

HUNGARY - SOMOGY

Specialist sheep breeding

The project promoter has received agri-environmental support within Axis 2 under the 'grassland management initiative'. Agri-environmental payments aim to encourage producers of agricultural lands to adopt farming and production methods that are compatible with the sustainable use of environment, landscape, and natural resources and with the preservation of genetic resources.

2. Project details

Nature of the project

Purpose: The purpose of the agri-environmental support received by Artur Horn is to contribute to the sustainable use of agricultural land, and in particular to sustainable grassland management practices in order to preserve local natural resources.

Content: Agri-environmental payments are provided to farmers who comply with specific environmental requirements. Artur Horn (project promoter) is a local entrepreneur and farmer who due to the specific environmental friendly techniques that he applies in sheep breeding fulfils these requirements.

Inspiration: Artur Horn, a game manager and professor at Kaposvar University, has long been working in the animal husbandry sector. He started farming as a second job in 1993, when he set up a free-range pig farm. In 1995, he turned to red deer farming, and in 1996 he bought 60 merino sheep. For economical reasons he stopped deer farming in 2007, and gradually started to increase his flock of sheep. Currently he is breeding some 200 ewes and 30 moufflons.

Much of the interest in free-range red deer farming came from the farmer's visits to New Zealand several years ago. For instance, the idea on the way and types of fences set up around his farm originates from New Zealand.

Policy coherence: Grassland management is an integral part of the agri-environmental measure (214) of the New Rural Development Programme of Hungary. This project fully fits into this strategy. The project has no direct link with the LAG and its strategy.

Links between agriculture and the rest of the economy

Main agricultural sub-sectors involved: Animal husbandry and game farming (organic farming)

Description of these links: The farmer has direct links to both the food processing (slaughterhouse), the sales, and catering/hotel sectors.

The farmer, after taking the livestock to the slaughterhouse, directly sells the meat products – often in cooperation with the slaughterhouse - to national markets (mostly to Budapest). The (qualified) organic meat produced is of high-quality due to the special free-range farming

techniques. The producer serves a special market, including high-standard hotels in Budapest (such as Gundel Hotel).

The promoter serves a niche-market, as he does not sell his produce in the most popular periods of lamb-consumption (such as Easter or Christmas), but adjusts the period of gestation and calving to natural circumstances. For instance, the birth of the lambs falls within April and May, in favourable weather conditions.

The links between the local market and the producer are almost completely missing, as the farmer mostly sells to the capital. For instance, due to national regulations, it has not been possible to directly sell to individuals from the farm or the slaughterhouse. Furthermore, as lamb-consumption is not highly popular in Hungary, interest for the produce mostly comes from high-standard hotels in Budapest, rather than from the local catering and tourism sectors.

Scale of the project

Size: The farmer received agri-environmental payment under measure 214 in the current period (2009-2014) on an area of 32.06 hectares. The support is some 116 euro/hectare.

Time scale: Agri-environmental measures are opened every five years, and payments are received for a 5-year period. The promoter has been supported both during the period of 2004-2009 and 2009-2014.

Coverage: The geographical coverage is local, 32.06 hectares of the promoters' own land.

Beneficiaries and supporters

Beneficiary: Artur Horn, local entrepreneur and farmer, Szenna

Supporters: n/a

Finance

Funding: Funded under Axis 2: 'Agri-environmental payments' (grassland management initiative).

Budget: The annual amount received from EU funds is 116 euro/hectare (3718.96 euro). The funding is provided for five years conditioned on continued farming.

Results

Direct results: The project fully complies with the specific environmental requirements that form the basis of support. The support received complements other incomes of the farmer.

Main target: The main target group is the farmer and his family.

Wider benefits: The activities of the farmer have direct benefits to his wider environment, as these contribute to the diversity and protection of local natural heritage. Diversity is achieved through breeding species (mostly sheep) that is fast declining in the area (as well as breeding rare species – such as moufflons). Environment protection is achieved through the use of environmental-friendly free-range techniques that highly comply with the local natural conditions.

2. Relevance of case study experiences for others

Problems:

(b) Institutional: The number of checks and controls by various authorities seem to be extensive and disproportionate, and this constantly requires extra efforts on behalf of the farmer and his family. Furthermore there are a number of national legislations in place that limit the local sale of produce. Other national legislations (for instance very specific requirements with regard to setting up a slaughterhouse and other animal safety regulations) make it difficult to produce and sell game meat.

(c) Funding: It is unfortunate that applications can only be submitted every fifth year, because farmers who did not apply in a given year do not have the opportunity to apply within the five year period (although this problem does not directly concern Artur Horn as he applied during both periods). Furthermore, opportunities for farmers such as Artur Horn to apply for funding under Axis 3 is limited (despite the wide range of local capacities, such as farm tourism development), because these are conditioned on having less than 50% of the beneficiary's revenue from agricultural production.

Transferability and mainstreaming potential: The free-range farming techniques could be applied in areas with similar conditions. In fact, this type of farming (although requires continued presence and care) would be much more suitable for many areas of the county, than arable farming.

Innovation: The farming methods of Artur Horn are said to be highly innovative in the local context, although these are used in other countries. The promoter says that he knows about no one in the area, who applies the same methods in farming. People are generally sceptical about these methods, because of holding animals without a stable (open air) during the whole year, or because of concerns about safety of property (free-range animal are said to be at risk of being appropriated).

There is no specific stable for the sheep, i.e. they are kept outside even in cold weather. Many farmers are suspicious about such techniques. "*When such concerns are raised – says Artur Horn – I always say that God created sheep in a clever way: its wool coat is warm and a good thermal insulator so protects it from the wind and cold, and people use sheepskin to protect against rain for a purpose. It's true that there are some ten days in a year when I wouldn't even keep my dog outside, but that normally doesn't cause much harm to my sheep. Generally I am more concerned about the hot weather.*"

Institutional aspects: No partnership is involved, and the promoter has no direct contact with the LAG.

Social aspects: The agri-environmental payment contributes to the living of Artur Horn and his family, and this way has a job-sustaining effect. It enables the family to continue with its environmental-friendly farming methods.

The presence of the farm holding is generally well appreciated by the local community, as they feel that it fits very well in the local environment. Artur Horn also ensured that a pathway is created through his fields in order to enable people to cross his land even after the fence was established.

Environmental aspects: NB: This project is strictly environmental: The project largely contributes to the protection of the environment. The farmer does not use any chemicals, fertilisers or artificial feed, which is good for the soil, local waters (small stream, smaller lake and reservoirs) and plants.

Animal husbandry is fully compatible with the grassland conditions, as the soil quality is unsuitable for arable farming. The farm is divided into eight lots (see picture), and grazing is carried out in rotation. This helps the plantation of various lots to recover. In addition, different types of animals favour different types of plants, and therefore the grazing of different animals (e.g. sheep and moufflons) complements each other.

The promoter's land also includes a stream and some forests, and he gives great care these areas as well. For instance, he has applied for 'assistance for non-productive investment' within Axis 2 for setting up some natural birdhouses (old tree trunks) in the woodlands to help to special bird species (such as black woodpecker) to settle earlier.

Sustainability: The agri-environmental payment provides partial support for the farmer's activities (which is his second job). So far his farm has been sustainable. The farmer has found his own niche-market, and this way the farm essentially operates as a semi-subsistence farm producing for both own consumption and sale. Other than very busy periods (such as sheep shearing) only the family members work on the farm (Artur currently lives at the farm with his wife, four daughters and their partners).

"I soon realised that I don't have enough resources to operate a tractor or other agricultural equipment. – says Artur – The farm also doesn't have enough revenue generating capacity to employ one more person." Therefore, Artur has managed to find simple but innovative ways to operate his farm without expensive equipment and without the need to employ more people. Compared to traditional sheep farming, this method has very low labour-intensity, since the animals serve themselves led by their instincts.

"For a while I was a bit worried that there will be no one in my family who will take over the farm – he says – However, my daughters and their partners live in the farm now and I also have grandchildren. And it seems that some of them are keen to stay and continue working on the farm. It doesn't matter what type of animal they will want to breed, but rather that they keep the family land and continue on."

Lessons to pass on: The farm of Artur Horn and his family is a very good example of livestock farming that takes full account of the ecological diversity and conditions of the local area. It shows how local producers can operate farms in an environmental-friendly and sustainable manner, through being innovative, creative, and most of all committed to their own area.

The support provided through agri-environmental payments contributes to the sustainability of the farm. However, the main value of the operation lies in the efforts and methods used by the family in sheep breeding. The entrepreneurial spirit of the farmer and his attachment to wildlife



and natural heritage helped him to overcome many difficulties faced by farmers in Somogy today. Furthermore, the farmer has also been actively searching funding opportunities in order to ensure that his activities remain sustainable.