

Thematic workshops

PO1 – „fostering value added of SMEs”

CB Joint Strategy project

György Márton

Zoltán Pámer

Petra Buttinger

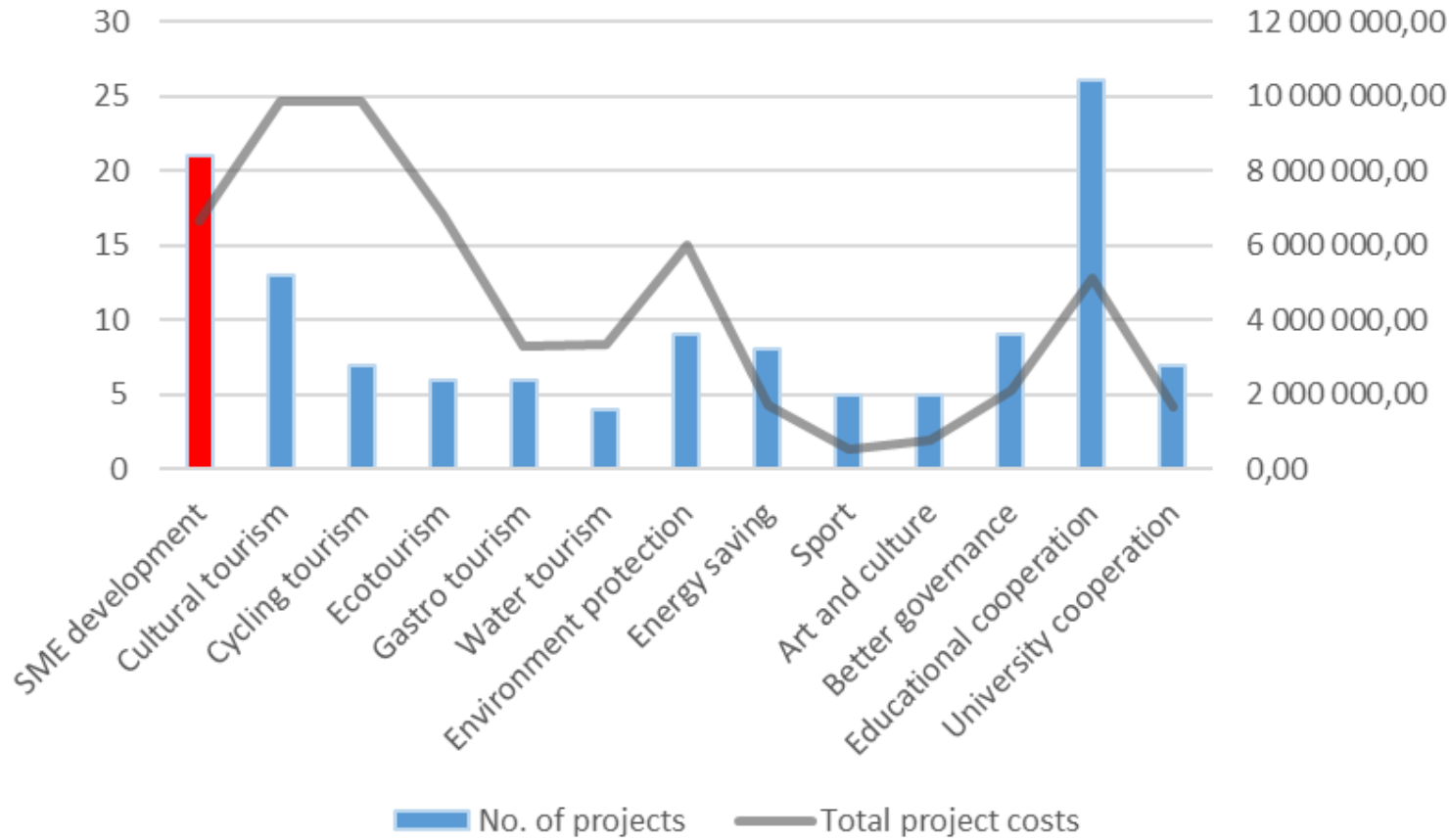
Lóránt Deme

- Dissemination about the selected policy objectives (PO) and specific objectives (SO) of the future Interreg Programme Hungary-Croatia 2021-2027;
- Sharing experience of the ongoing Interreg V-A Hungary-Croatia Cooperation Programme – related to the selected thematic fields;
- Collecting valuable input for the in-depth elaboration of the new programme.

The proposed POs and SOs

PO	SO	Priority	Components
PO 1 – a smarter Europe...	<i>(i) developing and enhancing research and innovation...</i> <i>(iii) enhancing sustainable growth and competitiveness of SMEs...</i>	1. Enhancing innovative business cooperation and cross-border trade	<ul style="list-style-type: none"> ➤ Fostering cross-border and international trade ➤ Joint innovative developments
PO 2 – a greener, low-carbon Europe...	<i>(i) promoting energy efficiency...</i> <i>(ii) promoting renewable energy...</i>	2. Greener and low-carbon border region	➤ Joint energy saving initiatives
PO 2 – a greener, low-carbon Europe...	<i>(iv) promoting climate change adaptation...</i> <i>(vii) enhancing protection and preservation of nature...</i>		➤ Protection of natural assets
PO 4 – a more social and inclusive Europe...	<i>(v) enhancing the role of culture and sustainable tourism...</i>	3. Economic development based on culture and tourism	➤ Development of sustainable nature and culture-oriented tourism of international relevance
PO 4 – a more social and inclusive Europe...	<i>(ii) improving access to inclusive and quality services in education...</i>	4. Raising competitiveness of education	➤ Joint educational initiatives
ISO 1 – a better cooperation governance	<i>(b) enhance efficient public administration...</i> <i>or</i> <i>(f) other actions to support better cooperation governance</i>	5. A cooperative border region	➤ Fostering governmental cooperation
ISO 1 – a better cooperation governance	<i>(c) build up mutual trust, in particular by encouraging P2P actions</i>		➤ Supporting civil cooperation

Thematic distribution of projects



- Share of funding: 11.5%
- No. of projects: 22 out of 126
- 4th B Light Call is under evaluation
- Croatia:
 - Borderside counties more active
 - Osječko-baranjska is 1st
- Hungary:
 - Baranya is 1st
 - Somogy is 2nd

Lessons learnt from the ongoing Interreg V-A programme

Main result indicator: GVA per capita in industry and services sectors

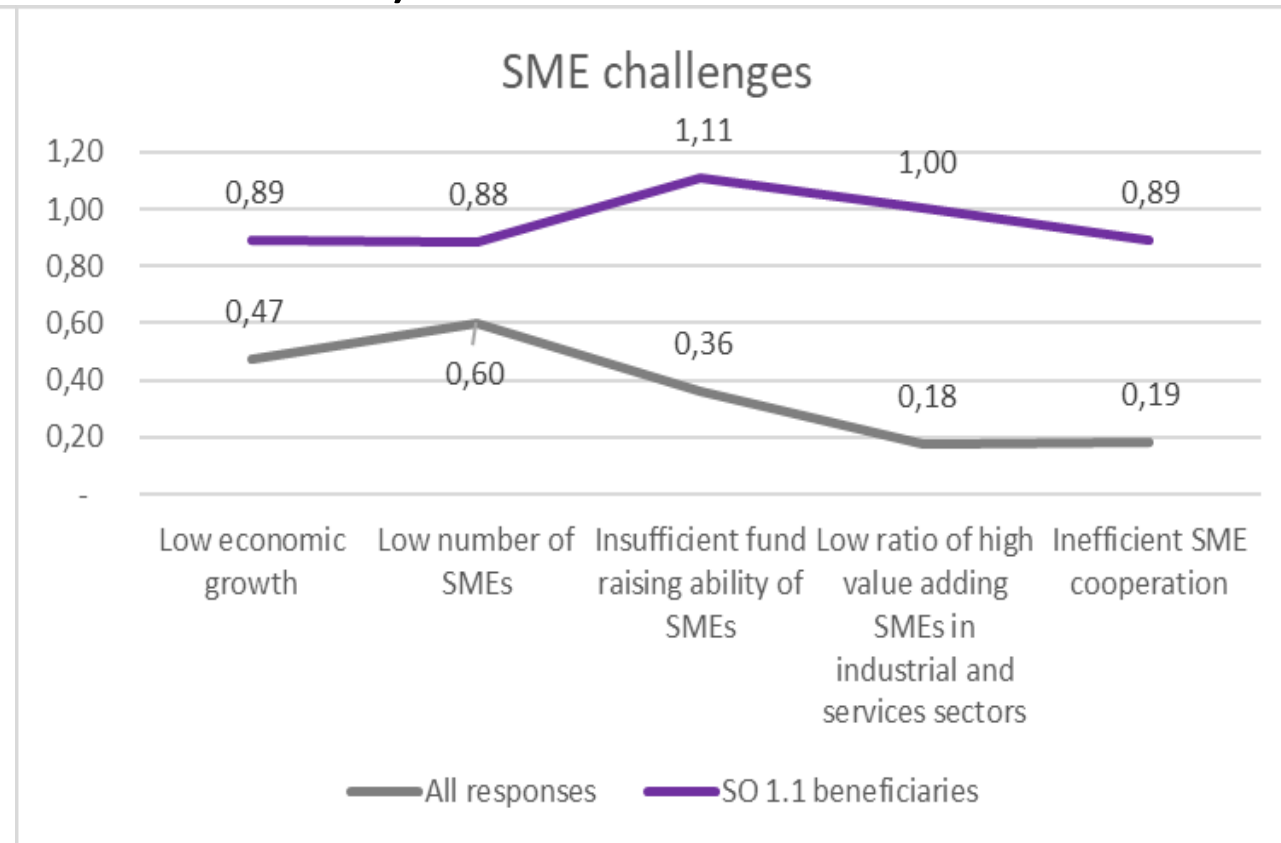
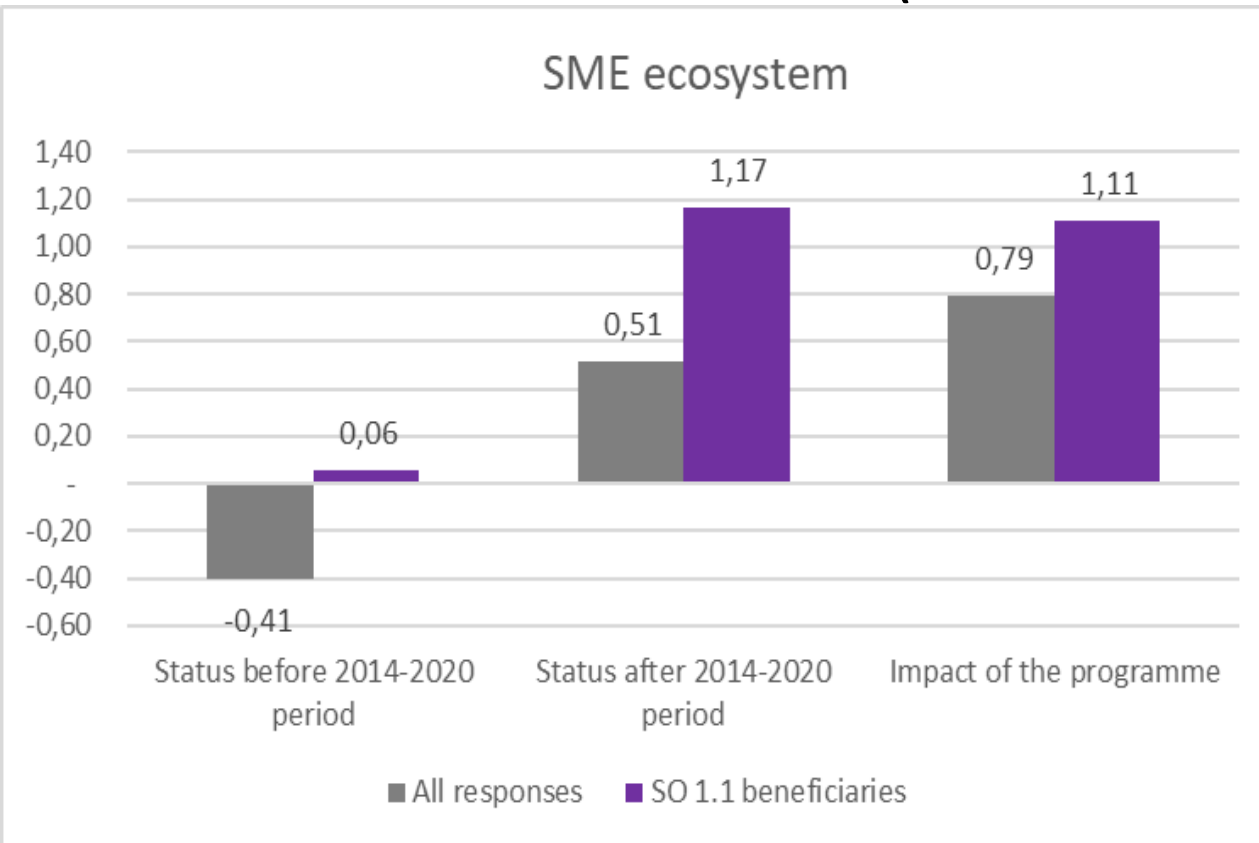
- 2023 target: 5.6% increase
- 2021 value: 48% increase
- Based on 2018 data, not reflecting COVID impacts in 2020-2021!
- Increase per country:
 - HR: 53% increase
 - HU: 40% increase
 - HR value is 26% higher

Output indicators:

- Number of enterprises receiving support: 400 (80) (SMEs involved in registered consultations)
- Number of enterprises receiving non-financial support: 128 (80) (SMEs with approved B Light project concepts receiving project preparatory support by EPSF and submitting B Light project proposals)
- Number of enterprises receiving grants: 46 (80) (SMEs contracted – approx 20-25 more are expected in the 4th call)

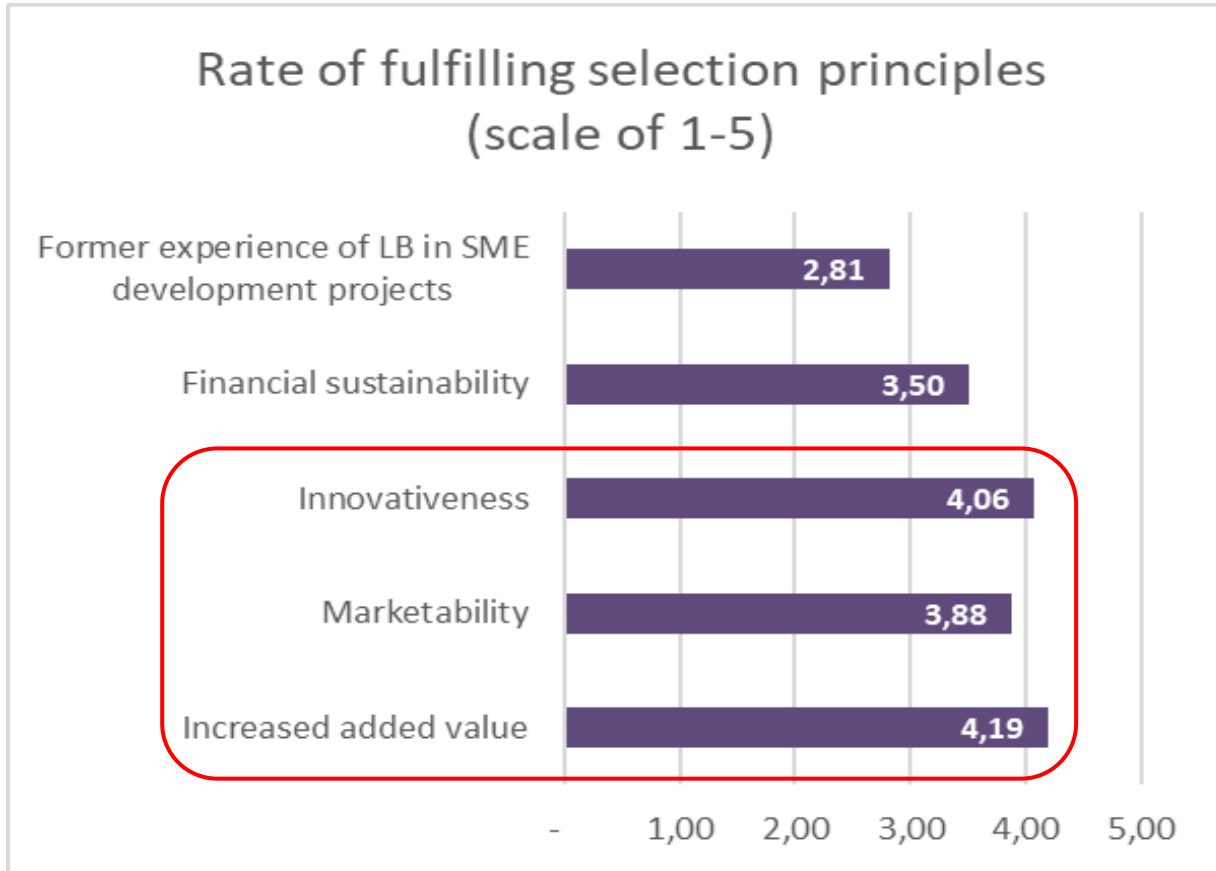
Lessons learnt from the ongoing Interreg V-A programme

2021 survey: Change of status and overall programme impacts (scale between -3 and +3)



Lessons learnt from the ongoing Interreg V-A programme

2021 survey: Orientation of projects



Territorial distribution of partnerships

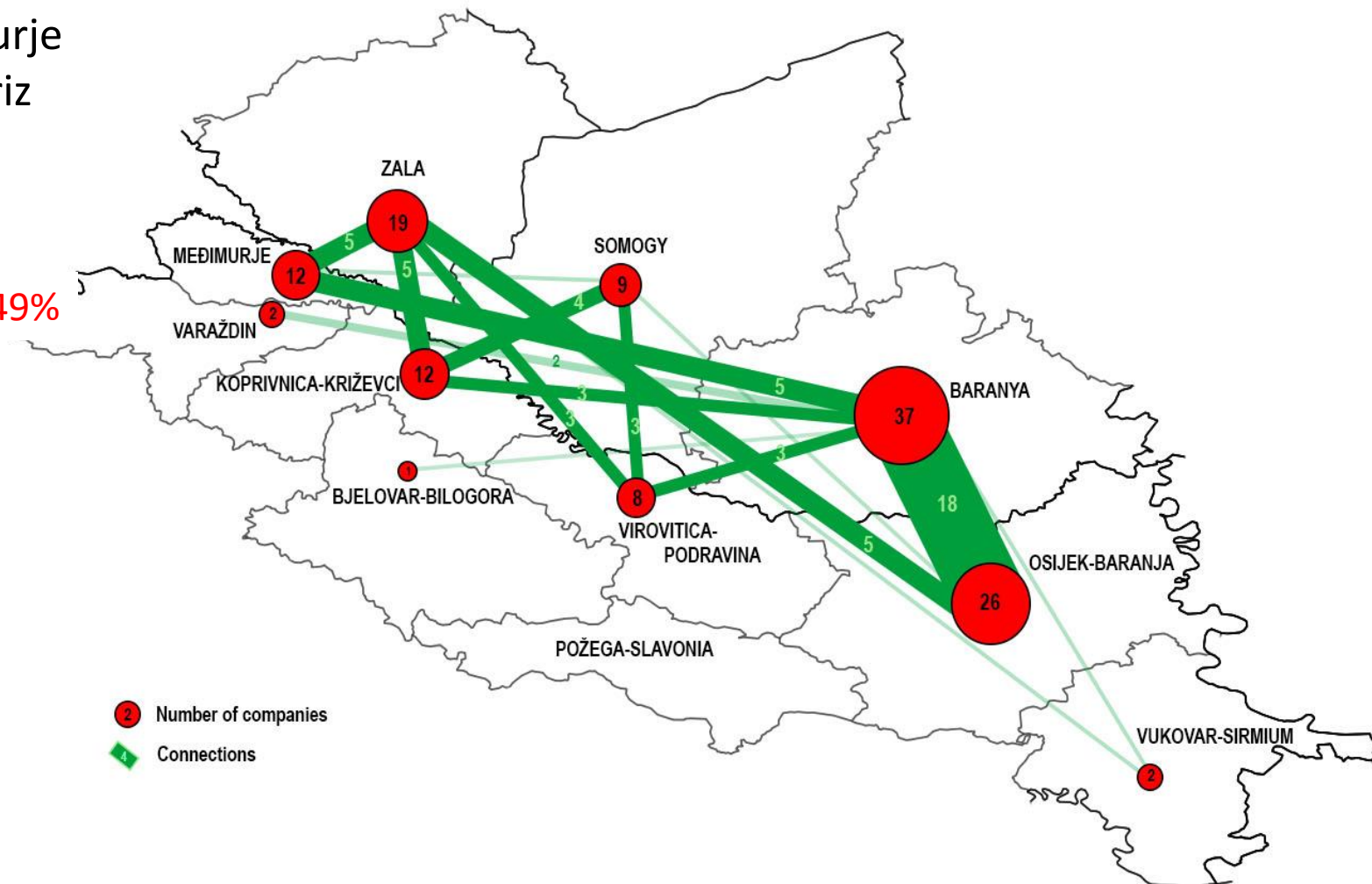
Prominent county liaisons:

- Baranya – Osijek-Baranjska + Medimurje
- Somogy – Virovitica-Podrav + Kopr-Kriz
- Zala – Medimurje + Osijek-Baranjska

Counties of Applicants

Baranya	37
Osječko-baranjska županija	26
Zala	19
Međimurska županija	12
Koprivničko-križevačka županija	12
Somogy	9
Virovitičko-podravaska županija	8
Varaždinska županija	2
Vukovarsko-srijemska županija	2
Bjelovarsko-bilogorska županija	1
	128

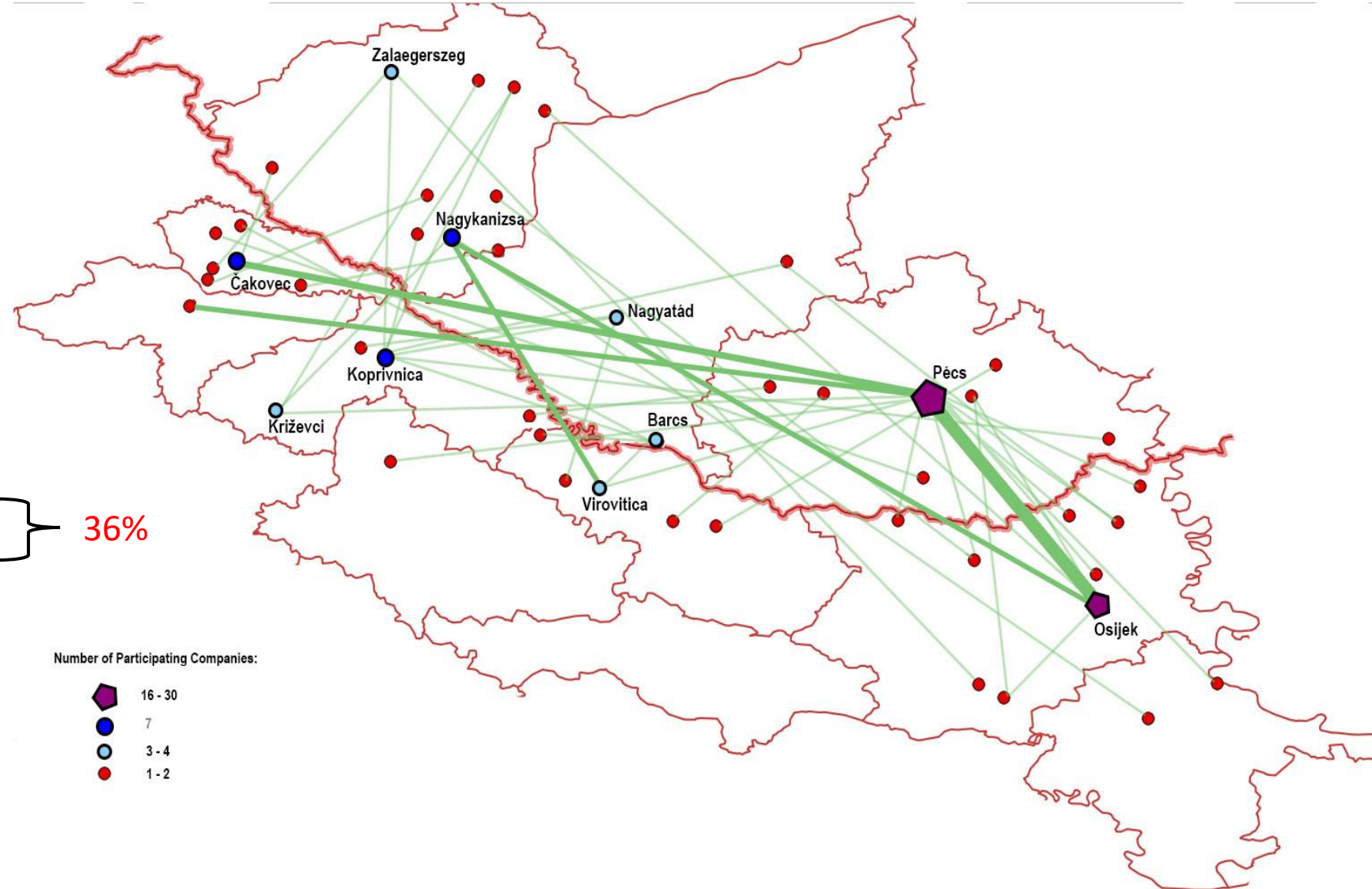
49%



Territorial distribution of partnerships

Frequent partnerships between the prominent economic centres of the region:

- Pécs - Osijek,
- Pécs - Čakovec
- Nagykanizsa - Virovitica



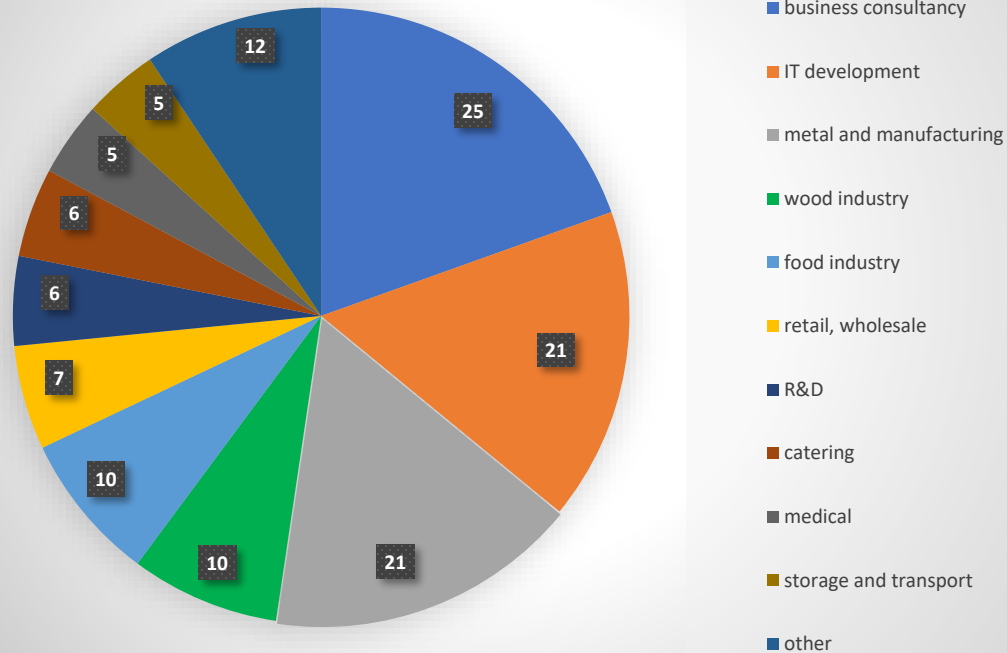
Top 7 Settlements all applicants

Baranya	Pécs	30
Osječko-baranjska	Osijek	16
Međimurska županija	Čakovec	7
Zala	Nagykanizsa	7
Koprivničko-križevačka ž	Koprivnica	7
Somogy	Barcs	4
Virovitičko-podravka	Virovitica	4

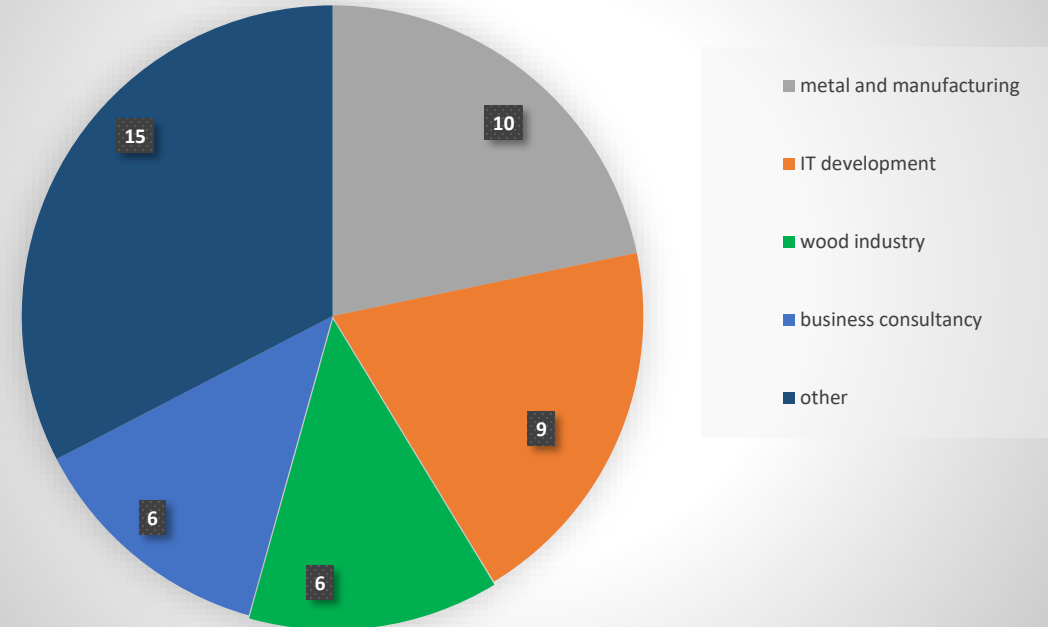
36%

Sectoral distribution of partnerships

Sectoral distribution of applied projects



Sectoral distribution of contracted projects



	Applied	Contracted
Same industry	20	9 (45%)
Different industry	38	13 (34%)

Same industry projects	Applied	Contracted
Wood industry	4	3
Business consultancy	3	1
IT development	3	1

Assessment of B Light project cooperation types

Innovative potential

The criterion ranks the innovative value of the DEVELOPMENT itself.

1. No innovation
2. Innovation on territorial level relevant for project partners
3. Innovation on industry level
4. Innovation on sectoral level
5. Disruptive innovation affecting the sector and beyond

Sales potential

Score given between 1-5 depending on how many points are fulfilled from the below:

- Clear project plan for entering each other's market and sales plan explained
- Project opens opportunity for NEW market entry
- Product/service sold on international level in non-neighbouring country
- Demand analysis conducted and explained
- High sales potential indicated by a pre-order from a future customer

Assessment of B Light project cooperation types

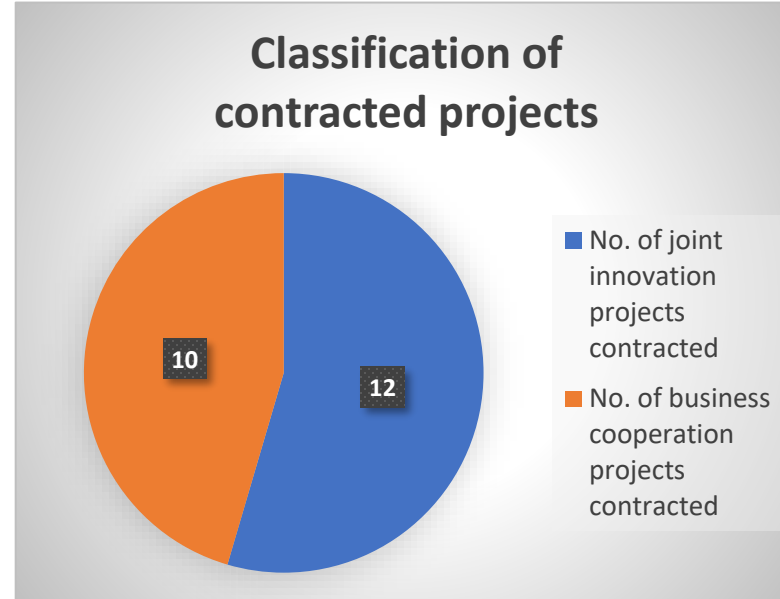
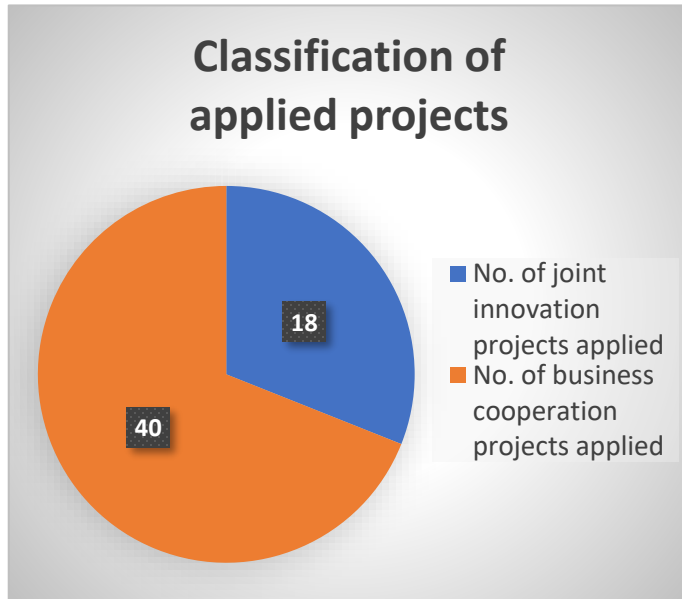
Joint innovation - related to PO1/i

The product/service development is based on joint innovation efforts. The collaboration on innovation is clearly explained in the proposal and the development would be impossible without the knowledge and skill share and joint project activities building upon each other.

Business cooperation - related to PO1/iii

The partnership aims at foreign market penetration/joint operation enhancement. The proposal lacks content/explanation of collaborative innovation process. The development can be done through a business cooperation where the project partners do services for each other. The partnership is ought to enhance operation of the partners or penetrate markets jointly.

Assessment of B Light project cooperation types



There were in total 18 applied and 12 contracted B Light projects in which partners cooperated on a **real joint innovation activity**,

....whereas 40 applied and 10 contracted projects can be regarded as **business cooperation** type proposals, where B Light partners bring own expertise to the project and work on project parts mainly separately.

	No. applied	No. contracted	Application success joint innovation	Application success business cooperation
First call	16	9	100%	36%
Second call	20	6	60%	20%
Third call	22	7	50%	21%
Total	58	22	67%	25%

Assessment of B Light project cooperation types

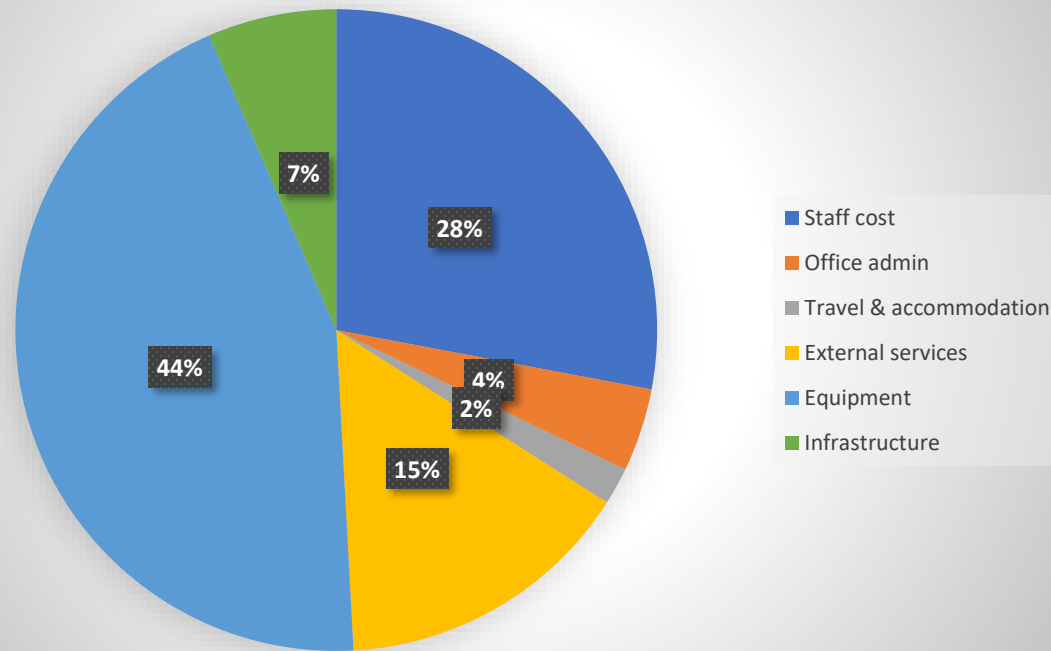
- Company size in terms of annual turnover is significantly larger for companies of business cooperation than that of innovation.
- No significant difference between age and staff.
- Joint innovation projects have higher scores in both terms
- Business cooperation projects have much lower innovation potential with acceptable business cooperation character

Project potential	Applied	Contracted
Number of projects	58	22
Innovative potential	2,53	3,23
Sales potential	2,78	3,14
Project qualities - applied	Joint innovation	Business cooperation
Age	15,0	13,7
Nr. of staff	16,3	14,7
Annual turnover	612 951	1 049 313
Innovative potential	3,11	2,28
Sales potential	3,17	2,60
Project qualities - contracted	Joint innovation	Business cooperation
Age	15,6	15,0
Nr. of staff	12,4	15,0
Annual turnover	392 004	578 076
Innovative potential	3,33	3,10
Sales potential	3,17	3,10

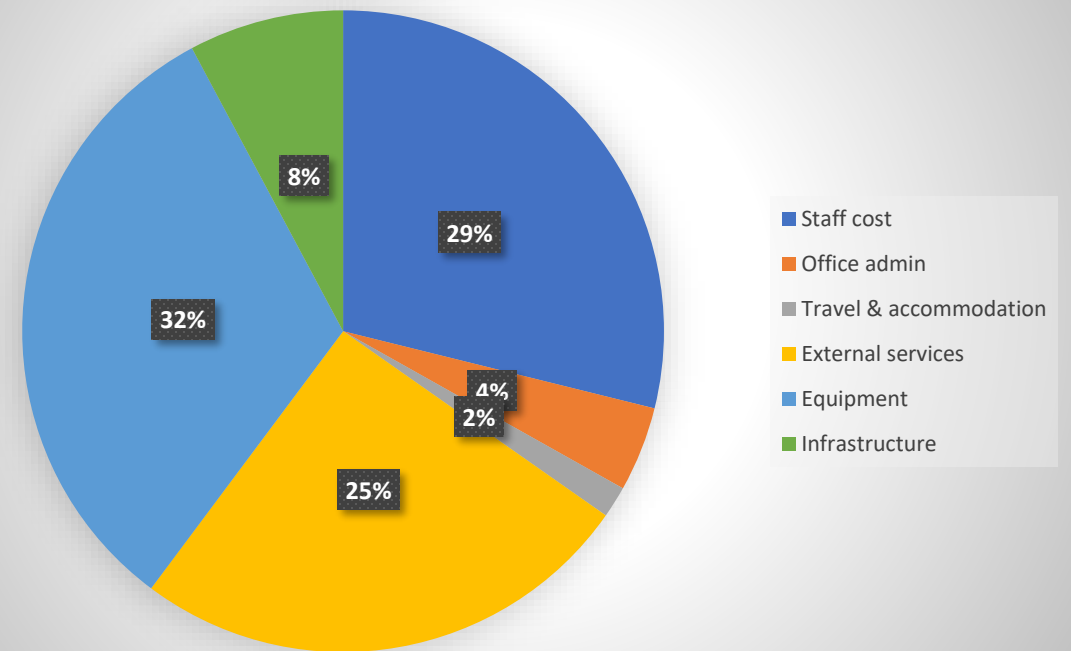
Assessment of B Light project cooperation types

Joint innovation projects – more hard investment need
 Business cooperation projects – more external expertise need

Budgetary breakdown - joint innovation



Budgetary breakdown - business cooperation



- **What organisations** should be included in the enhancement of economic activity?
 - SMEs only? Larger corporations? Non-profit organizations (clusters, chambers, universities)?
 - If non-profit organizations be allowed to join the project as partner, with what purpose? (e.g.: beneficiary, lead beneficiary)
- Is there a **need for technical assistance for SME project generation**?
 - If yes, then what kind of consortium should fulfil this task, with what kind of composition?
 - How should this consortium be selected? Through restricted open call or as strategic project?
- **Breakdown to components: joint innovation / business cooperation call**
 - Could the distinction generate more value added from future projects?
 - More applications?
 - More potential long term business partnerships?
 - What should be the evaluation and budgetary criteria for the open calls in case of the two components?
 - Joint innovation e.g.: jointness of innovation process, TRL of the product/service, min. threshold for staff cost or max. threshold for investments
 - Business cooperation e.g.: company stability, past financial performance, min. company size (turnover or staff) and minimum required marketing skills / selling expertise
 - What indicator requirements can be set for the 2 components?