



Hungarian government policies in changing environment



IAMA's 19th Agribusiness World Forum Global Challenges and Local Solutions Budapest, Hungary

June 22-23, 2009





. May 1st, 2004:

Accession of Hungary to the European Union

• Hungarian agri-food sector becoming a part of the Common Agricultural Policy (CAP)



Before - 2004 /accession/

- Fully independent Hungarian national agri-food governance
- Decisions taken by the Hungarian Parliament
- Support measures (including budget) designed by the Ministry of Agriculture and Rural Development
- Hungary: member of WTO (since 1973) plus bilateral trade agreements



After – 2004 /accession/ I.

 Main agricultural policy decisions taken within the Common Agricultural Policy (CAP) by 27 Member States

- Market measures
- Direct payments
- Rural development
- Food standards



After – 2004 /accession/ II.

National room of manoeuvre:

- Rural development programs (based on common menu)
- State aid measures (also according strict common rules and to limited amounts)
- Research, development, education
- Taxation and insurance policies



EU governance objective: Better Regulation (2005-)

- Simplification, reduction of administrative burdens
- Making closely together with Member States
- Reinforcing the constructive dialogue between stakeholders



Regulation is the tool to achieve political, economic, social objectives, e.g.

- to protect health by ensuring food safety
- to protect environment
- to create a level playing field for competing companies in the marketplace



Methods of better regulation:

- Analyzing impacts
- Communicating and taking account of citizens' and companies' views
- Reducing paperwork
- SIMPLIFYING

Goal: to reduce administrative burden by 2012 by 25 %



Hungarian steps to prepare for implementation of the CAP

- Harmonisation of legislation
- Harmonisation of institutions
- Preparation of Human Resources
- Communication with
 - Stakeholders
 - beneficiaries



Adoption of the CAP: mixed experiences

1-2 years: many difficulties

- 3rd year on: improving results
 - increasing foreign trade balance
 - increasing farm incomes
 - adaption to the new legislative and market environment



New challenges for the Common Agricultural Policy (CAP)

- Climate change
- Renewable energy sources
- Biodiversity
- Water management

To overcome economic crisis

Strong cooperation of government with academia and business indeed





Future challenge for Hungarian Government

Presidency of the EU Council

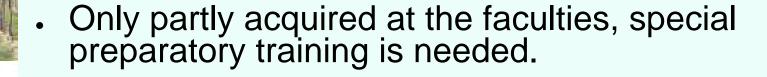
-1st January – 30 June 2011

 70 people of the MARD will be involved, mainly young experts



Hungarian EU-Presidency Team

- Required skills:
 - Communication
 - Negotiation
 - Organisation and management
 - Language skills
 - Creativity
 - Openness
 - Tolerance
 - Quick reaction





THANK YOU FOR YOUR ATTENTION!

Dr. László Vajda

Head of Department Ministry of Agriculture and Rural Development

1055. Budapest, Kossuth L. tér 11. E-mail: Laszlo.Vajda@fvm.gov.hu Tel.: +36 1 301 4299