

1. General information

Geographical Area	Country	Hungary
	Region	/
Rural population (1)	Inhabitants (5)	8.1 million
	% of total population (5)	82.3 %
	Density - Inhab/km2 (5)	87.9
Rural area (1)	Km2 (4)	92 466
	% of total area (4)	99.4 %
Agricultural area <i>Total Utilised Agricultural Area (UAA)</i>	Ha (3)	4.7 million
	% of total territory (3)	50.4 %
Forest and other wooded land	Ha (4)	2.1 million
	% of total area (4)	21.9 %
Total employment	People (5)	4.1 million
Rural employment (1)	% of total workforce (5)	80.9 %

Data source: Hungary 2014-2020 Rural Development Programme (RDP). Note: (1) OECD definition applies, including intermediate and predominantly rural regions; (2) 2008 data; (3) 2010 data; (4) 2013 data; (5) 2014 data.

EAFRD* support:
EUR 3 430 664 493
3.6 % of Total EAFRD support for EU-28



National contribution:
EUR 743 325 460

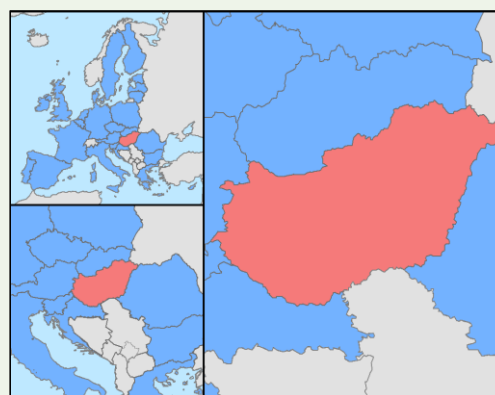


Planned total public expenditure:
EUR 4 173 989 953

* European Agricultural Fund for Rural Development (EAFRD)

Primary sector contribution to Gross Value Added (GVA)	% of total (4)	4.8 %
No of agricultural holdings	No (4)	491 316
Average farm size	ha UAA/holding (4)	9.3
High Nature Value farming	% of total UAA (4)	22.5 %
Farmland Birds Index (FBI)	Index 2000 = 100	105
	<i>From 2000 to 2008 the FBI measuring the relative abundance of farmland bird species increased by 5 %.</i>	

Map: Hungary



Examples of expected achievements

- A total of 46 400 participants will benefit from training supported by the RDP. Also, 470 projects will be supported to strengthen the link between agriculture, food and forestry sectors and research and innovation, 70 of which will be under the European Innovation Partnership (EIP).
- The RDP will support the start-up of 3 000 young farmers and the development of 3 000 small farms. 4 800 existing farms will be targeted for modernization and investments.
- Hungary will support 5 500 projects aiming processing and marketing development, with special focus on the setting up of 200 producer groups, which will bring together 4 000 farmers. Hungary also introduces risk management instruments. Insurance premiums and income stabilisation support will be provided to 15 208 farms.
- Around 24 % of agricultural land and 6.4 % of forests will be under management contracts for supporting biodiversity, to improve water and soil management. Over 111 000 hectares of farmland will receive support to either convert or maintain organic farming.
- The RDP aims to support 2 600 projects that invest in energy efficiency in the agriculture and food processing sectors. Efficiency of existing water management systems will also be improved on 6 000 ha of agricultural land.
- Local Development Strategies (LDS) will cover over 68 % of the rural population. Additional 4 500 additional jobs will be created and 68 % of the rural population will benefit from improved services.

Examples of key challenges

- A key challenge is generational renewal as the average age of farmers in Hungary is 56 years.
- The rural employment rate is low, and the unemployment rate for young people and women is especially high compared to the national average.
- Concerning climate change, Hungary is frequently hit by important water imbalances between drought and floods and there is a clear need for more efficient water management.
- Concerning biodiversity 83 % of habitats are in poor condition. The main environmental challenges to be tackled is related to the protection of biodiversity, the quality of surface and ground water and soil erosion. As well, organic production is among the lowest in EU with 2.7 %.

Source: DG AGRI, *Factsheet on 2014-2020 Rural Development Programme for Hungary*, August 2015

http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/hu_en.htm

2. RDP focus areas: planned expenditure, measures and 2023 targets

This section illustrates each rural development priority (P) with a focus on: the indicative budget per Focus Area (FA) and its breakdown by selected measure; and the relation between the indicative planned total public expenditure and the expected 2023 targets set by the Managing Authority for each focus area. The target indicators identified with the country code (HU) are specific to the Hungarian Programme.

P1 - Knowledge transfer & innovation: Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas

Priority 1 is considered a cross-cutting priority: the budget under Priorities 2 - 6 contributes to the achievement of Priority 1 specific targets.

Focus Area 1A. Innovation & cooperation

Target indicator	Value
T1 - % of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP	3.6 %

Focus Area 1C. Lifelong learning & vocational training

Target indicator	Value
T3 - Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013	46 400

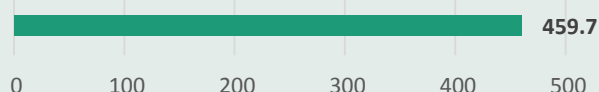
Focus Area 1B. Links with research & innovation

Target indicator	Value
T2 - Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...), of which: Nr of EIP operational groups to be supported (establishment and operation)	470 70

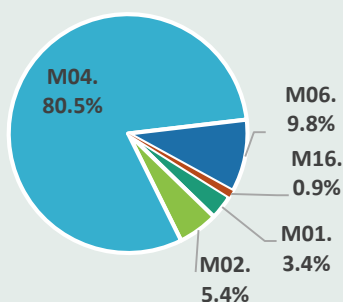
P2 – Competitiveness: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forest

Focus Area 2A. Farm's performance, restructuring & modernization

Total public budget (million EUR)



Breakdown of FA budget by measure (%)



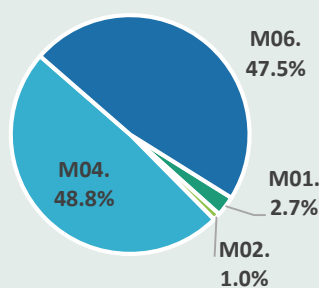
Target indicator	Value
T4 - % of agricultural holdings with RDP support for investments in restructuring or modernisation	1.0 %

Focus Area 2B. Entry of skilled/younger farmers

Total public budget (million EUR)



Breakdown of FA budget by measure (%)



Target indicator	Value
T5 - % of agricultural holdings with RDP supported business development plan/investments for young farmers	0.6 %

P3 – Food chain & risk management: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture

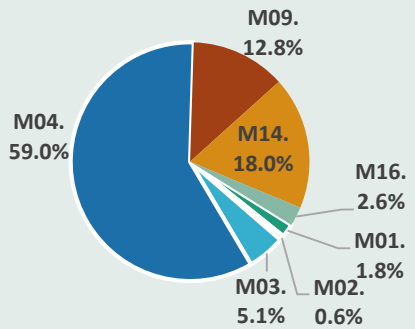
Focus Area 3A. Agri-food chain integration & quality

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

Measure	m EUR
M01	12.1
M02	4.1
M03	33.6
M04	387.0
M09	84.1
M14	117.8
M16	17.0



Target indicator

Value

T6 - % of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations

5.4 %

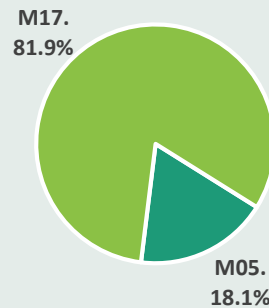
Focus Area 3B. Risk prevention & management

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

Measure	m EUR
M05	21
M17	95.3



Target indicator

Value

T7 - % of farms participating in risk management schemes

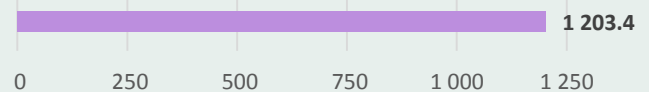
3.1 %

P4 – Ecosystems management: Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Focus Areas

- 4A. Biodiversity's restoration, preservation & enhancement
- 4B. Water management
- 4C. Soil erosion & soil management

Total public budget (million EUR)



Target indicator

Value

T8 - % of forest/other wooded area under management contracts supporting biodiversity

5.1 %

T9 - % of agricultural land under management contracts supporting biodiversity and/or landscapes

11.8 %

T10 - % of agricultural land under management contracts to improve water management

3.6 %

T11 - % of forestry land under management contracts to improve water management

0.6 %

T12 - % of agricultural land under management contracts to improve soil management and/or prevent soil erosion

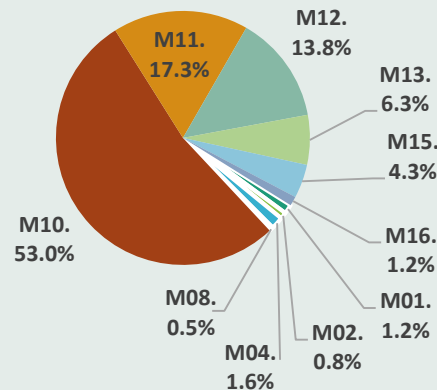
8.4 %

T13 - % of forestry land under management contracts to improve soil management and/or prevent soil erosion

0.8 %

Breakdown of FA budget by measure (%)

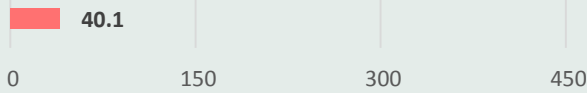
Measure	m EUR
M01	14.3
M02	10.0
M04	19.0
M08	6.5
M10	638.2
M11	207.6
M12	165.7
M13	76.2
M15	51.7
M16	14.2



P5 - Resource efficiency & climate: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

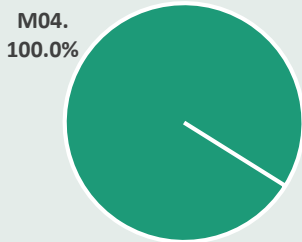
Focus Area 5A. Water use efficiency

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

Measure	m EUR
M04	40.1



Target indicator	Value
T14 - % of irrigated land switching to more efficient irrigation system	5.8 %

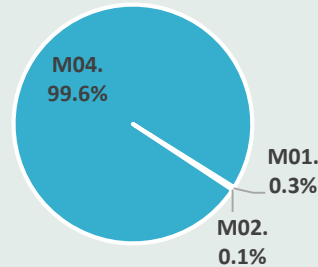
Focus Area 5B. Energy use efficiency

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

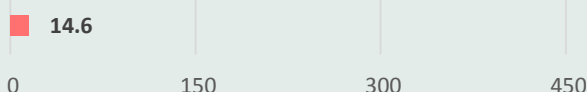
Measure	m EUR
M01	1.2
M02	0.5
M04	399.7



Target indicator	Value
T15 - Total investment for energy efficiency (EUR)	888.3 m

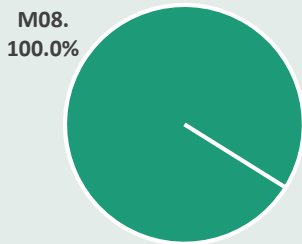
Focus Area 5C. Renewable sources & waste management

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

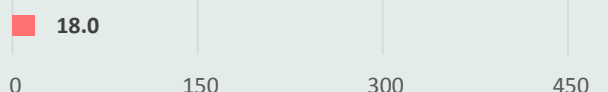
Measure	m EUR
M08	14.6



Target indicator	Value
T16 - Total investment in renewable energy production (EUR)	37.8 m

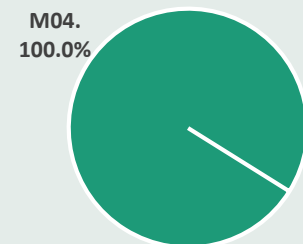
Focus Area 5D. Greenhouse Gas (GHG) & ammonia emissions

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

Measure	m EUR
M04	18.0

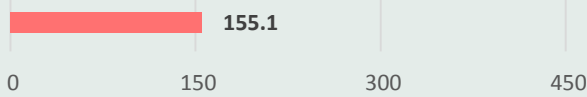


Target indicator	Value
T17 - % of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions	1.4 %

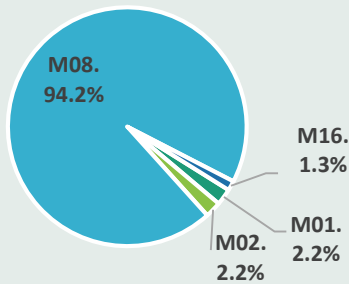
P5 - Resource efficiency & climate: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

Focus Area 5E. Carbon conservation & sequestration

Total public budget (million EUR)



Breakdown of FA budget by measure (%)

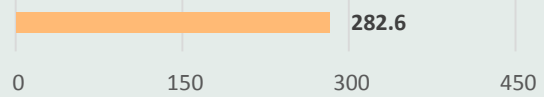


Target indicator	Value
T19 - % of agricultural and forest land under management contracts contributing to carbon sequestration and conservation	0.6 %

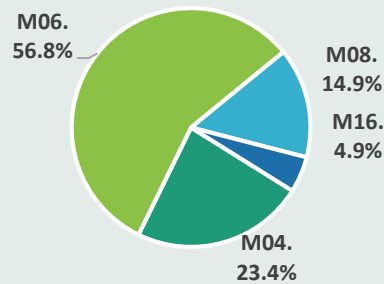
P6 - Social inclusion & local development: Promoting social inclusion poverty reduction and economic development in rural areas

Focus Area 6A. Diversification & job creation

Total public budget (million EUR)



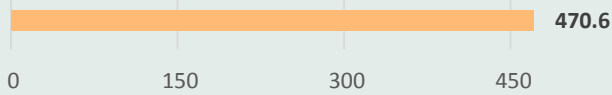
Breakdown of FA budget by measure (%)



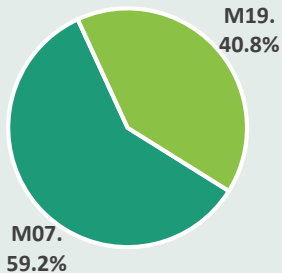
Target indicator	Value
T20 - Jobs created in supported projects	4 000

Focus Area 6B. Local development

Total public budget (million EUR)



Breakdown of FA budget by measure (%)



Target indicator	Value
HU01 - The number of inhabitants in the settlements supported through the investment (6B focus area)	32 250
T21 - % of rural population covered by local development strategies	68.0 %
T22 - % of rural population benefiting from improved services/infrastructures	68.0 %
T23 - Jobs created in supported projects (LEADER)	500

3. Planned expenditure per priority

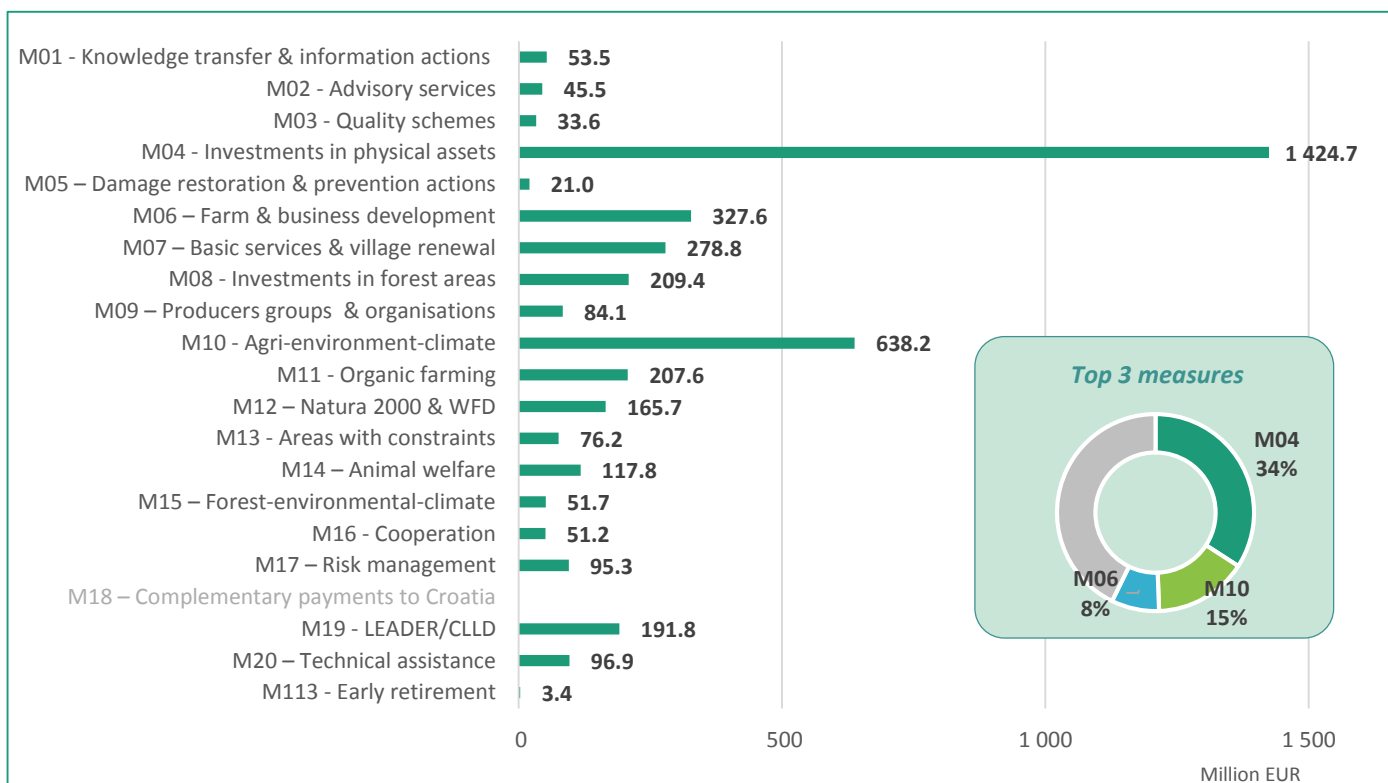
The following table shows how the planned total public expenditure (comprising the EAFRD support and the national contribution) is allocated between rural development priorities. Priority 1 is considered to be cross-cutting and no separate financial allocation is shown as the expenditure is distributed across other focus areas.

Priority	Total public expenditure per priority (million EUR)	% of total public expenditure*	
P1 - Knowledge transfer & innovation	P2 - Competitiveness	716.0	17.2 %
	P3 - Food chain & risk management	772.0	18.5 %
	P4 - Ecosystems management	1 203.4	28.8 %
	P5 - Resource efficiency & climate	629.2	15.1 %
	P6 - Social inclusion & local development	753.2	18.0 %

* Figures do not add up to 100 % because the budget for technical assistance is not included. The budget for technical assistance is available in section 4.

4. Planned expenditure per measure (million EUR)

The following chart shows the indicative planned total public expenditure per measure (comprising the EAFRD support and the national contribution). The measures illustrated in the chart are the complete list of measures selected within the RDP. Measures in color light gray were not selected by the Member State.



5. Choice of measures by priority and focus areas

The following chart shows which priorities and focus areas are selected in the RDP and the combination of measures used to address them. For each measure the budget breakdown per focus area is given. Priority 1 is considered to be cross-cutting and no separate financial allocation is shown as the expenditure is distributed across other focus areas. Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas.

Priority	P1 Knowledge transfer & innovation			P2 Competitiveness		P3 Food chain & risk management		P4 Ecosystems management			P5 Resource efficiency & climate					P6 Social inclusion & local development			Total	Planned expenditure (million EUR)
	1A - Innovation & cooperation	1B - Links with research & innovation	1C - Lifelong learning & vocational training	2A - Farm's performance, restructuring & modernisation	2B - Entry of skilled/younger farmers	3A - Agri-food chain integration & quality	3B - Risk prevention & management	4A - Biodiversity's restoration, preservation & enhancement	4B - Water management	4C - Soil erosion & soil management	5A - Water use efficiency	5B - Energy use efficiency	5C - Renewable sources & waste management	5D - Greenhouse Gas & ammonia emissions	5E - Carbon conservation & sequestration	6A - Diversification & job creation	6B - Local development	6C - ICT - Information & communication technologies		
M01 - Knowledge transfer & information actions				29%	13%	23%		27%				2%			7%				100%	53.5
M02 - Advisory services				55%	6%	9%		22%				1%			7%				100%	45.5
M03 - Quality schemes						100%													100%	33.6
M04 - Investments in physical assets				26%	9%	27%		1%			3%	28%		1%		5%			100%	1 425
M05 - Damage/restoration /prevention actions							100%												100%	21.0
M06 - Farm & business development				14%	37%										49%				100%	327.6
M07 - Basic services & village renewal																100%			100%	278.8
M08 - Investments in forest areas								3%					7%		70%	20%			100%	209.4
M09 - Producers groups & organisations						100%													100%	84.1
M10 - Agri-environment-climate								100%											100%	638.2
M11 - Organic farming								100%											100%	207.6
M12 - Natura 2000 & WFD								100%											100%	165.7
M13 - Areas with constraints								100%											100%	76.2
M14 - Animal welfare						100%													100%	117.8
M15 - Forest-environmental-climate								100%											100%	51.7
M16 - Cooperation				8%		33%		28%							4%	27%			100%	51.2
M17 - Risk management							100%												100%	95.3
M18 - Complementary payments to Croatia																				
M19 - LEADER/CLLD																100%			100%	191.8

6. Additional info

Date of RDP approval	10/08/2015
Hungarian National Rural Network	http://www.mnvh.eu/
Managing authority	Miniszterelnökség Agrárés Vidékfejlesztési Programokért Felelős Helyettes Államtitkárság
Paying agency	Mezőgazdasági és Vidékfejlesztési Hivatal
Coordination body	Miniszterelnökség
RDP country documents	http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/hu_en.htm
National Partnership Agreement summary	http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/hu_en.htm
Partnership Agreement	http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/hu_en.htm
Rural Development Regulation 2014-2020	Regulation (EU) N° 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) [PDF en]

Source of information: All data and the figures presented in this summary come from the European Commission approved version of the Hungary 2014-2020 Rural Development Programme. The examples of expected achievements and key challenges on page 1 were retrieved from: DG AGRI, Factsheet on 2014-2020 Rural Development Programme for Hungary, August 2015.

Disclaimer: This document aims to provide an accessible summary of selected RDP content. The information provided should not be considered a comprehensive account of the original RDP content.

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Last updated: October 2015

Corresponding RDP: Hungarian 2014-2020 RDP, code 2014HU06RDNP001, version 1.3, approved 10/08/2015



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