



HUNGARY

WISEs FRAMEWORKS

NATIONAL CONTEXT

The concept of WISE's is quite new in Hungary and connected to the influence of international and non-governmental organisations. However, there are good examples from so-called rehabilitation enterprises which provide rehabilitation training during job activities for persons with disabilities.

At governmental level, the most important institution working on VET and adult learning is The National Office of Vocational Education and Training and Adult Learning (NSZFH - in English NO-VETAL).

However, there is a tradition of organisations supporting disadvantaged people such as civil society organisations (CSOs). This is the case in particular of the following types of organisations: foundations, non-profit companies, non-profit enterprises, and social cooperatives.

The public sector financially supports the development of social economy initiatives and social enterprises through programs, via national or European subsidies.

TYOLOGY OF WISEs: LEGAL STATUSES, LEGAL FORMS AT NATIONAL LEVEL

There is a lack of common terms and definitions for WISE's, data can solely be based on one's understanding and data from the Hungarian Central Statistical Office.

NATIONAL RECOGNITION OF WISEs (Public recognition of the WISEs sector)

There is currently no consensus on the definition of social enterprise in the Hungarian ecosystem, and – except for the rehabilitation enterprises, involving disabled people – they are recognised as adult education providers.

EXISTING NETWORKS OF WISEs (Networks and mutual support of WISEs)

The National Register of Social Cooperatives (SzoSzöv), Céhálózat (NGO), and TAVOSZ (Network of social enterprises).

FUNDING SOURCES

- Corporate tax exemption (on profits), at national level, for Typology 1 and 2 WISEs and in some cases for *de facto* WISEs.
- Subsidy for the recruitment of disabled people for the rehabilitation enterprises.
- Each enterprise can apply for a special accreditation that allows them to employ people with changed ability to work and ask for a reimbursement of the salary and/or additional costs (Government Decree 327/2012 – XI.16.–).
- For the rehabilitation enterprises, social insurance costs for the disadvantaged workers employed, reduced or covered by subsidies, at national level.
- Other fiscal breaks (Vehicle, Building and land tax exemption, Exemption from vocational training contribution and duties exemptions for public benefit organisations), at national level, for most of the WISEs. There are specific tenders.

WISEs rarely reach financial sustainability. They base their revenue structure on multiple resources like sales revenue, state and private support.

LEGAL FRAMEWORK OF ADULT LEARNING

NATIONAL STRATEGIES OR LEGISLATION

The Government Decree 1603/2014 (XI.4.) is the decree on adopting the Hungarian National Social Inclusion Strategy II.

Preamble of Act LXXVII of 2013 on Adult Education.

OBJECTIVES / TARGET GROUPS

The objectives are to:

1. Promote lifelong learning & improve accessibility to training;
2. consolidate lifelong learning in the adult education and training system;
3. visibility and recognition of the value and results of learning.

To make the Hungarian inhabitants; “enter the world of work successfully, succeed in life and have an improved living quality from adult learning. It is necessary to have better organisation in vocational, foreign language and state-supported training and improve the quality of the content and reinforce the supervision of implementation.”

SUPPORT MEASURES

Preparation for a vocational qualification or a partial vocational qualification is a high priority in the Hungarian political agenda.

The trainee receives a certificate after completing the vocational training, a prerequisite for a qualifying examination that can be taken at a trainer-independent state-accredited examination centre. The successful trainee then acquires a state-recognised certificate of vocational qualification.

CHALLENGES AND RECOMMENDATIONS

- Improve the validation, assessment and recognition of knowledge prior to adult education.
- The absence of a legal framework for social enterprises, the only one existing is only concerning people with disabilities, excluding *de facto* other vulnerable groups.
- General lack of awareness on what is social economy (compared to charities).
- Need to develop national networks to overcome isolation.
- Need to develop and improve public procurement regulation.
- Stereotypes are still too present, and labour market demand and supply don't meet.