribution and indicator compliance have been changed between action 5.1 and action 1.4. This is due to the fact that it has been possible to make transfer from the sources of employment cooperation projects to developments of kindergartens and nurseries. This amendment does not directly affect the source of Csongrád county.

In the case of projects won in Csongrád county, a grant amount of 50 million HUF was reimbursed within measure 4.3, for which we initiated the reallocation and reopening of measure 4.1. This concerns the integrated territorial program of Csongrád county for both resource allocations and indicator commitments, which will be transferred into this amendment.

The third reason for the amendment is that the Csongrád county government participates in the international project of TRINNO (tradition and innovation), as a partner in the Interreg Europe program. Its purpose is to examine the digital readiness of the traditional businesses and their willingness to do so, and to formulate policy proposals at local, national and international level based on the experiences of the project. During the preparation of the project, Csongrád county government has designated the territorial development operational program (TOP) as a policy instrument, in which it intends to make a suggestion on the basis of these experiences. Having known the international good practices of TRINNO project, we could identify two areas that can be transported as relevant tools in the TOP. One is the development of digital skills of human resources, and the other is the support of investment promotion activity, which, along with economic development projects in the TOP could contribute to the development of the county. These aspects have been inserted in ITP chapter 1.

The next citation is dealing with the territorial selection criteria applied by the county, which can be found in the 1st chapter of ITP.

In recent years, the development of the economy is increasingly associated with digitization, the application of related results, and the use of smart solutions. The central government provides a number of tools and resources for domestic businesses to keep up to date with international trends. This change of attitude is a major key to local, national and international economic competitiveness. The continuous development of personal digital skills, is therefore very important, which, within the framework of TOP projects, is supported by the county government of Csongrád. In this context, and, in addition to this, we consider it important to support local and county-level investment incentive activities using advanced digital tools and to ensure long-term conditions for utilization of TOP-driven economic development projects is assured.

author

County Government of Csongrad
ELI-HU Nonp. Ltd.

concept

Development Centre of the Heart of Slovenia

design

zadruga.traparij z.o.o.

photos

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responsibility

The sole responsibility for the content of this action plan lies with the author. The European Commission is not responsible for any use that may be made of the information contained therein.

