



## HUNGARY



# FEUVA

### Where

FEUVA has been created in 2008 in Hungary and counts 16 members. Ha-Mi is registered in Hungary and has 213 members.

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### About

The registered SCE **FEUVA** is scattered all over the country and is an active co-operative with a clear-cut strategic aiming to mobilize social resources among individual car-repairing workshops. The workshops continue to preserve the position of independent economic operators but they will start exploiting business opportunities that result from clustering within the network. FEUVA has its own story about its creation. Set up by 35 individual SMEs, FEUVA had a strategic goal to reinforce its activities at the European level. When they registered as a SCE, the

news was published in the Official Journal of the EU indicating the European Interest Grouping.

**Ha-Mi** is an interregional issuer of a local currency aiming at promoting multilateral exchange among its members. Ha-Mi is already well-known in the region and in May 2010 they have started issuing in full gear their local currency in order to promote commerce among 500 firms in the magnitude of several millions of HUF, and mobilize the flow of member firms. The members are taxi drivers, pharmacies, vineries, hoteliers, restaurants. Members pledge that customers receive a discount of up to 10 percent if they purchase with the alternative local currency. They exclusively focus on city entrepreneurs and on local SMEs, extending their target group in Croatia and Austria – but not in Slovenia. The multilateral barter among the members is envisaged as an auxiliary channel to boost the local economy in order to sell unsold products and services. To start up the SCE, they received encouragement from a financial expert who is now a top manager in the National Bank. This expert, a follower of Gesell, a Swiss social reformer of the early 20th century, has been searching ways to stand up a global economic competition by transplanting experimentations for local alternative money that would help to keep incomes in the region.

## Corporate structure

In the cases of **Ha-Mi** and **FEUVA SCE**, the question concerning the way to involve employees is delicate as the members are exclusively entrepreneurs.

For **FEUVA**, this question is unsolved and they do not have employee representation.

For **Ha-Mi**, there is an intriguing component that deserves more attention: employees (pharmacies, restaurants, winegrowers, etc.) are paid in part with the coupons (Kékfrank) issued by the cooperative. Employees' fringe benefits are paid with these coupons. Normal cafeteria practices allow employees to select their favorites, which is not the case with the fringe benefits provided by Ha-Mi. Enabling employees to choose what tax-sheltered fringe benefits, could be put on the agenda as an important element to improve social dialogue within the cooperative.

All the researches shown that these two SCEs uphold a mainstream corporate behavior without establishing an internal social dialogue or elements of workers' participation. According to these 2 cases, it is ascertain that the SCE Regulation has not engendered a new generation of cooperative laws in Hungary.