

Hungarian experience on the way to EU, before and after accession

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I. Characteristics of the Hungarian agriculture

- While in 1989 (political change) agriculture made up 13,7 % GDP, by 2007 its contribution to GDP reduced to 4,0 %

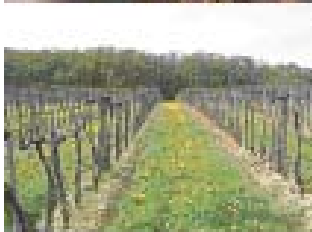
	2000	2005	2006	2007
% of GDP	5.4	4.6	4.2	4.0
% of all employees	6.63	4.6	4.5	4.3
agricultural trade balance (mill. EUR)	1,402	916	995	1,598
% of total export	8.0	6.9	6.2	7.0

Source: Hungarian Food and Agricultural Statistics, 2007 - AKI

I. Characteristics of the Hungarian agriculture

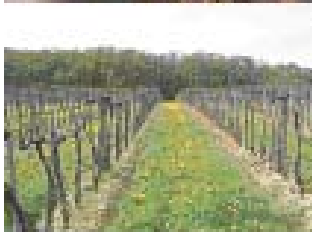
- Hungarian **agricultural area** in total area (70 %) is higher than the European average
 - 700 thousand farming households, 200 thousand farms for marketing
 - Typical plant products: cereals (mainly wheat and maize), oilseeds (sunflower, rape), fruit and vegetable, wine
 - Typical animal products: poultry, pig, milk, beef, sheep
 - Hungarian territory is considered as **rural area** in 87 %
- ↓
- Includes: 96% of our communities
 - 47 % of inhabitants live here





II. Agrarian history of Hungary's Accession to the EU

- 8th August 1988: Establishment of diplomatic relations
- 16th December 1991: Signing of European Association Agreement
- 1st April 1994: The submission of the accession application
- Second-half 1996: Establishing 16 professional working groups on harmonization in the Ministry of Agriculture (supported by PHARE)
- 31st March 1998: Official start of the accession negotiations
- September 1998 – November 1999: acquis screening
- December 2000: Submission of the first negotiating document
- 13th December 2002: Close of the accession negotiations (Copenhagen)
- 1st May 2004: EU Membership starts

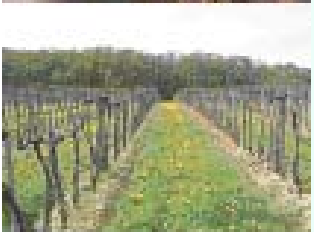


III. Preparation for EU accession

- 1. Legal harmonisation
- 2. Institutional harmonisation
- 3. Harmonisation of human resources

1. Legal harmonisation

- Special situation: transitional measures to be implemented in the national legislation – e.g. regulations, Commission decisions
- In many cases adoption was difficult due to the different national legislation
- Commission/TAIEX preferred word by word transposition
- Creation of a single EU terminology was important



2. Institutional harmonisation

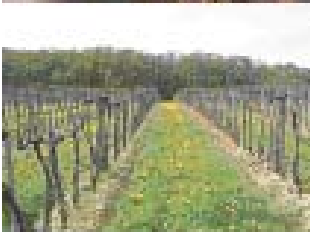
- Prior to accession: pressure from the EU is very strong
- After accession: tricky situation – greater freedom but audits are taking place frequently with financial consequences
- Single paying agency spending EU money in the Member State – a real challenge

/Agricultural and Rural Development Agency – ARDA – 1998

SAPARD Agency – 2000

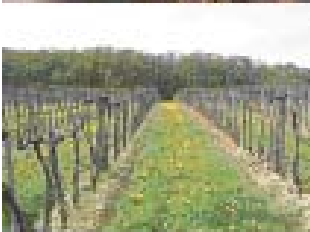
Agricultural and Rural Development Agency - 2003

- Five directors in the Agency between 2000-2006



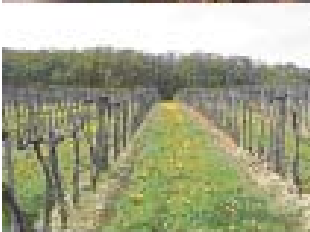
2. Institutional harmonisation

- National veterinary and phytosanitary services
- Agricultural County (regional) Offices – under the ministry
- Extension service
- Since 2006: unified Agricultural Administrative Office (all authorities and services together, except land registration)



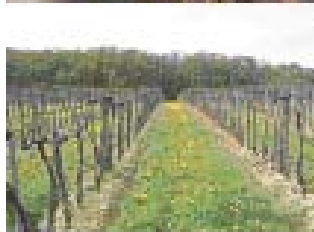
3. Harmonisation of human resources

- 1996-1997: Selection of the experts for the negotiations – mainly young people with language skills
- Training for everybody – but particularly to the Brussels experts
- Outplacement of „senior colleagues” (other tasks, Agricultural and Rural Development Agency, retirement)



IV. Training abroad

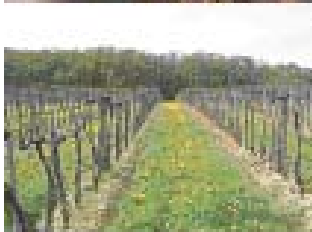
- Participation on study-tours (1997-)
e.g. DE (federal and territory); FI; AT; DK; SE, UK and Brussels
- 2000–: Participation (experts) on high level Conferences (e.g. Seminars in Maastricht – Public Administration Institute; Outlook Conference, CAP Conference – Agra Europe)
- Exchange experiences with partner ministries (e.g. Latvia, Poland)



V. Training in Hungary

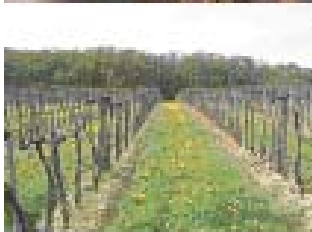
- Ministry of Foreign Affairs: ENA training
- Simulation practice in French (inside the MARD; supported by France)
- 2003–: EU trainings (organised by MARD):
 - Regularity: 3 / year (January, May, August)
 - Theme: Current EU and Hungarian agrarian policy, negotiating skills, writing speaking notes
 - Lecturers: MARD leaders, EU functionaries, foreign experts
 - Lectures on foreign languages (e.g. Austrian, German presidency experiences)
 - Practice on English language





VI. Negotiating team in MARD

- Leader: Head of the Department of European Integration
- Members: 16 EU junior experts
 - Good sector knowledge
 - Good negotiation skills
 - Excellent command of languages
 - 1996: Entrance exam (MA) – start of the expert group
- Professional education of the Members:
 - Participation in training programmes
 - Professional practice in Brussels and in the Member States
- 1999: Team members transferred to the line departments

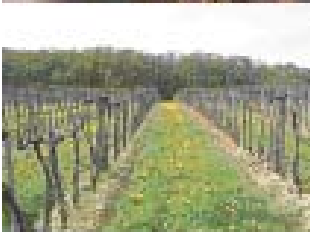


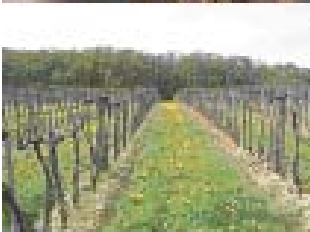
VII. Regular meetings during the integration process in MARD

- Since the opening of the Agrarian Chapter in the accession negotiations
- Regularity: weekly
- The Head of the Department of European Integration presents the current status of the process of the negotiations for
 - The Head of Departments and for the
 - Experts
- 1-2 / Year the Conference on Integration was organised outside of the Ministry (Discovery the Hungarian agricultural-regions + team building)

VIII. The effects of the EU accession

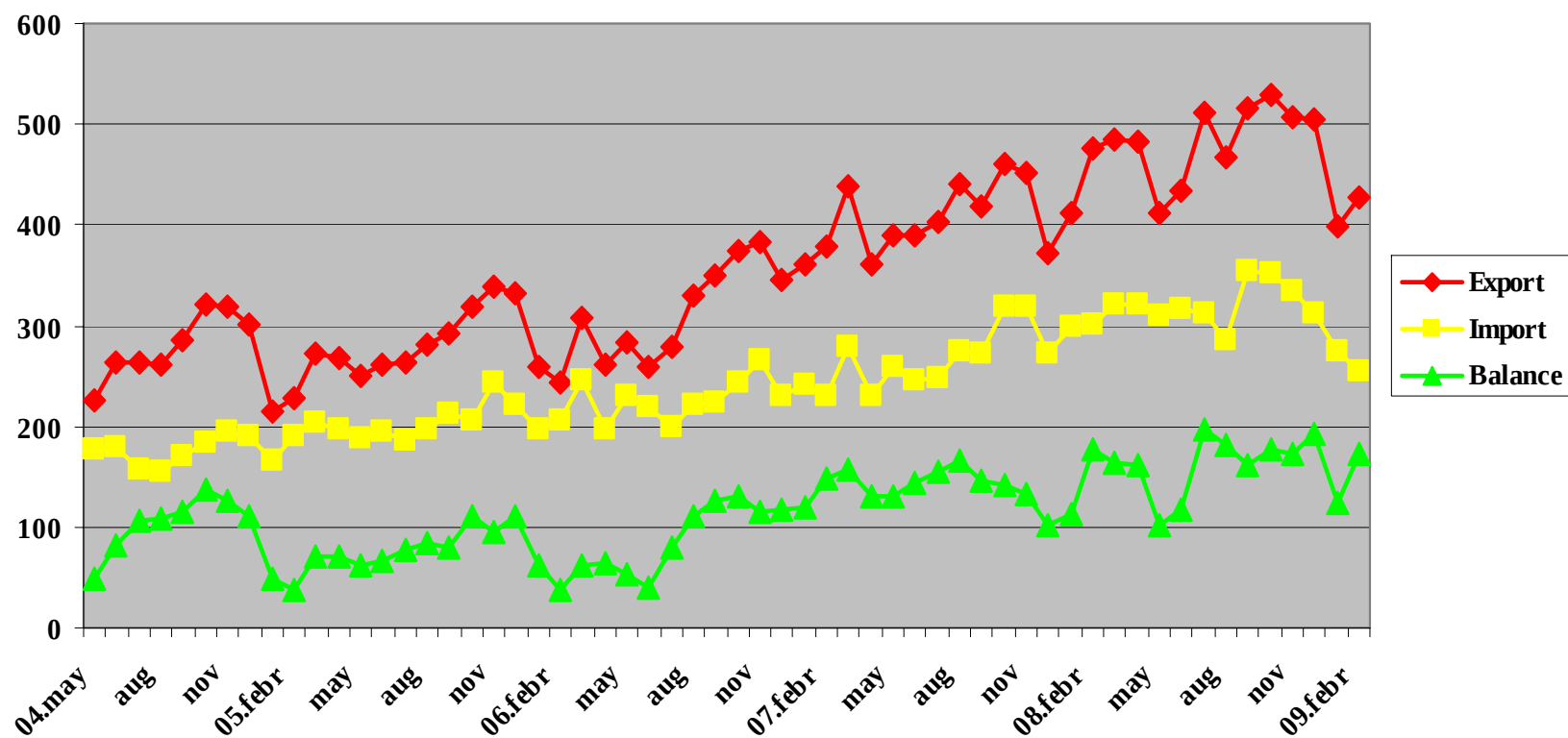
- Improved market access for Hungarian agri-food products, no trade barriers and customs frontiers, but our market became also exposed and unprotected at the same time
- Increasing subsidies for the agri-food sector
- Mixed experiences
 - 1. Positive tendencies
 - 2. Negative tendencies





International trade in the Hungarian agricultural sector

V. 2004. - II. 2009.
(million euro)



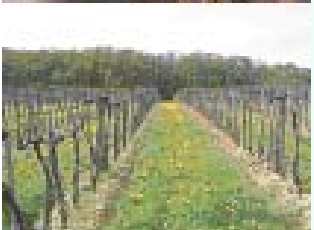
3. Challenges

- How to adopt successfully to a different (common) agricultural policy?
- How to maintain national priorities and character of our agri-food sector?
- How to influence the future development of CAP?



IX. Messages

- The final objective of membership (in the preparatory period) becomes a starting point after accession!
- Communicate regularly with your agricultural people – you are working for them!
- Try to understand and learn the European (EU) „language”!
- Try to think with the head of your European negotiating partner!



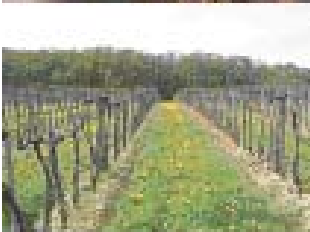
IX. Messages

- During the negotiations: the Commission is your friend. Trust them but at least: listen to them!
- Even in Brussels administration people are working. Give attention to people to people contacts!
- Learn, think, talk!
- The major part of the success of your preparation and later of your EU membership depends not on Brussels but on Croatia



X. Conclusions

- Start preparations for membership in time, it is a complex task
- Work out a proper agricultural and rural development strategy
- Give enough time to the difficult issues, do not be impatient
- Listen to experience of older Member States and of the European Commission
- Profound structural and institutional reforms are unavoidable!





THANK YOU FOR YOUR ATTENTION!

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