

Regional Workshop on
integrated community
development

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Региональный семинар по
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SZÉCHENYI 2020



Hungarian Rural Development Program
2014-2020

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Legal background of the Rural Development Programme 2014-2020

REGULATION (EU) No **1305/2013** OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

Main partners in the implementing the Rural Development Programme

Ministry Of Agriculture

Managing Authority

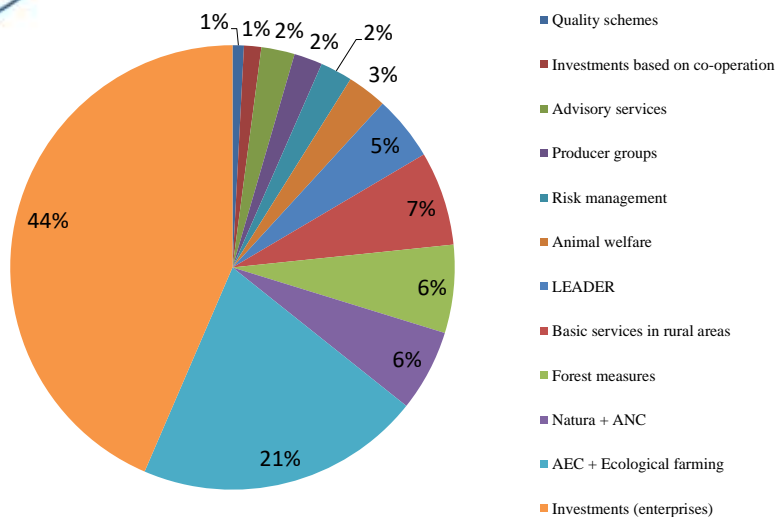
Responsible for the Implementation of the Hungarian Rural Development Programme

Dealing with the CAP Pillar I. and Pillar II.

Hungarian State Treasury

Paying Agency

Distribution of RDP resources



The six EAFRD Priority set in the RDP

- (1) fostering **knowledge transfer and innovation** in agriculture, forestry, and rural areas
- (2) **enhancing farm viability and competitiveness** of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests
- (3) **promoting food chain organisation**, including processing and marketing of agricultural products, animal welfare and risk management in agriculture
- (4) **restoring, preserving and enhancing ecosystems** related to agriculture and forestry
- (5) promoting **resource efficiency** and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
- (6) promoting **social inclusion**, poverty reduction and economic development in rural areas

Short summary of the Rural Development Programme's measures

- Enhanced supporting of investments of labour-intensive sectors, like **horticulture, animal husbandry**;
- **Food-processing, local markets**;
- Enhancing **production-security** (irrigation, investments for preventing damage/loss);
- Improving **rural infrastructure** and processing **local resources** (improving local road-network, using locally produced food in public catering, enhancing energy-efficiency of public buildings).

Measures set in the RDP in connection with the priorities

M01 – Knowledge transform and information actions:

The objective of the measure is to ensure diverse opportunities, from the point of view of both their content and form, for agricultural operators, **to acquire the knowledge and competence they need**, and to provide the leaders and experts of enterprises with opportunities to **learn economic and management skills**.

M02 – Advisory services, farm management and farm relief services:

This measure is aimed at **providing technical assistance** adjusted to the demands of agriculture, forestry and food economy players that primarily assists **efficient knowledge sharing**, enhances innovation and increases the economic competitiveness of the target groups of the Rural Development Programme by also taking account of sustainability, environmental and climate protection, as well as resource efficiency requirements.

Measures set in the RDP in connection with the priorities

M03 – Quality schemes for agricultural products and foodstuffs:

The aim of the support is to **strengthen the integration of producers into the food chain**. With this measure we try to ensure that the quality systems recognised by the EU and Hungary and the products produced within these systems became well-known and respected also on the markets and among the customers.

M04 – Investment in physical assets:

Hungary puts the emphasis on five areas within the framework of sub-measure 4.1 between 2014 and 2020:

- 4.1.1. operation: **development of the animal husbandry sector**
- 4.1.2. operation: **small-sized crop storage and drying facility**
- 4.1.3. operation: **development of the horticulture sector**
- 4.1.4. operation: **development of the water management sector**
- 4.1.5. operation: **implementation of investments in EIP**

Measures set in the RDP in connection with the priorities

M05 – Restoring agricultural production potential damaged by natural disasters and catastrophic events and introduction of appropriate prevention actions:

Support for investments in **preventive actions** aimed at reducing the consequences of probable **natural disasters, adverse climatic events** and catastrophic events

M06 – Farm and business development:

Start-up support for young agricultural producers, Business start-up aid for **non-agricultural activities** in rural areas, Development of non-agricultural activities

M07 – Basic services and village renewal in rural areas:

The overall purpose of the measure is to **make rural settlements more liveable and attractive for people living in rural areas**; to improve the conditions of employment and entrepreneurship; and upgrade on a small scale the local infrastructural and service provision environment.

Measures set in the RDP in connection with the priorities

M08 – Investments in forest area development and improvement of the viability of forests:

Aim of allowing for the **multifunctional development of forests and forest management** because In the last decades, the social significance of forests have remarkably increased all around the world but perhaps in particular in the temperate zone.

M09 - Setting-up of producer groups and organisations:

The aim of the title is, by facilitating the **establishment of such producer organisations**, to create jobs in rural areas and to stabilise the income position of the producers resulting the improvement of rural living standards.

Measures set in the RDP in connection with the priorities

M10 – Agri-environment-climate:

The main objectives of the measure are **support of the sustainable development** of rural areas, **reduction of the environmental impact** of agricultural origin, conservation of biodiversity among the natural living conditions,

M11 – Organic farming:

Hungary's favourable climate, high-quality aerobic soil and great traditions in crop production and animal husbandry would enable it to **manufacture high-quality foodstuffs without the use of synthetically manufactured substances**.

Measures set in the RDP in connection with the priorities

M12 – Natura 2000 and Water Framework Directive payments:

The aim of **payments related to the Natura 2000 network** is that the extra costs and **lost incomes** of agricultural producers, forest holders and other land managers resulting from the implementation of the Natura 2000 Directives shall **be compensated** and thus the EU objectives shall be accepted by farmers.

M13 – Payments to areas facing natural or other specific constraints:

This measure contributes to maintaining economic operation on areas with natural constraints and provides additional income to producers engaged in agricultural activities in those areas.

Measures set in the RDP in connection with the priorities

M14 – Animal welfare:

The measure aims the development of animal keeping by the compliance with strict hygienic and feeding provisions serving the welfare of animals

M15 – Forest-environmental and climate services and forest conservation:

The aim of the measure is to put more emphasis on the preservation of forestry's genetic resources, since these can play significant roles in the future regarding the adaptation to changing environmental conditions, and the spreading of forest-environmental farming methods.

Measures set in the RDP in connection with the priorities

M16 – Co-operation:

there are numerous opportunities building on other attributes of agriculture and rural regions, the harmonised development of which based on cooperation may also significantly contribute to the success of the agricultural economy and rural regions.

M17 – Risk management:

In Hungary there is a long history of the agricultural risk management system, and producers are used to the involvement of the state in risk management. Practical experience shows that producer self-care must be encouraged by the state, without which the ratio of insurance may not be extended, or may even be reduced.

M19 – Support for LEADER local development (CLLD – community-led local development):

This measure provides support for Local Action Groups already in operation or currently being established throughout the regions, which play a significant role in the field of national rural development

Implementation of the RDP

	db	Total amount (billion HUF)
Published calls	74	More than 1500
Closed calls	64	1380
Open calls	10	192
New calls in 2019	3	n/a
New call in 2020 (planned)	2	n/a

CAP post 2020: Objectives and Priorities

- Foster a smart and resilient agricultural sector
- Support environmental care and climate action and contribution to the EU environmental and climate objectives
- Strengthen the socio-economic fabric of rural areas
- Enhance knowledge-basis
- More subsidiarity/performance
- Enhance synergies with other policies
- Simplification
- Budget focused results

New delivery model

EU LEVEL:

Objectives of the CAP

Broad types of interventions

Basic requirements

MEMBER STATES:

Design measures reflecting specific needs and EU objectives

Budget allocation and target setting

Performance reporting

CAP Strategic Plan

Will cover interventions in both Pillar I and
Pillar II

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Performance based CAP

- EU-level objectives (general, specific)
- A comprehensive set of common indicators for the purpose of target setting and reporting
- national/regional indicators and targets set at CAP plan level
- Performance anchored at MS/regional level, not at beneficiary level
- Appropriate EU requirements

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Hungarian priorities I.

- **Maintaining a strong 2 pillar** – supported by the appropriate community funds – **CAP** after 2020.
- **Real simplification**, which reduces the administrative burden of the farmers and simplifies the governmental administration too.
- Any **new objectives in the CAP**, requires **additional resources**.
- The management of the **migration crisis can not be the task of the CAP**. The **CAP sources** are **for the farmers**
- **Main objective: Keeping the sources of the CAP after 2020, and the Hungarian share should be at 3,2%**

Hungarian priorities 2.

- **The share of the direct payments** should be **maintained**. This is crucial for the income status of the farmers, **especially in the times of crisis**.
- **Maintaining the SAPS** after **2020**.
- Maintain the possibility of the **allocation between the two pillars**.
- Maintain a strong **safety net for the farmers**. Direct payments from the first pillar of the CAP are currently insufficient to mitigate the income-changing of the farmers.
- Further to the **well-functioning first pillar**, it is essential to keep a **well funded second pillar** to make the rural areas more successful.

Hungarian priorities in the Rural Development

- The predominance of the **non-refundable supports** should be ensured in the Rural Development Programme.
- The current **support intensity** needs to be maintained.
- Maintaining the current flexibility to the Member States.
- The **supports for the investments** should be highly represented in the future of the rural development supports.
- **Financial instruments and income stabilization tools should be optional** than mandatory for the Member States.
- **Security free advances** in case of investments
- **Investments in irrigation** – derogation at project level

Thank You For Your Attention!



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<https://www.palyazat.gov.hu/evaluation>

<http://www.kormany.hu/en>