

## **Hungary's Rural Development programme for 2014-2020 approved by the European Commission**

The Rural Development Programme (RDP) for Hungary was formally adopted by the European Commission on 10 August 2015, outlining the Hungarian priorities for using the EUR 4.2 billion of public money that is available for the 7-year period 2014-2020 (EUR 3.4 billion from the EU budget and EUR 740 million of national co-funding).

[Hungary's RDP](#) puts particular emphasis on actions related to restoring, preserving and enhancing ecosystems, promoting social inclusion, poverty reduction and economic development in rural areas and promoting food chain organisations and risk management in agriculture. Almost 538 000 ha agricultural land is expected to come under management contracts supporting biodiversity, better water management and soil management. In addition, 132 000 ha of forests will come under management contracts mainly for protecting biodiversity. Hungary's RDP will contribute to social inclusion and economic development in rural areas by bringing improved services to 68% of the rural population. 2 600 investment projects will receive support to increase energy efficiency in the agricultural and food processing sector. The RDP will support 5 500 investment projects related to processing activities and a further 4 800 to improve the competitiveness of farmers. Young farmers and short supply chain will have dedicated sub-programs, under which 3 000 young farmers and 3 900 farms will receive targeted support. Hungary has put particular emphasis on innovation when selecting operations and 3.6% of RDP public expenditure is earmarked for actions that foster innovation and cooperation including projects under the European Innovation Partnership.

Welcoming the decision, EU Agriculture and Rural Development Commissioner Phil Hogan said: *"One of the great strengths of our Rural Development concept is that we have core priorities, but it is up to each Member State or region to design a programme which suits its situation and challenges. This programme provides a good example of the different priorities that can be supported – including investment in the sector to improve economic performance (including a range of measures for young farmers), measures to maintain and improve the environmental performance of the sector, and a range of schemes to improve services in rural areas and therefore do more for the rural economy as a whole."*

### **Background**

Support for [Rural Development](#) is the 2nd Pillar of the [Common Agricultural Policy](#), providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States. The new [RD Regulation](#) for the period 2014-2020 addresses six economic, environmental and social priorities. Programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds ([ESIF](#)), a [Partnership Agreement](#) has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.