



European Commission
Directorate-General for Agriculture

Newsletter

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Ambitious rural development measures in Hungary

The European Commission has agreed a programme funded by EU Structural Funds to support agriculture and rural development in Hungary for the period 2004–06. Worth over EUR 400 million this should give a significant boost to Hungary's ambition to improve the competitiveness of its agriculture and food processing sectors (including fisheries) in the early years of Hungary's membership of the European Union.

Although the newly agreed 'Operational programme for agriculture and rural development' can only be formally approved following Hungary's accession to the EU on 1 May 2004, the Treaty of Accession provides for Hungary to start spending money from EU Structural Funds from the beginning of 2004, i.e. before accession, provided that applications for support from Sapard (Special accession programme for agriculture and rural development) are closed.

The EU contribution

The EU will make an important contribution to rural development in Hungary, having allocated EUR 317.2 million for this programme, as Commissioner Fischler confirmed in a recent letter to the Hungarian Agriculture Minister. EUR 312.8 million will come from the European Agricultural Guidance and Guarantee Fund (EAGGF), Guidance Section, and EUR 4.4 million from the Financial Instrument for Fisheries Guidance. Total public expenditure to implement the programme, including the Hungarian Government's contribution, is set at EUR 422.8 million.

The Hungarian objectives

Hungary's programme covers its whole territory and is designed to address a range of objectives. The Hungarian authorities have decided to focus in particular on the matters listed below.

- Improving the competitiveness of agricultural production (total public expenditure of EUR 241 million, including an EU contribution of EUR 180.9 million)
The programme contains measures aimed at increasing competitiveness by grant-aiding investments to reduce production costs, add value and improve the quality of products. It also aims to raise environmental, hygiene and sanitary conditions and animal welfare standards. Assistance to young people setting up in farming, and training programmes for those working in farming and land conservation, are also included.
- Modernisation of food processing (total public expenditure of EUR 59.1 million, including an EU contribution of EUR 44.4 million)
Again the emphasis is on investments to improve competitiveness, to be achieved by modernisation of

processing techniques, logistical, storage and warehouse capacities and IT facilities. Special attention will be given to consumer health protection, protection of the environment and meeting consumer expectations.

- Development of rural areas (total public expenditure of EUR 112 million, including an EU contribution of EUR 84 million)
Measures to improve the rural economy and boost employment include assistance to develop rural tourism and handicrafts and the marketing of quality products. Improving infrastructure, preserving the natural and cultural heritage (e.g. by village renewal) and supporting bottom-up rural development through the Leader+ approach should help strengthen rural communities and improve the environment and the quality of life for the rural population.
- Technical assistance (total public expenditure of EUR 10.5 million, including an EU contribution of EUR 7.9 million)
These funds will help the authorities to implement the programme, for example by publicising the support available to potential beneficiaries.

Follow-up

On informing the Hungarian Government of the Commission's agreement to the proposed programme, Commissioner Fischler congratulated the Hungarian authorities and offered some words of advice about translating theory into practice as quickly as possible. He called for 'continued and enhanced progress in the next few months to allow for a rapid implementation of the programme' in order that it should have a real, positive impact on 'the income level and the creation of additional job opportunities of the rural population' in Hungary.

The Department of Structural Funds of the Hungarian Ministry of Agriculture and Rural Development will be the managing authority for the programme. The Commission, along with all other partners, will be represented on the monitoring committee which oversees the implementation of the programme.

In addition to this programme, a second rural development programme co-financed by the Guarantee Section of the EAGGF is currently being discussed with the Hungarian authorities. This programme, which will have a total public expenditure of EUR 752.8 million, of which the Community contribution will be EUR 602.3 million, includes other measures to help rural areas, such as support for forestry, less-favoured areas and agri-environmental schemes, and investments to meet EU standards, and will bring the total EU contribution to rural development in Hungary to EUR 919.5 million for 2004–06.

The Agriculture DG takes the stand at agricultural fairs in Berlin, Paris and Verona

Giving the Agriculture DG and the CAP a 'public face' is not an easy task. Administrative bodies and agricultural policies do not lend themselves readily to this. The Commission's presence on stands at several agricultural fairs in the first weeks of 2004 was thus an important public relations exercise.

The Agriculture DG was present at *Grüne Woche* in Berlin (16–25 January), the *Salon international de l'agriculture* in Paris (28 February to 7 March) and *Fieragricola* in Verona (3–7 March). The theme for the Commission's information stand this year was based around the quality of European agricultural products. The programme included cheese and meat tastings, and dietary information on fruit and vegetables, provided by the national producer organisations.

The Commission has participated regularly in all three fairs, with *Grüne Woche* having become a traditional venue for Commissioner Fischler to deliver a keynote speech. It is also an opportunity for the Commissioner and staff to meet representatives of the farming community, the agri-food industry, politicians and the general public.

The overall aim of having a Commission stand at public events is to provide information on EU policies related

to farming, via documents handed out and demonstrations of the Europa website, and to provide the national and international media with opportunities to focus on policy developments. The stand provides members of the general public with the chance to ask questions of, or state their views directly to, Commission officials.

Visitors do indeed ask questions. Commission staff have to be on the ball — this year questions have ranged from the obvious 'What grants are available to me?', to the very specific 'Can I post cheese from Switzerland to the EU?'

This year, as on previous occasions, representatives of the EU rural Carrefour network were present. The Carrefours specialise in providing information at local level. They target information at the general public and at specific groups such as local associations and authorities, schools, local media and other special groups.

The three agricultural fairs attract an estimated (combined) total of 1 360 000 visitors each year. The Agriculture DG will attend further 'outside events' in the coming months.

News in brief

☐ Beekeeping action

Action was taken by the Commission in January to improve the lot of the EU's apiculture sector. On 23 January, the Commission published its second report on the application of measures to improve the production and marketing of honey, which includes a proposal to alter EU assistance measures ⁽¹⁾.

Council Regulation (EC) No 1221/97 is the basis for EU assistance. It provides for Member States to implement annual programmes in cooperation with the sector. Beekeepers' concerns and EU legislation are focused on five priority measures:

- technical assistance;
- control of varroasis;
- rationalisation of transhumance;
- measures to support laboratories carrying out analyses of honey;
- applied research to improve the quality of honey.

Varroasis control is a particular problem. EU measures aim to reduce the economic impact of this disease (caused by a parasite) on the profitability of production. Control of varroasis is the largest expenditure item in most Member States, accounting for 41 % of programmed expenditure overall, and it remains the sector's priority. It was the subject of a special conference of apiculture experts in Brussels in October 2003 ⁽²⁾.

The Commission has consulted widely in its review of the aid for beekeeping and proposes maintaining existing measures in general. But a new measure is being put forward to promote the repopulation of hives in decline in some regions (within the framework of three-year national 'apiculture programmes'). Also the scope of that support regime is extended to all beekeeping products such as wax, royal jelly and propolis, among others.

The European Union is the third most important honey producer globally (China being the biggest), and the largest importer (absorbing 44 % of global imports in 2001). EU self-sufficiency was 45.9 % in 2001/02. In 2003, the total number of EU beekeepers was 470 000, 15 270 of whom were professionals.

⁽¹⁾ http://europa.eu.int/eur-lex/en/com/pdf/2004/com2004_0030en01.pdf

⁽²⁾ 'Experts' meeting on apiculture — Varroa control, Brussels, 24 October 2003', catalogue No: KF-58-04-376-EN-C (only in English).

