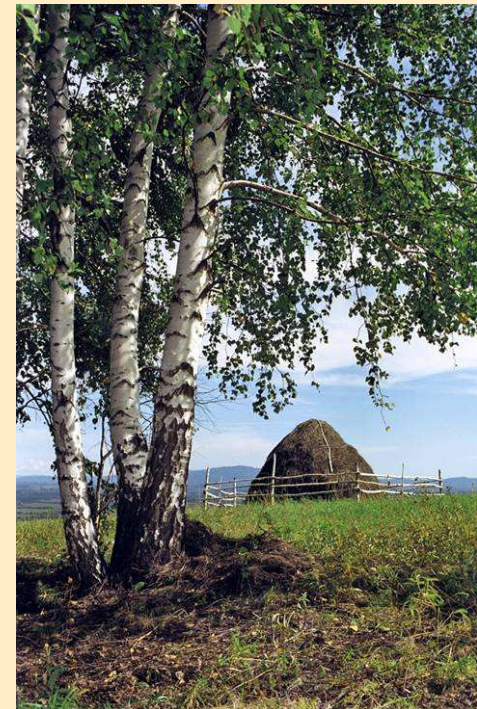


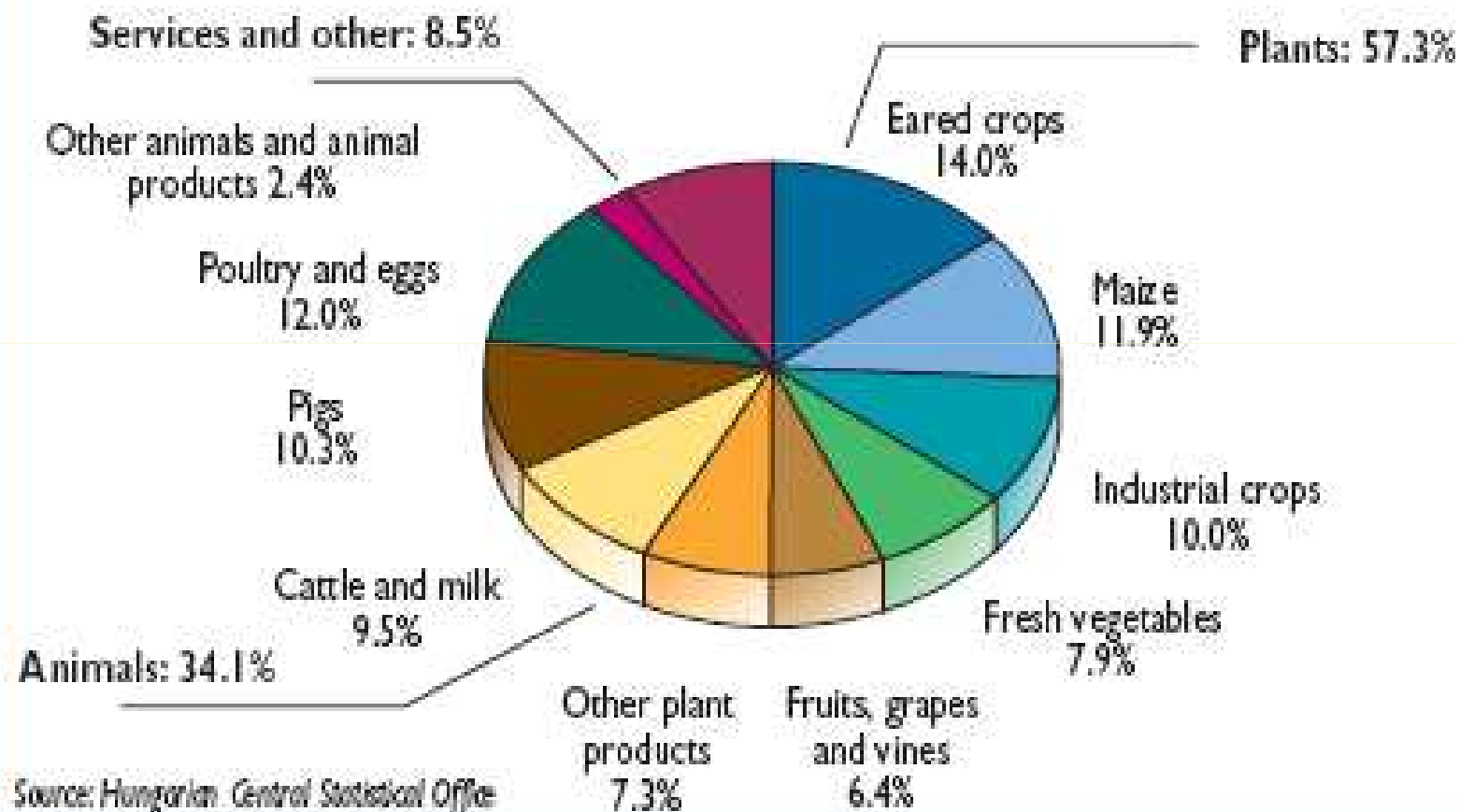
Implementation of Cross Compliance in Hungary

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Szolnok College,
Central Eastern European Centre
for Rural Development



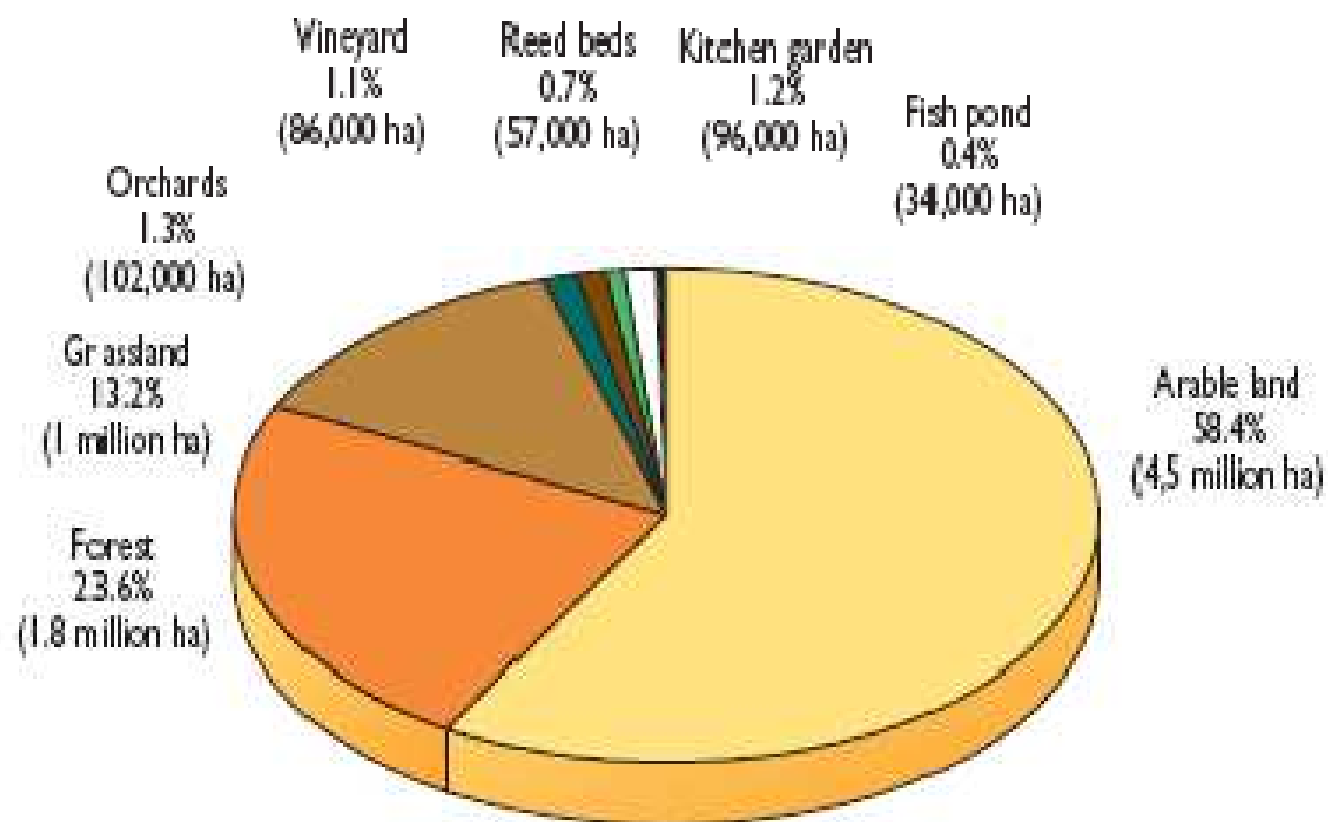
Gross output of agricultural products, 2007

(Based on preliminary data at current prices, % share)



Source: Hungarian Central Statistical Office

Share of cultivated area by cultivation branches, 2007



Source: Hungarian Central Statistical Office

Share of agriculture in the national economy

Years	Share of agriculture					Balance of external trade turnover ^{a)} , Billion HUF
	In GDP-production	In consumption ^{a)}	In exports ^{a)}	In investment	In employment	
	At current prices, %				%	
2004	4.1	26.1	6.0	4.3	5.3	223.1
2005	3.7	25.1	5.8	4.4	5.0	181.1
2006	3.6	25.8	5.5	4.2	4.9	214.8
2007 ⁺	3.6	25.0 [*]	6.3	3.7	4.7	342.0

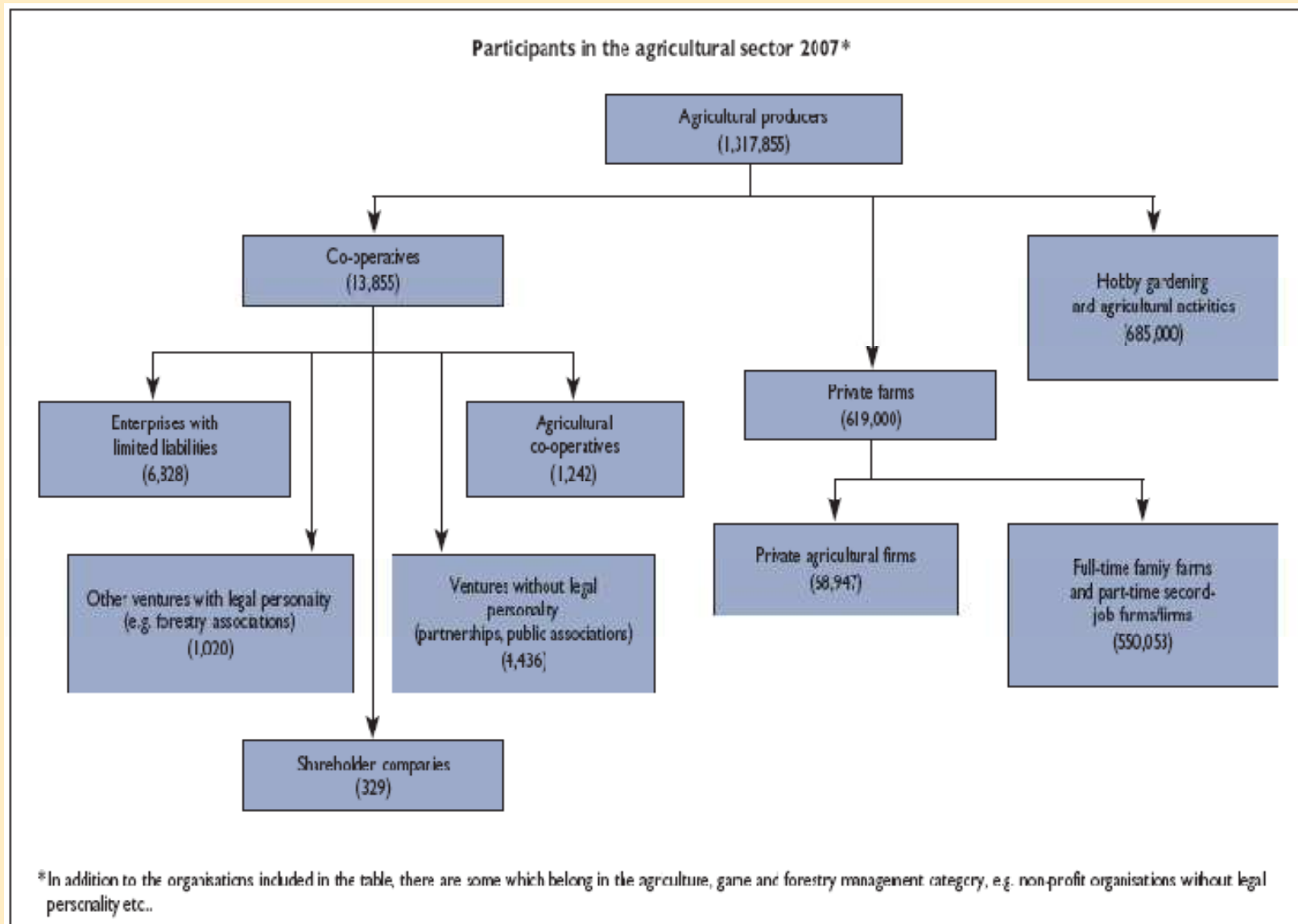
a) Agricultural and food industry products

+) Preliminary data

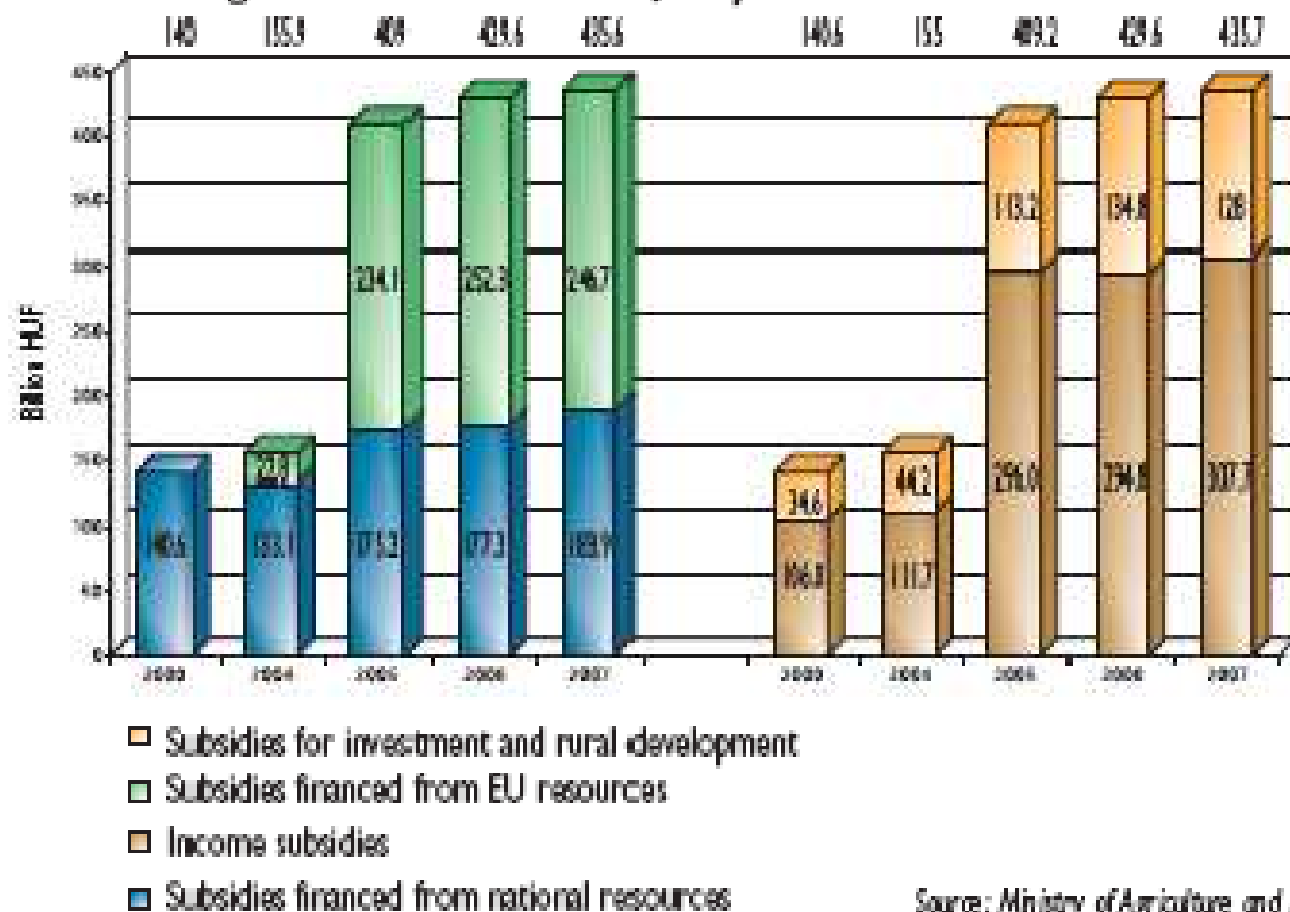
* Calculated data,

Source: Hungarian Central Statistical Office

Characteristics of Hungarian agriculture



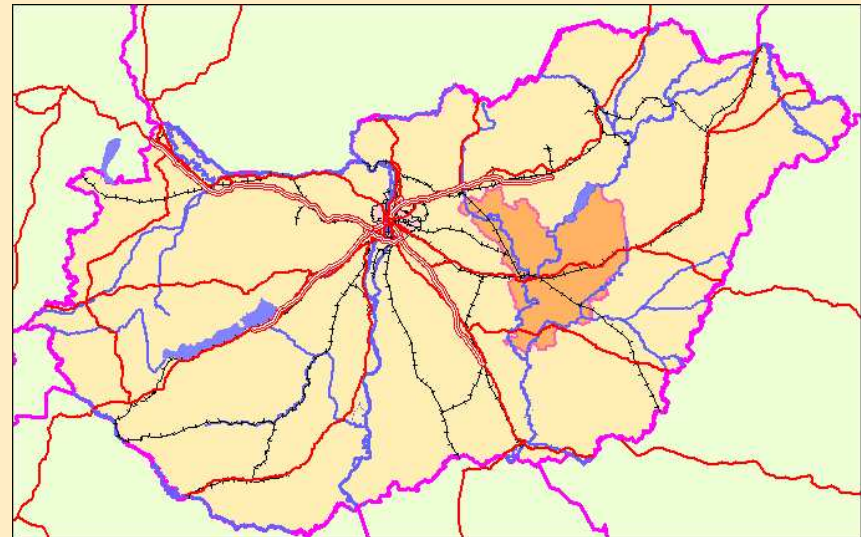
Agricultural subsidies by objectives and resources



Source: Ministry of Agriculture and Rural Development

Introduction of Jász-Nagykun-Szolnok County

- the county is situated in the middle of the Great Hungarian Plain
- the surface is perfectly flat
- the soils have high fertility
- the number of sunny hours is high



The most important features of agricultural production in Jász-Nagykun-Szolnok County

- **PLANT CULTIVATION**

- - the quantity of agricultural land has been decreasing
- - the structure of production reflects the traditional plants (wheat, barley, maize, etc.)

- **ANIMAL HUSBANDRY**

- - the number of animals raised has decreased
- - types of animals (cattle, pigs, sheep)

Cross compliance (CC)

- Cross compliance could be a positive element to increase European citizens' awareness of the importance of the financial support to agriculture.
- Cross compliance serves as a link between direct payments in agriculture and commitments related to specialties linked directly to agriculture.

Objectives of CC

- It enhances the multifunctionality of agriculture and delivers this message towards the whole of the society.
- It helps sustainable agricultural development and environment conscious management.
- It reconciles the expectations of modern society and of consumers with the Common Agricultural Policy (CAP).

Parts of CC

1. Statutory Management Requirements (*SMR*)

- environment protection;
- nature protection;
- plant and animal health;
- food safety;
- animal protection;

2. Good agricultural and environmental condition (*GAEC*)

Characteristics of Statutory Management Requirements (SMR)

Statutory management requirements in the given field have been regulated by executory law for several years.

The novelty of the system lies in that the legal direction has to be observed completely in order to earn the full sum of the financial support.

Implementation of CC

SMR

The requirements are defined by 19 EU directives and regulations, which can be divided into 3 groups:

- Group A, implementation: 1st January, 2009.
(protection of the environment and nature, animal marking and registration)
- Group B, implementation: 1st January, 2011.
(food safety, plant and animal health)
- Group C, implementation: 1st January, 2013.
(animal protection)

(GAEC)

- The maintenance of good agricultural and environmental condition (GAEC) of cultivated land
- GAEC; (EC) No 1782/2003 Annex IV.
- It is to be implemented: since the 1st of January, 2005.

Activities related to the implementation of CC so far

- Assignment of institutions (Ministry of Agriculture, CAO, ARDA), creation of websites
- Informing participants of the implementation (e.g. local farming experts, chamber counselors) in the form of exposés or written material
- Informing farmers in the form of exposés or management handbooks
- Launching of a pilot project

MgSzH - Windows Internet Explorer

http://www.mgszh.gov.hu/index.php?akt_menu=53

File Edit View Favorites Tools Help

MgSzH

Page Tools

MGSZH

Mezőgazdasági Szakigazgatási Hivatal

Keresés:

Oldaltérkép | Gyengénlátóknak vakbarát verzió

A Hivatalról

- Bemutatók
- Szervezeti felépítés
- Vezetők
- Elérhetőség
- Alapdokumentumok
- Felügyeleti szerv
- Üvegseb
- Közérdekű adatok

Szakterületek

- Állategészségügy és Állatvédelem
- Állategészségügyi Diagnosztika
- Állatgyógyászati Termékek
- Borminősítés
- Élelmiszer- és Takarmánybiztonság
- Növény- Talaj- és Agrár-környezetvédelem
- Állattenyésztés
- Erdészet
- Földművelésügy

Kölcsönös Megfeleltetés

Központi Portál / Aktualitások / Kölcsönös Megfeleltetés

A Kölcsönös Megfeleltetés rendszerének bevezetése

Az MgSzH 2008. évi kiemelt feladata a Kölcsönös Megfeleltetés (cross compliance) rendszerének bevezetése.



A Kölcsönös Megfeleltetés kapcsolatot teremt a mezőgazdasági közvetlen támogatások kifizetése és a mezőgazdasághoz szorosan kapcsolódó területek a környezetvédelem, az állat- és növényegészségügy, az élelmiszerbiztonság, az állatvédelem és a helyes mezőgazdasági és környezeti állapot normái és kötelezettségei között.

A Kölcsönös Megfeleltetés rendszerének bevezetése ezek magas szinten történő garantálásának agrárpolitikai eszköze, az e területekre vonatkozó kötelezettségeket tömöríti és be nem tartásuk esetére szankciókat alkalmaz a közvetlen agrártámogatások tekintetében.

A KAP reformja az SPS rendszer bevezetésével jelentősen átforgatja az európai uniós agrárkifizetések rendszerét. A reform széles körű elfogadtatásának fontos eszköze a Kölcsönös

Aktualitások

- Ajánljuk figyelmébe
- Hírek, közlemények
- Sajtóanyagok
- Jogszabályok
- Pályázatok
- Eseménynaptár
- Kiadványok
- Kölcsönös Megfeleltetés
 - Dokumentumok
 - Tájékoztatók/cikkek

Ügyfélszolgálat

- Központ
- Megyek

Belépés

Név:

Jelszó:

Done

start

MgSzH - Windows Int...

Total Commander 7.0...

Internet

100%

HU

6:20

Legal background regarding cross compliance

EU:

- Council Regulation (EC) No 1782/2003
- Commission Regulation (EC) No 796/2004
- Council Regulation (EC) No 1698/2005
- Commission Regulation (EC) No 1975/2006

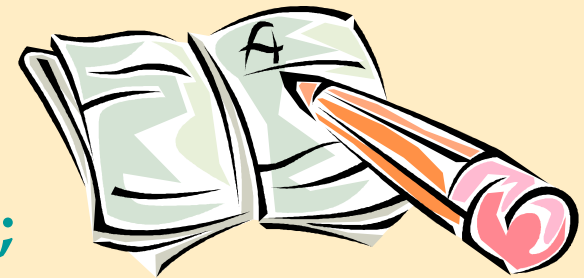


Hungary:

- Act no. XVII. of 2007 on support for agriculture, rural development, fishery and procedure regarding other measures
- Government Resolution no. 322/2007. (XII.5.) on authorities supervising the conformance to the rules regarding cross compliance

Measures to be taken on Member State level

- Setting up detailed requirements;
- Determination of the regulation regarding the national good agricultural and environmental condition;
- Informing farmers;
- Assigning institutions responsible for execution;
- Monitoring;
- Elaboration and application of calculation methods for sanctions due to unfulfilling cross compliance;



Project aiding the implementation of CC



Ministerial directive on the cross compliance project

The objectives of the project:

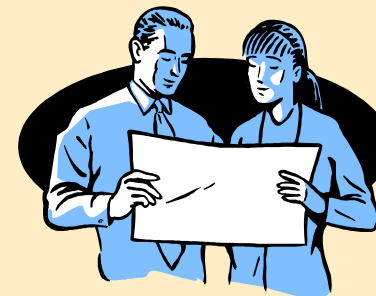
- Elaboration of proposals for the introduction and operation of SPS (Single Payment Scheme) and CC (cross compliance) on draft level.
- Elaboration of further national legislation necessary for the introduction and operation of SPS and CC.
- Elaboration of executive procedure necessary for the introduction and operation of SPS and CC on regulation level.
- It is indispensable to plan and develop IT systems capable of managing the procedures in a uniform scheme and of ensuring free flow of information.
- Carrying out tasks related to the establishment of institutions for the operation of SPS and CC.

Cross compliance within the CAO (Central Agricultural Office)

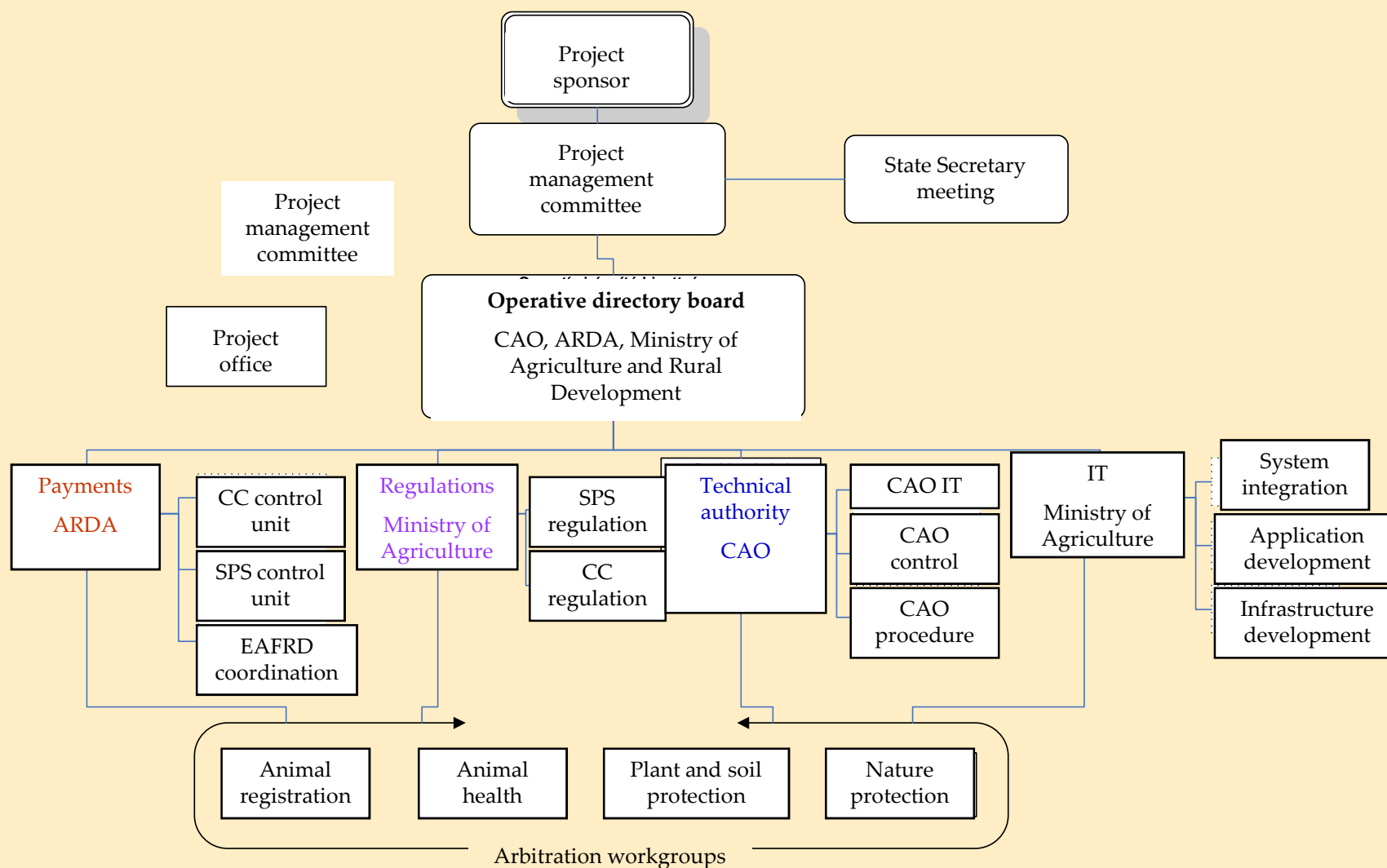
- **Introducing cross compliance is a main objective of the CAO in 2008.**
- Government Resolution no. 322/2007. (XII. 5.) on the 'Authorities supervising the conformance to the rules regarding cross compliance'
- Related inspection duties are assigned to this office by law.
- 1st February, 2008: a new, independent department was set up for the project management of cross compliance.

Tasks of the ARDA (Agricultural and Rural Development Agency)

- Workgroups (Department for System Development)
- Selection of farmers to be controlled;
- Elaboration of control system;
- Control – GAEC (good agricultural and environmental condition), SMR (statutory management requirements);
- Evaluation of control records,
designation of sanctions
in case of unfulfilment



Organisational chart for the cross compliance project



The EAOP application

- Antecedents – pressure for development by the CAO

- 18th March, 2008.

Within the Operational Program 'Electronic Public Administration' there was a call for proposals: 'The cross compliance system for agricultural funds' (Code: EAOP-1.2.5)

- The project was supported by the European Union, with co-funding by the European Regional Development Fund.

- 31st December, 2010.



The aim of the support

Objective:

creation of an operational cross compliance system, with proper IT support, acquisition of the possible maximum of EU funding (350 billion HUF)

Direct target group:

the Ministry of Agriculture and Rural Development and government organisations directly under the administration of this Ministry (Agricultural and Rural Development Agency, Central Agricultural Office).

Indirect target group:

beneficiaries of the EU funding (about 250,000 actors of agriculture)

Basic information

- Project coordinator: ARDA
- Consortium partner: CAO
- Most important objective: establishment of the software framework of SPS (by ARDA) and CC (by CAO)

- Main objectives:

- Uniform management of principal data
- Development and replacement of special administrative systems
- Electronic contact with civil organizations
- Integrated risk assessment and sampling system
- System for control evaluation and sanction calculation
- Uniform information and monitoring system
- Standardized management and quality assurance system
- Local and national system for data/verbal communication

CC arbitration workgroups - achievements and tasks



Achievements until October

- Weekly workgroup sessions
- Survey of resources and procedures
- Finalization of requirements
- Definition of the system of sanctions
- Addressing issues of field inspection
- Compilation of EAOP project
- Defining the basics of the risk assessment model
- Implementation of the communication strategy

The monitoring system of CC

Minimum control:

- 1% of all applicants, or more if legally specified (e.g. animal marking); selection happens on the level of the control authority concerned (Council Regulation (EC) No 796/2004 art. 44. (1)).
- Harmonising the inspections by different authorities
- Public servants of the CAO and ARDA



Selection

Defining the 1% sample:

75-80% risk assessment

20-25% at random



In the sample above 1% (cattle, sheep, goat marking) the random selection cannot surpass 25%!

ARDA and CAO control

GAEC → since 2004

SMR 1 and 5 (avian and habitat protection requirements) → since 2008 compensation for Natura 2000 farmers

Aim: inspection of territorial entitlement!

The rest, about 70% → CAO

Summary

- Not a new system of requirements
- The objective is implementation and not sanctioning
- Control with 'new' vision
- Extensive information
- Challenge to the authorities
- Well-prepared institutions



- (Resource: PPT presentation of Dr. Dávid Mezőszentgyörgyi)