

SMART SPECIALIZATION STRATEGY OF HUNGARY

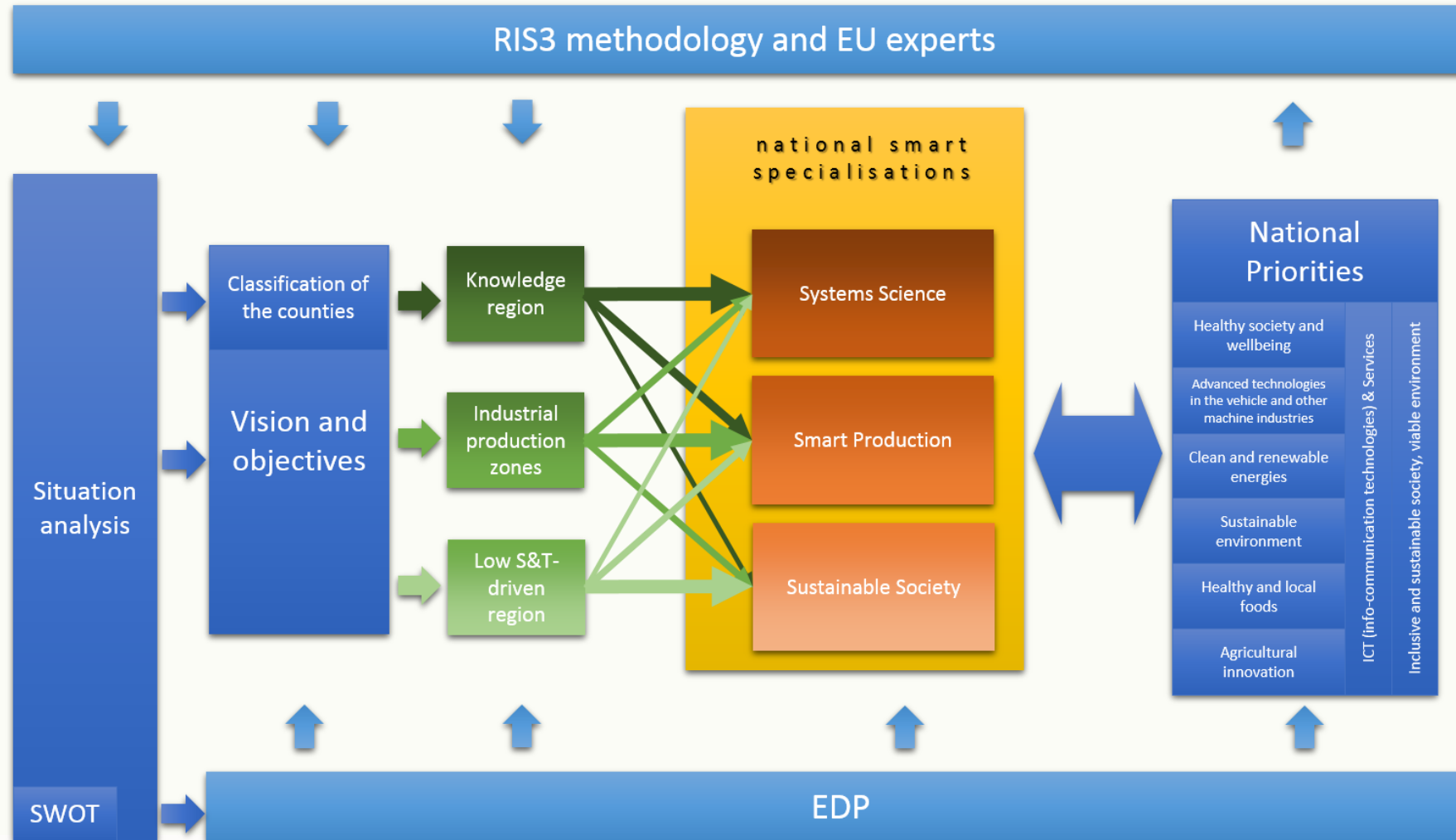
THE STAIRWAY TO EXCELLENCE

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The alignment of national smart specialisations with the S3



The management of National Smart Specialisation Strategy (S3)

- **National Reform Programme** related to the Europe 2020 Strategy
- Government has negotiated and adopted the S3
- Ministry for National Economy prepared a **smart specialisation white paper**
- close cooperation with the EC highlighted that the potential specialisation directions of the white paper also requires an inclusive, participative process of **local/regional stakeholders**
- EC indicated that they would welcome the establishment of an institutional and organisational framework in Hungary that would conduct the S3 planning process



The management of National Smart Specialisation Strategy (S3)

- **S3 dedicated organisational structure was managed by** the acting government commissioner responsible for the establishment of the **NKFIH**.
- Special emphasis was put on finalizing of the S3 development
- According to the Action Plan in close cooperation with the EC, Hungary managed to end the planning process in 2014
- The S3 document was officially send to the EC and the EC approved together with those Operational Programmes which contained RDI priority axes at the beginning of 2015



Grouping of the RDI actors involved in the design of the national S3

Science

- Higher education institutions
 - Universities
 - Colleges
- Research institutes
 - Academic and sectoral (public or private) research institutes
- Knowledge centres
 - Regional and sectoral knowledge centres

Government Government and local government organisations

- Ministries
- National government offices
- County governments
- County government offices
- Local governments of cities of county rank

Economy

- Innovative enterprises
- Large enterprises
- SMEs (including micro, start-up and spinoff businesses)
- Non-profit companies

Civil organisations

- Trade associations
- Interest representation bodies (e.g.
 - national and county chambers of commerce and industry)
- Other non-profit organisations



Systems sciences

- **Enhancing research and innovation (R&I) infrastructure** and capacities to develop R&I excellence, and promoting centres of competence, in particular those of European interest;
- **Creating relationships** and synergies between businesses, research and development centres and the higher education sector
- **open innovation**
- increasing the international integration of basic research in the Horizon 2020 projects and the **European research networks** by reaching a high level of participation in the programs and strengthening the relationships between the national and European research centres
- Improving the system of conditions of discovery research along the smart specialization; supports the strengthening of the interfaces between education-research-industry (**knowledge triangle**) and the (public) services and higher education institutions, the basic research related to the domestic key technologies and main economic sectors as well as the expansion of young researchers, further the harmonization of the university-academic and corporate capacities.
- supporting **discovery research**



Smart production

- supporting technological and **applied research**, pilot programmes, early product validation actions, and the advanced production capacities and test production of basic technologies
- promoting the **R&I investments of businesses**
- Creating relationships and synergies between businesses, research and development centres and the higher education sector
- **product** and service **development**
- networking and clusters
- open innovation
- building the knowledge triangle, namely supporting the interfaces of education-research-industry and supporting the collaboration of the companies and the academic and higher education institutions
- Increasing the R&D activity and adaptation, and innovation performance
- Purchase of instruments and devices related to smart specialisation and supporting the interventions ensuring a new research generation in higher education



Sustainable society

- product and **service development**
- technology transfer
- **social innovation and eco-innovation**
- spreading of **general-purpose technologies**
- building the knowledge triangle, namely supporting the interfaces of education-research-industry and supporting the collaboration of the companies and the academic and higher education institutions
- Purchase of instruments and devices related to smart specialisation and supporting the interventions ensuring a new research generation in higher education
- Increasing the R&D activity and **adaptation, and innovation performance**
- discovery research in **social sciences**



RDI Financing in Hungary (2014)

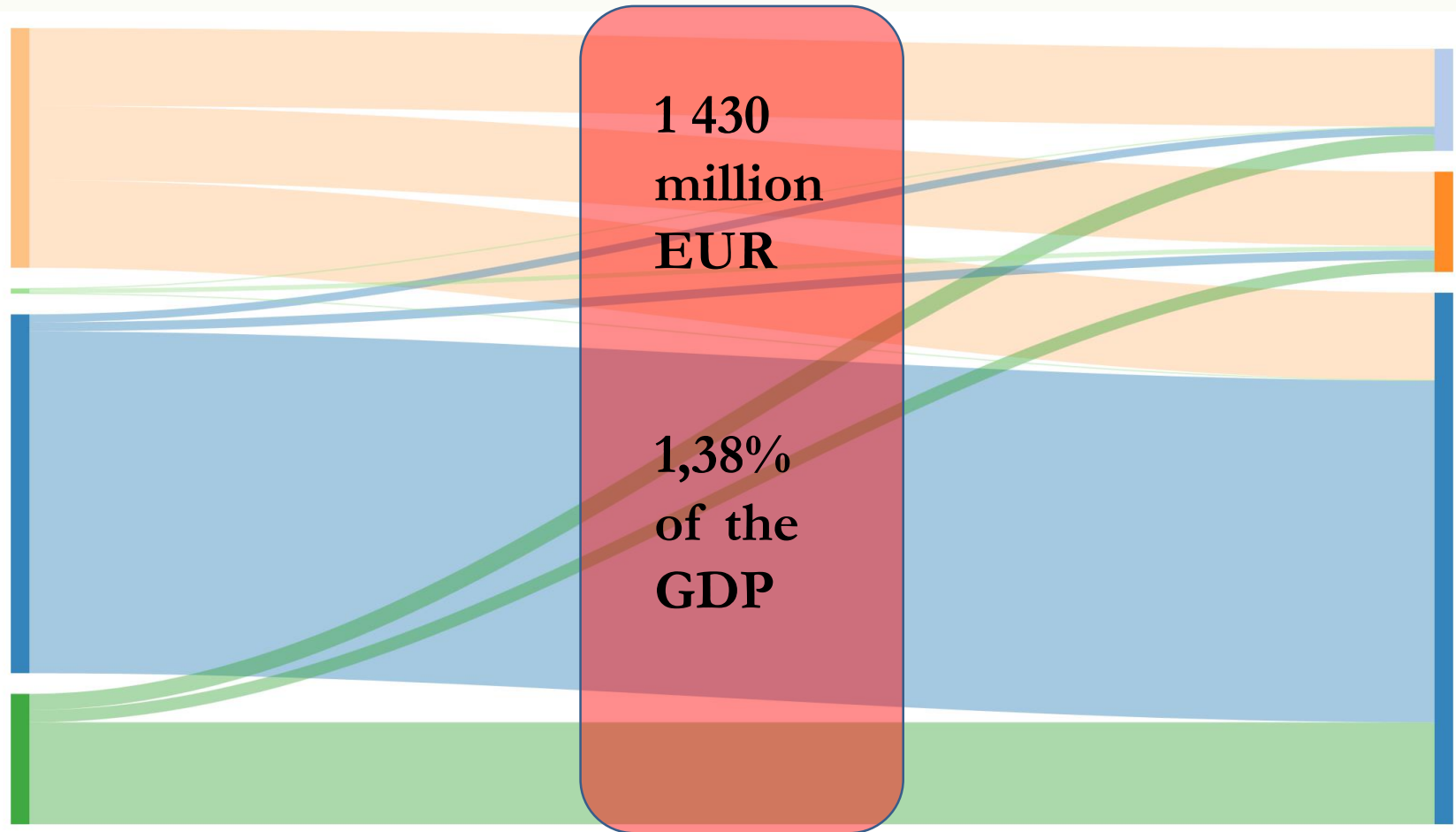
SOURCE

Governmental
(36%)

Non-profit
(1%)

Business
enterprise
(46%)

Foreign (17%)



TARGET

Governmental sector
R&D (14%)

Higher education
sector R&D (14%)

Business enterprise
sector R&D (72%)



RDI Financing in Hungary

- **Total RDI budget in 2014: 1 430 million EUR (1.38% of GDP)**
- **Total: governmental RDI budget in 2014: 515 million EUR (0,5 % of GDP)**
 - *Institutional funding: 44%*
 - *Competitive funding: 56%*
- **In 2015 the budget of the**
- **National Research, Development and Innovation Fund: 245 million EUR**
- **Competitive RDI funding calls in 2015:**
- **Economic Development and Innovation Operational Program 830 million EUR**
- **Competitive Central Hungary Operational Program 42 million EUR**
- **National Research, Development and Innovation Fund 90 million EUR**



RDI funding in Hungary in 2015 – Portfolio of RDI calls

Objectives	Funding measures	Funds available (billion HUF)	Funding resources to be opened in 2015
RDI of enterprises 88.8 billion HUF	Supporting RDI activity of enterprises	50	GINOP (Economic Development and Innovation Operation Programme) 257.5 billion HUF
	• GINOP (from August 2015 onwards, 50 billion HUF)	5	
	• VEKOP (to be launched soon)	1	
	Intellectual property rights	0.3	
	• GINOP (from August 2015 onwards, 1 billion HUF)		
	• NRDI Fund (from October 2015 onwards, 0.3 billion HUF)		
	Innovation Voucher (to be launched soon, 4 billion HUF)	3	
	1		
Innovation ecosystem – start-up and spin-off companies (to be launched soon, 6.5 billion HUF)	5		
	1.5		
Prototype, product, technology and service development (to be launched soon, 22 billion HUF)	20		
	2		
Technology transfer 88.1 billion HUF	R&D competitiveness and excellence cooperations – integrated national projects	50	
	• GINOP (from November 2015 onwards, 50 billion HUF)	9.1	
	• NRDI Fund (to be launched soon)		
	Higher Education and Industrial Cooperation Centre – research infrastructure development (to be launched soon, 29 billion HUF)	25	
	4		



RDI funding in Hungary in 2015 – Portfolio of RDI calls

Objectives	Funding measures	Funds available (billion HUF)	Funding resources to be opened in 2015
Infrastructure 106 billion HUF	Excellence of strategic R&D Centers <ul style="list-style-type: none"> GINOP (from November 2015 onwards, 40 billion HUF) VEKOP (to be launched soon) 	40	VEKOP (Competitive Central Hungary Operation Programme) 13 billion HUF
	Reinforcing RDI infrastructure – internationalisation, networking <ul style="list-style-type: none"> GINOP (from October 2015 onwards, 20 billion HUF) VEKOP (to be launched soon) 	20	
	ELI Laser Research Centre (funded, 40 billion)	40	
		4	
Targeted thematic research calls	Research topic calls (to be launched soon)	5.98	NRDI Fund (National Research, Development and Innovation Fund) 27.13 billion HUF
	Post-doc calls (to be launched soon)	1,57	
International RDI	Improving international R&D relations <ul style="list-style-type: none"> GINOP (to be launched soon, 3.5 billion HUF) NRDI Fund (to be launched soon) NRDI Fund – National support for ERC applicants (from June 2015 onwards, 0.45 billion HUF) NRDI Fund – Support for involvement in jointly financed EU programmes (from November 2015 onwards, 1.38 billion HUF) NRDI Fund – Support for bilateral Science and Technology (S&T) cooperations (from October 2015 onwards, 0.7 billion HUF) 	3.5	
		3.68	



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