

# Smart villages in Hungary

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- What is the current situation of Smart Villages in Hungary and how is the Smart Village concept integrated in the Hungarian CAP strategic plan 2023-2027?
- Which lessons can be drawn from the previous period piloting Smart Villages in Hungary?
- What can/should be done at EU-level (by the Smart Village Observatory) that supports you in successfully implementing Smart Villages in Hungary?

# Current situation of SVs



## Experiences that already exist (sometimes overlapping), various initiatives:

Smart village observatory: Uppony (Smart Rural 21), Olaszfa, Alsómocsolád

Okosfalu.hu: Ceglédbercel, Abasár, Csemő, Rösztke, Domaszék

Digitális Falu Program (digitalisfalu.hu): Alsómocsolád, Nagypáli, Füzérradvány, Rábapordány

# Examples outside CAP: okosfalu.hu



- Okosfalu.hu (telecommunication enterprise) – Suggested interventions: Digital solutions for settlements, like WIFI, mobile application, although wide range of proposals: digital local administration, data collection, monitoring of pollution, energy efficiency, small business revitalization, public safety, healthcare, traffic etc.



# Examples outside CAP: digitalisfalu.hu



- Digitális falu (government non-profit enterprise) – possible interventions: village settlement and investment platform, settlement food supply chain, waste application, energy community, career village, air quality, manager trainings, asset protection, digital services



- Both are concentrating on the digital solutions: wifi networks, physical assets, although some agricultural initiatives
- Resemble smart city projects
- The outcome is not very convincing – no continuous operation, practical examples do not meet the demonstrated ones

# SV in the Hungarian CAP Strategic Plan



- Dedicated cooperation intervention on SV (RD56)
- Result indicator R42
- Partnerships of at least 2 partners, one of which is a local government (approx. 10 cooperation is expected, each with 5 settlements, one strategy per settlement)
- At least 1000 inhabitants reached (risk of excluding many settlements)
- Compulsory training
- Average amount per settlement EUR 85.000, altogether 4,3 million EUR, 0,05% of the CAP 2nd pillar budget (7.921,8 million EUR)
- Beneficiaries: private and legal persons, non-profit organisations, associations, cooperatives, municipalities
- Flat rate max. 25%, 75% can be investments, services etc., invoice-based
- Requirements are to include the improvement of either living or economic or environment conditions

# Experiences of Smart Rural 21 and various meetings with LAGs and municipalities in Hungary (lessons drawn)



- The notion „smart” is very **ambiguous**: e.g. what do sustainable energies or water retention have to do with „smart”? Smart is the mobile phone, the wifi, the smart TV, the drones etc.
- **Willingness** for cooperation is very low
- The **principles** of smart villages or long term vision for rural areas are not tangible for rural actors
- **Tangible**: the practical examples of other villages
- It is received positively, that although budget is very low, but **can be combined** with LEADER and other cooperations.
- **At the same time combination of funds is very difficult**. Until regulations of European development funds are not harmonised, the situation will not change.

# Experiences of Smart Rural 21 and various meetings with LAGs and municipalities in Hungary (lessons drawn)



- **Training**, mentoring, advising, or even the compilation of foundational studies – by outside experts if needed - are very important: **human capacity** is an important factor, both on the side of planners and beneficiaries
- The strategy itself is not considered to be a result in a village, **result is the investment**, or service realised



# What should be done at EU level for supporting the implementation?



- Presentations, fora for municipalities and LAGs, practical examples, inclusion (Smart Village Observatory)
- There would be a need to **coordinate** the regulations of the funds (possibly a single rural development fund, but should be treated with caution) – it is to be feared, that Toolbox of Rural Action Plan will not be enough

Thanks for attention!

