

CAP Strategic Plan

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Type of modification

Corrections of clerical or obvious errors or of a purely editorial nature (Article 119(12) of Regulation (EU) 2021/2115)

1 Strategic Statement

Vision and mission of the CAP Strategic Plan

The Hungarian Government is an ally of the countryside. We are convinced that the success of our rural areas, cities and villages, together with the people living there, is one of the most important foundations for Hungary's future success. Renewable rural areas, our renewable agriculture programme are their future.

Shaping the future of the Hungarian countryside is therefore essential for the Hungarian Government from a social, economic and environmental point of view. Our aim is to renew the economy of Hungary's rural areas and put it on the highest possible development path, taking advantage of the opportunities offered by modern technologies; ensure attractive living conditions and employment opportunities for our fellow people living there; making agricultural production, which provides security of food supply in Europe and Hungary, the production of high-quality food, a profitable and socially recognised activity, while at the same time significantly improving Hungary's environmental status and the renewal of its natural resources. Therefore, the Hungarian Strategic Plan contributes substantially to the achievement of the objectives of the European Green Deal in the field of agriculture.

For rural Hungary, the economically and environmentally sustainable development of agriculture, forestry, food processing and related economic sectors is an opportunity to create value and provide livelihoods, building on its own resources. A significant part of the Hungarian rural areas has comparative advantages and accumulated knowledge of the economic activities linked to agriculture, which is worth and should be built on.

Policy objectives for economic development

Analysing global and European developments in the agricultural economy, Hungary has decided that the main development priority under CAP rural development support will be the food industry, while in the agricultural sector we aim to increase the value added per hectare and to plan an investment support structure aimed at increasing the cost-effectiveness of production.

As a result of the implementation of the Hungarian Strategic Plan, we intend to create a competitive, resource-efficient, high-value-added and innovative agriculture and food industry, measured against international standards, making it more resilient to external economic shocks and natural factors directly affecting production.

To this end, we want to use predictable and effective tools to support the knowledge and technology competitiveness of small and medium-sized farms and the food industry. We consider small farms as a value, for whom our support policy instruments are intended to give them a broad opportunity to strengthen their own economy, to participate more actively in local marketing or to create conditions for participation in production value chains. In order to strengthen the position of smaller farms, particular attention will be paid to encouraging joint development and investment in producer cooperation, in particular in the context of food processing activities, thus contributing to a fairer distribution of income generated on the product path.

In order to further increase agricultural production intensity, we prioritise several product pathways, such as the main animal product tracks (poultry, milk, pigs) and related feed production, industrial vegetable production, horticultural crops, seed production and the processing thereof.

In the case of livestock farming, in addition to coupled aid and investment aid, we intend to introduce more extensive forms of support linked to additional animal welfare commitments.

We will increase the importance of the financial soundness of investment projects and sustainability aspects in the framework of the call for proposals under the Strategic Plan for more complex investments.

Policy goals for a green future

As a result of the implementation of the Strategic Plan, we expect the resource efficiency of agricultural production to be improved, the use of environmentally friendly production technology and processes by a

wide range of farmers, resulting in agriculture managing natural resources in a more sustainable way, reducing its contribution to climate change and increasing biodiversity. We take a complex approach to our system of standards for the improvement of the environment and the sustainable management of natural resources linked to the support scheme, so that we can reasonably encourage our producers to renew their farming practices. Our interventions will strengthen the protection of soil and organic matter than ever before, and encourage water retention in soils, landscapes and our waters more than ever.

The green architecture of the Hungarian CAP Strategic Plan planned on the basis of situational and needs analysis can be outlined as follows:

Level 1: Extension of the definition of eligible area (PA) (Pillar I-II)

Level 2: Mandatory baseline environmental conditions (conditionality) (Pillars I-II)

Level 3: Basic voluntary programme for agro-ecology (AÖP, eco-scheme): (Pillar I)

Level 4: Voluntary advanced agro-ecological transition interventions (Pillar II)

Level 5: Other interventions with environmental, climate and adaptation impact (Pillar II)

The green architecture naturally includes some green elements of sectoral support, as well as investments in particular in energy and resource efficiency and the use of renewable energy, forestry measures from afforestation to the Forest Environmental Programme, as well as support for the conservation of genetic resources and animal welfare. We also prioritise horizontal AKIS interventions supporting all levels, as well as the green support unit of the CAP Network.

Policy targets for renewable rural areas

In the Strategic Plan, we put a lot of emphasis on encouraging generational renewal and provide support to ensure that older farmers who do not move their own farms can reassure the fate of their farms by transferring it to a member of the younger generation at the same time. To this end, we support the young generation (under the age of 40) as well as the older people, if they take over the entire economy, in the implementation of a five-year business plan. In particular, we support the cooperation between the transferor and the receiving farmer, whereby the transferor, the farmer who has reached retirement age, receives support for carrying out the transfer.

The CAP Strategic Plan focuses on a number of possible development goals that can be achieved in rural municipalities, which are linked to agriculture, food, environmental protection and landscape maintenance. In particular, we support the diversification of farming activities outside agriculture (e.g. tourism services), the creation of markets for the sale of local producers' goods, the development of public kitchens to promote the exploitation of local products, the development of a farm guard service, the creation of local producers' and consumers' marketing communities, etc. These activities develop basic services that determine the standard of living in rural areas and improve local employment.

During the programme period, a priority is to increase the adaptability of the farming community, one of the pillars of which is the creation of a knowledge network that efficiently conveys information. This will be facilitated by the strengthening of the network of village farmers and the expertise of sectoral professional organisations, the development of educational farms in secondary and higher agricultural educational establishments as a modern demonstration plant, and the involvement of farmers in adult training programmes. To increase innovation, we will provide more professional support to emerging innovation groups, who will mobilise new producers.

We support the development of a self-standing local strategy for the five years of the Strategic Plan (LEADER programme) for cooperating municipalities. We also support the development of smart village strategies, where a single municipality will be able to define its own development strategy, focusing on digital solutions, with the objectives pursued and the resources needed for them. An important requirement for local strategies is not only to focus on infrastructure development, but also to include economic development and environmental goals.

Agricultural knowledge and innovation systems at the service of policy objectives

The overall objective of the programme period is to contribute effectively to each policy objective by promoting and sharing knowledge, innovation and digitalisation (AKIS).

2 Assessments of needs and intervention strategy, including target plan and context indicators

2.1 Assessments of needs and intervention strategy

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
1.1.1	Predictable basic income for farmers	2	Yes	X									
1.1.2	Provision of available loan financing	2	Partially	X									
1.1.3.	Improving the profitability of small farms	2	Yes	X									
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes	X									
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes	X									
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes	X									
2.1.1	Increasing operational and business efficiency of production	1	Yes		X								
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes		X								
2.1.2	Creation of modern generation capacities	2	Yes		X								
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes		X								
2.1.4	Management of water scarcity in arable crops	1	Yes		X			X					
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes		X								
2.1.8	Improvement of cultivation technology	1	Yes		X								
2.1.9	Adaptation and development of husbandry technology	1	Yes		X								
2.2.1	Development of post harvest technology	2	Yes		X								
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes		X								
2.2.4	Inland waterway freight transport infrastructure, development of rail crop loading capacity	3	No		X								
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes		X								X
2.3.2	Diversification of business activities	2	Yes		X								
2.3.3	Increasing the market share of high added value products	1	Yes		X								
2.3.5	Increasing companies' innovativeness, responsiveness to changing market needs	2	Yes		X								
2.4.1	Market research	3	Yes		X								

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
2.4.2	Promotion of agri-food products	2	Yes		X								
2.4.3	Raising awareness of healthy eating	1	Yes		X								
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes			X							
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes			X							
3.1.3	Development of short supply chains (database, tool, infrastructure and competence development)	1	Yes			X							
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes			X							
3.2.1	Ending information asymmetry between producers and traders	3	No			X							
3.2.2	Strengthening contractual discipline, strengthening long-term contractual relations	2	No			X							
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes				X						
4.1.2	Reduction of GHG and ammonia emissions through technological development of livestock farming	2	Yes				X						
4.2.1	Maintaining the carbon balance of forest stands and promoting climate adaptive renewal	2	Yes				X						
4.2.2	Reduction of GHG and atmospheric load gases emissions using forestry tools	2	Yes				X						
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes				X						
4.3.3	Increasing efficiency of energy use at operational and technological level	1	Yes				X						
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes				X						
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes				X		X				
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes				X						
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes				X						X
4.6.1	Development of regional databases for climate change adaptation assessment.	1	Partially				X						

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes				X						
5.1.1	Developing soil and nutrient management at farm level	1	Yes					X					
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes					X					
5.1.3	Restoring degraded soils and improving their water management	1	Yes					X					
5.1.4	Protection of arable land by agroforestry systems	2	Yes					X					
5.1.5	Wastewater/sludge, food waste and biomass recycling in nutrient supply	1	No					X					
5.2.1	Sustainable use of surface and groundwater	1.	Yes					X					
5.2.2	Appropriate vegetation (invasive species, background pollution)	2	Yes					X					
5.2.3	Rehabilitation of type-dependent zoning in the coastal zone of waters, establishment of a buffer zone	2	Yes					X					
5.3.1	Promoting water retention in soil and landscape	1	Yes					X	X				
5.3.2	Planting drought-tolerant crop varieties	1	No					X					
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes					X					
5.4.2	Reducing ammonia emissions from agriculture	2	Yes				X	X					
5.5.2	Integrated environmentally friendly pest management	1	Yes					X					
6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes	X					X				
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes				X		X				
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes						X				
6.2.3	Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones	1	Yes						X				
6.3.1	Conservation or improvement of the natural condition of Natura 2000 and protected forest habitats	1	Yes	X					X				
6.3.2	Increasing the share of forest land under forest management with continuous cover	1	Yes					X	X				
6.3.3	Improve forest structure, age composition, encourage reforestation	1	Yes						X				
6.3.4	Reducing the risk of forest fires and vegetation fires through complex prevention	2	Yes						X				

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially						X				
6.5.1	Support for cooperation between agriculture, forestry, hunting and nature conservation	1	Partially						X				
6.5.2	Providing information to the public on the importance of ecosystem services and biodiversity	2	Yes						X				X
6.5.3	Ensuring stability of Pollination systems	1	Yes						X				
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes						X				
6.7.1	Increasing the area under organic cultivation	2	Yes						X				
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes							X			
7.1.2	Support intergenerational cooperation	2	Yes							X			
7.1.3	Easing access to land for young farmers	2	Partially							X			
7.1.4	Easing access to credit for young farmers	2	Partially							X			
7.1.5	Reducing the administrative burden of intergenerational transfer of agricultural enterprises	2	Partially							X			
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes							X			X
7.2.2	Attracting young generations to farming	1	Yes							X			
7.3.1	Business start-up support for people outside the young farmer category	1	Yes							X			
7.3.2	On-farm/off-farm diversification, with the aim of creating multi-start rural businesses	2	Yes							X			
8.1.1	Increasing the employment rate of women in rural areas	1	Partially								X		
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially								X		
8.1.5	Improving the profitability of small farms	2	Yes							X	X		
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially				X				X		
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes				X				X		
8.2.1	Human resources for the implementation of development policy programmes	2	Partially								X		
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially								X		

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
8.2.3	Coherence of local development programmes, regional cooperation	1	Partially								X		
8.3.1	Reducing regional disparities in rural transport infrastructure	3	Partially								X		
8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially								X		
8.4.1	Provision of small villages with child protection, health and education services	3	Partially								X		
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially								X		
8.6.1	Increase the scope and added value of forest benefits, improve profitability	3	Yes								X		
8.6.2	Production of forest reproductive material to increase forest stands and to adapt them to climate change	2	Yes								X		
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes									X	
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes									X	
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially									X	
9.2.1	Promote the use of a rational, predictive targeted pesticide	1	Yes									X	
9.2.2	Rational use of antibiotics in livestock farming	1	Yes									X	
9.3.1	Product development and packaging development that meet consumers' expectations	3	Yes									X	
9.3.2	Use of innovative technological solutions in food production – packaging	2	Partially									X	
9.3.3	Promoting compliance with the Packaging and Waste Framework Directive	2	Yes									X	
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes									X	
9.4.1	Increase the share of organic products in the internal market and related processing capacities	2	Yes									X	
9.5.1	Increasing the effectiveness of information transmission and data collection in the field of official controls	1	No									X	
9.7.1	Development of market information systems	2	No									X	
9.8.1	Meeting dietary needs due to specific health or social reasons	2	Yes									X	

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes										X
CCO.1.10	Consumer education and awareness raising	1	Partially										X
CCO.1.2	Raising farmers' knowledge	1	Yes										X
CCO.1.3	Strengthening cooperation between producers and processors of researchers	1	Yes										X
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes										X
CCO.1.7	Training of special advisers	1	Yes										X
CCO.1.9	Encourage the participation of agricultural entrepreneurs in dual training as recipients	2	Yes										X
CCO.2.1	Development of the skills and tools of secondary and higher agricultural education institutions	2	Partially										X
CCO.2.2	Design of demonstration plants	1	Yes										X
CCO.3.1	Increasing the level of skills of the workforce to make use of innovative technologies	1	Yes										X
CCO.3.2	Hosting qualified researchers, support to the RDI sector	2	Yes										X
CCO.3.3	Increasing the innovativeness of agricultural and food business operators	2	Yes										X
CCO.4.1	Providing personal access to broadband internet services	2	Partially										X
CCO.4.2	Development and integration of digital sector registers	1	No										X
CCO.4.3	Electronic administration, transparency	1	Partially										X
CCO.4.4	Development of digital infrastructure for agri-food and forest businesses	1	Yes										X
CCO.4.5	Development of digital solutions for quality assurance, certification, traceability, marking	1	Yes										X

1.1.1 - Predictable basic income for farmers

Continuation of the current basic payment: single area payment + green component to preserve or improve the environment + support for young farmers;

Coupled support is also complemented by coupled support in the following sectors:

- Crop production: sugar beet, rice, industrial vegetables and vegetables, fruit production, industrial oil crops, grain and fibre protein crops.
- Livestock production: ewe rearing, fattening bulls, suckler cows, dairy cows.

1.1.2 - Provision of available loan financing

Enhancing income stability for farmers through guarantees, loan guarantees, etc.

1.1.3. - Improving the profitability of small farms

Improving the fairness, effectiveness and efficiency of direct payments is key. In order to better target support, special attention should be paid to small and medium-sized farms, supported by the SWOT analysis and the needs assessment.

1.2.1 - Tackling adverse climatic events and damage caused by climate change in agriculture

Tackling adverse climatic events and farmers' damage caused by climate change in agriculture (crop, livestock, horticulture)

1.2.3 - Offsetting and mitigating the impact of market risks

Mitigating the impact of market risks to farmers' incomes (e.g. large price decreases).

1.2.4 - Promotion of agricultural insurance (self-care)

Helping farmers to be able and willing to reduce their risks themselves by insuring their crops and real estate.

2.1.1 - Increasing operational and business efficiency of production

Increasing efficiency in agricultural production and sales increases competitiveness and profitability.

2.1.11 - Creation of new plantations, refurbishment and modernisation of plantations

The creation of new fruit plantations will significantly increase competitiveness through more modern technology.

2.1.2 - Creation of modern generation capacities

Investments in the development and modernisation of production capacities strengthen the position of the farmer on the market by increasing efficiency.

2.1.3 - Increasing the level of processing of agricultural raw materials

Technological development, increasing the share of processed products, increasing added value, strengthening the market position of agricultural products.

2.1.4 - Management of water scarcity in arable crops

If the farmer is not exposed to fluctuations in quantity/quality due to water scarcity, it also strengthens its efficiency and market position.

2.1.7 - Technological transition taking into account stricter phytosanitary requirements

Compliance with plant health standards sometimes leads to significant costs for farmers, thus reducing competitiveness, and the CAP can help bridge the lack of resources.

2.1.8 - Improvement of cultivation technology

Investments in cultivation directly improve competitiveness by improving the quality and quantity of products.

2.1.9 - Adaptation and development of husbandry technology

As with cultivation technology, the improvement of rearing technology leads to more and more marketable products.

2.2.1 - Development of post harvest technology

In the case of fruit and vegetables, post-harvest technology has received less attention in recent years and needs to be improved to maintain competitiveness.

2.2.2 - Construction/refurbishment of crop storages, cold stores

The marketing of agricultural products depends on the quality of storage and thus directly affects competitiveness.

2.2.4 - Inland waterway freight transport infrastructure, development of rail crop loading capacity

Efficient and large transporting of produced goods is a condition for competitiveness.

2.3.1 - Uptake of innovative technologies and sustainable approaches in agriculture

Innovative and sustainable technologies and farming methods such as precision farming or circular farming are determinants of competitiveness and predictable economic outcomes.

2.3.2 - Diversification of business activities

More footholds help farmers to reduce their production risk.

2.3.3 - Increasing the market share of high added value products

Increasing the market share of high value-added products in the basic food market or specialty and niche markets leads to an increase in demand and revenue.

2.3.5 - Increasing companies' innovativeness, responsiveness to changing market needs

Innovativeness and ability to react quickly are an important component of competitiveness.

2.4.1 - Market research

Market research is an essential tool for companies' market presence.

2.4.2 - Promotion of agri-food products

Promotion is a decisive tool for market presence.

2.4.3 - Raising awareness of healthy eating

The need for healthy eating needs to be developed across a wide range of populations, thus not only improving the overall health status, but also expanding the market for healthy agricultural products.

3.1.1 - Promoting horizontal and vertical integration, coordination and cooperation

Within the value chain, integration and cooperation determine the opportunities for participants.

3.1.2 - Increase the number and market efficiency of sectoral cooperation (including PO, PG)

The effective functioning of the cooperation will increase market opportunities for participants.

3.1.3 - Development of short supply chains (database, tool, infrastructure and competence development)

The development of short supply chains is important in terms of market access for local products, reducing transport costs.

3.1.4 - Development of local cooperation in product production, distribution and marketing

Local cooperation also increases efficiency in the production, distribution and marketing of products.

3.2.1 - Ending information asymmetry between producers and traders

Producers' knowledge and knowledge of the market situation is typically lower than that of traders, making them vulnerable.

3.2.2 - Strengthening contractual discipline, strengthening long-term contractual relations

Contractual discipline is a guarantee of trust between farmers and purchasers.

4.1.1 - Improving the carbon sequestration capacity of soils and ecosystems

The carbon sequestration capacity of soils and ecosystems can be improved by developing and maintaining grasslands, non-productive areas, wetlands, selved habitats, conservation trees, developing agrotechnological practices, changing manure application.

4.1.2 - Reduction of GHG and ammonia emissions through technological development of livestock farming

Livestock farming, in particular feeding and husbandry technology, and manure storage should be developed in a way that reduces GHG and ammonia emissions.

4.2.1 - Maintaining the carbon balance of forest stands and promoting climate adaptive renewal

Maintaining forests is an important tool for adapting to climate change.

4.2.2 - Reduction of GHG and atmospheric load gases emissions using forestry tools

Forests also play a role in reducing GHG emissions.

4.3.1 - Increasing the use of renewable energy, taking into account potential environmental conflicts

Increasing the use of renewable energy is an important tool for climate adaptation, but should only be done taking into account ecological aspects and potential environmental conflicts (e.g. energy plantations, invasive species, thermal water use, etc.).

4.3.3 - Increasing efficiency of energy use at operational and technological level

Efficient use of energy reduces, among other things, GHG emissions, thus also acting against climate change.

4.4.1 - Development of solutions and tools to protect against adverse weather effects

In order to prevent damage, including to mitigate the effects of climate change, it is essential to develop solutions and tools to prevent adverse weather effects (e.g. drought, burner, fire damage, biotic damage, frost damage).

4.4.2 - Review of the use of arable land at the boundary of economics

Reviewing the use of arable land at the limits of economy and optimising alternative use will make it possible to exploit the climate protection effect of extensive farming.

4.4.3 - Improving the water retention capacity of soils and ecosystems by encouraging land-use change

We aim to improve the water retention capacity of soils and ecosystems by encouraging land use change (forest, grassland, wetland), mosaicing land cover (bearing areas, non-productive areas) and using water conservation agro-technologies, including the development of land-based water retention facilities.

4.5.1 - Knowledge transfer and its development on climate change production conditions

The provision of information to operators on production conditions and adaptation opportunities that change climate change is essential for climate adaptation.

4.6.1 - Development of regional databases for climate change adaptation assessment.

The development of databases, monitoring and forecasting systems will help to assess adaptation to climate change and thus contribute to mitigating its effects.

4.7.1 - Development and use of climate-additive and climate-adaptive plant and animal breeds

Increasing the resilience of animal and plant varieties is an important tool for climate adaptation.

5.1.1 - Developing soil and nutrient management at farm level

The development of precision, farm-level soil and nutrient management, based on the real nutrient supply potential of soils (soil testing) and the real need of crops, facilitates efficient thalal force management.

5.1.2 - Reducing nutrient losses, preventing nutrient leaching

Reducing nutrient losses can be achieved by promoting the use of inhibiting technologies (e.g. increasing leguminous ratios in crop rotation) or formulations (e.g. N-inhibitors, microbiological preparations). This will contribute to reducing fertiliser use and pesticide use.

5.1.3 - Restoring degraded soils and improving their water management

The restoration of degraded soils, including the restoration of organic matter in soils, the improvement of soil water management properties and the replacement of trace elements, and the protection of soils against erosion and deflation are the most important means of soil protection.

5.1.4 - Protection of arable land by agroforestry systems

Dissemination of agroforestry systems for land protection (e.g. planting of woody crops for soil protection, water protection or air quality protection, creation of buffer strips).

5.1.5 - Wastewater/sludge, food waste and biomass recycling in nutrient supply

Create and encourage recycling opportunities for nutrient supply of treated waste water and – sludge, and bed sludge and compost, as well as food waste and/or biomass, as part of a circular approach.

5.2.1 - Sustainable use of surface and groundwater

Sustainable use of our surface and groundwater, water bases, protection from pollution and pressures from agricultural sources.

5.2.2 - Appropriate vegetation (invasive species, background pollution)

Developing suitable vegetation in the waves of major watercourses (increasing mosaicism, displacement of invasive species), reducing background pollution.

5.2.3 - Rehabilitation of type-dependent zoning in the coastal zone of waters, establishment of a buffer zone

Rehabilitation of type-specific zoning in the coastal zone of small watercourses and stagnant waters, establishment of a buffer zone.

5.3.1 - Promoting water retention in soil and landscape

Promote water retention in the soil by various agrotechnical tools in order to reduce water scarcity and by changing land use to create a more diverse landscape structure in the landscape.

5.3.2 - Planting drought-tolerant crop varieties

As part of adaptation to water stress management conditions, it is necessary to develop and use new varieties of crops (mainly cereals) in cultivation that are better suited to drought.

5.4.1 - Reducing emissions of air pollutants and particulate matter of agricultural origin

Reduce air pollution through agricultural pollutants.

5.4.2 - Reducing ammonia emissions from agriculture

Reduction of ammonia emissions from agricultural sources with manure management and land application standards, full nitrogen cycle management, incentives for the use of livestock manure, replacement of urea-type fertilisers, introduction of low protein feed systems, coverage of slurry storages and improvement of housery techniques (National Air Pollution Reduction Programme)

5.5.2 - Integrated environmentally friendly pest management

Encourage the use of integrated pest management solutions, with a particular focus on restoring soil biological life, and other environmentally friendly solutions in plant protection that help protect pollinators

6.1.1 - Conservation or improvement of the natural condition of Natura 2000 farmland habitats

Maintenance of Natura 2000 habitats is an important tool for biodiversity conservation

6.1.2 - Maintenance or improvement of the natural condition of high nature value sites

The conservation and improvement of high nature value areas (agriculture, forest, wetland) contributes to the conservation of biodiversity.

6.1.3 - Maintenance and development of grasslands in good ecological status and species richness

Maintaining and improving the good ecological status and species richness of grasslands and preventing scrubbing enables biodiversity to be maintained, e.g. by grazing livestock.

6.2.3 - Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones

Ensuring ecological interoperability will eliminate the isolation of habitat patches between cultivated areas, thereby improving the situation of biodiversity, in particular pollinators.

6.3.1 - Conservation or improvement of the natural condition of Natura 2000 and protected forest habitats

Natura 2000 and the maintenance of protected and specially protected forest areas are important tools for maintaining biodiversity.

6.3.2 - Increasing the share of forest land under forest management with continuous cover

In addition to climate protection, increasing forest areas also increases biodiversity.

6.3.3 - Improve forest structure, age composition, encourage reforestation

Improving the structure and age composition of forests and encouraging reforestation allows forests to survive, taking full account of ecological aspects.

6.3.4 - Reducing the risk of forest fires and vegetation fires through complex prevention

Forest fires and vegetation fires cause major damage to both wildlife and owners, so prevention is the best strategy.

6.4.1 - Developing up-to-date data collection and monitoring systems for measuring biodiversity

IT development is a prerequisite for the rational management of natural resources. The development of modern data collection and monitoring systems (biodiversity, ecosystem services, real estate registry, land use/land use) and the provision of information to industry stakeholders are crucial.

6.5.1 - Support for cooperation between agriculture, forestry, hunting and nature conservation

Without cooperation between agriculture, water management, grassland management, forestry, wildlife management and nature conservation, the objectives of nature conservation cannot be met.

6.5.2 - Providing information to the public on the importance of ecosystem services and biodiversity

Public information and thus support is essential for increasing biodiversity.

6.5.3 - Ensuring stability of Pollination systems

The ecological status of pollinators, their species richness, number of individuals and the composition of their communities are highly dependent on environmental parameters: the availability, quantity and distribution of suitable feeding and resting areas. The more pollinators are present in an area, the more the system is resistant to external pest effects, but intensive agricultural management negatively affects the diversity of plants and pollinators.

6.6.1 - Genetic conservation and land use in climate adaptive agriculture and forestry

Genetic conservation, landscape varieties, long-established animal breeds and landscape management can be a good starting point for the development of climate adaptive breeds.

6.7.1 - Increasing the area under organic cultivation

The expansion of organic land is not only a green deal requirement, but also a tool for biologic diversity and close-to-environment farming.

7.1.1 - Encouraging business start-ups in agriculture and forestry among young people

Encouraging business start-ups in agriculture and forestry among young people helps to reduce the average age of farmers.

7.1.2 - Support intergenerational cooperation

Young farmers' start-up is made easier if they can work with the farm transferor.

7.1.3 - Easing access to land for young farmers

The most important condition for young farmers to set up is that they have access to land on which they can start farming.

7.1.4 - Easing access to credit for young farmers

The most important condition for young farmers to start up is the availability of sufficient capital, typically through loans.

7.1.5 - Reducing the administrative burden of intergenerational transfer of agricultural enterprises

In most cases, the transfer of agricultural undertakings can be carried out with significant administrative burdens and costs. Simplifying this is a central task.

7.2.1 - Providing complex entrepreneurial skills for setting up a farm

Business start-up requires the provision of complex entrepreneurial skills, which can be transferred through training, information, advice and mentoring.

7.2.2 - Attracting young generations to farming

Agricultural careers are becoming less attractive to young people and it is therefore necessary to promote the benefits of this profession and lifestyle in particular in educational establishments.

7.3.1 - Business start-up support for people outside the young farmer category

While supporting the establishment of young farmers, the start-up of those outside this category should also be supported.

7.3.2 - On-farm/off-farm diversification, with the aim of creating multi-start rural businesses

More footholds improve the ability to earn income, thus helping to stay in rural areas.

8.1.1 - Increasing the employment rate of women in rural areas

Women's employment in rural areas is particularly important for the quality of life and the reduction of emigration.

8.1.2 - Improving the profitability of rural micro-enterprises

The start-up of micro-enterprises leads to increased local employment opportunities, which in turn reduces outflows.

8.1.5 - Improving the profitability of small farms

The profitability of small farms is crucial to the number of rural populations living in agriculture.

8.1.6 - Biomass feedstocks, intermediate products, waste processing, renewable energy use

Solutions to promote the management and use (e.g. nutrient supply) of intermediate agricultural and processing intermediate products, by-products, waste and waste and sewage, bed sludge, in line with circular farming objectives, through regional organisation and community-based solutions, will enable the sustainable management of rural areas.

8.1.7 - Replacement of fossil industrial feedstocks with green substitutes

Promote the replacement of fossil-based industrial input (fibres, solvents, monomers, colouring agents, etc.) by green substitutes.

8.2.1 - Human resources for the implementation of development policy programmes

The availability of human resources active at local/regional level, with local knowledge, links, experience in implementation of development policy and programme, and stable operational resources, determines the success of local cooperation and development programmes (e.g. LEADER, smart village).

8.2.2 - Developments that can be adapted to local/regional needs and have a measurable impact on them

Development adapted to local needs is an important tool for keeping the population locally.

8.2.3 - Coherence of local development programmes, regional cooperation

The development of municipalities is served by coordinating concepts for their development and by coordinating their experiences among themselves.

8.3.1 - Reducing regional disparities in rural transport infrastructure

The quality of transport infrastructure determines the standard of living and thus the chances of staying there.

8.3.2 - Development of infrastructural background for local public services raising quality of life

The quality of local public services is an important determinant of quality of life

8.4.1 - Provision of small villages with child protection, health and education services

In the case of small villages, the quality of local services tends to be the worst.

8.4.2 - Encouraging Roma inclusion programmes, reducing segregation

Improving the situation of the Roma is one of the most important tools for improving the situation of lagging settlements.

8.6.1 - Increase the scope and added value of forest benefits, improve profitability

Increasing the added value of forest products ensures that the sector gets better off.

8.6.2 - Production of forest reproductive material to increase forest stands and to adapt them to climate change

The production of reproductive material is an important tool for adapting the climate of forests.

9.1.1 - Meeting animal welfare requirements and meeting the natural needs of farm animals

Meeting society's animal welfare requirements and meeting the natural needs of farm animals and improving their husbandry conditions are fundamental objectives.

9.1.2 - Improving general hygiene and biosecurity conditions, increasing food safety

Meeting food safety requirements is an essential objective.

9.1.3 - Prevention of animal health problems, development/development of forecasting systems

The prevention of animal health problems (mainly avian influenza, salmonella, campylobacter, ASP, PRRS, mastitis) and the development/development of predictive systems are essential conditions for animal husbandry.

9.2.1 - Promote the use of a rational, predictive targeted pesticide

Promote the use of a rational, predictive targeted pesticide use, reduce losses by using precision technologies, technical development of digital tools that contribute to reduced use by excluding unjustified treatments. Reducing the use of chemicals helps pollinating insects.

9.2.2 - Rational use of antibiotics in livestock farming

Rational use of antibiotics in animal husbandry, traceability of antibiotics, development of digital solutions for sales of antibiotics and recording of use.

9.3.1 - Product development and packaging development that meet consumers' expectations

Product developments that respond to global trends and consumer expectations, and the development of product packaging, thus contributing to the use of environmentally friendly packaging materials and circular farming.

9.3.2 - Use of innovative technological solutions in food production – packaging

Research and deployment of sustainable, innovative technological solutions in food production and food packaging; development of one-way packaging and environmentally sound packaging solutions

9.3.3 - Promoting compliance with the Packaging and Waste Framework Directive

Regulating packaging and waste management in agriculture and the food industry

9.3.4 - Quality schemes, quality assurance and certification schemes, consumer information

Support farmers and food processors in the production of quality, healthy products, the introduction and application of EU and national quality schemes, quality assurance and certification schemes, and the provision of consumer/user information.

9.4.1 - Increase the share of organic products in the internal market and related processing capacities

Increasing the share of organic products in the internal market and the related processing capacities will help to increase organic production.

9.5.1 - Increasing the effectiveness of information transmission and data collection in the field of official controls

Increasing the efficiency and digitalisation of information transfer and data collection; increase the efficiency and risk-based organisation of official controls, improve methods of laboratory testing

9.7.1 - Development of market information systems

Market information systems are essential when selling products.

9.8.1 - Meeting dietary needs due to specific health or social reasons

Meeting dietary needs due to specific health or social reasons, preferably with local products

CCO.1.1 - Support for practice-oriented knowledge transfer in support of sectoral objectives

Practice-oriented knowledge transfer is a guarantee of profitable and sustainable management.

CCO.1.10 - Consumer education and awareness raising

Consumer education, awareness raising of national and EU quality schemes and food safety, promotion of sustainable technologies and food, awareness raising to reduce food waste

CCO.1.2 - Raising farmers' knowledge

Improving farmers' knowledge: strengthening state-of-the-art management knowledge, practice-oriented transfer of knowledge on, inter alia, social and environmental challenges, changing production conditions with climate change, adaptation options, and the environmental impact of the agricultural economy; integrating innovation practices into day-to-day work processes and motivating to pursue close-to-nature farming.

CCO.1.3 - Strengthening cooperation between producers and processors of researchers

Strengthening collaborations between producers and processors of researchers to increase innovation potential

CCO.1.6 - Knowledge transfer to accelerate generational renewal in agriculture and forestry

Knowledge transfer is also essential for generational renewal in agriculture and forestry.

CCO.1.7 - Training of special advisers

Training of consultants, adaptation of the advisory system to the specific objectives of the CAP, in particular the integrated approach to low-impact agricultural practices (pesticide application, GHG, atmospheric and particulate matter abatement processes, good nutrient management and composting) and the expansion of sector-specific advisory services.

CCO.1.9 - Encourage the participation of agricultural entrepreneurs in dual training as recipients

Dual training is the most effective way for prospective farmers to acquire practical knowledge.

CCO.2.1 - Development of the skills and tools of secondary and higher agricultural education institutions

The effective development of educational institutions can be achieved by expanding the pool of tools.

CCO.2.2 - Design of demonstration plants

Development, organisation and subsequent interconnection of demonstration plants, development of knowledge transfer programmes, including demonstration of modern and emission abatement technologies

CCO.3.1 - Increasing the level of skills of the workforce to make use of innovative technologies

The level of skills of the agricultural workforce needs to be raised in order to be competitive.

CCO.3.2 - Hosting qualified researchers, support to the RDI sector

Keeping qualified researchers in situ is essential in order to maintain the quality of research.

CCO.3.3 - Increasing the innovativeness of agricultural and food business operators

Increasing the innovativeness of agricultural and food business operators is needed to accelerate the response to changing market needs

CCO.4.1 - Providing personal access to broadband internet services

Ensuring personal access to broadband internet services and strengthening basic digital skills.

CCO.4.2 - Development and integration of digital sector registers

The digitalisation of sector registers leads to administrative cuts.

CCO.4.3 - Electronic administration, transparency

The development of e-administration will reduce red tape.

CCO.4.4 - Development of digital infrastructure for agri-food and forest businesses

Without digital infrastructure and IT back-up, businesses will not be able to develop properly.

CCO.4.5 - Development of digital solutions for quality assurance, certification, traceability, marking

The development of digital solutions will reduce the administrative burden and increase efficiency for quality assurance, certification, traceability, marking of goods and classification.

Need assessment to specific geographical areas, such as the outermost regions, mountainous and island areas.

Such areas are not included in the Hungarian CAP Strategic Plan, so the issue is not relevant.

Methodology and criteria used for prioritisation

Since autumn 2019, the Ministry of Agriculture organised expert working groups in line with the main chapters of the CAP plan (CAP I, CAP II, risk management, AKIS, monitoring, sectoral measures, green architecture). For operators (arable crops, milk, cattle, pigs, poultry, small ruminants, fruit and vegetables, etc.), the Ministry organised workshops involving the Chamber of Agriculture to analyse the situation and gather needs. In the first half of 2020, the Institute of Agricultural Economics (AKI) prepared situation analyses by SO and by sector, taking into account the work of the working groups and workshops. They are closed by the SWOT plate.

We gathered needs from the SWOT findings. The needs were further refined at working group meetings and on the basis of e-mail feedback, “classified” (sub-needs sub-dependencies) and in some cases reclassified sub-needs by SO.

Needs are listed by SO in an excel table with a breakdown of main needs sub-needs. The needs were grouped by general objective (Economic-Environment-Society) following an ex post regrouping. Some needs have already been merged and further redeployed here (e.g. in SO 2, several needs are also included in the CCO, so we only place them in one place, avoiding duplication). All transfers (consolidation) are indicated in the auxiliary boards. The needs prioritisation questionnaire was prepared by AKI and introduced into an on-line interface. The questionnaire was sent to all members of the working group.

A total of 71 questionnaire replies were received. Some members appear in several working groups and in some working groups there are several members representing an organisation. One member only responded to one questionnaire, but was able to nominate each member of the working group.

In the replies to the questionnaire, evaluations were published at working group level, covering two aspects: one is that an individual’s assessment was reported as many times as he was a member of a working group, mainly because of those who represented an organisation in one person in several working groups. Another aspect was that where an organisation was present in a working group with more than one representative, the average of the assessments of the members of the same working group from the same organisation should be taken into account.

The summary table showed averages of organisations per working group (if there was one representative (member) of the organisation, the average was the same as his/her assessment). At the bottom of the columns of the questions there were two types of total average calculations, one based on all answers and the other average calculated from the averages within the working groups. The Min-Max rows showed what was the lowest and highest given priority in all responses to the question.

For the 10 SOs, there is no overall ranking of needs, but only at separate socio-economic-AKIS level.

The ranking was scored as terciles, followed by 3 priorities (important to medium to less important), marked in colours (red-yellow-green) and assigned numbers (1, 2. 3.).

Justification for the decision to not address the identified needs in the CAP Strategic Plan or address them partially

1.1.2 – Access to credit can be facilitated by administrative means or depends on the financial markets, not the competence of the CAP ST

2.2.4 – Developing inland transport infrastructure is the task of the Integrated Transport Operational Programme Plus (IKOP Plus)

3.2.1 – Development of databases and IT support is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus), CAP ST's minimal contribution

3.2.2 – The contractual discipline cannot be strengthened by a support measure, and the legislative environment needs to be properly designed

4.6.1 – Database development is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus), CAP ST's minimal contribution

5.1.5 – Recycling sewage sludge, food waste and biomass in nutrient supply is not yet part of cultivation practices, so the CAP ST does not support their use

5.3.2 – The introduction of drought-tolerant varieties into cultivation is part of research projects, CAP ST does not include targeted intervention

6.4.1 – Development of data collection is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus), CAP ST's minimal contribution

6.5.1 – Stakeholders' cooperation does not depend primarily on the existence of aid.

7.1.3 – Access to land can be facilitated by administrative means or depends on the land market, not the competence of the CAP ST

7.1.4 – Access to credit can be facilitated by administrative means or depends on the financial markets, not the competence of the CAP ST

7.1.5 – The reduction of administrative burdens is primarily the responsibility of public bodies, and the Strategic Plan can only contribute to this.

8.1.1 – Rural employment, including female employment, depends on many factors, and from the support side, most OPs encourage employment growth.

8.1.2 – Rural employment depends on many factors, in addition to the CAP, most OPs encourage employment growth.

8.1.6 – The development of circular farming in rural areas is supported by a number of OPs outside the CAP.

8.2.1 – Human Resources development is also a task for many OPs.

8.2.2 – In addition to the CAP, local developments are supported by other OPs.

8.2.3 – As local development programmes are not only financed by the CAP, their coordination is a shared responsibility.

8.3.1 – Transport infrastructure development is primarily the responsibility of the IKOP plus.

8.3.2 – Local services are not primarily supported by the CAP.

8.4.1 – The development of the small village fund infrastructure is not primarily supported by the CAP.

8.4.2 – Reduction of segregation is not primarily the responsibility of the CAP.

8.5.1 – Rural renewable energy deployment is also tasked with several other OPs (TOP, KEHOP+).

9.1.3 – Development of animal health warning systems is a public task

9.2.2 – The development of databases is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus) and the CAP ST's contribution is minimal

9.3.2 – The CAP supports ST research only through EIPs, while research can be funded from a number of other programmes

9.5.1 – The development of databases is primarily a task of the State and, to a lesser extent, the Digital Renewal Operational Programme (DIMOP Plus)

9.7.1 – Development of information systems is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus)

CCO.2.1 – Development of the training and further training infrastructure is a public task and responsibility of DIMOP Plus and other OPs

CCO.4.1 – Broadband network development is primarily the task of the TOP

CCO.4.2 – Development of databases and IT support is primarily a public task, to a lesser extent the Digital Renewal Operational Programme (DIMOP Plus)

CCO.4.3 – Extension of electronic administration is the responsibility not only of the CAP, but also of the other OPs and the State budget.

2.1.SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

2.1.SO1.1 Summary of the SWOT Analysis

2.1.SO1.1.1 Strengths

- E.1. Net value added per AWU for Hungary has improved above the EU average
- E.2. High overall efficiency of medium-sized farms (90 thousand and 250 thousand SS)
- E.3. A well-functioning agricultural risk management system and its continuous improvement
- E.4. Spread of delivery contracts adjusted to benchmark prices (milk production, rearing of poultry and pigs)
- E.5. AVHGA for access to credit for micro, small and medium-sized enterprises
- E.6. Level of food security

2.1.SO1.1.2 Weaknesses

- Gy.1. Lower than the national average level of agricultural income [SO1/1.1]
- Gy.2. Strong income fluctuations in several agricultural sectors (e.g. certain fruit and vegetables, pig fattening, bull fattening, etc.) [SO1/1.1] [SO1/1.2] [SO1/2.3]
- Gy.3. Strong dependence of the profitability of agricultural enterprises, especially small farms and certain sectors, on direct aids
- Gy.4. High production costs and inefficiencies in EU comparison
- Gy.5. Capitalisation of direct grants in land rents
- Gy.6. Lack of management of risks other than weather risks, low share of animal insurance, under-utilisation of derivative market risk management tools [SO1/2.4.]
- Gy.7. Decrease in the number of holdings with non-agricultural activities
- Gy.8. Import dependency for certain inputs (e.g. protein feed, livestock equipment and materials, certain germinal products, fertilisers, etc.) [SO1/3.2.]

2.1.SO1.1.3 Opportunities

- L.1. Contribution of direct aids to agricultural incomes and to facilitating bank financing
- L.2. Positive impact of investment aid on investment intensity
- L.3. Introduction of an income stabilisation tool
- L.4. Faster and more flexible implementation of development applications and simplification of related administration

2.1.SO1.1.4 Threats

- F.1. Climate change, increasing occurrence of weather extremes, emergence of new pathogens, pests, spread of zoonoses and resulting increase in costs and loss of income [SO1/2.1] [SO1/2.2] [SO1/3.1.]
- F.2. Increased exposure to market crises due to a decrease in EU agricultural subsidies and a shrinking range of market measures [SO1/2.3]
- F.3. Further reduction in the number of small farms resulting in the loss of jobs in rural areas [SO1/1.1] [SO1/1.2].
- F.4. Reduction in food self-sufficiency due to increased food imports (e.g. free trade agreements) and cost burden (non-productive investments, imported inputs) [SO1/1.2] [SO1/3.1]

2.1.SO1.1.5 Other comments

Not relevant.

2.1.SO1.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes
6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes
6.3.1	Conservation or improvement of the natural condition of Natura 2000 and protected forest habitats	1	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO1.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	BISS(21) - Basic income support for sustainability	DP01_E01_BISS_16 - The basic income support for sustainability	O.4. Number of hectares benefitting from for basic income support
DPdecoupled	CRIS(29) - Complementary redistributive income support for sustainability	DP02_E02_CRIS_16 - Complementary redistributive income support for sustainability	O.7. Number of hectares benefitting from complementary redistributive income support
DPdecoupled	CIS-YF(30) - Complementary income support for young farmers	DP03_B01_YFS_16 - Complementary income support for young farmers	O.6. Number of hectares benefitting from complementary income support for young farmers
DPdecoupled	Eco-scheme(31) - Schemes for the climate, the environment and animal welfare	DP17_G01_ECOS_16 - Agro-ecological programme	O.8. Number of hectares or of livestock units benefitting from eco-schemes
DPcoupled	CIS(32) - Coupled income support	DP04_E03_CISB_16 - Aid for sugar beet cultivation	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP05_E04_CISR_16 - Aid for rice production	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP06_E05_CISV_16 - Aid for	O.10. Number of

		vegetable crop production	hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP07_E06_CISI_16 - Aid for industrial vegetable production	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP08_E07_CISO_16 - Aid for the production of industrial oil crops	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP09_E08_CISE_16 - Aid for fruit production (Extensive)	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP10_E09_CISF_16 - Aid for fruit production (Intensive)	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP11_E10_CISS_16 - Ewe premium	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP12_E11_CISC_16 - Suckler cow premium	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP13_E12_CISM_16 - Foieched bull support	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP14_E13_CISD_16 - Aid for the rearing of dairy cows	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP15_E14_CISG_16 - Aid for the production of grain protein feed crops	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP16_E15_CISP_16 - Aid for the production of coarse protein forage	O.10. Number of hectares benefitting from coupled income support
Sectoral - Fruit and Vegetables	SETUP(47(2)(a)) - setting up, filling and refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013, or under Article 67(7) of this Regulation	SC19_I01_FVF_47 - mutual funds — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	INVVO(47(2)(b)) - investments in tangible and intangible assets making the management of the volumes placed on the market more efficient including for collective storage	SC20_I02_FVV_47 - investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	STORE(47(2)(c)) - collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage	SC21_I03_FVS_47 - joint storage of products, including, where necessary, the collective processing of products — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and	ORCHA(47(2)(d)) - replanting of orchards or olive groves where that is necessary following mandatory	SC22_I04_FVR_47 - replanting of orchards — fruit and	O.35. Number of supported operational

Vegetables	grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change	vegetables	programmes
Sectoral - Fruit and Vegetables	WITHD(47(2)(f)) - market withdrawal for free-distribution or other destinations, including where necessary processing to facilitate such withdrawal	SC23_I05_FVW_47 - withdrawals for free distribution or other destinations — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	GREEN(47(2)(g)) - green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise	SC24_I06_FVG_47 - green harvesting — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	NOHAR(47(2)(h)) - non-harvesting consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease	SC25_I07_FVN_47 - non-harvesting — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	HARIN(47(2)(i)) - harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations while ensuring that beneficiaries take necessary risk prevention measures	SC26_I08_FVH_47 - harvest and production insurance — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	COACH(47(2)(j)) - coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or under Article 67(7) of this Regulation, or to individual producers	SC29_I10_FVC_47 - personalised advice – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	COMM(47(2)(l)) - communication actions aiming at raising awareness and informing consumers	SC27_I09_FVM_47 - communication activities to raise awareness and inform consumers — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Wine	GREENWINE(58(1)(c)) - green harvesting, which means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero and excluding non-harvesting comprising of leaving commercial grapes on the plants at the end of the normal production cycle	SC07_E06_WIG_58 - Support for green harvesting in the wine sector	O.36. Number of actions or units supported in the wine sector
RD	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements	RD23_G06_NAG_72 - Natura 2000 agricultural land compensation payments	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
RD	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements	RD34_F01_NAF_72 - Natura 2000 compensation payments for forest areas	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
RD	RISK(76) - Risk management tools	RD14_I03_DMMF_76 - Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund	O.9. Number of units covered by supported CAP risk management tools
RD	RISK(76) - Risk management tools	RD16_I01_INS_76 - Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance	O.9. Number of units covered by supported CAP risk management tools
RD	RISK(76) - Risk management tools	RD17_I02_IST_76 - Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis	O.9. Number of units covered by supported CAP risk management

		insurance scheme	tools

Overview

The focus of the situation and SWOT analysis is agricultural income, income replacement and other support, risk management, resilience and food security. With regard to the specific objective, the main conclusion is that income in agriculture in Hungary is lower than in other sectors of the national economy and that income in certain sectors (e.g. fruit and livestock production) fluctuates strongly, so the main task/need is to create income stability for those engaged in agriculture. We aim to achieve this by providing a predictable basic income, facilitating additional financing (borrowing) and various risk-mitigating measures (incentivising the take-up of insurance through grants). The related interventions are basic agricultural income (BISS) and complementary forms of direct support (young farmers, coupled to production, etc.), various sectoral support (SC) and risk management tools in the Rural Development Toolbox (RD 16, 17). Borrowing can be facilitated by a guarantee fee subsidy (almost all DP and RD measures allow it), by easing the administration of borrowing, by reducing collateral, by lowering loan fees, etc. Borrowing is mainly regulated by means outside the CAP, through national legislation or banks' own business rules.

The analyses show that a large proportion of the holdings in each sector would operate at a loss without direct aid. Among the targeted forms of direct aids, coupled support (CIS) should therefore be granted to the following sectors, thereby helping to stabilise their profitability and improve their resilience in the medium and long term:

Crop production: sugar beet production, rice production, industrial vegetables and vegetables production, fruit production, industrial oil crop production, grain and fibrous protein crops.

Livestock farming: ewe rearing, bull rearing, suckler cow rearing, dairy cow rearing.

Low farm incomes and income volatility also pose significant threats, such as the reduction in the number of small farms, resulting in job losses and a reduction in food sovereignty levels and, at the same time, food security.

Among the threats to agricultural production, the increasing incidence of weather extremes, the rapid spread of pests and pathogens and the increase in their damage, which we aim to mitigate by supporting risk management tools, are particularly important.

In addition to direct and sectoral support and risk reduction, the security of production can be achieved by laying the foundations for quality production, such as the purchase and renovation of propagating material, machinery, buildings. Thus, all types of aid under the CAP ST contribute indirectly to the objectives of SO1.

2.1.SO1.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO1.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.4 - Linking income support to standards and good practices Share of utilised agricultural area (UAA) covered by income support and subject to conditionality	94.17 %
R.5 - Risk management Share of farms with supported CAP risk management tools	30.29 %
R.6^{PR} - Redistribution to smaller farms Percentage of additional direct payments per hectare	112.25 %

for eligible farms below average farm size (compared to average)	
R.7 PR - Enhancing support for farms in areas with specific needs Percentage of additional support per hectare in areas with higher needs (compared to average)	111.57 %
R.8 - Targeting farms in specific sectors Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality	18.32 %
R.36 CU PR - Generational renewal Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown	10,700.00

Justification of the targets and related milestones

SO1 – Support viable farm income and resilience of the agricultural sector across the Union to enhance long-term food security and agricultural diversity and ensure the economic sustainability of Union agricultural production

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

R.4 – making income support conditional on compliance with standards and the application of best practices: Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

Target value for indicator R.04: 94.17 %, representing income support of 5 000 000 ha of agricultural area (UAA) per year compared to 5 309 520 ha. The indicator target is set at 100 % by the area covered by the basic income support for sustainability (DP01_E01_BISS_16), the areas covered by the other interventions relevant for quantifying the indicator value are subsets and are thus fully overlapping. They are not added to the overall target due to the elimination of duplications. In other words: territorial units supported by interventions relevant to the value of indicator R.04 also benefit from the ‘Basic Income Support for Sustainability’ (DP01_E01_BISS_16).

All interventions relevant to R.04 (direct payments and one rural development intervention for Natura 2000 agricultural areas) respond to at least one of the following five needs of the SO1 specific objective:

- In Hungary, the average annual labour income in agriculture was EUR 9.4 thousand per FTE, or 88 per cent of the national average (EUR 10.7 thousand/TME^[1]). In the period 2014-2019, the backlog of agricultural labour income remained unchanged from the national average.^[2] Experience shows that in Hungary, from EU accession until 2013, EU direct support has contributed to increasing agricultural incomes, facilitating bank financing, improving liquidity and improving developments^[3]. It is therefore still necessary to provide farmers with **a predictable basic income**(requirement 1.1.1).
- Income stability can be enhanced through guarantees and loan guarantees for farmers. It is necessary to provide **available credit funding** (need 1.1.2). Access to credit can be facilitated by administrative means and depends on the financial markets, not directly the CAP’s ST competence, and interventions that also respond to sub-needs 1.1.1 respond indirectly and partially.
- In order to improve the fairness, effectiveness and efficiency of direct payments and to better target support, particular attention should be paid to **improving the profitability of small and medium-sized farms** (need 1.1.3).
- **Addressing adverse climatic events and climate change damage in agriculture** (1.2.1 need)
- Due to strong producer price fluctuations in recent years (due to trade-restrictive measures by third countries, animal health outbreaks, etc.) and weather extremes (e.g. spring frost damage, hail), it is necessary to **mitigate the impact of market risks to farmers’ incomes (e.g. large price decreases)** (need 1.2.3)

R.5 – Risk management: Share of farms with supported CAP risk management tools

Target R.5 indicator: 30.29 %, representing 73.000 beneficiary holdings, compared to a total of 241.000. A major contribution to the indicator target is RD14_I03_DMMF_76 Agricultural Risk Management System (MKR Pillar I): Agricultural Damage Mitigation Risk Management Fund intervention. In the

Communication "Agricultural Risk Management System (MCS Pillar II): Subsidised agricultural insurance' (RD16_I01_INS_76) responds to the SO1 specific objective 1.2 'Reduction of income fluctuations due to natural (weather) and market risks'. On the basis of the number of producers receiving premium payments in the previous programming period (20 790 in 2021) and its increase (17 % on average over 2017-2021), the target of 73.000 producers can be considered justified, following the opinion of the Hungarian Insurance Association (MABISZ).

To a lesser extent, the 'Agricultural Risk Management System' (Pillar IV) contributes to the target: Agricultural Crisis Insurance Scheme" (RD17_I02_IST_76) which also responds to Main Needs 1.2. The crisis insurance scheme introduced in 2021 is a pioneering aid scheme covering not only crop production but also the livestock sector, and the risks it manages go beyond the damage caused by weather and climatic events. On the basis of the above, it can be concluded that the Hungarian risk management system is complete with crisis insurance. A moderate increase in appetite is expected in the 2023-2027 planning period, as it is a measure starting in 2021. Considering objectively, for the years 2026-2027 (years covered by financing from ST), the number of farmers who joined is estimated at 1050, of which 20 % will also benefit from subsidised agricultural insurance.

In addition, further interventions responding to SO1 specific needs may contribute to the indicator value, but there is no pre-defined target. Such interventions include:

- Mutual funds – fruit and vegetables (SC19_I01_FVF_47)
- Harvesting and production insurance – fruit and vegetables (SC26_I08_FVH_47)
- Green harvesting – fruit and vegetables (SC24_I06_FVG_47)
- Support for green harvesting in winery (SC07_E06_WIG_58)

R.6^{PR} – Redistribution to smaller farms: Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

The target value for indicator R.6 is 112.25 %, which shows how the average payment per hectare (EUR 299,15/ha) for beneficiaries below average farm size is compared to the average payment per hectare to all beneficiaries (EUR 266,51/ha).

The indicator target value has been established taking into account the following factors:

- The average area of CAP beneficiaries is 30.40 ha,
- Amount of direct payments (DP) to beneficiaries with below-average size: EUR 287872956,99,
- Total number of hectares of beneficiaries with a size below average: 962 296.25 ha,
- Amount of direct payments (DP) to all CAP beneficiaries: EUR 1323088879,01
- Total number of CAP beneficiaries' hectares of aid (calculated with the last closed year (2020) for a more precise estimate): 4 964 458.61 ha.

In calculating the indicator target, all direct payments interventions were taken into account, which respond to each of the 5 needs already listed for indicator R.4.

R.7^{PR} – Increasing support for farms in areas with special needs: Percentage additional support per hectare in areas with higher needs (compared to average)

The overall target for the indicator is 111.57 %, which shows how the amount of income support per hectare for beneficiaries in areas with special needs (EUR 303,67/ha) relates to the amount of income support per hectare paid to all beneficiaries (EUR 272,18/ha).

In the calculation of the indicator target, in addition to all direct payments interventions, compensation payments for Natura 2000 (agricultural and forest) areas have also been taken into account, which respond to the 5 needs already listed for indicator R.4.

R.8 – Aid to farms in specific sectors: Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

Indicator target: 18.32 %, showing the proportion of beneficiaries receiving CIS aid (44148) and total holdings (241000 farms).

In the calculation of the indicator target, all coupled direct payments interventions were taken into

account, which respond to each of the 5 needs already listed for indicator R.4.

The target setting has been supported by experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role of coupled aid in the revenue of the supported sectors and what its absence would have in terms of operational efficiency. The findings of the SWOT analysis showed that coupled support is a key element for the supported sectors.

The number of holdings concerned and the amount typically sufficient to minimise the loss or, where appropriate, increase profitability of the activity to an expected level, so as to prevent cessation of activity or transition to other crops, has been determined on the basis of the multi-annual statistical series included in the sectoral situational analyses.

R.36^{CU PR} – Generational renewal: Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown

The overall target for the indicator is 6800 young farmers setting up businesses. The vast majority of the indicator target, i.e. 5500 enterprises, is provided by the intervention “Complementary income support for young farmers” (DP03_B01_YFS_16), which responds to each of the 5 needs already listed for indicator R.4 that underpin the SO1 specific objective.

It is expected that potential new entrants can be moderately dynamised for producers using the opportunity used at the beginning of the period starting in 2015. As a result, in view of the five-year eligibility limit, the ‘demographic reserve’ appears to be exhausted. Following a substantial drop in 2020, this process is expected to continue in later years. This is mitigated by an increase in the specific aid amount and the maximum number of eligible hectares. Planning is therefore subject to uncertainty both in terms of expected outputs and number of new entrants. Therefore cautious planning after realities was warranted.

Detailed background analyses underpinning the indicator value are provided in the chapter justifying the planned unit amounts for intervention DP03_B01_YFS_16.

[1] Full-time equivalent

[2] *Situation analysis for specific objective 1 (30.6.2021), Chapter 1*

[3] *Situation analysis for specific objective 1 (30.6.2021), Chapter 2*

2.1.SO1.9 Justification of the financial allocation

To support viable farm income and resilience and maintain food security, we provide significant resources for SO. Direct aids (area and coupled payments, complementary income support for young farmers and additional direct payments for eligible holdings below average farm size) fully serve this objective. In addition, sectoral interventions as well as Pillar II funds such as risk management interventions contribute to SO objectives.

The relevant Commission Recommendation “Improve farm viability by better addressing income gaps between (professional) farms of different farm sizes, sectors and territories”. The allocated resources can achieve the goal.

2.1.SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

2.1.SO2.1 Summary of the SWOT Analysis

2.1.SO2.1.1 Strengths

- E.1. Total factor productivity in Hungary increased more than the EU28 average. (2.)
- E.2. Domestic production of agricultural and food products and foodstuffs which satisfy the majority of domestic supplies (1)
- E.3. Existence of production potential in terms of both quantity and quality (1)
- E.4. Positive external trade balance in the agricultural and food economy (8)
- E.5. Significant market positions in the European market for certain products (8)

2.1.SO2.1.2 Weaknesses

- Gy.1. Lack of development of domestic genetic resources in agriculture, underdeveloped infrastructure (3 and 11), [SO2/1.2] [SO2/1.8]
- Gy.2. Low labour productivity (less than half of the EU average) (2), [SO2/1.1] [SO2/1.2.] [SO2/1.8]
- Gy.3. Low share of processed food products in exports (below the EU average) (8), [SO2/1.3] [SO2/4.2].
- Gy.4. Narrow export radio (shipping distance) (8), [SO2/4.2]
- Gy.5. Domestic food consumption below the EU average (7), [SO2/4.3]
- Gy.6. Strong dependence of agricultural incomes on direct aids (4)
- Gy.7 Fragmented production structure and therefore heterogeneous production standard (1), [SO2/1.8.]
- Gy.8. Obsolete infrastructure, low technological standard of post harvest (9), [SO2/2.1] [SO2/2.2] [SO2/2.3]
- Gy.9 Demographic processes hampering the spread of digitalisation, high investment needs and knowledge gaps (10 and SO7, 5), [SO2/5.1]
- Gy.10. The level of skills of the workforce is not suitable for the proper use of innovative technologies (10, SO7, 4 and SO10, 3) [SO2/5.1] [SO2/5.4]
- Gy.11. Weaknesses in strategic planning, commercial and marketing knowledge (SO7, 3). And ÉLIP Sector Situation Analysis), [SO2/3.5] [SO2/4.1] [SO2/5.1.]
- Gy.12 Low innovation of businesses, slow reaction to changing consumer demand (SO10, 2nd & ÉLIP sector situation analysis),[SO2/3.1.]
- Gy.13. Incomplete, outdated infrastructure for training and further training (SO10, 3), [SO2/3.1] [SO2/5.5.]
- Gy.14. Weak collaboration between researchers and producers and processors, low innovation potential (SO10, 1), [SO2/3.1] [SO2/3.6.]
- Gy.15. Underdeveloped research (SO10, 2), [SO2/3.1] [SO2/3.1] [SO2/3.1] [SO2/3.6] to create new, more modern, higher-value products, processes and technologies that become marketable.
- Gy.16. Technological backlog in the food sector (ÉLIP sector situation analysis),[SO2/3.1]
- Gy. 17. Low irrigated area (1), [SO2/1.4.]
- Gy. 18. The production area of the main fruits is declining or stagnating, most of the plantations are ageing and need to be renovated (1, Vegetable and fruit sector analysis), [SO2/1.11]

2.1.SO2.1.3 Opportunities

- L.1. Existence of digital technologies, Digital Agriculture Strategy, Digital Food Strategy (10)
- L.2. Increase in European demand for higher value-added or specific products (SO9, 4), [SO2/3.3] [SO2/4.1] [SO2/5.3]

L.3. Emergence of diversified new consumer needs (SO9, 4), [SO2/3.2] [SO2/3.3] [SO2/4.1].
 L.4. Increase of domestic resources for R & D & I in agriculture (including food) (11)
 L.5. Increased consumer awareness (SO9, 4), [SO2/4.3]
 L.6. Market clearance and forced technological developments due to labour shortages can improve the efficiency and profitability of food businesses (ÉLIP sector situation analysis)
 L.7 Speeding up and simplifying administrative processes through digitalisation

2.1.SO2.1.4 Threats

F.1 Increased competition due to free trade agreements and the development of agricultural and food economies in other countries (8)
 F.2 Strong dependency of agricultural investment on subsidies (5)
 F.3 Due to its size, Hungary is not price-determining. (6.)
 F.4. Land ownership and land use are decoupled, so conflicts of interest can arise, hindering and uncertain investment and development
 F.5. Brain drain, further withdrawal of funds from RDI sector (11), [SO2/5.6.]
 F.6. Lack of skilled and seasonal workers may drive up labour costs (SO7, 3)
 F.7 Shortcomings and constraints on rail and river navigation can cause a significant competitive disadvantage (9), [SO2/2.4]
 F.8. The disadvantage of logistics resulting from the country's isolation from maritime ports is further accentuated by the declining share of rail freight transport (9), [SO2/2.4]
 F.9 Reduced navigability of the lower part of the Danube (9), [SO2/2.4]

2.1.SO2.1.5 Other comments

Not relevant.

2.1.SO2.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
2.1.4	Management of water scarcity in arable crops	1	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.1.9	Adaptation and development of husbandry technology	1	Yes
2.2.1	Development of post harvest technology	2	Yes
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes
2.2.4	Inland waterway freight transport infrastructure, development of rail crop loading capacity	3	No
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes

2.3.2	Diversification of business activities	2	Yes
2.3.3	Increasing the market share of high added value products	1	Yes
2.3.5	Increasing companies' innovativeness, responsiveness to changing market needs	2	Yes
2.4.1	Market research	3	Yes
2.4.2	Promotion of agri-food products	2	Yes
2.4.3	Raising awareness of healthy eating	1	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO2.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPcoupled	CIS(32) - Coupled income support	DP04_E03_CISB_16 - Aid for sugar beet cultivation	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP05_E04_CISR_16 - Aid for rice production	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP06_E05_CISV_16 - Aid for vegetable crop production	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP07_E06_CISI_16 - Aid for industrial vegetable production	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP08_E07_CISO_16 - Aid for the production of industrial oil crops	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP09_E08_CISE_16 - Aid for fruit production (Extensive)	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP10_E09_CISF_16 - Aid for fruit production (Intensive)	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP11_E10_CISS_16 - Ewe premium	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP12_E11_CISC_16 - Suckler cow premium	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP13_E12_CISM_16 - Foieched bull support	O.11. Number of heads benefitting from coupled income support

DPcoupled	CIS(32) - Coupled income support	DP14_E13_CISD_16 - Aid for the rearing of dairy cows	O.11. Number of heads benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP15_E14_CISG_16 - Aid for the production of grain protein feed crops	O.10. Number of hectares benefitting from coupled income support
DPcoupled	CIS(32) - Coupled income support	DP16_E15_CISP_16 - Aid for the production of coarse protein forage	O.10. Number of hectares benefitting from coupled income support
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ADV11(47(1)(b)) - advisory services and technical assistance, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, climate change adaptation and mitigation, the conditions of employment, employer obligations and occupational health and safety	SC11_A03_FVA_47 - Advisory services and technical assistance — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRAINCO(47(1)(c)) - training including coaching and exchange of best practices, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, and climate change adaptation and mitigation, as well as the use of organised trading platforms and commodity exchanges on the spot and futures market	SC12_A04_FVT_47 - training, including coaching and exchange of best practices — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRANS(47(1)(e)) - actions to increase the sustainability and efficiency of transport and of storage of products	SC14_B01_FVE_47 - increasing the sustainability and efficiency of transport and storage of products — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	PROMO(47(1)(f)) - promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification and consolidation of markets	SC15_E10_FVP_47 - promotion, communication and marketing — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	QUAL(47(1)(g)) - implementation of Union and national quality schemes	SC16_E11_FVQ_47 - use of EU and national quality schemes	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRACE(47(1)(h)) - implementation of traceability and certification systems, in particular the monitoring of the quality of products sold to final consumers	SC17_E12_FVC_47 - application of traceability and certification schemes — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	CLIMA(47(1)(i)) - actions to mitigate and to adapt to climate change	SC18_G02_FVL_47 - climate change mitigation and adaptation measures — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	INVVO(47(2)(b)) - investments in tangible and intangible assets making the management of the volumes placed on the market more efficient including for collective storage	SC20_I02_FVV_47 - investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	STORE(47(2)(c)) - collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage	SC21_I03_FVS_47 - joint storage of products, including, where necessary, the collective processing of products — fruit	O.35. Number of supported operational programmes

		and vegetables	
Sectoral - Fruit and Vegetables	ORCHA(47(2)(d)) - replanting of orchards or olive groves where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change	SC22_I04_FVR_47 - replanting of orchards — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	COACH(47(2)(j)) - coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or under Article 67(7) of this Regulation, or to individual producers	SC29_I10_FVC_47 - personalised advice – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	COMM(47(2)(l)) - communication actions aiming at raising awareness and informing consumers	SC27_I09_FVM_47 - communication activities to raise awareness and inform consumers — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Apiculture products	INVAPI(55(1)(b)) - investments in tangible and intangible assets, as well as other actions	SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Apiculture products	PROMOBEES(55(1)(f)) - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products	SC01_A02_BEM_55 - Beekeeping marketing	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Wine	RESTRVINEY(58(1)(a)) - restructuring and conversion of vineyards	SC05_E04_WIR_58 - Aid for restructuring and conversion of vineyards	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	INVWINE(58(1)(b)) - investments in tangible and intangible assets in wine-growing farming systems, excluding operations relevant to the type of intervention provided for in point (a), processing facilities and winery infrastructure, as well as marketing structures and tools	SC06_E05_WII_58 - Investments in tangible and intangible assets in the wine sector	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	INFOR(58(1)(h)) - information actions concerning Union wines carried out in Member States encouraging responsible consumption of wine or promoting Union quality schemes covering designations of origin and geographical indications	SC09_E08_WIN_58 - Promotion in the internal market in the wine sector	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	ACTREPUT(58(1)(i)) - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at enhancing the reputation of Union vineyards by promoting wine tourism in production regions	SC30b_E10_WIT_58 - Enhancing the reputation of EU vineyards by promoting wine tourism by recognised interbranch organisations	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	ACTMKTKNOW(58(1)(j)) - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at improving market knowledge	SC30c_E11_WIM_58 - Improving market knowledge by recognised interbranch organisations in the wine sector	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	PROMOWINE(58(1)(k)) - promotion carried out in third countries	SC10_E09_WIP_58 - Promotion in the wine sector in third countries	O.36. Number of actions or units supported in the wine sector
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01a_E01_FRM_73 - Development of agricultural holdings	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in	RD01b_E01_FRM_73 - Support	O.20. Number of

	irrigation	for investments by young farmers	supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01e_E01_FRM_73 - Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD02_D01_FRM_73 - Supporting the digital transition of agricultural holdings	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD04a_E02_FON_73 - Adding value to agricultural products	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD09a_B05_SML_73 - Sustainable development of small farms	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD12_W01_WTO_73 - On-farm investment to improve irrigation and water efficiency	O.20. Number of supported on-farm productive investment operations or units
RD	COOP(77) - Cooperation	RD48_R07_QSP_77 - Support for information and promotion activities for quality schemes	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)

Overview

2.1.Main demand: Improving the efficiency of production by modernising plants

The analysis of the situation underlying the second specific objective shows that agricultural enterprises in Hungary have low production efficiency, which greatly reduces their competitiveness on the agricultural product market. Modernisation of plants could significantly improve their competitive position, but this is hampered by a number of factors. They are characterised by weak innovation potential, technological lags, outdated production infrastructure and a lack of applied research into new products, technologies and processes. The development of human capital is a sine qua non for meeting the main needs, because the low level of skills of the workforce and the lack of knowledge to use modern means of production also hinder agricultural enterprises in Hungary from implementing farm development.

2.1.1.Requirement: Increasing the operational and business efficiency of production

We aim to increase labour productivity by improving the operational and business efficiency of production, which we support at every stage of the value creation process. As climate conditions and market needs have changed significantly over the past decades, restructuring of plantations (SC05, SC22) is an important part of the measures. Successful adaptation to changed natural conditions is supported by a more efficient water use measure (RD12). In addition, the modernisation of plant production is an important element of development plans through the modernisation of technical investments and business models (SC06, SC17, SC18, SC20, SC28). The acquisition of knowledge for the management of advanced technologies and modern business strategies would be supported by training the workforce and various advisory services (SC11, SC12).

2.1.2.Requirement: Creation of modern production capacities

The creation of modern production capacities is a fundamental need for the competitiveness of Hungarian businesses. On the one hand, the ability of undertakings to generate profits depends to a large extent on the amount of added value of the product produced and, on the other hand, the way in which the products chosen are produced is also decisive in this regard, so undertakings would also be encouraged by supporting investments in production processes by means of SC03, SC06, RD01a, RD01b, RD01e. In addition to the production capacity, the increase in stockholding capacity is crucial and therefore we support logistics and storage activities (SC14, SC28). Beneficiary companies will also be helped to develop the knowledge needed to design business models and strategies, as well as for new technology, by supporting the use of professional training and advisory services (SC11, SC12).

2.1.3.Requirement: Increasing the level of processing of agricultural raw materials, improving technology, increasing the proportion of processed products, increasing added value

The share of processed products in the export of agricultural raw materials and food products from Hungary is below the average of the European Union, therefore the intervention is necessary to increase the value added of the products, which we also intend to improve by supporting investment in infrastructure at all stages of the production process. Support for achieving a high level of processing (RD04a) is most appropriate in sectors where the country's climate and sector characteristics are such that businesses can expect the highest profit growth. Investments in the wine (SC06) and apiculture (SC03) sectors are of particular importance for Hungary. A high quality of products and a favourable market perception can be ensured by continuous training of quality assurance systems and human resources for production processes (SC12, SC16).

2.1.4.Requirement: Addressing water scarcity in arable crops

Increasing the production efficiency of Hungarian businesses can be greatly improved by increasing the proportion of irrigated areas and by upgrading irrigation infrastructure already built. In Hungary, annual rainfall is expected to decrease over the coming decades due to climate change and the importance of efficient water use is therefore appreciated (RD12).

2.1.7.Required: Technological transition taking into account stricter plant health standards

The increase in production costs and the need to invest in the investments needed to maintain their competitiveness are an increasing challenge for agricultural businesses in Hungary. The reasons for this are due to a number of factors, all of which need to be addressed in business plans. Among others, persistently unfavourable international economic and political macro-environments, tightening environmental, plant and animal health requirements and increasing consumer quality expectations are decisive. The technological transition, adapted to changing circumstances, affects all stages of operational production and therefore the interventions cover several areas (SC17, SC28, RD01a, RD01b). We pay particular attention to the digitalisation of production processes and are therefore supported by an autonomous intervention measure (RD02). The acquisition of the professional knowledge needed for the transition is encouraged by supporting the use of training and advisory services (SC11, SC12).

2.1.8.Requirement: Improvement of cultivation technology

Agricultural holdings in Hungary are characterised by fragmented land tenure, underdeveloped infrastructure and lack of development of genetic resources. All these factors lead to low labour productivity and weak competitiveness. Improving cultivation technology could strengthen the market position of Hungarian businesses. On the one hand, efficiency indicators can be improved by climate mitigation measures (SC18). On the other hand, sustainability improvements (RD01a, RD01b) and targeted support to producer organisations (SC28) contribute to optimising the production process as a whole. Furthermore, the use of modern quality assurance and certification systems increases transparency, qualitative and quantitative stability of production capacities, providing adequate guarantees for partners on products (SC16, SC17). The knowledge needed to carry out the developments is not available to most agricultural enterprises in Hungary, therefore support for training and professional advisory services is essential for successful cultivation technology developments (SC11, SC12).

2.1.9.Requirement: Adaptation and development of housing technology

The transformation and development of maintenance technology is a crucial need in several respects. While housing infrastructure in part of domestic livestock farms is lagging behind, the tightening of animal welfare requirements and the appreciation of sustainability aspects are increasingly demanding

large-scale livestock farming. There is a need to modernise farms so that businesses can meet expectations (RD01a, RD01b, RD01e). This cannot be done in their own right.

2.1.11.Requirement: Creation, renewal and modernisation of new plantations

In Hungary, the production area of orchards shows a steady downward trend and the existing population tends to be aged and needs major renovation. This hinders the improvement of production efficiency on farms and it is therefore necessary to support the restructuring of vineyards and orchards (SC05, SC22). Several plant species are highly sensitive to climate change in plantations in Hungary, so adaptation to changed natural conditions is a priority area for support (SC18). The coordination of producers with weak bargaining power and the production of a marketable homogeneous commodity fund can be achieved through producer organisations (SC28). Sustainable farm development (RD01a, RD01b) modernisation of plantations contributes to the stable and flexible functioning of agricultural enterprises. Encouraging the use of training and advisory services in order to acquire the professional knowledge required for implementation helps the beneficiary enterprises (SC11, SC12).

2.2.Main demand: Development of infrastructure and technology

The Hungarian Vegetable and Fruit Sectoral Strategy, as part of the National Rural Strategy (2012-2020), states, in connection with the technological quality of the sector, that the weaknesses of agricultural holdings in the sector include, inter alia, volatile crop averages caused by heterogeneous, sometimes low technical and technological standards; underdeveloped post harvest technology and little irrigated land. It also notes that the investment of smaller fruit and vegetable farms in the introduction of modern technologies and the replacement and development of tangible assets is currently insufficient. In addition, a basic condition for the competitiveness of the Hungarian fruit and vegetables sector is to achieve crop security, to have a stable and predictable product base, and to use appropriate cultivation technology as one of the pillars of modern, competitive vegetable production.

As noted in the assessment of the situation in the fruit and vegetables sector, domestic horticultural production tends to fall short of foreign competitors. A high proportion of fragmented enterprises are not suitable for the introduction of high-level technologies, which is further hampered by the low number of well-trained professionals and the low use of specialist advice. The development of underdeveloped infrastructure and low-quality post harvest technology is planned in a complex manner, as follows:

2.2.1. Need: Development of post harvest technology, including the need for feed, protein feed and seed, using appropriate sorting and packaging technology

Hungarian agriculture, especially in the fruit and vegetables sector, is characterised by outdated infrastructure and low-quality post harvest technology. The production of higher value-added products for retail sale is based on efficiency gains and technological improvements. However, the Hungarian fruit and vegetable processing sector is lagging behind in terms of efficiency and state-of-the-art (e.g. production of value added per business, labour productivity) compared to the European countries with the predominant fruit and vegetable processing. This can only be developed in a complex manner, taking into account all stages of the entire production process and integrating interventions. Information, training and advice to farm managers and producer organisations (SC11, SC12, SC28) are the basis for infrastructure interventions, helping to plan and optimise them. Account should be taken, inter alia, of the seasonality of the sector, which is reflected in harvesting, processing, employment and consumption. Without efficiency gains and capacity building (SC14, SC20), it is not possible to build a stable commodity base and increase productivity. In addition, producers have to meet rising consumer expectations, which can be ensured, inter alia, by supporting the use of traceability and certification schemes (SC17).

2.2.2. Need: Construction/renovation of crop storage and cold stores

According to a 2017 study by the European Commission, Hungary has capacity to store around 20 million tonnes of cereals, oilseeds and protein crops. A significant part of them is hall storage, which is multifunctional, i.e. suitable for the storage of other bulk products in addition to grain. The more advantageous silos (metal silos and reinforced concrete silos) in terms of storing grains cover only 20 % of the storage capacity.

The competitiveness and market access of horticultural products for fresh consumption is strongly influenced by existing storage and cooling capacities. Previous agricultural development programmes were mainly production-oriented, the targeted development of logistics systems for agricultural production was not included as a priority, without which the fruit and vegetables sector was placed at a

serious competitive disadvantage. One of the biggest problems in the domestic F & V market is that the existing cooling storage capacity is limited and largely outdated. The professional transport and storage of products increases their lifetime and marketability, so these developments (SC14, SC20, SC21) are also decisive for increasing the competitiveness of the sector. The development and management of joint capacities requires cooperation between producers and coordination of production, which we plan to support through SC20, SC21 and SC28 interventions.

2.2.4. Need: Inland waterway freight infrastructure, development of rail crop handling capacities

The domestic cereal and oilseed sector is export-oriented, with both rail, water and road transport. Rail transport is also a bottleneck in transit countries like Hungary, such as Germany, Austria, Poland, Czechia and Slovakia. We typically transport grain from Hungary to Italy by rail. Waterborne transport is difficult due to the limited navigability of the Rhine-Main-Danube Canal and the lower Danube, with a relatively short navigability period of 150-200 days instead of 250-300 days. The disadvantage of logistics resulting from the country's isolation from maritime ports is further exacerbated by the declining share of rail freight transport.

Planned actions:

Its solution does not fall within the scope of the CAP.

2.3. Main Needs: Promoting innovation, encouraging the use of innovative methods

The overarching objective of the CAP is to modernise the sector by helping to increase and share knowledge, and to promote innovation and digitalisation in agriculture and rural areas. Based on the Hungarian impact studies and analyses, support for innovation will play a key role in the development of Hungarian agriculture in the coming period for a number of reasons. On the one hand, it can be concluded that underdeveloped infrastructure and the level of skills of the workforce are currently not suitable for the proper use of innovative technologies. On the other hand, business innovation is low, slowly responsive to changing consumer needs, and cooperation between researchers, producers and processors, including innovation potential, is weak. Responding to rapidly changing new consumer trends requires innovative food solutions throughout the food supply chain. In addition to mass products, processors in Hungary should also increase exports of higher-processed items, but this is hampered by the weak innovation capacity of Hungarian companies. From a knowledge transfer perspective, training and upskilling are incomplete, outdated infrastructure and, along the digitalisation aspect, demographic processes, high investment needs and knowledge gaps hamper the spread of digitalisation. Together, they make technological developments and support for new innovative solutions inevitable.

2.3.1. Need: Uptake of innovative technologies and sustainable approaches in agriculture: precision farming, circular farming

Based on the above, one of the key objectives of domestic development is to spread and further develop innovative technologies and sustainable approaches (e.g. precision farming, circular farming) in agriculture, forestry and the food industry. Their uptake is currently hampered partly by a lack of resources and partly due to a lack of awareness and awareness on the part of businesses. As a consequence, the majority of farmers are unable to adapt to the changing production conditions due to climate change due to a lack of knowledge and technological gaps. In addition, in the fruit and vegetables sector, due to the lack of predictable marketing opportunities, producers do not implement technological developments (e.g. plantation upgrading, irrigation development) nor start adding new species to production, resulting in the processing industry not having access to sufficient quantities of a homogeneous commodity base of sufficient quality, without which it will not be able to create new, innovative products that are not based on basic industrial fruits and vegetables. The technical competence and cooperation of producers and processors is to be strengthened through SC11, SC12, SC28, and technological developments by SC17, RD02.

2.3.2. Need: Diversification of business activities

According to the 2020 EIT Country Report, Hungary also has a significantly higher share of people with allergies among the population compared to the EU, with 7 % of the population being gluten-sensitive. The turnover of healthy, so-called 'free' products increased by more than 20 % annually between 2017 and 2020, making the production of healthy food a dynamic sector on the Hungarian food market.

Consumers increasingly want to choose fresh, less processed and sustainably sourced fully-fledged food containing natural and nutrient-rich ingredients, thereby increasing the demand for organic products. At the same time, according to trend scientists, the most important factor for the future and future consumption trends is unpredictability, i.e. it is impossible to predict precisely what new consumer tastes are spreading and which remain stratified. Most importantly, food producers must remain flexible and always be prepared for change. In this changing economic and market environment, diversification of business activities (e.g. expanding the range of plant species or animal species produced, product developments) can help create stable business operations. We plan to support the personal and knowledge conditions of this by means of SC11 and SC12 interventions.

2.3.3. Need: Increasing the market share of high value-added products (basic food, special and niche markets)

The coronavirus pandemic has shown that consumer preferences can change rapidly. Research shows that, as a result of the pandemic, many consumers have made a positive change in their lives that they wish to maintain. European demand for higher value-added and specific products is also increasing. The risk of loss of consumer confidence caused by copying or imitation of quality products is a serious problem in Hungary, which hinders the return on investment in the production of innovative high value-added products. The use of trade marks to certify the quality of products can help to gain consumer confidence, which is supported by SC16, while the creation and development of technological conditions to increase the market share of processed products is supported by SC20.

2.3.5. Need: Increasing the innovability of companies, rapid responsiveness to changing market needs

Continuous innovation, mostly product-related, is one of the means to attract consumers. Due to the lack of knowledge and knowledge in the Hungarian food production and processing sectors (lack of strategic planning, trade and marketing knowledge, lack of knowledge on innovation issues, insufficient market knowledge), there is rarely and little innovation among food producers and processors in Hungary, which is partly justified by low profitability, and the limited size of the internal market is also an obstacle. Supporting the digital transformation of farms (RD02) helps the organisations concerned to develop the technical conditions for business development and responsiveness.

2.4. Main demand: Development of distribution channels

Nowadays very few businesses can afford to rely only on a small number of distribution channels to obtain their revenues. The markets of most firms have undergone fundamental changes in recent years. Consumer habits are constantly changing and distribution channels themselves have evolved. In the agricultural and food sector, FMCG (*Fast-Moving Consumer Goods*) products, these changes are particularly fast, but not all operators are able to adapt quickly. We have set up a comprehensive support package for the sector, consisting of elements such as market research, marketing and awareness-raising, as follows.

2.4.1. Need: Market research

Global trends show that, in addition to the traditional food expectations of consumers (flavour, price, comfort), there is a growing need to know the extent of health, food safety, social and environmental impacts. It is important for food producers, processors and traders to position their own products well in a fast-changing food market. In this, we strongly support the actors in the apiculture and the fruit and vegetables sector through the SC01, SC11 and SC28 interventions.

2.4.2. Need: Promotion of agri-food products

The proportion of processed food products in Hungary's exports is low (below the EU average). At the same time, European demand for higher value-added and specific products is constantly increasing. In addition, specific consumer needs require the promotion of agri-food products on both domestic and export markets. In this, we strongly support the apiculture, wine and fruit sectors through the SC01, SC09, SC10, SC15 and SC27 interventions. According to the Eurobarometer survey, the origin, price, safety and taste of goods are the most important factors when buying food in the EU. Access to internal and external markets and the strengthening of market positions are aimed at supporting the use of EU and national quality schemes (SC16).

2.4.3. Need: Raising public awareness of healthy eating

A comparison of annual expenditure on food and non-alcoholic beverages per capita shows that consumption in Hungary is below the EU average. In 2017, the Hungarian population spent only EUR 1161 per person per year on these products, compared to the EU average of almost EUR 2000 per capita per year. Healthy diets include the consumption of fresh fruit and vegetables. Based on the food balance, this is around 100 kg/person per year in Hungary. On this basis, the Hungarian consumer consumes around 270 grams of fresh fruit and vegetables per day, which is significantly below the WHO consumption recommendation, which proposes 400 grams per day for a healthy diet, i.e. 146 kilograms of fresh fruit and vegetables per year.

Hungarian consumers believe in food safety and nutrition matters slightly higher than the EU average for researchers, but less for consumer organisations and farmers. However, trust in the national authority (Nébih – National Food Chain Safety Office), EU institutions, food industry and supermarkets is much higher than the EU average, but trust in the press is significantly lower. As consumers in Hungary have a high degree of confidence in the authority, it is important to maintain trust and to consider it a primary source of information for consumers. By taking advantage of this favourable situation, legal and science-based communication can be made in plain language, reducing the risk of consumers making their decisions relying on inadequate information. We plan to support public awareness through the SC15 intervention.

2.1.SO2.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO2.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.3^{CU} - Digitalising agriculture Share of farms benefitting from support for digital farming technology through CAP	7.32 %
R.8 - Targeting farms in specific sectors Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality	18.32 %
R.9^{CU PR} - Farm modernisation Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency	2.86 %
R.10^{CU PR} - Better supply chain organisation Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP	2.59 %
R.39^{CU} - Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	7,900.00

Justification of the targets and related milestones

SO2 – Enhancing market orientation and increasing the competitiveness of economies both in the short and long term, including through a stronger focus on research, technology and digitalisation

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

CU03 - Digitalisation of agriculture: Share of farms benefitting from support for digital farming technology through CAP

See xCO to substantiate the total value of the indicator.

R.8 – Aid to farms in specific sectors: Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

To support the total value of the indicator, see SO1.

R.09^{CU PR} - Modernisation of farms: Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

Overall cumulated target for indicator R.09: 3.2 %, corresponding to 7700 beneficiary farmers without duplication, compared to a total of 241.000. The beneficiaries of the interventions contributing to the indicator target are expected to overlap, so a smaller proportion of beneficiaries receiving aid in each year will be taken into account for the overall target (in 2029, only 80 % of the beneficiaries contribute to the target as the first-time farmer). Each intervention of the indicator target is linked to the achievement of the SO2 specific objective.

Farm development (RD01a_E01_FRM_73) is responsible for almost a third of the indicator target, which will improve the operational and business efficiency of production in almost 2500 farms, in particular in the last 3 years of the period, build up modern production capacities, switch to sustainable grassland management and improve cultivation and husbandry technology (main need 2.1). The same needs are addressed by the intervention to support investments in agriculture by young farmers (RD01b_E01_FRM_73), which reaches more than 700 farmers during the period, and that support for disease control investments in livestock farms (RD01e_E01_FRM_73) with 500 farmers contributes to most of the needs.

The sustainable development of small farms (RD09a_B05_SML_73) is also an important contribution to the target, as it reaches nearly 1800 farms, specifically increasing the operational and business efficiency of production (need 2.1.1).

Support for the digital transition of farms (RD02_D01_FRM_73) will provide real support for 530-540 farms per year over the three years 2025-2027 to achieve a technological transition adapted to changing circumstances (2.1.7), the deployment of innovative technologies and sustainable approaches that have not been implemented so far due to a lack of resources (need 2.3.1) and the development of technical conditions for business innovation and rapid responsiveness, rarely and to a small extent among food producers and processors in Hungary, which is an important means of attracting consumers (2.3.5).

By supporting in-farm investments to improve water efficiency (RD12_W01_WTO_74), in particular in 2026 and 2027, a total of more than 500 farms will be able to successfully adapt to changed natural conditions, in particular the expected reduction in annual domestic rainfall over the coming decades (needs 2.1.1 and 2.1.4).

Through the aid for restructuring and conversion of vineyards (SC05_E04_WIR_58), 1500 farms will be able to adapt to the climate and market needs that have changed considerably in recent decades (need 2.1.1) or to renew old plantations (requirement 2.1.11.) in the first half of the period.

Investments in tangible and intangible assets in the wine sector (SC06_E05_Wii_58) will build up modern production capacities in 400 farms (need 2.1.2) and increase the level of processing of agricultural raw materials (need 2.1.3) through the modernisation of operational production (need 2.1.1).

Aid to fruit and vegetable producer organisations (SC28_E01_FVI_47), which have an impact on most of the needs underlying the SO2 specific objective, allows farms to receive additional funds for restructuring and modernisation, but no plan value is set in this respect.

A detailed justification for each need and its link with the interventions providing the value of the R indicator is provided in chapter 2.1.SO2.4.

R.10^{CU PR} – Improving supply chain organisation: Share of farms participating in Producer Groups, Producer Organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

The overall target for R.10 is 2.55 %, representing 6145 beneficiary farms, compared to a total of 241.000. Of the interventions providing the total design value of the R.10 indicator, the technical programmes implemented through the Operational Funds support (SC11-28_1-18_FV_47) respond to one or more of

the needs underlying the SO2 specific objective.

A total of 3300 holdings active in the fruit and vegetables sector may be supported through the Operational Funds in order to carry out the following activities:

Acquiring the knowledge necessary to improve efficiency of production (2.1), the development of infrastructure and technology (major need 2.2), the use of innovative methods (main need 2.3) and the development of distribution channels (main need 2.4) by means of staff **training and various advisory services**(SC11_A03_FVA_47; SC12_A04_FVT_47);

In addition to the production capacity, the **sustainability and efficiency of the transport and storage of products (SC14_B01_FVE_47) is increased through increased stockholding capacity (need 2.1.2), development of post harvest technology (requirement 2.2.1) and construction/renovation of crop storage** and cold stores (requirement 2.2.2).

Specific consumer needs require the **promotion of agri-food products** (SC15_E10_FVP_47) on both domestic and export markets (need 2.4.2), which also contributes to public awareness of healthy eating, which falls short of the WHO consumption recommendation (need 2.4.3). Support for information and promotion of quality schemes (RD48_R07_QSP_77) which ensures the promotion of agri-food products (need 2.4.2) is closely linked to this.

· **Use of EU and national quality schemes** (SC16_E11_FVQ_47) to ensure high quality and favourable market perception of processed products (need 2.1.3), to increase transparency, qualitative and quantitative stability of production capacities, to provide adequate guarantees to partners in relation to products (2.1.8) and to help increase the market share of high value-added products (need 2.3.3), to strengthen access and market positions in internal and external markets;

During technological developments (2.1.1, 2.1.7, 2.1.8, 2.2.1, 2.3.1), producers must also meet increasing consumer expectations, which can be ensured by the use of **traceability and certification systems** (SC17_E12_FVC_47);

As part of **adaptation to climate change** (SC18_G02_FVL_47), new plantations will be created, existing plantations will be renovated and upgraded (requirement 2.1.11.), improvements in cultivation technology will strengthen the market position of Hungarian businesses (2.1.8).

Additional interventions (SC20_I02_FVV_47, SC21_I03_FVS_47, SC22_I04_Fvr_47, SC27_I09_FVM_47, SC28_E01_FVI_47) may also contribute to the target of indicator R.10 (SC20_I02_FVV_47, SC21_I03_FVS_47, SC27_I09_FVM_47, SC28_E01_FVI_47) but no plan value is required.

A detailed justification for each need and its link with the interventions providing the value of the R indicator is provided in chapter 2.1.SO2.4.

The R.39 indicator target is also supported by the RD04a_E02_FON_73 Agricultural product enhancement intervention, which is linked to the SO2 objective with a need to increase the level of processing of agricultural raw materials in order to increase market orientation and the competitiveness of farms.

2.1.SO2.9 Justification of the financial allocation

Increasing market orientation and increasing competitiveness, prioritising the development of research, technology and digitalisation are our strategic priorities. The planned interventions will focus on increasing productivity, the efficiency of agricultural production, improving the market position of agricultural products, improving post-harvest and logistics and the uptake of digitalisation technologies. Our priority is to develop farms, including rural economies. Pillar II interventions, in particular investments (farm development, improvement of water management efficiency) and other interventions related to AKIS (development of digitalisation, knowledge transfer) contribute to the objectives. In addition, Pillar I interventions, such as support for grain and coarse protein fodder crops, as well as sectoral interventions, serve the above objectives. The resources allocated for the specific purpose are sufficient.

The related Commission Recommendation “Promoting market orientation and competitiveness of the

agricultural and agri-food sector by continuing to support investments in logistics and processing.” Investments in processing/added value of agricultural products receive much higher resources than in previous periods, so we can comply with the recommendation.

2.1.SO3 Improve the farmer' position in the value chain

2.1.SO3.1 Summary of the SWOT Analysis

2.1.SO3.1.1 Strengths

E.1. Significant commodity funds for certain products (e.g. cereals, oilseeds, poultry meat) and processing capacities (e.g. cereals, oilseeds, poultry meat, pigmeat, milk) (SO2)
E.2. Well-functioning integrations on certain product tracks (poultry meat, canning industry) (5)
E.3. Operation of producer markets under lighter conditions (6)
E.4. A strong consumer-recognised authority in the food chain (S9)
E.5. Presentation and adaptation of domestic and international good practices in the field of vertical and horizontal coordination

2.1.SO3.1.2 Weaknesses

Gy.1. Critically low commodity base sizes in specific sectors (e.g. onions, cucumbers) (5)
Gy.2. Basically fragmented production structure, fragmented farm sizes and large differences in size (forest and agriculture) (3 and SO1)
Gy.3. Lack of willingness of producers to cooperate (in the fields of agriculture, processing, forestry) (4th and forest professional position papers), [SO3/1.1]
Gy.4. Weak bargaining power of farmers in the value chain, mainly due to significant information asymmetry and lack of trust (3), [SO3/1.1], [SO3/2.1]
Gy.5. Low degree of horizontal and vertical coordination in most product pathways, which is not conducive to effective cooperation (4, 5), [SO3/1.2]
Gy.6. Weak contractual discipline (5), [SO3/2.2]
Gy.7 The lack of long-term contractual relations and sectoral framework agreements often results in uncoordinated production of raw materials and processing needs (5)
Gy.8. Due to the lack of clarity and conflicting interests, certain parts of the chain may be affected by transparency (especially in fruit and vegetable production) (4, 5), [SO3/2.1]
Gy.9 Prioritising individual decisions over Community decisions (4)
Gy.10. Lack of tool, infrastructure and competence for REL development (6), [SO3/1.4] [SO3/1.5]
Gy.11. The value-added of the sectors producing and distributing processed products is lower than that of agriculture and below the EU average (1)
Gy.12 Low share of producer ownership/interest in manufacturing (3, 5)
Gy.13. Strong reliance on subsidies for investment (SO1)

2.1.SO3.1.3 Opportunities

Digitalisation can contribute to improving coordination, transparency and traceability (SO10)
L.2. The existence and further strengthening of the legislative framework in the area of small farmers' access can improve the position of producers (REL) (6)
L.3. The development of ICT tools enables the development of innovative food supply chains (6, SO10)
L.4. Increasing consumer awareness of COVID-19 on local products, secure products (SMARTCHAIN H2020 research, 6)

2.1.SO3.1.4 Threats

F.1 In the absence of producer cooperation, bargaining power in the supply chain remains weak (3)
F.2 Internal market demand constraint, increase in import pressure (SO2)
F.3 Slow generational renewal, slow changes in producer competences and interests may hinder consolidation (SO7)

F.4. Retail chains take advantage of the difference in market power (3)

F5. Extreme price volatility (5)

2.1.SO3.1.5 Other comments

Not relevant.

2.1.SO3.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
3.1.3	Development of short supply chains (database, tool, infrastructure and competence development)	1	Yes
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes
3.2.1	Ending information asymmetry between producers and traders	3	No
3.2.2	Strengthening contractual discipline, strengthening long-term contractual relations	2	No

Other comments related to needs assessment.

Not relevant

2.1.SO3.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ADVI1(47(1)(b)) - advisory services and technical assistance, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, climate change adaptation and mitigation, the conditions of employment, employer obligations and occupational health and safety	SC11_A03_FVA_47 - Advisory services and technical assistance — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRAINCO(47(1)(c)) - training including coaching and exchange of best practices, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, and climate change adaptation and mitigation, as well as the use of organised trading platforms and commodity exchanges on the spot and futures market	SC12_A04_FVT_47 - training, including coaching and exchange of best practices — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ORGAN(47(1)(d)) - organic or integrated production	SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRANS(47(1)(e)) - actions to increase the sustainability and efficiency of transport and of storage of products	SC14_B01_FVE_47 - increasing the sustainability and efficiency of transport and storage of products —	O.35. Number of supported operational

		fruit and vegetables	programmes
Sectoral - Fruit and Vegetables	PROMO(47(1)(f)) - promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification and consolidation of markets	SC15_E10_FVP_47 - promotion, communication and marketing — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	QUAL(47(1)(g)) - implementation of Union and national quality schemes	SC16_E11_FVQ_47 - use of EU and national quality schemes	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRACE(47(1)(h)) - implementation of traceability and certification systems, in particular the monitoring of the quality of products sold to final consumers	SC17_E12_FVC_47 - application of traceability and certification schemes — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	CLIMA(47(1)(i)) - actions to mitigate and to adapt to climate change	SC18_G02_FVL_47 - climate change mitigation and adaptation measures — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	SETUP(47(2)(a)) - setting up, filling and refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013, or under Article 67(7) of this Regulation	SC19_I01_FVF_47 - mutual funds — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	INVVO(47(2)(b)) - investments in tangible and intangible assets making the management of the volumes placed on the market more efficient including for collective storage	SC20_I02_FVV_47 - investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	STORE(47(2)(c)) - collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage	SC21_I03_FVS_47 - joint storage of products, including, where necessary, the collective processing of products — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ORCHA(47(2)(d)) - replanting of orchards or olive groves where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change	SC22_I04_FVR_47 - replanting of orchards — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	WITHD(47(2)(f)) - market withdrawal for free-distribution or other destinations, including where necessary processing to facilitate such withdrawal	SC23_I05_FVW_47 - withdrawals for free distribution or other destinations — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	GREEN(47(2)(g)) - green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise	SC24_I06_FVG_47 - green harvesting — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	NOHAR(47(2)(h)) - non-harvesting consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease	SC25_I07_FVN_47 - non-harvesting — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	HARIN(47(2)(i)) - harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations while ensuring that beneficiaries take necessary risk prevention measures	SC26_I08_FVH_47 - harvest and production insurance — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	COACH(47(2)(j)) - coaching to other producer organisations and associations of producer	SC29_I10_FVC_47 - personalised advice – fruit and vegetables	O.35. Number of supported

Vegetables	organisations recognised under Regulation (EU) No 1308/2013 or under Article 67(7) of this Regulation, or to individual producers		operational programmes
Sectoral - Fruit and Vegetables	COMM(47(2)(1)) - communication actions aiming at raising awareness and informing consumers	SC27_I09_FVM_47 - communication activities to raise awareness and inform consumers — fruit and vegetables	O.35. Number of supported operational programmes
RD	COOP(77) - Cooperation	RD44_R03_POG_77 - Support to producer groups, producer organisations	O.28. Number of supported producer groups and producer organisations
RD	COOP(77) - Cooperation	RD45_R04_GIS_77 - Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes	O.29. Number of beneficiaries receiving support to participate in official quality schemes
RD	COOP(77) - Cooperation	RD46_R05_GIJ_77 - Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme	O.29. Number of beneficiaries receiving support to participate in official quality schemes
RD	COOP(77) - Cooperation	RD48_R07_QSP_77 - Support for information and promotion activities for quality schemes	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD49_R09_SCC_77 - Rural Development Cooperation for the Development of Short Supply Lances	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	O.31. Number of supported local development strategies (LEADER) or preparatory actions

Overview

3.1.Main Needs: Increase organisation, increase the efficiency of cooperation and encourage concentration of supply

The assessment of the situation shows that farmers' willingness to cooperate in Hungary is weak, with fragmented production structures and farm sizes, especially in certain sectors. Insufficient concentration of supply justifies strengthening both horizontal and vertical cooperation, which can improve the efficiency of product pathways, value chains and producers' bargaining power.

3.1.1.Requirement: Promoting horizontal and vertical integration, coordination and cooperation

3.1.2.Requirement: Increasing the number and market efficiency of sectoral cooperation (including POs, PGs)

Encouraging horizontal and vertical cooperation between producers can contribute to concentration of supply and to improving the efficiency of product pathways and value chains. In order to achieve this goal, cooperation will help to acquire the right state-of-the-art knowledge (SC11, SC12 measures) and improve their chances of access to the market by promoting better compliance with the expectations and

requirements of consumers and retail (actions SC14, SC15, SC16, SC17, SC27). In order to reach marketable commodity funds, we promote joint storage and processing of products in cooperation between producers (SC20, SC21 measures) and, last but not least, encourage and facilitate the implementation and operation of producer groups (measures SC28, RD44).

3.1.3.Requirement: Development of short supply chains (database, tool, infrastructure and competence development)

Short supply chains (REL) offer alternative sales to producers and a new type of purchasing option based on personal trust for consumers (measure RD49). The REL can also contribute to social and environmental sustainability, but it is only economically viable if it is brought together by several producers, and we therefore support producer groupings (measures SC28 and RD44).

3.1.4.Requirement: Development of local cooperation (unitions) in the production, distribution and marketing of products

Close cooperation between producers can improve their access to the market by developing, implementing, or setting up joint joint producer, marketing and tourism associations, linked to the geographical area.

3.2.Main demand: Increasing transparency and transparency

One of the negative consequences of the low degree of cooperation is the weak bargaining power of producers in product pathways and value chains, and contributes to the development of unclear, conflicting interests, and discourages transparent operation.

3.2.1.Removal of information asymmetry between producers and traders

The imbalance of power along the food chain is exacerbated by differences in access to information, and it is therefore important to collect, process and provide relevant data and information to producers in an appropriate and comprehensible form. The need is not addressed within the framework of the CAP.

3.2.2 Strengthen contractual discipline, strengthening long-term contractual relations

The lack of compliance with contracts remains a problem in supply chains, which increases risks, makes long-term planning difficult and makes it difficult to make the right market decisions. The development of long-term contractual relationships will lead to a more predictable market environment for both suppliers and buyers. We cannot strengthen contractual discipline with a support measure, and the legislative environment needs to be properly designed.

2.1.SO3.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO3.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.10^{CU PR} - Better supply chain organisation Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP	2.59 %
R.11/Fruit and Vegetables - Concentration of supply Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors	20.92 %
R.39^{CU} - Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	7,900.00

Justification of the targets and related milestones

SO3 – Improving farmers' position in the value chain

The milestone value of each R indicator and the value of the contribution of the related interventions (by

year) are set out in the attached table, so they are not described in detail in the text.

R.10^{CU PR} – Improving supply chain organisation: Share of farms participating in Producer Groups, Producer Organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

The overall target for R.10 is 2.55 %, representing 6145 beneficiary farms, compared to a total of 241.000. All interventions ensuring the total design value of the R.10 indicator respond to one or more of the needs underlying the SO3 specific objective.

It is responsible for almost two thirds of the target, making it a priority intervention to support the operational funds (SC11-28_1-18_FV_47), through which as early as 2023, 3300 farms will receive real help to acquire adequate, up-to-date knowledge and improve their chances of market access by helping consumers and retail to better meet their expectations and requirements. A further increase in the order of magnitude of the indicator value is expected from 2025, when a further 1905 farms can benefit from cooperation by supporting the realisation and operation of producer groupings (RD44_R03_POG_77). Support for cooperation under new (RD45_R04_GIS_77) or existing quality schemes (RD46_R05_GIJ_77) will involve an additional 730 economies in improving supply chain organisation, and intervention aimed specifically at developing short supply chains (RD49_R09_SCC_77) supports an additional 210 economies – these interventions involve farms continuously over four years from 2024 onwards, thus reaching the target by 2027.

The effectiveness of the R.10 target interventions becomes tangible through an overview of the needs underpinning the SO3 objective.

In the EU, the POs and other producer groups are responsible for ensuring co-operation between fruit and vegetable producers and thus ensuring the representation of producers and the development of their bargaining power. In 2007, the European Commission set a target of 60 % of fruit and vegetables marketed through POs by 2013, but according to the 2010 figures published by the organisation in 2014, this target was not met. Hungary's market share was close to 20 %^[1]. In the domestic environment, PGs play a crucial role in strengthening farms of smaller economic size through coordination of production, advice and innovation brokering for the production of raw materials. At the same time, the vast majority of PGs operating in the domestic environment are currently partially integrated and their activity is limited to the joint purchase of inputs and the joint sale of the commodity fund produced by the membership. Value-added co-operations covering several stages of the product chain still have significant development potential in the domestic food economy^[2]. In April 2018, 61 POPs and 6 fruit and vegetables PGs were recognised in Hungary. There has been a downward trend in the number of organisations since 2014.^[3] It is therefore necessary to increase the **number of sectoral cooperation (including POs, PGs) and their market efficiency**. (3.1.2) Due to the low co-ordination of production, there is a continuous challenge for the processing industry to procure sufficient quantities of uniform quality raw materials^[4]. The processing of fruit and vegetables in Hungary has a relatively narrow range of products, and it is not possible to expand the product scope without strengthening cooperation between producers and processors^[5] The low degree of **horizontal and vertical coordination** is true for most product pathways, which needs to be strengthened in order to ensure effective cooperation (3.1.1). Interventions to support the operational funds (SC11-28_1-18_FV_47) and to Producer Groups and Producer Organisations (RD44_R03_POG_77) are active in addressing these two needs.

Over the past 10-15 years, there has been a growing consumer demand in the EU countries for food sold directly by producers or only by an intermediary. The participation of producers and consumers in the Short Supply Chain (REL) is not only a source of greater bargaining power for producers compared to global supply systems, but also generates social and environmental benefits^[6]. Without the development of cooperation and further social and economic development, both the spread of modern RELs and the sustainable functioning of traditional forms are rather uncertain. After the re-opening of the economy following the COVID outbreak, many newly created direct sales channels are struggling to survive. In order to survive, the **development of short supply chains** (need 3.1.3) should include, inter alia, the development of innovative food supply chains, support for the development of information and

communication (ICT) tools for producers, the development of applied software, and education in the use of ICT tools. It should also include support for the development of logistics capacity, the promotion of innovative solutions for delivery (cooling or fragile goods) and help create the legal conditions for producers' own-house delivery systems, temporarily easing the administrative burden[7]. A total of 2115 farms will receive support to address this need through the RD44_R03_POG_77 and RD49_R09_SCC_77 interventions.

The producers currently involved in the REL are typically the smallest (primary producers, individual or micro-enterprises), farmers do not have sufficient transport, storage, commercial infrastructure and equipment in sufficient quantities and quality, and the supply is insufficient, particularly in terms of resource efficiency.[8] Therefore, it is necessary to **further develop local cooperation (grouping) in the production, marketing and marketing** of products. (3.1.4) In addition to the 1905 farms affected by the support of producer groups and producer organisations, in addition to RD44_R03_POG_77, a further 940 farms could improve their chances of access to the market through the development of common geographical-related quality schemes and trade marks through interventions RD45_R04_GIS_77, RD46_R05_GIJ_77, RD49_R09_SCC_77; furthermore, intervention RD48_R07_QSP_77 will also contribute in real value without a plan value.

Large processors are characterised by integration in providing themselves with sufficient quantity of quality raw materials (e.g.: sweet corn, green peas). Smaller producers and suppliers struggle to commit themselves to a distribution channel and therefore it is difficult to establish long-term cooperation with them. In the absence of secure, predictable and accountable sales opportunities, producers do not implement technological developments (e.g.: plantation modernisation, irrigation development) and will not start – to a greater extent – into the production of new species, which means that the processing industry does not have sufficient access to a homogeneous commodity base of sufficient quality, without which it will not be able to produce new, innovative products, not based on basic industrial fruit and vegetables.[9] Consequently, **it is necessary to strengthen contractual discipline and strengthen long-term contractual relations**. (Requirement 3.2.2). Support for green harvesting and non-harvesting interventions in the fruit and vegetable sector (SC24_I06_FVG_47, SC25_I07_FVN_47) could improve the possibility of establishing long-term contractual relations.

R.11 – Concentration of supply side: Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

The overall target for indicator R.11 is 19.52 %. Method of calculation: Planned total value of marketed production of producer organisations participating in operational programmes: EUR 243434744. Total value of production in the sectors concerned (actual data available for the last year): EUR 1247231821. The intervention responsible for the overall target for indicator R.11 is the support to the operational funds (SC11-28_1-18_FV_47), which addresses the following needs, which are already surrounded by indicator R.10, as already presented at R.10:

- Encouraging horizontal and vertical integration, coordination and cooperation (3.1.1);
- Increasing the number and market efficiency of sectoral cooperation (including POs, PGs) (3.1.2);
- Development of short supply chains (database, tool, infrastructure and competence development) (3.1.3).

R.39^{CU} – Development of the rural economy: Number of rural businesses including bio-economy businesses developed with CAP support

The overall cumulated target for R.39 is 4600 rural economies. To reach the target, there is a complex intervention package: We expect added value from 11 interventions. We expect strong progress in the indicator's target in 2027, with steady increases before and after.

The SO3 specific objective R.39 is linked to an intervention with no design value (SC28_E01_FVI_47). Interventions supporting the achievement of the SO3 specific objective will contribute to the target of indicator R.39 by addressing the following needs, already described in detail in indicator R.10: In order to strengthen horizontal and vertical integration (3.1.1) and to increase the number and market efficiency of

sectoral cooperation (including POs, PGs) (3.1.2) and to develop short supply chains (3.1.3), support for fruit and vegetable producer organisations (SC28_E01_FVI_47) is available for rural farms; there is no plan value for the farms concerned.

[1] Dudás, Gy. (2016): *Processing and preserving of fruit and vegetables*. In Kürthy, Gy. (eds), Dudás, Gy. (eds), Felkai, B.O. (eds) (2016): *The situation and vision of the food industry in Hungary*. Agricultural Economic Studies, Research Institute for Agricultural Economics, Budapest

[2] Rácz, K. (2017): *Producer groups in Hungary*. 173-192 p. In Szabó, G.G. and Baranyai, Zs. (2017): *Barriers, conditions and development opportunities for cooperation in the Hungarian food economy*. Agroinform Publishing, Budapest

[3] *Situation analysis for specific objective 3 (30.6.2021), Chapter 4.1*

[4] *Situation analysis for specific objective 3 (30.6.2021), Chapter 5.3*

[5] *Situation analysis for specific objective 3 (30.6.2021), Chapter 5.3*

[6] Augère-Granier, M-L. (2016): *Short food supply chains and local food systems in the EU*. European Parliament, European Parliamentary Research Service, Briefing September 2016

[7] *Situation analysis for specific objective 3 (30.6.2021), Chapter 6*

[8] Sabo, D. (2015): *Analysis of producer markets from the perspective of market operators, producers and consumers*. PhD comprehension.

[9] Dudás, Gy. (2016): *Processing and preserving of fruit and vegetables*. In Kürthy, Gy. (eds), Dudás, Gy. (eds), Felkai, B.O. (eds) (2016): *The situation and vision of the food industry in Hungary*. Agricultural Economic Studies, Research Institute for Agricultural Economics, Budapest

2.1.SO3.9 Justification of the financial allocation

Farmers' position in the value chain can be improved by encouraging horizontal and vertical integration, coordination and cooperation. Our aim is to increase the number and market efficiency of sectoral cooperation (e.g. POs, PGs), to develop short supply chains and local cooperation in product production, distribution and marketing. Sectoral measures and collaborative measures under Pillar II contribute to achieving our goals. We consider that the allocated resources are sufficient to achieve the objectives.

Commission recommendations for SO

- Strengthen the position of farmers by supporting: farmer cooperation – in particular through producer organisations which integrate their economic activities; farmers' engagement in more downstream activities; innovation; and the development of new markets.
- Improving the resilience of the agricultural sector by supporting the sector in adding value to products, e.g. through EU quality schemes (including organic farming), processing or specialisation in products for which Hungary has a competitive advantage.

The significant increase in the processing/added value of the agricultural product is a significant increase in the objectives of this SO and makes it much easier to meet the recommendations, just as in the case of SO2.

2.1.SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

2.1.SO4.1 Summary of the SWOT Analysis

2.1.SO4.1.1 Strengths

- E.1. Agricultural risk management system. The contribution of the national ice mitigation system, which is part of the domestic agricultural risk management system, to the reduction of ice damage caused on agricultural land. The mitigation scheme contributes to managing the risks of weather and other natural events affecting agricultural production [SO4/4.1]
- E.2. Technologies to improve energy efficiency are applied to agriculture, forestry and the food industry [SO4/3.3]
- E.3. Widespread use of agro-technologies (use of cover crops, soil relaxation, etc.) to improve organic matter sequestration and water management of soils [SO4/4.3]
- E.4. Exploring and promoting afforestation opportunities for non-agricultural land [SO4/2.2]

2.1.SO4.1.2 Weaknesses

- Gy.1. GHG emissions from agriculture are increasing from 2013 [SO4/1.2]
- Gy.2. Relatively low share of renewable energy in the energy use of the agricultural economy [SO4/3.1]
- Gy.3. Most farmers are unable to adapt to the changing production conditions due to climate change due to knowledge gaps, scale efficiency and technological gaps [SO4/5.1]
- Gy.4. Tillage techniques that retain water are not used, and most farmers do not have the necessary machinery and knowledge to do so. They are not taught [SO4/4.3]
- Gy.5. Limited data available to assess adaptation to climate change, difficulties in accessing databases available in different locations and a lack of preparation of the monitoring system to assess the fulfilment of climate and energy targets [SO4/6.1]
- Gy.6. Lack of a mosaic landscape structure for adaptation, under-utilisation of existing elements. Non-inclusion of adaptation to landscape conditions
- Gy.7 The health status of several groups of tree species in the domestic forest stand is deteriorating and its age and species composition is unfavourable; reforestation is prolonged, carbon sequestration capacity is reduced [SO4/2.1]
- Gy.8. Forest cover is lagging behind and its improvement is hampered by insufficient institutional capacity in afforestation. [SO4/2.2]
- Gy.9 Low levels of producer cooperation hamper larger-scale agricultural investments in climate protection

2.1.SO4.1.3 Opportunities

- L.1.Intensification and further development of innovative technologies and sustainable approaches in agriculture, forestry and food (e.g. precision farming, circular farming)
- L.2.Increase renewable energy production and use in agriculture and forestry [SO4/3.1], [SO4/3.2]
- L.3.Building on the available research infrastructure, R & D & I, ITC new technologies, processes, products will be developed, new technologies will be deployed in education [SO4/5.1]
- L.4.The horizontal and vertical cooperation of farmers will enable better climate change preparedness and adaptation
- L.5.The landscape role will be used as a climate regulator, increasing forest and grassland, wetlands, border habitats [SO4/2.1] [SO4/4.2]
- L.6.In situ water retention also has a positive impact on climate regulation [SO4/4.3]
- L.7.The use of agro-technologies to improve carbon dioxide and other GHG sequestration of soils (non-

disturbed cultivation) is widely spread [SO4/1.1]

L.8.Increasing adaptation possibilities as a result of research to preserve the health and potential of forests

L.9.The pressure on consumer demand in short supply chains can improve producers' climate awareness and thus their resilience

L.10.There is a large number of alternative domestic climate protection tools and products development that require research into their mode of action

L.11.Improvement of forest fire management

L.12.Physical protection against hail and frost (nelons, nets)

L.13.Improvement of soil quality, which contributes to increasing its water retention and nutrient retention capacity

L.14.Crop, grassland and forestry play an important role in adapting to climate change and have the potential to mitigate the adverse effects of climate change

L.15.Filter and inland water mapping help increase adaptability [SO4/4.1]

L.16. Research institutes have great experience in producing varieties adapted to domestic climatic conditions [SO4/7.1]

2.1.SO4.1.4 Threats

F.1.Increased agricultural damage due to changes in the nature of plant and animal diseases or changing cultivation conditions due to climate change [SO4/7.1]

F.2.Increase in food prices due to climate change mitigation and adaptation obligations may lead to carbon leakage to countries with less stringent environmental requirements

F.3.Increase in financial risks due to climate change

F.4.The share of natural and semi-natural habitats mitigating the effects of climate change is decreasing due to the rise of greenfield investments (line facilities, industrial investments)

F.5.Take land use (e.g. extensive agricultural production, woodland) contributing to climate change mitigation due to a lack of long-term return from low profitability

F.6.The grassland area is decreasing

F.7.Decrease of agricultural area suitable for crop production or forested or wooded cover due to accelerating climate change

F.8.The market treats weather anomalies inflexible, resulting in a lack of responsiveness of the prices of producer products to the supply of demand

F.9.The holistic modelling of climate change currently contains too many uncertainties (e.g.: lack of forecasting and modelling of animal husbandry systems at EU level)

F.10.Emissions from agriculture will increase in the 'existing measures' (WEM) scenario and stagnate in the 'supplementary measures' (WAM) scenario

F.11. Carbon removals from LULUCF will decrease in both WEM and WAM scenarios

F.12 We do not have a national database and monitoring system for monitoring domestic climate change (due to the fragmented institutional structure) [SO4/6.1]

2.1.SO4.1.5 Other comments

Not relevant.

2.1.SO4.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes

4.1.2	Reduction of GHG and ammonia emissions through technological development of livestock farming	2	Yes
4.2.1	Maintaining the carbon balance of forest stands and promoting climate adaptive renewal	2	Yes
4.2.2	Reduction of GHG and atmospheric load gases emissions using forestry tools	2	Yes
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
4.3.3	Increasing efficiency of energy use at operational and technological level	1	Yes
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
4.6.1	Development of regional databases for climate change adaptation assessment.	1	Partially
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO4.3 Identification of the relevant (elements of) national plans emanating from the legislative instruments referred to in Annex XI of the CAP plan Regulation that have been taken into account in the CAP plans' needs assessment for this specific objective

Needs

4.1.Reduction of GHG and atmospheric gas emissions by means of agriculture

4.1.1.Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application

4.1.2.Development of livestock farming, in particular feeding and husbandry technology, and manure storage in a way that reduces GHG emissions

4.2.Reduction of GHG and atmospheric gas emissions by forestry equipment

4.2.1.Preserving the carbon balance of forest stands and promoting climate adaptive renewal

4.2.2.Reduction of GHG and atmospheric load gases by forestry equipment

Annex XIII EU legislation

Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No

Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Domestic Decarbonisation Tool: sectoral priority lines and tasks for reducing domestic greenhouse gas emissions*
- *Agriculture; Opportunities to mitigate climate-related damage in agriculture*

National Energy and Climate Plan

1.

- *Greenhouse gas emissions should be reduced by at least 40 % by 2030 compared to 1990, i.e. gross emissions should not exceed 56.19 million tCO₂e in 2030, or 7.6 million tCO₂e in 2017.*
- *The primary objective of reducing agricultural emissions is the requirement of good agricultural practices and various support instruments.*
- *In order to enhance CO₂ sink capacities, in line with the National Forest Strategy, we will significantly increase the share of forest and other woodland cover.*

National Clean Development Strategy 2021 (draft)

1.

- *Hungary strives for net-zero GHG emissions, i.e. climate neutrality by 2050*
- *Full integration of climate change as an edge condition into agricultural policies and practices by 2050, taking into account decarbonisation requirements and actual climate changes*
- *Reducing GHG emissions in agriculture by means that also promote yields;*
- *Reducing ammonia emissions from agriculture by 32 % by 2030;*
- *Enhancing carbon sequestration (carbon storage in soil by increasing the organic carbon stock of soils and in biomass);*
- *Improving the gross nutrient balance of agricultural land, reducing extortion and replenishment of organic matter;*
- *Circular use of plant by-products in soil management and biomass-based agriculture;*
- *Launching pilot plants to showcase innovations in the biomass economy;*
- *Increasing the area and proportion of the total agricultural area covered by agri-environmental programmes;*
- *The production of renewable energy of agricultural origin through the rational use of by-products;*
- *Encourage climate investments and agro-technical solutions through producer cooperation.*
- *Fully integrate climate change as an edge condition into forest policies, taking into account decarbonisation requirements and actual climate changes.*
- *Increased protection of forests, forest degradation, prevention of forest fires, negative impacts and reduction of carbon emissions.*
- *The development of the wood industry capable of processing wood to the greatest extent possible, which provides a high-quality wood raw material, greater use of wood as a renewable raw material, greater energy investment and the replacement of raw materials and products produced with high GHG emissions.*

National Forest Strategy 2016-2030

1.

- *The role of forests in carbon sequestration, promoting the adaptation of forests to the effects of climate change*

4.3. Increase the share of renewable energy use and deployment in the agricultural sector and increase energy efficiency

4.3.1. Increase the use of renewable energy taking into account ecological aspects and possible environmental conflicts (e.g. energy plantations, invasive species, use of thermal water, etc.)

4.3.2. Increase the production of RES based on siomas, taking into account ecological aspects and possible environmental and food production conflicts (e.g. energy plantations, invasive species, straw utilisation, etc.).

4.3.3. Increasing efficiency in energy use at operational and technological level

Annex XIII EU legislation

Directive 2009/28/EC on the promotion of the use of energy from renewable sources;

Regulation (EU) 2018/1999 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council

Directive (EU) 2018/2002 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 amending Directive 2012/27/EU on energy efficiency

Related objectives of national environmental and climate plans

National Energy Strategy 2030

1.

- *Increasing the use of renewable energy and improving energy efficiency*

National Energy and Climate Plan

1.

- *Increasing the use of renewable energy and improving energy efficiency*

4.4. To mitigate and adapt to the negative impacts of climate change by reviewing technologies and land use

4.4.1. Development of technologies and tools to help protect against negative weather effects to prevent damage (e.g. drought, burns, fire damage, biotic damage, frost damage)

4.4.2. Review of the use of arable production sites cultivated at the limits of economy, optimisation of alternative uses

4.4.3. Improve the water retention capacity of soils and ecosystems by encouraging land use change (forest, grassland, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using agro-water conservation techniques, including the development of lined water retention facilities that can be cultivated

Annex XIII EU legislation

Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Domestic Decarbonisation Tool: sectoral priority lines and tasks for reducing domestic greenhouse gas emissions*
- *Agriculture; Opportunities to mitigate climate-related damage in agriculture*

National Energy and Climate Plan

1.

- *Greenhouse gas emissions should be reduced by at least 40 % by 2030 compared to 1990, i.e. gross emissions should not exceed 56.19 million tCO₂e in 2030, or 7.6 million tCO₂e in 2017.*
- *The primary objective of reducing agricultural emissions is the requirement of good agricultural practices and various support instruments.*
- *In order to enhance CO₂ sink capacities, in line with the National Forest Strategy, we will significantly increase the share of forest and other woodland cover.*

National Clean Development Strategy 2021 (draft)

1.

- *Hungary strives for net-zero GHG emissions, i.e. climate neutrality by 2050*
- *Full integration of climate change as an edge condition into agricultural policies and practices by 2050, taking into account decarbonisation requirements and actual climate changes*
- *Reducing GHG emissions in agriculture by means that also promote yields;*
- *Reducing ammonia emissions from agriculture by 32 % by 2030;*
- *Enhancing carbon sequestration (carbon storage in soil by increasing the organic carbon stock of soils and in biomass);*
- *Improving the gross nutrient balance of agricultural land, reducing extortion and replenishment of organic matter;*
- *Circular use of plant by-products in soil management and biomass-based agriculture;*
- *Launching pilot plants to showcase innovations in the biomass economy;*
- *Increasing the area and proportion of the total agricultural area covered by agri-environmental programmes;*
- *The production of renewable energy of agricultural origin through the rational use of by-products;*
- *Encourage climate investments and agro-technical solutions through producer cooperation.*
- *Fully integrate climate change as an edge condition into forest policies, taking into account decarbonisation requirements and actual climate changes.*
- *Increased protection of forests, forest degradation, prevention of forest fires, negative impacts and reduction of carbon emissions.*
- *The development of the wood industry capable of processing wood to the greatest extent possible, which provides a high-quality wood raw material, greater use of wood as a renewable raw material, greater energy investment and the replacement of raw materials and products produced with high GHG emissions.*

National Forest Strategy 2016-2030

1.

- *The role of forests in carbon sequestration, promoting the adaptation of forests to the effects of climate change*

4.5.1. Knowledge and improvement of climate change production conditions and adaptation options

Annex XIII EU legislation

No directly related EU legislation

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Opportunities to mitigate climate-related damage in agriculture*

4.6.1. Development of regional climate change adaptation assessment databases, monitoring and forecasting system

Annex XIII EU legislation

Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Geospatial basis for territorial climate vulnerability assessment, need for a complex monitoring system*

4.7.1 Design and use of climate-adaptive and climate-adaptive plant and animal varieties

Annex XIII EU legislation

No directly related EU legislation

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Opportunities to mitigate climate-related damage in agriculture*

2.1.SO4.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	Eco-scheme(31) - Schemes for the climate, the environment and animal welfare	DP17_G01_ECOS_16 - Agro-ecological programme	O.8. Number of hectares or of livestock units benefitting from eco-schemes
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ORGAN(47(1)(d)) - organic or integrated production	SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit	O.35. Number of supported operational programmes
Sectoral - Fruit	CLIMA(47(1)(i)) - actions to mitigate and to	SC18_G02_FVL_47 - climate	O.35. Number of supported

and Vegetables	adapt to climate change	change mitigation and adaptation measures — fruit and vegetables	operational programmes
Sectoral - Apiculture products	INVAPI(55(1)(b)) - investments in tangible and intangible assets, as well as other actions	SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Wine	INVWINE(58(1)(b)) - investments in tangible and intangible assets in wine-growing farming systems, excluding operations relevant to the type of intervention provided for in point (a), processing facilities and winery infrastructure, as well as marketing structures and tools	SC06_E05_WII_58 - Investments in tangible and intangible assets in the wine sector	O.36. Number of actions or units supported in the wine sector
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20_G02_ORT_70 - Support to organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20a_G02_ORT_70 - Support for organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD22_G05_LCP_70 - Payment to encourage agro-ecological land use change	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD27_G10_GPX_70 - Ex situ conservation of plant genetic resources and micro-organisms	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD28_G11_GPI_70 - Conservation in situ of plant genetic resources	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD30_G13_AWC_70 - Animal welfare aid in the beef sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD31_G14_AWC_70 - Animal welfare aid in the beef cattle sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD39_F06_AFM_70 - Maintenance of investments in afforestation and support for income replacement	O.16. Number of hectares or number of other units under maintenance commitments for afforestation and agroforestry

RD	INVEST(73-74) - Investments, including investments in irrigation	RD01c_E01_FRM_73 - Support for green investments in agricultural holdings	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01d_E01_FRM_73 - Farm development to reduce ammonia emissions	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD04b_E03_FOF_73 - Support for green investments linked to adding value to agricultural products	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD18_I03_JGR_73 - Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD21_G04_LCI_73 - Non-productive investments in Agro-ecological	O.21. Number of supported on-farm non-productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD38_F05_AFI_73 - Support for investments in afforestation and creation of woodland	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD40_F07_INP_73 - Investments for competitive forestry (for-profit)	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD41_F08_INN_73 - Investments for the environmental sustainability of forestry (non-profit)	O.23. Number of supported off-farm non-productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD42_R01_RAN_73 - Rural infrastructure development in schools	O.22. Number of supported infrastructures investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD43_R02_LOC_73 - Rural infrastructure development in small settlements	O.22. Number of supported infrastructures investment operations or units
RD	COOP(77) - Cooperation	RD37_F04_FRC_77 - Co-operative support for forest fire prevention and risk reduction	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD52_R12_BIC_77 - Rural development cooperation for the development of a biomass-based economy	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	O.31. Number of supported local development strategies (LEADER) or preparatory actions

Overview

4.1. Main Needs: Reduction of GHG and atmospheric gas emissions through agricultural instruments

The situation reveals that global climate change is most affected by the presence of greenhouse gases and pollutants in the atmosphere. Agriculture is the sector most vulnerable to climate change, with effects differentiated over time and space and causing different damage. In Hungary, most economic sectors contribute to high levels of GHG emissions, accounting for 72 per cent of energy production and consumption, 11-11 per cent for industry and agriculture and 5 per cent for waste management. At the same time, in addition to GHG emissions, the agricultural economy also has significant carbon sequestration potential as a result of farmland farming, which can be influenced in both positive and

negative directions, depending on the farming practices used. Prioritising livestock and crop farming practices focused on GHG emission reduction can reduce the net emissions footprint of agriculture.

Need 4.1.1: Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application

The carbon sequestration capacity of soils and ecosystems can be improved by developing and maintaining grasslands, non-productive areas, wetlands, selvedges, conservation trees, developing agrotechnological practices and altering manure application. Among the optional requirements of the basic agro-ecological programme (DP17), winter soil cover, tillage without rotation, cover between plantations and the maintenance of higher non-productive areas contribute to the carbon sequestration of agricultural land, and the use of soil conditioners and microbial products contributes to reducing fertiliser application and reducing ammonia emissions. Several of the general requirements for agri-environmental management payments (AKG, RD19) cover sustainable nutrient management, contributing to reducing fertiliser application and thus reducing ammonia emissions. It contributes directly to the reduction of ammonia emissions from agriculture as a result of the principles and rules laid down in EU legislation on organic production (RD20, SC13). Agro-ecological non-productive (RD21) and land-use change (RD22) interventions aim to curb the current decline of grasslands and wetlands and promote their growth.

Need 4.1.2: Improving livestock farming practices, in particular feed and husbandry technology, and manure storage in a way that reduces GHG emissions

The significant extension of the animal welfare measures envisaged in the CAP aims at the sustainable development of animal husbandry in terms of both animal species and expectations, helping keepers to apply stricter animal welfare, hygiene, husbandry and feeding standards than the mandatory requirements. Enhancing farm competitiveness and value-added production by supporting the uptake and development of new, innovative and environmentally friendly cultivation, breeding and production technologies (RD30, RD31, RD01d) contributes to the reduction of carbon emissions and energy consumption on farms.

4.2. Main Needs: Effective transfer of knowledge to take up an economic activity

Estimates show that the land use, land use change and forestry sector (LULUCF) in Hungary has been a net carbon sink over the last decade. In general, forest land (FL) is the largest contributor to this net carbon sink, with WL and built-up areas (SE) being a net source of emissions, while grassland (GL) and arable crop production (CL) are net emitters in some years and net sinks in others. Increasing forest areas and increasing woody cover, which can also be used as an ecological solution to reduce the risk of damage to agriculture, are desirable.

Need 4.2.1: Preserving the carbon balance of forest stands and promoting climate adaptive renewal

Forest growth plays an important role in domestic climate regulation, which is ensured by afforestation activity in addition to current agricultural subsidies. The health status of several groups of tree species in the domestic forest stand is deteriorating and its age and species composition is unfavourable; reforestation is protracted, carbon sequestration capacity is being reduced, it is of utmost importance to increase investments in competitive forest management and investments for the environmental sustainability of forest management (RD40, RD41).

Need 4.2.2: Reduction of GHG and atmospheric gas emissions by forestry equipment

One of the key objectives of intervention to support the development and maintenance of afforestation and creation of woodland is to reduce the effects of climate change through land-use change and to significantly sequester carbon dioxide. The situation revealed that forest cover in Hungary is lagging behind, and this improvement is hampered by insufficient institutional capacity in the State for afforestation. The planned measures are intended to explore and encourage afforestation opportunities for non-agricultural land (RD38) and to maintain them (RD35, RD41).

4.3. Main Needs: Increasing the share of renewable energy use and deployment in the agricultural sector, increasing energy efficiency

Rural development policy measures that lead to an increase in energy efficiency and the use of renewable energy produced have the effect of reducing fossil dependency at macro-economic level, increasing

energy security, reducing vulnerability to external energy imports, improving the external trade balance and improving the country's competitiveness.

Need 4.3.1: Increase the use of renewable energy taking into account ecological aspects and possible environmental conflicts (e.g. energy plantations, invasive species, use of thermal water, etc.)

Increasing the use of renewable energy is an important tool for climate adaptation, but this should only be done taking into account ecological aspects and possible environmental conflicts (e.g. energy plantations, invasive species, use of thermal water, etc.). Investments in farm development and the enhancement of the value of agricultural products should be supported by interventions aimed, inter alia, at improving energy efficiency and the use of renewable energy, thereby improving farm sustainability (RD01c, RD04b, SC06, SC18). Increasing the deployment of renewable energy is part of rural infrastructure development (RD42, RD43, RD52).

Need 4.3.3: Increasing efficiency in energy use at operational and technological level

Efficient energy use also reduces GHG emissions, including climate change, which is best achieved at operational level and through technological interventions (RD01c, RD04b).

4.4. Main Needs: To mitigate and adapt to the negative impacts of climate change by reviewing technologies and land use

Climate change mitigation and adaptation options are environmentally friendly water retention and irrigation development, for which the sustainable use of water (water regulation, waste water treatment) is not yet exploited, and the rationalisation of land use and the use of site-specific technologies for dry farming in most agricultural areas should also be prioritised.

Need 4.4.1: Development of technologies and tools to help protect against negative weather effects to prevent damage (e.g. drought, burns, fire damage, biotic damage, frost damage)

The development of technologies and tools to help prevent damage, including mitigating the effects of climate change (e.g. drought, burns, fire, biotic damage, frost damage) is an important tool and investments in their application and development (SC18, SC28, RD18, RD37, RD41).

Need 4.4.2: Review the use of arable land cultivated at the limits of economy and optimise alternative use

The review of the use of arable production sites cultivated at the limits of economy and the optimisation of alternative uses will make it possible to take advantage of the climate protection effect of extensive farming (DP17, RD21, RD22, RD38, RD39).

Need 4.4.3: Improving the water retention capacity of soils and ecosystems by encouraging land use change (forest, grassland, wetland), making land cover mosaic (shelf habitats, non-productive areas) and using agro-water conservation techniques, including the development of lined water retention facilities that can be cultivated

Improving the water retention capacity of soils and ecosystems can be achieved by encouraging land use change (forest, grassland, wetlands), making land cover mosaic (marine habitats, non-productive areas) and using water conservation agronomic techniques (DP17, RD19, RD21, RD22, RD38, RD39).

4.5. Main Needs: Knowledge transfer and development of climate change production conditions and adaptation options

The climate mitigation and adaptability of the agricultural economy to climate change is crucially influenced by the use of new knowledge and innovation in production, the success of which is ensured by the presence of well-trained and state-of-the-art professionals and precision farming in production. The use and wider take-up of precision technology to help adapt to climate change and increase the technical efficiency of agricultural production entails a realistic market competitiveness reserve.

Requirement 4.5.1: Knowledge transfer and development of climate change production conditions and adaptation options

The provision of information to operators on climate change production conditions and adaptation options is essential for climate change (SC11, SC12, RD58, RD60).

4.6. Main Needs: Development of climate change adaptation assessment databases and monitoring system

Requirement 4.6.1: Development of regional climate adaptation assessment databases, monitoring and forecasting systems

The development of databases, monitoring and forecasting systems will help assess adaptation to climate change, thereby also contributing to mitigating its impacts. They are supported by planned interventions (SC18). Activity outside the CAP.

4.7. Main Needs: Development and use of climate-adaptive and climate-adaptive plant and animal breeds

Need 4.7.1: Development and use of climate-adaptive and climate-adaptive plant and animal breeds

Need 4.7.1: Development and use of climate-adaptive and climate-adaptive plant and animal breeds

Increasing the resilience of animal and plant varieties is an important tool for climate adaptation. They are supported by planned interventions (SC03, SC18, RD27, RD28).

2.1.SO4.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO4.7 Are you planning CAP contribution towards the LIFE programme (only for SO4, SO5, SO6)

: No

2.1.SO4.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.12 - Adaptation to climate change Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation	21.51 %
R.13^{PR} - Reducing emissions in the livestock sector Share of livestock units (LU) under supported commitments to reduce emissions of greenhouse gases and/or ammonia, including manure management	20.74 %
R.14^{PR} - Carbon storage in soils and biomass Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)	21.14 %
R.15^{CU} - Renewable energy from agriculture and forestry and from other renewable sources Supported investments in renewable energy production capacity, including bio-based (in MW)	131.29 MW
R.16^{CU} - Investments related to climate Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials	2.29 %
R.17^{CU PR} - Afforested land Area supported for afforestation, agroforestry restoration, including breakdowns	16,174.00 ha
R.18^{CU} - Investment support for the forest sector Total investment to improve the performance of the forestry sector	399,567,252.00 EUR
R.22^{PR} - Sustainable nutrient management Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management	21.89 %
R.26^{CU} - Investment related to natural resources Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource	1.20 %

R.27^{CU} - Environmental or climate-related performance through investment in rural areas Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas	1,811.00
R.29^{PR} - Development of organic agriculture Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion	5.26 %
R.30^{PR} - Supporting sustainable forest management Share of forest land under commitments to support forest protection and management of ecosystem services	6.54 %

Justification of the targets and related milestones

SO4 – Contribution to climate change mitigation and adaptation and to the diffusion of sustainable energy

The value of the R indicators related to the SO4 specific objective is heavily influenced by the AKG, ÖKO and AÖP interventions. In the case of these payments, farmers choose from a set of commitments that change their farming practices in an environmentally sound manner. Each commitment contributes to a number of R indicators, as they modify farming practices to an extent that they address a number of natural factors (e.g.: water, soil, biodiversity). Examples include organic grassland management (ÖKO) or retention of unsown land (AKG). These pledges both save nature from chemical use, earthworks and provide habitats for wildlife. ÖKO support is in itself a complex set of commitments, but in the case of AKG and ÖP, farmers have to choose more commitments, so that a given area contributes to most environmental R indicators. The contribution of the requirements to a given R indicator has sometimes been taken into account with different territories, as they also affect natural factors (such as R indicators) at different territorial scales. In the case of biodiversity, the impact on the area concerned may be significantly exceeded (e.g.: 10 % unmown land).

R.12 – Adaptation to climate change: Share of utilised agricultural area (UAA) under supported commitments to improve adaptation to climate change

Overall target for indicator R.12: 21.51 %, representing the 1 141 836 ha supported in 2027 compared to the total area of 5 309 520 ha. The indicator measures only the achievement of SO4 objectives, and 4 out of 6 interventions are used at the planning stage to reach the current target.

One of the most significant interventions contributing to the indicator's target in itself is the *basic programme for agro-ecology* (DP17_G01_ECOS_16), with an equal annual contribution (860 521 ha) in the financial years 2024-2028. Among the optional requirements, winter soil cover, non-rotational tillage, covering between plantations and maintaining a higher proportion of non-productive areas contribute to the carbon sequestration of agricultural land and, on the other hand, the use of soil conditioners and microbial products contributes to reducing fertiliser application, thereby reducing ammonia emissions. The intervention addresses the following three needs of SO4:

- 4.1.1. Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application,
- 4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,
- 4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated.

The number of hectares supported by *agri-environmental management (AKG) payments* (RD19_G01_AEC_70) is only slightly below and significantly overlaps with the area supported by the basic agro-ecological scheme. Several of the general requirements of the AKG cover sustainable nutrient management (preparation of a nutrient management plan based on soil and leaf analysis, restriction of nitrogen application, application of organic fertilisers) thus contributing to reducing fertiliser application

and thus reducing ammonia emissions. The intervention responds to two needs of SO4:

4.1.1. Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application.

The *agro-ecological land use change incentive payment* (RD22_G05_LCP_70) contributes only modestly to the target value of indicator R.12: between 1 and 2 000 ha per year are eligible for aid. The aim of the intervention is to promote the change in land use of arable land currently cultivated at the expense of economy, including through the planting of grasslands and the creation of wetlands, thus promoting a change in land use in favour of carbon sequestration, the storage of carbon in soil and biomass, and an increase in the organic carbon stock of soils. The intervention addresses the following three needs of SO4:

·4.1.1 Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application,

·4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,

·4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated.

Through the in situ conservation of plant genetic resources (RD28_G 11_GPI_70), 30 260 hectares of assisted area per year can be counted between FY2024 and FY 2027, so the contribution of this intervention to indicator target R.12 is much more modest than other interventions. However, that does not mean that the intervention is not justified in itself. In addition to habitat and racial diversity, the preservation of genetic diversity is a key element of biodiversity, which is of particular importance both in terms of land and forestry, especially in the light of adaptation to the effects of climate change. Gene conservation, landscape varieties, long-range animal breeds and landscape management can be a good starting point for the development of climate-adaptive breeds. The intervention shall be the specific objective SO4 4.7.1 To address the need for “Development and use of climate-adaptive and climate-adaptive varieties of plants and animals”.

Climate change mitigation and adaptation measures – fruit and vegetables (SC18_G02_FVL_47) and sectoral interventions – fruit and vegetables: Support to Producer Organisations (SC28_E01_FVI_47) interventions do not have a planned value, but will subsequently contribute to indicator R.12 in real terms.

R.13^{PR} – Reduction of emissions in the livestock sector: Share of livestock units (LU) under supported commitments to reduce greenhouse gas and/or ammonia emissions, including manure management

Two interventions contribute to the target value of indicator R.13. Among these, the value of the *indicator is more significant in the cattle sector* (RD30_G13_AWC_70), where 327 thousand livestock units are supported in the financial years 2026 and 2027. RD31_G14_AWC_70 – *Animal welfare premiums in the beef cattle sector* will contribute almost half of this (in the same years) to the indicator at 180000 LU. The target setting for both interventions is based on a background calculation by independent experts.

The general welfare and more liveable conditions of domestic dairy and meat cattle herds are determined by husbandry technology and feed, therefore, in these two areas, it is particularly justified to apply animal welfare obligations and commitments that substantially improve the animals’ husbandry and feed and overall living conditions. However, the implementation of such a commitment entails a significant loss of income which needs to be compensated.

Interventions shall be covered by the SO4 specific objective 4.1.2. To address the need for “GHG and ammonia emission reduction through technological improvements in livestock farming”.

R.14^{PR} – Carbon storage in soil and biomass: Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or maintain or increase carbon storage (including: permanent grassland, permanent crops with permanent green cover, agricultural land in wetlands and peatlands)

Overall target for indicator R.14: 21.14 %, corresponding to 894 285 ha in 2024 and 1 122 174 ha in 2027 compared to the total area of 5 309 520 ha. The indicator measures only the achievement of the SO4 objectives, which 4 interventions serve to achieve in terms of plan values.

The achievement of indicator target R.14 is *mainly used for agri-environmental management payments (AKG – RD19_G01_AEC_70)*, where support will be granted uniformly to almost 786 thousand ha per year in 2023-2027. In addition, the size of the areas covered by the *Agro-Ecological Basic Programme (DP17_G01_ECOS_16)*, with a uniform allocation of almost 645 thousand ha per year in 2024-2028, is also to be highlighted. However, the area covered by the AÖP overlaps significantly with the area covered by the AKG, so the indicator target is not significantly increased, nor the *Agro-ecological land-use change payment (RD22_G05_LCP_70)* with a modest contribution (some thousand ha from 2026). The 3 interventions listed have already been described in detail for indicator R.12 (see here).

Support for organic farming (RD20_G02_ORT_70) is also making a significant contribution to the target, with more than 108 thousand hectares of land being supported per year in 2024-2027. The target setting is based on a background calculation carried out by independent experts. In order to achieve the territorial increase set out in the Hungarian eco-management action plan, the aim is to involve all beneficiaries applying for the intervention in the programme. Agro-environmental management payments and support for organic farming have been designed together with and in line with the basic programme for agro-ecology. In the course of the various provisions, Hungary has taken particular care to strengthen the environmental impact of each aid scheme. Each commitment is defined in such a way that it fully covers the cultivated areas and where one aid can no longer be present, the other can connect and farmers can manage accordingly. The aim of the intervention is to encourage the organicisation of conventional areas and to maintain farming methods in organic areas. Organic farming, among other things, protects and improves the biological status of soil. The intervention in relation to SO4 is set out in Section 4.1.1. Improving the carbon sequestration capacity of soils and ecosystems: the development and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, the development of agrotechnological practices, and the need to change manure application.

R.15 – Renewable energy from agriculture, forestry and other renewable sources: Supported investments in renewable energy production capacity, including bio-based (in MW)

The cumulative target value of indicator R.15 is 131.29 MW, which is planned to be reached in 2029, with a stronger pick-up in the second half of the period. Almost 50 % of the target is expected to be met by 2027. Of the 5 interventions contributing to the indicator target, *support for green investments in agricultural holdings (RD01c_E01_FRM_73)* and *rural infrastructure development (RD42_R01_RAN_73)* account for the vast majority of the indicator value. In addition, three interventions (overall less than 10 % of the target) contribute even more modestly to the target: *support for green investments linked to the enhancement of agricultural products (RD04b_E03_FOF_73)*, *rural development cooperation for the development of the biomass economy (RD52_R12_BIC_77)* and *Investments in tangible and intangible assets in the wine sector (SC06_E05_Wii_58)*. *Support to Producer Organisations in the F & V sector (SC28_E01_FVI_47)* and the *preparation and implementation of LEADER strategies (RD57_R15_LDR_77)* contribute to the indicator, without a fixed target value. The interventions of the R.15 indicator respond to the following needs underpinning the SO4 specific objective:

- 4.3.1. Increasing the use of renewable energy, taking into account ecological aspects and possible environmental conflicts (e.g. energy plantations, invasive species, use of thermal water, etc.),
- 4.3.3. Increasing the efficiency of energy use at operational and technological levels,
- 4.4.1 Development of technologies and tools to help protect against negative weather effects to prevent damage (e.g., drought, burns, fire damage, biotic damage, frost damage).

R.16 – Climate-related investments: Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to renewable energy or biomaterials production

The cumulated target value of indicator R.16 is 29.1 %, representing 7.540 beneficiary holdings with no duplication compared to the total of 241.000. . Minimum overlaps are expected between beneficiaries of

interventions contributing to the indicator target (10 % in total). The indicator is expected to rise by the end of the period: In 2027-2029, there will be almost three times more beneficiaries per year than in 2025-2026.

Of the 9 interventions contributing to the indicator target, in addition to *supporting green investments in agricultural holdings* that account for more than half of the target (RD01c_E01_FRM_73), *rural infrastructure development* (RD42_R01_RAN_73) and *support for investments in afforestation and woodland* (RD38_F05_AFI_73) can be highlighted with a contribution of approximately 20 %. In addition, three interventions (amounting to ~11 % of the target) contribute even more modestly to the target: *Support for green investments linked to the enhancement of agricultural products* (RD04b_E03_FOF_73), *Rural infrastructure development in small municipalities* (RD43_R02_LOC_73). *Climate change mitigation and adaptation measures in the fruit and vegetables sector* (SC18_G02_FVL_47), *aid to producer organisations in the fruit and vegetables sector* (SC28_E01_FVI_47) will contribute to the indicator, without a fixed target value and in plan value. The interventions of the indicator respond to the needs underlying the following SO4 specific objective:

- 4.2.2. Reduction of GHG and atmospheric gas emissions by forestry equipment
- 4.3.1. Increasing the use of renewable energy, taking into account ecological aspects and possible environmental conflicts (e.g. energy plantations, invasive species, use of thermal water, etc.),
- 4.3.3. Increasing the efficiency of energy use at operational and technological levels,
- 4.4.1 Development of technologies and tools to help protect against negative weather effects to prevent damage (e.g., drought, burns, fire damage, biotic damage, frost damage).
- 4.4.2. Review the use of arable land cultivated at the limits of economy and optimise alternative use
- 4.4.3. Improving the water retention capacity of soils and ecosystems by encouraging land use change
- 4.6.1. Development of regional climate adaptation assessment databases, monitoring and forecasting systems
- 4.7.1. Development and use of climate-adaptive and climate-adaptive plant and animal breeds

R.17^{PR} – Afforested area: Area supported for afforestation, agroforestry and restoration, including breakdowns

The overall target value of the indicator is 16 174 ha, which is planned to be evenly distributed over the 4 financial years 2025-2028.

Support for *investments in afforestation and woodland* (RD38_F05_AFI_73) represents 94 % (15000 ha) of the target, which responds to the following needs underpinning the SO4 specific objective:

- 4.2.2. Reduction of emissions of GHG and atmospheric load gases by forestry equipment;
- 4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,
- 4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated.

Agro-ecological non-productive investments (RD21_G04_LCI_73) complementing the target respond to the needs underlying the following SO4 specific objective:

- 4.1.1 Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application,
- 4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,
- 4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated.

R.18 – Investment support for the forestry sector: Total investment to improve the performance of the forestry sector

The value of the indicator is discussed in SO6 and SO8, as far as the interventions that are also relevant for SO4 are concerned.

R.22^{PR} – Sustainable nutrient management: Share of Utilised Agricultural Area (UAA) under supported commitments to improve nutrient management

Overall target for indicator R.22: 21.89 %, accounting for almost 1.2 million hectares per year by 2026 after a gradual ramp-up (compared to a total area of 5 309 520 ha). Two interventions support the achievement of the target. *Agro-environmental management payments* (RD19_G01_AEC_70) have a higher added value to the target, and the basic *agri-ecological programme* (DP17_G01_ECOS_16) is equally important in achieving the target. In the course of the various provisions, Hungary has taken particular care to strengthen the environmental impact of each aid scheme. The commitments are defined in such a way that they fully cover the cultivated areas and where one aid can no longer be present, the other can connect and farmers can manage accordingly.

The interventions respond to the needs underpinning the following SO4 specific objective:

- 4.1.1 Improving the carbon sequestration capacity of soils and ecosystems: establishment and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application,
- 4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,
- 4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated.

R.26: Investments related to natural resources: Share of farms receiving support for productive and non-productive investments linked to the protection of natural resources under the CAP

The numerator of indicator R.26 will increase to 3300 between FY 2025-2028, the number of farms affected will grow more dynamically in the first two years, followed by more modest growth, and finally 1.37 % of all farms will be affected by investments in natural resources. The achievement of the target is mainly due to two interventions: *Agro-ecological non-productive investments* (RD21) and *support for investments in afforestation and woodland* (RD38) account for more than 90 % of the farms concerned. Other interventions contributing to R.26 are in *-farm investment to improve water efficiency* (RD12) and *farm development to reduce ammonia emissions* (RD01d). Intervention SC28 does not increase the value of the indicator at design value and then increases the value of the indicator in real value.

Interventions under R.26 concern nearly all main SO4 needs:

- 4.1.1. Improving the carbon sequestration capacity of soils and ecosystems
- 4.1.2. Reducing GHG and ammonia emissions through technological improvements in livestock farming
- 4.2.2. Reduction of GHG and atmospheric gas emissions by forestry equipment
- 4.3.1. Increasing the use of renewable energy, taking into account potential environmental conflicts
- 4.4.1. Development of technologies and tools to help protect against negative weather effects
- 4.4.2. Review of the use of arable production sites cultivated at the limits of economy
- 4.4.3. Improving the water retention capacity of soils and ecosystems by encouraging land use change
- 4.6.1. Development of regional climate adaptation assessment databases
- 4.7.2. Development and use of climate-adaptive and climate-adaptive plant and animal breeds

R.27 – Environmental or climate-related performance through investments in rural areas: Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

Cumulated target value of indicator R.27: 1675 supported operations expected to be reached by 2028 with bell curves (to reach the maximum in 2025 with 529 operations).

One out of 7 interventions supporting the achievement of the target is highlighted: *investments for the environmental sustainability of forestry (non-profit)* (RD41_F08_INN_73), accounting for almost 90 % of the target.

The 7 interventions concerned respond to the needs underlying the following SO4 specific objective:

- 4.2.1. Preserving the carbon balance of forest stands and promoting climate adaptive renewal;
- 4.2.2. Reduction of emissions of GHG and atmospheric load gases by forestry equipment;
- 4.4.1 Developing technologies and tools to protect against negative weather effects to prevent damage (e.g. drought, burns, fire damage, biotic damage, frost damage);
- 4.4.2. Reviewing the use of arable land cultivated at the limits of economy and optimising alternative use,
- 4.4.3 Improving the water retention capacity of soils and ecosystems by encouraging land use change (forests, grasslands, wetlands), making land cover mosaic (shelf habitats, non-production areas) and using water conservation agro-technical techniques, including the development of lined water retention facilities that can be cultivated;
- 4.7.1. Development and use of climate-adaptive and climate-adaptive plant and animal varieties.

R.29^{PR} – Development of organic farming: Share of utilised agricultural area (UAA) supported by the CAP for organic farming, with a split between maintenance and conversion

The annual target value of the indicator shall be: 5.26 %, representing 280 thousand hectares per year in 4 years 2024-2027 compared to the total area of 5 309 520 ha. The indicator's target is provided by the *support for organic farming* (RD20_G02_ORT_70) alone, which may be complemented by the intervention of *organic or integrated production in the fruit and vegetables sector* (SC13_G01_FVO_47) without a fixed target.

The two interventions concerned are among the needs underlying the SO4 specific objective 4.1.1. Improving the carbon sequestration capacity of soils and ecosystems: the development and maintenance of grasslands, non-productive areas, wetlands, selvedges, conservation trees, development of agro-technological practices, changes in manure application responds to the need.

R.30^{PR} – Promoting sustainable forest management: Share of forest land under commitments to support forest protection and management of ecosystem services

The indicator's target is 6.54 %, representing 127 thousand hectares of forest land. Each year, the share of hectares covered by the target increases, and the target will be reached in 2029. One intervention of R.30 is linked to the needs of the SO4 specific objective: RD39_F06_AFM_70 -Retention of investments in afforestation and income replacement support is an intervention affecting a third of the target. The intervention responds specifically to the SO4 Main Needs 4: In addition to optimising alternative use (4.4.2), improving the water retention capacity of soils and ecosystems by encouraging land use change (forest, grassland, wetlands), making land cover mosaic (shelf habitats, non-productive areas) or using agro-technical water conservation techniques, including the development of lined water retention facilities that can be cultivated (4.4.3), will be able to make a meaningful contribution to the needs of arable land.

2.1.SO4.9 Justification of the financial allocation

Specific objectives 4, 5 and 6 cannot be separated from the point of view of meeting the recommendations and ensuring an adequate financial allocation. Overall, the measures relating to the three SOs fulfil our obligation under Article 93. Some of the measures of all other SOs also contribute to the objectives of the three SOs, with the result that environmental resources constitute one of the most significant parts of the plan's framework.

Relevant recommendations:

- Halting and reversing biodiversity loss, contributing to the EU Green Deal targets on high-diversity landscape features.
- Preparing agriculture for the challenges of water management.
- Increase the efficiency of nutrient management to reduce losses and soil, air and water pollution through reduction measures, thereby helping to achieve the Green Deal objective of reducing nutrient losses.
- Contribution to the organic farming objective of the EU Green Deal.
- Support mitigation practices and adaptation tools.

The financial envelope provided for in the plan is sufficient to address the recommendations, supported by

the relevant parts of Headings 3 and 5.

2.1.SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

2.1.SO5.1 Summary of the SWOT Analysis

2.1.SO5.1.1 Strengths

- E.1. There are significant surface and coastal filtration water resources linked to large rivers as well as usable groundwater resources
- E.2. Existence of topographical and micro-domestic conditions allowing for retention of water in the landscape, sometimes mosaic landscape structure [SO/3.1]
- E.3. Lower phosphorus balance compared to the EU average
- E.4. A nutrient management plan based on soil sampling is mandatory for 87 % of the agricultural area supported
- E.5. Soil experts with a university degree carry out soil protection planning and authorisation
- E.6. The Agricultural Sub-programme of the National Airload Reduction Programme has been adopted
- E.7 Plant protection activities carried out under the supervision of plant doctors with a university degree
- E.8. A high-quality plant protection forecast is in place, enabling preventive, environmental protection
- E.9 Adoption and extension of a national air load reduction programme to the agricultural sector (Commission Implementing Decision (EU) 2018/1522)

2.1.SO5.1.2 Weaknesses

- Gy.1. Existing, although neglected and efficient, built irrigation systems [SO5/2.1]
- Gy.2. Most of their surface waters and almost half of shallow groundwater do not meet the status required by the Water Framework Directive, and the proportion of waters with high nitrate concentrations has increased [SO5/2.1]
- Gy.3. Lack of area-specific planning knowledge
- Gy.4. High proportion of areas exposed to drought, inland water and floods [SO5/2.1]
- Gy.5. Lack of conversion of protective forest strips, water buffer-oriented forest strips, improvement processes and inland water drainage channels to water retention, low share of agricultural land with efficient water management [SO5/1.2], [SO5/2.2], [SO5/2.3], [SO5/3.1]
- Gy. 6. Strong decrease in protective forest strips, water buffer-oriented forest strips over the last 15 years [SO5/1.2], [SO5/2.2]
- Gy.7 Degradation of soil life, soil structure and soil quality due to current management practices [SO5/1.1]
- Gy.8. Agricultural soils' nutrient balance vulnerability and high nutrient deficit [SO5/1.1]
- Gy.9 Knowledge transfer interventions on application of new and state-of-the-art pesticides, emission reduction procedures for GHG, air pollutants and particulate matter, good nutrient management and composting are not available to producers and consultants [SO5/7.1]
- Gy.10. Hungary is not yet fully implementing its commitment to reduce emissions of ammonia and other air pollutants. [SO5/4.1], [SO5/4.2]
- Gy.11. There are currently no agricultural consultants who could provide integrated advice on GHG and air pollutant reduction [SO5/7.2]
- Gy.12 There is no single monitoring system and register on the subject yet; the data received from producers is always available according to the specific aid conditions
- Gy.13. Domestic fertiliser application is primarily based on cheaper nitrogen fertilisers, e.g. urea, which has a high ammonia emission value
- Gy.14. Integrated and environmentally-friendly pest management technologies and a system of advice based on them are not yet available at either European or Member State level to mitigate the food safety and economic impact of drastic pesticide withdrawals, in particular in the case of grain cultivation in

continental climate and small crops [SO5/5.1], [SO5/5.2]
 Gy.15: Low awareness among farmers of resource conservation benefits from agroforestry systems
 Gy. 16. The National Strand Strategy established under the OVGT was not adopted by Parliament, and no action plan to reduce drought damage
 Gy. 17. Relative high percentage of illegal water abstraction for irrigation [SO5/2.1]

2.1.SO5.1.3 Opportunities

L.1. Review of the RBMPs required by the WFD and the proposals for measures contained therein
 L.2. Uptake of sustainable rainfall and inland water management (Agricultural techniques to support water retention, retention of water within the plate, collection and infiltration of inland and rainwater in suitable areas)
 L.3. Increasing water retention in the water management sector
 L.4. Reducing the administrative burden of territorial retention of water, reviewing regulation, simplifying permitting procedures
 L.5. The development of main water facilities and distribution systems will be further strengthened in irrigation development
 L.6. Improved resource efficiency, differentiated, efficient and smart input application and use, reduction of GHG, air pollutants and particulate matter emissions in crop and livestock production (e.g. development of feeding and husbandry technology, manure storage and management, with a particular focus on digitalisation) [SO5/4.2], [SO5/7.3]
 L.7 Humane agro-technologies (e.g. non-rotational and soil cover-based processes) for soil sequestration of organic matter are spread (expert finding)
 L.8. Integration of existing databases (e.g. DAS, Risk Management Database, Cizek, Drought Monitoring, Inland Water Maps, Talajweb, National Laboratory Network [SO5/6.1], [SO5/7.3]
 L.9 Establishment of an EU and national system for research, innovation and knowledge transfer for the widespread uptake of agro-ecological practices, i.e. agricultural practices with low environmental pressures [SO5/7.3]
 L.10. In particular, launch a flagship research, innovation and knowledge transfer programme for the development of environmentally friendly plant protection practices against mycotoxins and small cultures [SO5/7.3]
 L.11 Woody crops have a positive impact on agricultural land in terms of water protection, soil protection and microclimatic
 L.12. R & D activities for agricultural use of sewage sludge, sewage sludge composers, declared products, dredging sludges and treated waste water [SO5/1.3]
 L.13. The specific environmental pressures of intensive livestock farming focused on modern emission reductions (e.g. water demand and area fixation) can be reduced
 L.14. Acceptance by farmers and policy of agro-technological methods and natural water retention solutions that help to make better use of soil water storage capacity and contribute to soil organic matter fixation
 L.15 Improving forest health and age composition
 L.16. Farmers are open to modern but economical manure management methods, which helps to favour organic fertilisers over fertilisers [SO5/1.1]
 L.17. Research on alternative domestically developed products suitable for ammonia and GHG reduction is needed to propose cost-effective solutions to producers
 L.18.High-quality nutrient management advice and domestically developed digital tools are available
 L.19. Woodlands between Hungarian forests and agricultural land have a clear positive impact, both in terms of soil protection, water protection and air protection

2.1.SO5.1.4 Threats

F.1 F.1.Decrease of renewable (or available) water resources

F.2.Lessment of available water resources due to the reduction of groundwater resources and inadequate ecological status of surface waters

F.3.water abstraction (agriculture + drinking water) threatens most water bodies

F.4.A high pressure from agriculture on surface waters by changing water bodies

F.5.Degradation of water quality due to inland discharges and nutrient pollution

F.6.Water soil erosion increased

F.7.Intensification of intensive farming in higher-lying watercourse catchment areas, loss of grassland and forest areas, increased soil degradation processes

F.8.Delay in the implementation of territorial water retention due to proprietary disincentives and shortcomings in cooperation, coordination and tools

F.9.The negative effects of climate change on the qualitative and quantitative state of natural resources

F.10.The difficulty for small farms to meet environmental requirements

F.11.Increased satisfaction of the need for renewable energy production with agricultural by-products could accelerate the degradation of soil organic matter and increase the level of air pollution

F.12.In the absence of specific measuring instruments to monitor certain air pollutants and GHG emissions, we use international estimation methods that do not take into account individual Member State alternative methods

F.13. Organic fertilisation of agricultural land is not solved by the separation of crop and livestock production because the crop grower is not interested in applying organic fertilisers with higher unit costs and stricter standards

F.14.Plant protection, nutrient management, emission commitments (including animal husbandry, e.g. animal feed) are only willing to pay if the aid condition

F.15.Pesticide withdrawals represent an increase in the cost of domestic production, creating a competitive disadvantage vis-à-vis third countries

F.16.The Water Framework Directive (WFD) 2027 and the 2030 targets of the NDS and F2F strategies are not met

F.17. Agricultural diffuse pollution affects 36 % of surface water, 39 % of groundwater and 8 % chemical pollution

2.1.SO5.1.5 Other comments

Not relevant.

2.1.SO5.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
2.1.4	Management of water scarcity in arable crops	1	Yes
5.1.1	Developing soil and nutrient management at farm level	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.1.4	Protection of arable land by agroforestry systems	2	Yes
5.1.5	Wastewater/sludge, food waste and biomass recycling in nutrient supply	1	No
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.2.2	Appropriate vegetation (invasive species, background pollution)	2	Yes

5.2.3	Rehabilitation of type-dependent zoning in the coastal zone of waters, establishment of a buffer zone	2	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes
5.3.2	Planting drought-tolerant crop varieties	1	No
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.3.2	Increasing the share of forest land under forest management with continuous cover	1	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO5.3 Identification of the relevant (elements of) national plans emanating from the legislative instruments referred to in Annex XI of the CAP plan Regulation that have been taken into account in the CAP plans' needs assessment for this specific objective

Needs

5.1. Improvement, protection and sustainable use of soils

5.1.1. Development of precision, plant-level soil and nutrient management based on the real potential of soils to provide nutrients (soil analysis) and the real demand of plants.

Annex XIII EU legislation

· Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)
· Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive);

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Reducing nutrient pollution from agriculture*

National Airload Reduction Programme Agriculture Sub-programme

1.
 - *Facilitating the practical application of nutrient management*

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)*

1.
 - *Significantly reduce the environmental impact caused by crops and performance-enhancing agents used in agriculture.*

Soil Action Plan

1.
 - *The conscious and environmentally sound use of soils by farmers, among other things,*

increases the organic matter content of soils, improves the supply capacity of nutrients, reduces the amount of fertilisers used and strengthens erosion control, which also prevents agricultural phosphate loads in surface waters.

5.1.2.Reducing nutrient losses, preventing nutrient leaching by promoting technologies that prevent this (e.g. increasing legumes in crop rotation) and the use of preparations (e.g. N-inhibitors, microbiological preparations) thereby contributing to the reduction of fertiliser use and pesticide use.

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)

Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive)

Related objectives of national environmental and climate plans

Nitrate Action Programme (27/2006) (II. Government Decree No 59/2008 on the protection of waters against pollution caused by nitrates from agricultural sources. (IV. Decree No 29.) of the Minister for Agriculture and Rural Development on the detailed rules of the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources and on the procedures for the provision of data and records)

1.

- *Protecting water quality from pollution of nitrates from agriculture to soil and surface waters by encouraging the application of good farming practices*

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.

- *Reducing nutrient pollution from agriculture*

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)

1.

- *Significantly reduce the environmental impact caused by crops and performance-enhancing agents used in agriculture.*

Soil Action Plan

1.

- *The conscious and environmentally sound use of soils by farmers, among other things, increases the organic matter content of soils, improves the supply capacity of nutrients, reduces the amount of fertilisers used and strengthens erosion control, which also prevents agricultural phosphate loads in surface waters.*

5.1.3.Remediation of degraded soils, including restoration of organic matter in soils, improvement of soil water management properties and replacement of trace element, and protection of soils against erosion and deflation;

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)

Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive)

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Reduction of alluvialand pollutant loads from soil erosion and/or surface runoff*

Soil Action Plan

1.
 - *The conscious and environmentally sound use of soils by farmers, among other things, increases the organic matter content of soils, improves the supply capacity of nutrients, reduces the amount of fertilisers used and strengthens erosion control, which also prevents agricultural phosphate loads in surface waters.*

5.1.4. Exploitation of agro-forestry systems for the protection of land (e.g. planting woody crops for soil protection, water protection or air quality protection, establishment of protective strips)

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Reduction of nutrient pollution from agriculture,*
 - *Measures to protect drinking water bases (protection areas, buffer zones)*

National Forest Strategy 2016-2030

1.
 - *Sustainable development of forest management functions, broadening the scope and added value of forest benefits: in particular through agroforestry systems, further processing of timber and in-situ biomass energy recovery ("bio-farm")*

5.1.5. Creation and promotion of opportunities for reuse of treated waste water and sludge, sludge and compost, food waste and/or biomass in nutrient supply as a circular approach

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Use of sewage sludge in agriculture,*
 - *Single removal and utilisation of sludge and bed vegetation accumulated in watercourses and stagnant waters*

5.2. Improving the ecological and chemical status of surface and shallow groundwater

5.2.1. Sustainable use of our surface and groundwater, our water bases, protection from pollution and pressures from agricultural sources.

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)
Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive);

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.

- *Reducing nutrient pollution from agriculture*
- *Use of water-saving and green energy solutions in crop production*

Long-term goals included in the National Water Strategy (Kvassay Jenő Plan):

1.

- *Gradual improvement of water status until good status/potential is reached*

Nitrate Action Programme (27/2006) (II. Government Decree No 59/2008 on the protection of waters against pollution caused by nitrates from agricultural sources. (IV. Decree No 29.) of the Minister for Agriculture and Rural Development on the detailed rules of the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources and on the procedures for the provision of data and records)

1.

- *Protecting water quality from pollution of nitrates from agriculture to soil and surface waters by encouraging the application of good farming practices*

5.2.2. Development of appropriate vegetation (increase mosaicity, displacement of invasive species) in wave spaces of major watercourses, reduction of background pollution

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)
Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive);

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.

- *Establishment of adequate vegetation for wave space, development, adaptation and maintenance of green infrastructure*

Long-term goals included in the National Water Strategy (Kvassay Jenő Plan):

1.

- *Gradual improvement of water status until good status/potential is reached*

5.2.3. Rehabilitation of type-specific zoning in coastal zones of watercourses and stagnation, establishment of a buffer zone

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)
Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive)

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Establishment of buffer zones adjacent to watercourses and lakes*

Long-term goals included in the National Water Strategy (Kvassay Jenő Plan):

1.
 - *Gradual improvement of water status until good status/potential is reached*

5.3.Creating the conditions for territorial retention of water

5.3.1. In order to reduce water scarcity, promote water retention through various agrotechnical means in soil and land use change to create a more diverse landscape in the landscape.

Annex XIII EU legislation

Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD)

Related objectives of national environmental and climate plans

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - Measures to promote natural water retention

Long-term goals included in the National Water Strategy (Kvassay Jenő Plan):

1.
 - *Water retention for better use of our waters*

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.
 - *Opportunities to mitigate climate-related damage in agriculture*

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)

1.
 - *Sustainable water management, water retention and rational, saving water use to conserve biodiversity and maintain ecosystem services.*

5.4.Air protection, reduction of emissions of air pollutants and particulate matter

5.4.1.Reduction of emissions of air pollutants and particulate matter of agricultural origin

5.4.2.Reduction of ammonia emissions from agriculture through manure management and land application standards, full nitrogen cycle management, encouraging the use of organic manure, replacing urea-type fertilisers, introducing low protein feeding systems, covering slurry stores and developing stable techniques (National Airload Reduction Programme)

Annex XIII EU legislation

Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air

quality and cleaner air for Europe;

Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC;

Related objectives of national environmental and climate plans

Air Quality Action Plan

1.

- *The combined aim of the air quality plans and the LCsT is to ensure compliance with air quality limit values throughout the country. They do not include only objectives and targets directly or indirectly linked to agriculture or the Common Agricultural Policy, but agriculture, in particular, makes a significant contribution to the emission of ammonia, which contributes to the development of secondary particulate matter (PM), and the reduction of their emissions is essential to meet the air quality limit values for PM10 and PM2.5.*

National Airload Reduction Programme Agriculture Sub-programme

1.

- *Promoting the use of organic fertilisers,*
- *Organic manure – setting conditions for land application,*
- *Promoting the practical application of nutrient management;*
- *Covering slurry stores,*
- *Technological development standards for ammonia sequestration in livestock farms,*
- *Ban on outdoor burning of crop residues and waste from agricultural harvests and forest biomass residues*

5.5.Reduction of the risk of use of plant protection products

5.5.2.Incentivising integrated plant protection solutions, with a particular focus on restoring soil biological life, and other environmentally friendly solutions in plant protection that help protect pollinators

Annex XIII EU legislation

Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides;

Related objectives of national environmental and climate plans

National Plant Protection Action Plan

1.

- *Compliant pesticide use, reasonable, timely and appropriate (chemical, biological, agrotechnical) plant protection,*
- *Introduction of integrated crop management technology to mitigate risks from pesticide use;*
- *Reducing risks from pesticide use*

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)

1.

- *Significantly reduce the environmental impact caused by crops and performance-enhancing agents used in agriculture.*

The following need has been classified under the SO9 objective but is directly related to Directive

2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides and the objectives of the National Plant Action Plan and the National Strategy for the Conservation of Biodiversity 2021-2030 as indicated above, as set out in Annex XIII:

9.2.1. Promoting the use of a reasonable, predictive, targeted plant protection product, reducing losses by using precision technologies, and technical development of digital tools, which contributes to a reduction in substance use by excluding unjustified treatments. Reducing chemical use helps pollinating insects.

5.6. Interconnection and integration of existing databases

5.6.1. Interconnection of existing databases, integration, development of monitoring and forecasting systems

Annex XIII EU legislation

No directly related EU legislation

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.
 - *Geospatial basis for territorial climate vulnerability assessment, need for a complex monitoring system*

National air load reduction programme – sub-programme for agriculture,

1.
 - *Development of a coordinated agricultural data collection system for the elaboration of an inventory reflecting the real results of using emission reduction technologies*

National Plant Protection Action Plan

1.
 - *Gathering information on plant protection practices,*
 - *The establishment of a cooperation agreement between the state and administrative bodies involved in the collection of data, using the information available from the database.*

Hungary's 3 rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Development and operation of monitoring systems and information systems*

Awareness-raising and integrated advice for good resource management, information for industry stakeholders

5.7.1. Development of a system of expert advice approaching modern agroecological practices, i.e. low-impact agricultural practices in an integrated approach (application of plant protection products, GHG, air pollutants and particulate matter abatement procedures, correct nutrient management and composting)

5.7.2. Involvement of farmers in soil, water and air protection monitoring, awareness-raising for good resource management, information to industry stakeholders

5.7.3. Development of priority knowledge transfer and demonstration programmes to showcase state-of-the-art and emission-reduction technologies

Annex XIII EU legislation

No directly related EU legislation

Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.
 - *Opportunities to mitigate climate-related damage in agriculture, support farmers by providing the necessary knowledge and advice*

National air load reduction programme – sub-programme for agriculture,

1.
 - *Promoting the practical application of nutrients – farming, advisory tools and educational materials*

National Plant Protection Action Plan

1.
 - Raising awareness among plant protection product users, farmers, garden owners and the general public;
 - Operation of a plant protection management network

Hungary's 3rd River Basin Management Plan 2022-2027 2021 Discussion Paper

1.
 - *Agricultural consultancy system supplemented with water protection aspects*

*For the National Strategy for the Conservation of Biodiversity 2021-2030, the inter-ministerial consultation and a national conference on the draft strategy with broad stakeholder participation were completed in 2021, but the Strategy has not yet been adopted by Parliament.

2.1.SO5.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	Eco-scheme(31) - Schemes for the climate, the environment and animal welfare	DP17_G01_ECOS_16 - Agro-ecological programme	O.8. Number of hectares or of livestock units benefitting from eco-schemes
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables	O.35. Number of supported operational programmes
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20_G02_ORT_70 - Support to organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20a_G02_ORT_70 - Support for organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD22_G05_LCP_70 - Payment to	O.14. Number of hectares

	climate-related and other management commitments	encourage agro-ecological land use change	(excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01d_E01_FRM_73 - Farm development to reduce ammonia emissions	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD12_W01_WTO_73 - On-farm investment to improve irrigation and water efficiency	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD21_G04_LCI_73 - Non-productive investments in Agro-ecological	O.21. Number of supported on-farm non-productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD38_F05_AFI_73 - Support for investments in afforestation and creation of woodland	O.24. Number of supported off-farm productive investment operations or units
RD	COOP(77) - Cooperation	RD51_R11_TUC_77 - Rural development cooperation for active and eco-tourism development in the region	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	O.31. Number of supported local development strategies (LEADER) or preparatory actions

Overview

5.1. Main Needs: Improvement, protection and sustainable use of soils

SO 5. According to the assessment of the situation ‘Supporting sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency’, most of Hungary’s soils have natural handicaps. The capacity of our soils to store water varies widely from one area to another, is affected by erosion and the compaction of the soils contributes to the development of inland waters and also reduces the interoperability of the soil.

Requirement 5.1.1: Establishment of plant-level soil and nutrient management

The Nitrate Regulation requires protection against eutrophication of surface waters and deterioration of groundwater quality in more than two thirds of the country. This is demonstrated by the fact that, according to the indicator of gross nutrient balance of agricultural soils in Hungary, annual fluctuations of nitrogen in the soil and a phosphorus deficit can be observed over the period 2000-2016. In addition to natural factors (soil composition and precipitation), the soil condition is mainly influenced by poor cultivation and nutrient supply methods, mechanisation and irrigation.

Planned interventions:

Agri-environmental management payments (AKG) RD19_G01_AEC_70

Support for organic farming RD20_G02_ORT_70

Requirement 5.1.2: Reduce nutrient losses and prevent nutrient leaching

The Nitrate Regulation requires protection against eutrophication of surface waters and deterioration of groundwater quality in more than two thirds of the country. This is demonstrated by the fact that, according to the indicator of gross nutrient balance of agricultural soils in Hungary, annual fluctuations of nitrogen in the soil and a phosphorus deficit can be observed over the period 2000-2016. In addition to natural factors (soil composition and precipitation), the soil condition is mainly influenced by poor cultivation and nutrient supply methods, mechanisation and irrigation.

Planned interventions:

Agro-ecological programme DP17_G01_ECOS_16

· Replanting of orchards – Vegetables SC22_I04_Fvr_47

· In-farm investment to improve water efficiency RD12_W01_WTO_74

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Support for organic farming RD20_G02_ORT_70

·Sectoral interventions for fruit and vegetables: Support to producer organisations SC28_E01_FVI_47

Requirement 5.1.3: Restoring degraded soils and improving their water management

The organic matter content of arable land is estimated at 280 megatonnes of total organic carbon. The soils of the Southern Transdanubia region and the Northern Central Mountains have the lowest organic carbon content in the country. The region of South Great Plain has the highest stock of organic carbon, but it does not exceed the required limit of 5 %. Soil erosion by water is particularly vulnerable to soils in the Northern Central Mountains and the South Transdanubia region. The picture is nuanced by the fact that the percentage of land at risk of moderate and severe soil erosion represented almost 1 % of agricultural land in 2007 and almost 3 % in 2012.

Planned interventions:

·Agro-ecological programme DP17_G01_ECOS_16

·Replanting of orchards – Vegetables SC22_I04_Fvr_47

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Support for organic farming RD20_G02_ORT_70

·Agro-ecological NPI RD21_G04_LCI_73

·Agro-ecological land use change incentive payment RD22_G05_LCP_70

Requirement 5.1.4: Protection of land with agroforestry systems

The results of the National Rural Development Plan (2005-2007) show the multifunctional contribution of forests to the sustainable management of natural resources, without the use of additional external resources. The nutrient load of streams from forest cover is lower, the total inorganic nitrogen content is closely linked to the afforestation of the river basins, its value decreases as forest cover increases, and woody vegetation limits evaporation from the soil.

Planned interventions:

Agro-ecological non-productive investments RD21_G04_LCI_73

Agro-ecological land use change incentive payment RD22_G05_LCP_70

Support for afforestation and woodland investments RD38_F05_AFI_73

Rural development cooperation for regional active and ecotourism development RD51_R11_TUC_77

Requirement 5.1.5: Waste water/sludge, food waste and biomass recycling in nutrient supply

Regional organisation and community-based solutions, in line with the objectives of circular farming, enable the sustainable operation of rural areas by-products, by-products, waste and solutions to promote the treatment and use of waste water, sewage sludge (e.g. nutrient supply). Activity outside the CAP.

5.2. Main Needs: Effective transfer of knowledge to take up an economic activity

In recent years there has been a strong expansion in crop production, but its future evolution is difficult to predict. The expected water demand for irrigation is uncertain and depends heavily on the weather in the year in question, but thanks to growing crop production, energy crops, land change and landscape management, there is a significant increase in water demand in Hungary. Water retention efforts can create opportunities for adaptation.

Requirement 5.2.1: Sustainable use of surface and groundwater

In Hungary, drinking water is predominantly extracted from groundwater and its water quality status deserves particular attention in terms of both nitrate and pesticide content. The Nitrate Regulation requires protection against eutrophication of surface waters and deterioration of groundwater quality in more than two thirds of the country. Nitrates, sulphates and ammonium pollution from urban or agricultural sources are typical of polluted water bases, but there are also exceedances of conductivity, and in some cases the degradation product of pesticide active substance is the state cause of poor quality of water bases.

Planned interventions:

·Agro-ecological programme DP17_G01_ECOS_16

·In-farm investment to improve water efficiency RD12_W01_WTO_74

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Support for organic farming RD20_G02_ORT_70

·Agro-ecological NPI RD21_G04_LCI_73

·Agro-ecological land use change incentive payment RD22_G05_LCP_70

·Sectoral interventions for fruit and vegetables: Support to producer organisations SC28_E01_FVI_47

Requirement 5.2.2: Appropriate vegetation (invasive species, background contamination)

The development of appropriate vegetation (increasing mosaicity, displacement of invasive species) in the wave spaces of larger watercourses will help reduce pollution from the background.

Planned interventions:

·Agro-ecological NPI RD21_G04_LCI_73

·Agro-ecological land use change incentive payment RD22_G05_LCP_70

Requirement 5.2.3: Rehabilitation of type-specific zonation in coastal zones of waters, establishment of a buffer zone

The situation revealed that the absence of conversion of forest strips, water buffer-oriented forest strips, land management processes and inland water drainage channels into water retention, a small proportion of agricultural land with efficient water management, is characterised by a small proportion of agricultural land with efficient water management, which could be increased by the following measures.

Planned interventions:

·Agro-ecological NPI RD21_G04_LCI_73

·Agro-ecological land use change incentive payment RD22_G05_LCP_70

5.3. Main Needs: Creating the conditions for territorial retention of water

On the basis of the findings made during the preparation of the third RBMP, the water resources of our smaller watercourses and our shallow lakes are already subject to quantitative reductions due to climate change, as they depend mainly on local rainfall conditions, drought and stock changes in groundwater. For groundwater bodies, studies show persistent descent water levels over the past period.

Requirement 5.3.1: Promoting water retention in soil and landscape

Measures to promote natural water retention include inland water retention, rainfall management (land level retention in order to increase infiltration and reduce run-off) and hillland reservoirs (in small watercourses, possibly in permanent reservoirs) and plain storage (in inland water reservoirs and plain storage). The OVG (2016) states that the territorial retention of storm water is mostly unresolved in Hungary, and good practices in storm water management and inland water management have not been sufficiently spread.

Planned interventions:

·Agro-ecological programme DP17_G01_ECOS_16

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Agro-ecological NPI RD21_G04_LCI_73

·Agro-ecological land use change incentive payment RD22_G05_LCP_70

5.3.2 Needs: Production of drought-tolerant plant varieties

Activities outside the CAP

5.4. Main Needs: Air protection, reduction of emissions of air pollutants and particulate matter

Ammonia emissions decreased by 41 % in 2019 compared to 1 990 in Hungary due to a sharp drop in cattle and pig numbers. Compared to 2005, emissions decreased in 2019, which can be explained by a further decrease in the number of animals. At the same time, there has been a slight increase compared to 2018, mainly due to the increasing use of fertilisers and an increase in emissions from dairy cattle rearing. Agricultural production is responsible for more than 90 % of ammonia emissions and emission reduction measures should therefore be prioritised in this sector. Significant emission reductions can be achieved through the modernisation of livestock husbandry technology, emission reduction technologies for livestock manure storage and application, as well as the application of fertilisers based on a nutrient management plan and the immediate incorporation of urea-based fertilisers after application.

Requirement 5.4.1: Reducing emissions of air pollutants and particulate matter of agricultural origin

The 1979 Convention on Long-Range Transboundary Air Pollution for 2020 and subsequent years sets

new emission reduction commitments for all Parties for sulphur dioxide, nitrogen oxides, non-methane volatile organic compounds, ammonia and fine particulate matter, based on 2005 as a basis. As a Party, Directive (EU) 2016/2284 of the European Parliament and of the Council (NEC Directive) imposes emission reduction commitments on Member States, including Hungary, to reduce national emissions of certain atmospheric pollutants.

Planned interventions:

Agro-ecological programme DP17_G01_ECOS_16

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Support for organic farming RD20_G02_ORT_70

Requirement 5.4.2: Reduction of ammonia emissions from agriculture

The primary source of ammonia is livestock farming and, more specifically, nitrogen from manure, which can also leave the house, manure storage, faeces hunted on pastures or manure spreading sites. In addition, fertilisers used in crop production may also be responsible for emissions, which mainly affect urea type fertilisers, as urea is the fertiliser type with the most significant ammonia emission factor. The low rate of grazing is the main reason for the relatively high emissions of dairy cows. 35 per cent of emissions are generated during manure application. For sows, 39 per cent of NH₃emissions occur in the house (application 33 per cent, storage 25 per cent).

Planned interventions:

Agro-ecological programme DP17_G01_ECOS_16

·Farm development to reduce ammonia emissions RD01d_E01_FRM_73

·Agricultural Management Payments (AKG) RD19_G01_AEC_70

·Support for organic farming RD20_G02_ORT_70

5.5. Main Needs: Reduction of risks of pesticide use

Requirement 5.5.2: Integrated green pest management

In Hungary, we grow arable, vegetable and fruit crops above the European average, which can have a wide variety of weeds, pathogens and pests. Thus, because of the withdrawals of the active substance in recent years in small crops, there is little or no plant protection solution. The narrow range of active substances, on the other hand, has a serious risk of resistance development, food safety (mycotoxin) and competitiveness. It is therefore of utmost importance to support integrated green pest management solutions covering the widest possible range of crops, targeted research, innovation and knowledge transfer activities at European and national level (e.g. through an agro-ecological partnership).

Planned interventions:

Agro-ecological programme DP17_G01_ECOS_16

Agri-environmental management payments (AKG) RD19_G01_AEC_70

Support for organic farming RD20_G02_ORT_70

2.1.SO5.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO5.7 Are you planning CAP contribution towards the LIFE programme (only for SO4, SO5, SO6)

: No

2.1.SO5.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.17^{CU PR} - Afforested land Area supported for afforestation, agroforestry restoration,	16,174.00 ha

including breakdowns	
R.18^{CU} - Investment support for the forest sector Total investment to improve the performance of the forestry sector	399,567,252.00 EUR
R.19^{PR} - Improving and protecting soils Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)	30.48 %
R.20^{PR} - Improving air quality Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission	13.48 %
R.21^{PR} - Protecting water quality Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies	25.24 %
R.22^{PR} - Sustainable nutrient management Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management	21.89 %
R.23^{PR} - Sustainable water use Share of utilised agricultural area (UAA) under supported commitments to improve water balance	18.94 %
R.24^{PR} - Sustainable and reduced use of pesticides Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage	23.94 %
R.26^{CU} - Investment related to natural resources Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource	1.20 %
R.27^{CU} - Environmental or climate-related performance through investment in rural areas Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas	1,811.00
R.29^{PR} - Development of organic agriculture Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion	5.26 %

Justification of the targets and related milestones

SO5 – Supporting sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

The value of the R indicators related to the SO5 specific objective is heavily influenced by the AKG, ÖKO and AÖP interventions. In the case of these payments, farmers choose from a set of commitments that change their farming practices in an environmentally sound manner. Each commitment contributes to a number of R indicators, as they modify farming practices to an extent that they address a number of natural factors (e.g.: water, soil, biodiversity). Examples include organic grassland management (ÖKO) or retention of unsown land (AKG). These pledges both save nature from chemical use, earthworks and provide habitats for wildlife. ÖKO support is in itself a complex set of commitments, but in the case of AKG and ÖP, farmers have to choose more commitments, so that a given area contributes to most environmental R indicators. The contribution of the requirements to a given R indicator has sometimes been taken into account with different territories, as they also affect natural factors (such as R indicators) at different territorial scales. In the case of biodiversity, the impact on the area concerned may be significantly exceeded (e.g.: 10 % unmown land).

R.17^{PR}: Afforested land: Area supported for afforestation, agroforestry and restoration, including breakdowns

For the support of the total value of the indicator, see SO4.

R.18: Investment support for the forest sector: Total investment to improve the performance of the forestry sector

The interventions ensuring the value of the indicator are presented under the SO4, SO6 and SO8 specific objectives.

R.19^{PR}: Improving and protecting soils: Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)

The indicator's overall target is 30.48 %, which is the share of Utilised Agricultural Area (UAA) that benefits soil management and is affected by supported commitments to improve soil quality (such as reducing tillage, soil cover with crops and crop rotation, including leguminous crops). The related interventions cover the full range of needs underlying the SO5 specific objective, so the effectiveness of R.19 is specifically closely linked to SO5, showing the progress made in the SO5. The interventions support the improvement, protection and sustainable use of soils (principal need 1), contribute to the effective transfer of the knowledge needed to start farming activities (priority 2), help create the conditions for territorial water retention (priority 3), air protection, reduce emissions of air pollutants and particulate matter (priority 4) and reduce risks of pesticide use (main need 5). The R.19 target is mostly influenced by the DP17_G01_ECOS_16 – Basic Agro-ecological programme. While the rate of duplication with other R.19-related interventions is very high, the ÖP alone provides more than 90 % of the target. Another significant intervention in achieving the objectives of R.19 is RD19_G01_AEC_70 – Agri-environmental management payments (AKG) and substantial but significantly less contribution to the intervention RD20_G02_ORT_70 – Support for organic farming.

R.20^{PR}: Improving air quality: Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emissions

The indicator's target is 13.48 %, which is the share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emissions. Interventions contributing to the target:

DP17_G01_ECOS_16 – Basic Agro-Ecological Programme (AÖP, Ecoscheme), RD19_G01_AEC_70 – Agri-environmental management payments (AKG) and RD20_G02_ORT_70 – Support for organic farming. The number of hectares allocated to the interventions is balanced and adapted to the resumption of multi-annual interventions to improve air quality. The achievement of the target depends primarily on the AAP intervention, which in itself can deliver results; the other two interventions fully overlap with AAAs in terms of improving air quality. As R.19, R.20 responds to challenges in a complex manner, covering five different main needs of SO5.

R.21^{PR}: Protecting water quality: Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies

Indicator target: 25.24 %, which is the share of Utilised Agricultural Area (UAA) under supported water quality commitments. The following interventions shall contribute to the target: DP17_G01_ECOS_16 – Basic Agro-Ecological Programme (AÖP, Ecoscheme), RD19_G01_AEC_70 – Agri-environmental management payments (AKG), RD22_G05_LCP_70 – Agro-ecological land-use change payment, RD20_G02_ORT_70 – Support for organic farming. With the highest territorial value, the AÖP contributes to the protection of water quality, but the positive impact of other interventions with a smaller territorial share, but with stricter farmer obligations, is not negligible. The areas covered by each intervention overlap significantly, but the overlap is not complete, so the success of several interventions will be necessary to achieve the R.21 indicator target. As R.19, R.21 responds to challenges in a complex manner, covering almost all major needs of SO5.

R.22^{PR}: Sustainable nutrient management: Share of Utilised Agricultural Area (UAA) under supported commitments to improve nutrient management

For the support of the total value of the indicator, see SO4.

R.23^{PR}: Sustainable water use: Share of utilised agricultural area (UAA) under supported commitments to improve water balance

The indicator's target is 18.94 %, which is the share of Utilised Agricultural Area (UAA) under supported commitments to improve water balance. Interventions that contribute substantially to the target with approximately the same proportion: DP17_G01_ECOS_16 – Basic Agro-Ecological Programme (AÖP, Ecoscheme) and RD19_G01_AEC_70 – Agri-environmental management payments (AKG). As R.19, R.23 responds to challenges in a complex manner, covering five different main needs of SO5.

R.24^{PR}: Sustainable and reduced use of pesticides: Utilised Agricultural Area (UAA) concerned by supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage

The indicator target is 23.94 %, which is the share of Utilised Agricultural Area (UAA) under supported specific commitments in relation to the total utilised agricultural area aimed at reducing the risks posed by plant protection products and the adverse effects of plant protection products, such as leakages of plant protection products. All interventions targeting the needs of SO5 contribute to the indicator value: DP17_G01_ECOS_16 – Basic Agro-Ecological Programme (AÖP, Ecoscheme), RD19_G01_AEC_70 – Agri-environmental management payments (AKG) and RD20_G02_ORT_70 – Support for organic farming and SC05_E04_WIR_58 – Aid for restructuring and conversion of vineyards. Of the interventions concerned, the AÖP represents the largest territorial contribution, with around 50 % of the AKG and around 10 % of organic farming as of 2024. Territorial overlaps are significant, but all interventions are needed to meet the target. As R.19, R.24 responds to challenges in a complex manner, covering five different main needs of SO5.

R.26: Investments related to natural resources: Share of farms receiving support for productive and non-productive investments linked to the protection of natural resources under the CAP

The overall target for R.26 is 1.37 %, which is the share of farms receiving support for productive and non-productive investments linked to the protection of natural resources under the CAP. Result indicator R.26 is fully linked to the SO5 objective. An overlap of 15 % was calculated between interventions, but it can still be seen that the key interventions to reach the target are RD38_F05_AFI_73 – Support for investments in afforestation and woodland, which is more than 1800, and RD21_G04_LCI_73 – Agro-ecological non-productive investments ensuring that 1420 farms are reached within the total number of holdings of 3300. A third of these contributions are covered by RD12_W01_WTO_74 Investment in a farm to improve water efficiency. These investments are an important and valuable part of the long-term conservation of resources, and the conversion of land that may be forced into natural semi-natural areas also contributes significantly and directly to the stated objectives. The improvement, protection, sustainable use of soils (priority 1) and the effective transfer of knowledge to start farming activities (main need 2) will also be supported by these two interventions in order to achieve the intended results and indicator of results.

R.27: Environmental or climate-related performance through investment in rural areas: Number of operations contributing to environmental sustainability and achievement of climate change mitigation and adaptation targets in rural areas

See SO4 and SO6 for a description of the indicator value.

R.29^{PR}: Development of organic agriculture: Share of utilised agricultural area (UAA) supported by the CAP for organic farming, with a split between maintenance and conversion

For the support of the total value of the indicator, see SO4.

2.1.SO5.9 Justification of the financial allocation

Specific objectives 4, 5 and 6 cannot be separated from the point of view of meeting the recommendations and ensuring an adequate financial allocation. Overall, the measures relating to the three SOs fulfil our

obligation under Article 93. Some of the measures of all other SOs also contribute to the objectives of the three SOs, with the result that environmental resources constitute one of the most significant parts of the plan's framework.

Relevant recommendations:

- Halting and reversing biodiversity loss, contributing to the EU Green Deal targets on high-diversity landscape features.
- Preparing agriculture for the challenges of water management.
- Increase the efficiency of nutrient management to reduce losses and soil, air and water pollution through reduction measures, thereby helping to achieve the Green Deal objective of reducing nutrient losses.
- Contribution to the organic farming objective of the EU Green Deal.
- Support mitigation practices and adaptation tools.

The financial envelope provided for in the plan is sufficient to address the recommendations, supported by the relevant parts of Headings 3 and 5.

2.1.SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

2.1.SO6.1 Summary of the SWOT Analysis

2.1.SO6.1.1 Strengths

- E.1.Significant extent of EU or domestic protected areas for nature protection (Chapter 1)
- E.2.Hungary is part of the Pannon biogeographical region (representing 17 % of the species listed in the annexes to the Habitats Directive, 36 % of the species covered by the Birds Directive) (Chapter 1)
- E.3.Natura 2000 sites are also protected sites of national importance (Chapter 1)
- E.4.The share of forest areas in the Natura 2000 network is more than twice the EU average (Chapter 1)
- E.5.European gene banking outstanding
- E.6.The long-term agricultural production is based on high biodiversity and balanced ecosystems – these are better than average in the EU
- E.7.EU important wetlands, Ramsar areas
- E.8.Ecological network of significant national dimensions (solutions to connect isolated habitats) (Chapter 1)
- E.9.Our agriculture GMO-free (Chapter 9)
- E.10.Significant sectoral expertise in nature conservation, forestry and wildlife management
- E.11.For forestry and hunting, there is a legal obligation to employ a qualified professional
- E.12.The continuous modernisation of the legislative framework for forest management clearly points to increasing the continuous forest cover and mixing. [SO6/3.2.]
- E.13.Legal provision is made for cultivation appropriate to the cultivation of the area in question
- E.14.Basic map of Hungary's Ecosystem has been prepared (Chapter 10)
- E.15.The rate of expansion of built-up areas is slowing down (chapter 2)
- E.16.Mapping of permanent grasslands since 2013
- E.17 Existence of areas providing high-level ecosystem services
- E.18. Existence of a national landscape strategy (2017-2026), existing detailed conservation management and maintenance plans (Chapter 9)
- E.19. Territorial presence of nature conservation interests in farming through the National Park Directorates
- E.20.Compensation of land use standards slows down the loss of agro-biodiversity in Natura 2000 sites.

2.1.SO6.1.2 Weaknesses

- Gy.1.Deficiency on the exact state of biodiversity, incomplete, uncoordinated monitoring networks (SO6/4.1)
- Gy.2.Conservation status, poor or unsatisfactory status of habitats and species of Community interest^[1], including those associated with agriculture (Chapter 3), (SO6/1.2)
- Gy.3.Biodiversity large plot sizes (lower parcel size to maintain biodiversity), high share of intensively farmed agricultural land (Chapter 7)
- Gy.4.A continuous decline in the mosaicity of the areas, periphery habitats, landways, submersibles and forest strips (chapter 7)
- Gy.5.Reduction in the population of small wild game and bird species associated with agricultural habitats (Chapter 5, Chapter 9), [SO6/2.4]
- Gy.6.Deterioration of habitats linked to agriculture (Chapter 5)
- Gy.7.Agriculture, water management, forestry, hunting, nature conservation and low share of landscape management areas (chapter 7), [SO6/5.1]
- Gy.8.Minformed farmer knowledge of the environmental impacts of farming, low motivation to continue closer-to-nature farming, consultancy services are missing, [SO6/5.3]

Gy.9.The low level of recognition by society of ecosystem services provided by the natural environment (pollination, value of forest ecosystem services) and biodiversity conservation due to a lack of information [SO6/5.2.]

Gy.10. Decline in the population of bird species associated with agricultural habitats (Chapter 5), [SO6/2.4]

Gy.11. The impact of ecosystem commitments in forests is slow to develop

Gy.12 Low landscape management area (chapter 7)

Gy.13. Weaknesses in the inventory of organic farming areas

Gy.14. The rise of invasive alien species is significant (Chapter 9)

Gy.15. Inadequate implementation of existing detailed conservation management and maintenance plans

Gy.16. An obstacle to the uptake of agro-forestry systems is the uncertainty and disinterest in the direct aid conditions for agricultural land.

Gy.17. Use of the environmental, social and economic potential of organic farming and low consumer demand (Chapter 6), [SO6/7.1]

2.1.SO6.1.3 Opportunities

L.1.Ecologically cultivated area increase (chapter 6)

Amendment of L.2.Natura 2000 legislation on rational, differentiated grassland management that meets the needs of the habitat concerned.

L.3.Resource efficiency is improved, differentiated, efficient and rational input application and use is prioritised

L.4.Increase knowledge of farmers, consultants and social awareness of climate change, biodiversity and ecosystem services

L.5.The complexity and targeting of forest-environment interventions is evolving, [SO6/3.3].

L.6.Procedures for forest mixing and multi-ageing are developed and applied

L.7 Sustainable hunting management according to the ecological requirements of the areas (Chapter 9)

L.8.Consideration of the biodiversity potential of inland waters in order to preserve the long-term water balance of the area (conversion of extreme inland waters into wetlands)

L.9.Habitat management (e.g. ‘below farm threshold’ forests, ecological corridors, green architecture elements)

L.10.The potential of gene conservation can contribute to climate adaptation (both in agriculture and forestry) (Chapter 9), [SO6/6.1]

L.11.Economic recognition of the added value of biodiversity and ecosystem services

L.12.The uptake of agro-forestry systems as cultivation methods that have a positive impact on the local microclimate and function as ecological corridors, and other cultivation technologies leading to higher crop cover, is increasing, [SO6/3.2.]

L.13.The water retention power of management in line with landscape conditions is significant (Chapter 7)

L.14.Education of a natural resource-friendly and climate-conscious approach to farming at all levels of vocational education, starting from secondary education

L.15.Knowledge on the importance and conservation of biodiversity is integrated into the agricultural vocational training system as a basic competence

L.16.Installation of a long-term single spatial data system and data reporting platform (on the model of the GIS or integrated into the GIS) needed to achieve the target, prioritising brownfield installations rather than greenfield developments

L.17.Increase in cross-sectoral cooperation and exchange of information

L.18.Good scope of remote sensing data and methods and number of spatial data needed to achieve the purpose

L.19.Precision farming is more concentrated and involved in promoting nature-friendly farming

L.20.The take-up of integrated development and the development actually implemented in an integrated

way in cooperation between different sectors will contribute to improved biodiversity and landscape management improvements

L.21.Prepared for National Biodiversity Strategy 2021-2030

L.22.The most popular mode of secular tourism remains forest pedestrian excursion

2.1.SO6.1.4 Threats

F.1 Land-use change, hacking of former grassland for agricultural purposes, [SO6/1.3]; [SO6/1.5]

F.2.Flood protection and inland water management which do not take into account biodiversity considerations threaten the conservation of biodiversity in these areas and make it difficult to maintain forest and wildlife management (Chapter 5)

F.3 Negative impact of shifts in climate zones on different habitats and production potential

F.4. Invasive alien species due to climate change, appearance and spread of pests, pathogens

F.5. The status of natural assets in protected natural areas and Natura 2000 sites is seriously compromised by effects directly and indirectly linked to mismanagement [SO6/1.1]; [SO6/3.1.],

F.6. Further intensification of habitat degradation, in particular for ecosystem transitions (e.g. forest margins, tree groups, small water surfaces), [SO6/2.1]

F.7 Negative impacts of significant large wild game stocks on habitats (Chapter 9), [SO6/1.4]

F.8. Compliance with context indicators C.41 (Increasing the production of renewable energy from agriculture and forestry) and C.42 (Energy use in agriculture, forestry and food) raises conservation concerns

F.9 Further increase in integration (mainly industry, residential areas) to the detriment of agricultural and natural areas (chapter 2)

F.10.Greenfield investments are still significant

F.11 Decline in the population of Pollinators (wild and bee bees) (Chapter 9)

F.12 The intensification of agricultural production continues to increase, the proportion of large-scale monoculture is increasing (Chapter 7), [SO6/2.3]

F.13. Biodiversity-friendly land use change, conversion of grassland into cropland (Chapter 5), [SO6/2.2]

F.14. Further drastic decline in the population of bird species linked to agricultural habitats (chapter 5)

F.15. The negative effects on habitats of further large wild game growth are increasing (Chapter 9), [SO6/1.4]; [SO6/1.6]

F.16. Poor habitats (monocultures, trees of the same age, artificially propagated trees) increase exposure to pests, diseases and forest fires, [SO6/3.4.]

2.1.SO6.1.5 Other comments

Not relevant.

2.1.SO6.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes
6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes

6.2.3	Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones	1	Yes
6.3.1	Conservation or improvement of the natural condition of Natura 2000 and protected forest habitats	1	Yes
6.3.2	Increasing the share of forest land under forest management with continuous cover	1	Yes
6.3.3	Improve forest structure, age composition, encourage reforestation	1	Yes
6.3.4	Reducing the risk of forest fires and vegetation fires through complex prevention	2	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially
6.5.1	Support for cooperation between agriculture, forestry, hunting and nature conservation	1	Partially
6.5.2	Providing information to the public on the importance of ecosystem services and biodiversity	2	Yes
6.5.3	Ensuring stability of Pollination systems	1	Yes
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes
6.7.1	Increasing the area under organic cultivation	2	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO6.3 Identification of the relevant (elements of) national plans emanating from the legislative instruments referred to in Annex XI of the CAP plan Regulation that have been taken into account in the CAP plans' needs assessment for this specific objective

Needs

6.1. Improving the status of agriculture-related habitats and species

6.1.1.Natura 2000 conservation or improvement of the natural condition of agricultural habitats

6.1.2.Preservation or improvement of areas of high natural value (agriculture, forest, wet)

6.1.3. Maintain and improve the good ecological status and species richness of the grasslands, prevent scrubbing, e.g. by grazing livestock

6.1.4.Regulating large wild game, taking full account of ecological considerations, reducing negative impacts on habitats

Harmonisation of environmental constraints and management rules with requirements for professional grassland management

6.1.6.Prevention of damage caused by protected animals

Annex XIII EU legislation

Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds and

Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora.

Related objectives of national environmental and climate plans

V. National Nature Conservation Basic Plan (The 5th National Plan for Nature Conservation)

Annex 1 of the National Environment Programme)

1.

- *Improving the status of species in unfavourable conservation status, in particular those listed in the annexes to the Habitats and Birds Directives, and specially protected species.*
- *Maintenance and development of agricultural subsidies to support the conservation of grasslands in order to protect protected species in non-protected areas.*
- *Support initiatives to conserve our native species (e.g. bird-friendly garden, butterfly-friendly garden, butterfly-friendly vineyards).*
- *Continue and strengthen measures to resolve conflict situations related to protected species (building bat and bird species, sowing cows, etc.).*
- *Improving the status of key stocks of specially protected species.*
- *Conservation of non-forest wood stands, rows, groups of trees, tree arborets, parks, with a special focus on older odour trees (for species and bats consuming dead wood).*

National Natura 2000 Priorised Action Plan for the Multiannual Financial Framework 2021-2027

1.

- *Support for grazing and mowing management in private areas.*
- *Zonal programmes for the conservation of species of Community interest linked to cultivated grassland and arable land in High Natural Value Areas (LPAs) – species-specific agri-environmental management payments.*
- *Compensation for additional costs and income foregone resulting from specific land use standards for utilised agricultural areas in the Natura 2000 network*

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)*

1.

- *Promote sustainable and mosaic agriculture that takes into account biodiversity conservation and environmental and landscape conservation aspects, as well as mainstreaming biodiversity conservation into the Common Agricultural Policy.*
- *Ensure sustainable wildlife and fisheries management that does not endanger biodiversity renewal*

6.2. Restoring acronymity of agricultural land, land use change

6.2.3. Ensuring ecological interoperability and biodiversity between operational areas by intermediate zones

Annex XIII EU legislation

No related EU legislation

Related objectives of national environmental and climate plans

V. National Nature Conservation Basic Plan (The 5th National Plan for Nature Conservation) Annex 1 of the National Environment Programme)

1.

- *Continuation of habitat rehabilitation and reconstruction works (e.g. re-grazing, restoration of wetlands);*
- *Improving existing and potential green infrastructure components, mitigating the negative effects of climate change and promoting adaptation, improving interoperability between natural and semi-natural areas*

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *Promote sustainable and mosaic agriculture that takes into account biodiversity*

conservation and environmental and landscape conservation aspects, as well as mainstreaming biodiversity conservation into the Common Agricultural Policy.

- *Sustainable water management, water retention and rational, saving water use to conserve biodiversity and maintain ecosystem services.*
- *The coordinated development, maintenance and improvement of green infrastructure components.*

6.3. Improving the status of forest habitats and species

6.3.1. Natura 2000 conservation or improvement of the natural condition of forest habitats

6.3.2. Increase the share of forest land under forest management providing continuous cover

6.3.3. Improve forest structure, age composition and encourage reforestation, taking full account of ecological considerations

6.3.4. Reduction of forest and vegetation fires through complex prevention

Annex XIII EU legislation

Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds and

Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora.

Related objectives of national environmental and climate plans

National Forest Strategy 2016-2030

1.

- *Ensuring the survival of forest ecosystems and organisms, preserving and, where possible, improving forest biodiversity*
- *Ensuring the possibility to adapt to changing production conditions*
- *Conservation or, where possible, improvement of the natural nature offorests*
- *Protecting natural processes inforests (forest dynamics) and promoting sustainable forest management*
- *Prevention of forest damage through forest management methods that improve forest resilience and take into account the effects of climate change*

National Natura 2000 Priorised Action Plan for the Multiannual Financial Framework 2021-2027

1.

- *Forest-environment payments for nature conservation in private forest areas.*
- *Compliance with forest management obligations for forest-used areas of the Natura 2000 network.*

V. National Nature Conservation Basic Plan (The 5th National Plan for Nature Conservation) Annex 1 of the National Environment Programme)

1.

- *Ensuring forest management for nature conservation purposes in protected natural areas and Natura 2000 sites.*
- *Aligning forest management and conservation objectives with the widest possible national and EU support schemes*

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *Conservation of existing primary and old-growth forests, expansion of forest stands of high biodiversity value, and creation of a forest structure favourable to biodiversity conservation and development*

The primary objective of RD38_F05_AFI_73 – Support for investments in afforestation and woodland is to promote land use change and increase natural carbon sequestration. At the same time, an important objective for new forests is to promote the objective set out in **Section 16(3) of Act LIII of 1996 on the protection of nature**: ‘Forest is planted primarily with native tree species, in natural proportions and in a nature-friendly manner, if the conditions of the production area permit.’ Therefore, the conditions for support are defined more narrowly than the option provided for in the current Hungarian Forest Law. Ineligible: forest, woodland or plantation of woody plants established in accordance with separate legislation with intensively spread tree species, within a radius of 100 metres of natural forest or nature-like forest, and within and within 100 metres of any protected or Natura 2000 natural area.

6.4. Developing state-of-the-art data collection and monitoring systems (biodiversity, land registry, land use/land use) by maintaining existing systems, informing industry stakeholders

6.4.1. Develop advanced data collection and monitoring systems (biodiversity, ecosystem services, land registry, land use) by maintaining existing systems, informing industry stakeholders

Annex XIII EU legislation

No related EU legislation

Related objectives of national environmental and climate plans

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *Assess and map the extent, condition and services of ecosystems to maintain and restore ecosystems in the long term, monitor change*
- *Maintain and further develop monitoring for nature conservation purposes to ensure the continuity of long-term biodiversity data series.*

6.5. Fostering cross-sectoral cooperation, enhancing knowledge transfer on ecosystem services and the environmental impacts of agriculture and the benefits of closer-to-nature farming

Support for cooperation between agriculture, water management, grassland management, forestry, hunting, nature conservation

6.5.2. Information to the general public on the importance of ecosystem services and biodiversity
Ensuring the stability of policy systems

Annex XIII EU legislation

No related EU legislation

Related objectives of national environmental and climate plans

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *The assessment of ecosystem services and the integration of aspects for their conservation and restoration into the decision-making processes of relevant sectoral policies to better preserve and restore the service-providing capacity of ecosystems.*
- *Shaping an understanding of the importance of biodiversity, the preservation of domestic natural assets, awareness-raising and dissemination.*

National Forest Strategy 2016-2030

1.

- *Effective communication to promote public acceptance of measures taken in the interest of nature conservation*

6.6. Exploiting the potential of gene conservation, the use of landscape varieties, long-established animal breeds and landscape management in both agriculture and forestry

6.6.1. Use the potential of conservation and landscape management in climate adaptive agriculture and forestry

Annex XIII EU legislation

No related EU legislation

Related objectives of national environmental and climate plans

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *The conservation of genetic resources and ensuring the fair and equitable sharing of genetic resources and the benefits arising from their use.*

6.7. Increasing the area under organic farming

6.7.1. Increase of organically cultivated areas

Annex XIII EU legislation

No related EU legislation

Related objectives of national environmental and climate plans

National Action Plan for the Development of Organic Farming 2021-2027 (draft)

1.

- *Balanced development of the supply and demand side of the domestic organic sector by doubling the proportion of areas under organic farming and promoting organic products and creating an environment conducive to and supporting market growth.*

National Plant Protection Action Plan

1.

- *Increase the number of farmers subject to the organic control and certification system, including the area checked and the quantity of certified products.*

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1.

- *Accelerate the uptake of production systems with lower energy and more efficient use of fertilisers (e.g. organic farming that does not use fertilisers), promote the uptake of cultivation methods with less disturbance of the soil*

National Strategy for the Conservation of Biodiversity 2021-2030 (draft to be approved 2021)

1.

- *National Strategy for the Conservation of Biological Diversity 2021-2030 (draft 2021) – Improving sustainable and mosaic farming for biodiversity conservation, environment and landscape conservation, and mainstreaming biodiversity conservation into the Common Agricultural Policy.*

*For the National Strategy for the Conservation of Biodiversity 2021-2030, the inter-ministerial consultation and a national conference on the draft strategy with broad stakeholder participation were completed in 2021, but the Strategy has not yet been adopted by Parliament.

2.1.S06.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	Eco-scheme(31) - Schemes for the climate, the environment and animal welfare	DP17_G01_ECOS_16 - Agro-ecological programme	O.8. Number of hectares or of livestock units benefitting from eco-schemes
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ORGAN(47(1)(d)) - organic or integrated production	SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit	O.35. Number of supported operational programmes
Sectoral - Apiculture products	ADVICEES(55(1)(a)) - advisory services, technical assistance, training, information and exchange of best practices, including through networking, for beekeepers and beekeepers' organisations	SC02_A01_BEA_55 - Apiculture knowledge transfer and technical assistance	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Apiculture products	INVAPI(55(1)(b)) - investments in tangible and intangible assets, as well as other actions	SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Apiculture products	PROMOBEES(55(1)(f)) - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products	SC01_A02_BEM_55 - Beekeeping marketing	O.37. Number of actions or units for beekeeping preservation or improvement
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20_G02_ORT_70 - Support to organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20a_G02_ORT_70 - Support for organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD22_G05_LCP_70 - Payment to encourage agro-ecological land use change	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going

			beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD24_G07_GAX_70 - Ex situ conservation and technical support of animal genetic resources	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD25_G08_GAI_70 - Conservation in situ of animal genetic resources	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD26_G09_GAV_70 - In vitro conservation of animal genetic resources	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD27_G10_GPX_70 - Ex situ conservation of plant genetic resources and micro-organisms	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD28_G11_GPI_70 - Conservation in situ of plant genetic resources	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD33_G16_ANB_70 - Animal welfare aid in the apiculture sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD35_F02_FEC_70 - Forest multi-annual commitments (Multiannual Commitments)	O.15. Number of hectares (forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD36_F03_GEN_70 - Multi-annual commitments for forest genetics	O.19. Number of operations or units supporting genetic resources
RD	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements	RD23_G06_NAG_72 - Natura 2000 agricultural land compensation payments	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
RD	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements	RD34_F01_NAF_72 - Natura 2000 compensation payments for forest areas	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
RD	INVEST(73-74) - Investments, including investments in irrigation	RD21_G04_LCI_73 - Non-productive investments in Agro-ecological	O.21. Number of supported on-farm non-productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD38_F05_AFI_73 - Support for investments in afforestation and creation of woodland	O.24. Number of supported off-farm productive investment operations or units
RD	COOP(77) - Cooperation	RD37_F04_FRC_77 - Co-operative support for forest fire prevention and risk reduction	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD51_R11_TUC_77 - Rural development cooperation for active and eco-tourism development in the region	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD52_R12_BIC_77 - Rural development cooperation for the development of a biomass-based economy	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)

6.1. Main needs: Improving the status of agriculture-related habitats and species

The situation revealed that in Hungary there are valuable habitats for biodiversity in the cultivated areas and that the presence of different species is also directly linked to the agricultural or forestry farm. For habitat types specifically linked to agriculture (grasslands and other agro-ecosystems), the conservation status in each habitat type is bad or unsatisfactory, and the trend towards change is markedly deteriorating. It is therefore necessary to implement farming practices that help to improve the status of habitats linked to agriculture and the status of species.

Need 6.1.1: Natura 2000 maintenance or improvement of the natural condition of agricultural habitats

In 2016, the proportion of Natura 2000 sites designated under two European Union Nature Directives – the Birds Directive and the Habitats Directive – was 21.44 % (1.99 million hectares) in Hungary. Its share of agricultural land is 14.73 % (787 171 hectares). The vast majority (90 %) of our protected natural areas or the national Natura 2000 network are cultivated, affected by agriculture or forestry (25 % of agricultural land, grapes or orchards, 27 % grassland and 38 % forest). Maintaining Natura 2000 habitats is an important tool to conserve biodiversity.

Planned interventions:

- Agro-ecological NPI RD21_G04_LCI_73
- Agro-ecological land use change incentive payment RD22_G05_LCP_70
- Natura 2000 compensatory payments for agricultural land RD23_G06_NAG_72

Need 6.1.2: Conservation or improvement of high nature value areas (agriculture, forest, wetlands)

According to 2019 data, almost 87 % of habitat types covered by the Habitats Directive are not in a satisfactory (38 %) or bad (49 %) conservation status, while the proportion of habitats with favourable conservation status is only 13 %. Agricultural habitats and wetlands most vulnerable to environmental impacts are in the worst position. Preserving or improving the natural state of high nature value areas (agriculture, forest and wetlands) contributes to the conservation of biodiversity.

Planned interventions:

- Agricultural management payments RD19_G01_AEC_70
- Agro-ecological NPI RD21_G04_LCI_73
- Agro-ecological land use change incentive payment RD22_G05_LCP_70 70
- Natura 2000 compensatory payments for agricultural land RD23_G06_NAG_72

Need 6.1.3: Maintaining and improving the good ecological status and species richness of grasslands, preventing scrub, e.g. by grazing livestock

The population of bird species linked to agricultural habitats has been declining in Hungary since 1999. The decrease can be linked to intensification of agriculture, land use change, hacking of former grasslands, reduction of submersibles, fallows, tree and bush groups. The decline in the biodiversity of farmland areas is illustrated by the continuous decline in populations of farmland bird species since 2005, with most grasslands in poor ecological status. Maintaining and improving the good ecological status and species richness of grasslands, preventing scrub, e.g. through pastoralism, makes it possible to maintain biodiversity.

Planned interventions:

- Agro-ecological programme DP17_G01_ECOS_16 (Meeting: SO4; SO5)
- Agricultural management payments RD19_G01_AEC_70
- Agro-ecological NPI RD21_G04_LCI_73
- Agro-ecological land use change incentive payment RD22_G05_LCP_70

·Natura 2000 compensatory payments for agricultural land RD23_G06_NAG_72

6.2. Main Needs: Restoring acronymity of agricultural land, land use change

The assessment highlights that large plot sizes are not favourable in terms of maintaining biodiversity (the smaller parcel size is favourable to maintaining biodiversity) and that the share of intensively farmed agricultural land is high. There is a continuous decline in the mosaicity of areas, periphery habitats, landways, submersibles and forest strips. The main need is to solve this problem by restoring the mosaicity of the edges.

6.2.3. Ensuring ecological interoperability and biodiversity between cultivated areas through intermediate zones

The significant decline in the mosaicity of areas, the elimination of periphery habitats (such as ecological corridors), the abandonment of landscape management and the abandonment of cultivation (spreading invasive species) also have negative consequences for biodiversity [Gy.4.]. It would therefore be important to apply competitive farming and landscape management at an appropriate rate. While maintaining the natural habitats in the landscape, landscape management enables agricultural production to make a significant contribution to the conservation of biodiversity and improves the environmental conditions of the countryside. Ensuring ecological interoperability eliminates the isolation of cultivated areas.

Planned interventions:

- Agro-ecological programme DP17_G01_ECOS_16
- Agro-ecological NPI RD21_G04_LCI_73
- Agro-ecological land use change incentive payment RD22_G05_LCP_70

6.3.Main needs: Improving the status of forest habitats and species

According to 2019 data, almost 87 % of habitat types covered by the Habitats Directive are not in a satisfactory (38 %) or bad (49 %) conservation status, while the proportion of habitats with favourable conservation status is only 13 %. 6.5 % of habitat types of Community interest (3 out of 46 habitat types) (e.g. Euro-Siberian forest styp oak forests) show an actual deterioration in the conservation status. Just over 61 % of species of Community interest linked to forest ecosystems in Hungary, while 77 % of habitat types are not in a satisfactory or bad conservation status.

Need 6.3.1: Conservation or improvement of the natural condition of Natura 2000 forest habitats

The richness of Hungary's natural assets is illustrated by the fact that 22.2 % of Hungary's territory, about 2 067 876 hectares, is protected by EU or national nature protection [E.1.]. The proportion of Natura 2000 sites designated under two European Union Nature Directives [fn1^{\[1\]}](#) and the Habitats Directive [2] was 21.44 % (1.99 million hectares) in Hungary in 2016. Its share of agricultural land is 14.73 % (787 171 hectares). Nearly half of Natura 2000 sites (848 140 ha, 9.108 %) are also protected sites of national importance. The Natura 2000 network in Hungary consists of a total of 479 Special Areas of Conservation (SACs) and 56 Special Protection Areas (SPAs). The maintenance of Natura 2000 and protected and highly protected forest areas is an important tool for maintaining biodiversity.

Planned interventions:

- Natura 2000 conservation or improvement of the natural condition of forest habitats RD34_F01_NAF_72

Need 6.3.2: Increasing the share of forest land under forest management providing continuous cover

Forest management, which provides continuous forest cover, builds more on natural processes than

cutting-edge management, allows them to be better implemented and makes better use of their benefits. This type of forest management is in line with nature, helps to increase biodiversity and provides forests with greater protection against the challenges of climate change. In addition to climate protection, increasing forest areas also increases biodiversity.

Planned interventions:

- Forest multiannual commitments RD35_F02_FEC_70

- Support for investments in afforestation and woodland – RD38_F05_AFI_73

Need 6.3.3: Improving forest structure, age composition and encouraging forest renovations, taking full account of ecological considerations

Over the last half a century, the volume of damage to Hungarian forests has shown an increasing trend in terms of the size of the forest area in question. This is true for abiotic and biotic forms of damage. The impact of weather extremities (late frosts, storms, droughts, tin rain) is directly reflected in the trend of abiotic damage (drought, fire damage, storm castings, fractures). However, for many forms of biotic damage, there is clear evidence that the evolution of weather conditions plays a decisive role in increasing trends. It is also important that abiotic damage in many cases creates appropriate conditions for the development of certain biotic damage events and increases their volume and severity. The mass destruction of trees and stands (droughts) caused each year by native species (both insects, pathogens) that have not previously been attributed importance to forest protection on trees and stands that have been weakened as a result of adverse weather conditions. As a result of the displacement of certain climate zones in the production area beyond the adaptability of the trees, the future survival of certain tree species is already being called into question in large areas (e.g. beech) and some of the 60-80-year-old stands are already disappearing (spruce). Improving the structure and age composition of forests and encouraging forest renovations make it possible to maintain forests, taking full account of ecological considerations.

Planned interventions:

- Forest multiannual commitments RD35_F02_FEC_70

6.3.4 Risk reduction of forest and vegetation fires through complex prevention

In Hungary, the relative frequency of forest fires has increased in recent decades. This is due to climate extremes, less precipitation, higher average annual temperatures and a series of winters without snow cover. Typically, as a result of climate change, more hot summers have not only increased the number of forest fires, but sometimes also the speed and intensity of fire propagation. More intense forest fires may affect a larger area than before and are more difficult to vacate.

In domestic forests, the so-called surface fires are typical when the litter on the forest soil, other dead plant parts and smaller shrubs are given flame. These may evolve into crown fires in the event of high intensity combustion. All forest areas in the country are classified in forest fire risk categories. The National Forest Stock Data Repository operated by the NFCSO contains the classification per forest section and per farmer. For these reasons, it is of utmost importance to reduce the risk of forest and vegetation fires through complex prevention. Forest and vegetation fires cause great damage to both wildlife and owners, so prevention is the best strategy.

Planned interventions:

Collaborative support for forest fire prevention and risk reduction – RD37_F04_FRC_77

6.4. Development of state-of-the-art data collection and monitoring systems (biodiversity, land registry, land use/land use) by maintaining and developing existing systems, informing industry stakeholders

Although Hungary has a number of data collection and monitoring systems, in particular in the field of land registration, land use/land use, and data collections on biodiversity, they are isolated, databases are not harmonised, their use and consultation are difficult and therefore they cannot be described as up-to-date in terms of data collection and monitoring. In particular, there is a lack of data on the exact state of biodiversity, incomplete and uncoordinated monitoring networks. The implementation of the measure seeks to address this problem, which contributes to the accurate assessment of biodiversity and thus to the application of measures that help to increase it.

6.4.1. Development of state-of-the-art data collection and monitoring systems (biodiversity, land registry, land use/land use) by maintaining and developing existing systems, informing industry stakeholders

Although Hungary has different data collection and monitoring systems, in particular in the field of land registration, land use/land use, there are still data collections on biodiversity, which are isolated, databases are not harmonised, their use and consultation are difficult to use and therefore cannot be described as up-to-date in terms of data collection and monitoring. In particular, there is a lack of data on the exact state of biodiversity, incomplete and uncoordinated monitoring networks. The implementation of the measure seeks to address this problem, which contributes to the accurate assessment of biodiversity and thus to the application of measures that help to increase it. Its development is a prerequisite for rational management of natural resources. The development of modern data collection and monitoring systems (biodiversity, ecosystem services, land registry, land use/land use) and the provision of information to industry actors are key tasks.

- Agro-ecological programme – DP17_G01_ECOS_16
- Agro-ecological NPI – RD21_G04_LCI_73
- Agricultural Management Payments – RD19_G01_AEC_70
- Support for organic farming – RD20_G02_ORT_70
- Agro-ecological non-productive investments – RD21_G04_LCI_73
- Agro-ecological land use change incentive payment – RD22_G05_LCP_70
- Sectoral interventions for fruit and vegetables: Aid to producer organisations – SC28_E01_FVI_47
- Organic or integrated production – Vegetable fruit – SC13_G01_FVO_47
- Preservation of plant genetic resources in situ – RD28_G11_GPI_70
- Support for investments in afforestation and woodland – RD38_F05_AFI_73
- Activities other than caps

6.5. Fostering cross-sectoral cooperation, enhancing knowledge transfer on ecosystem services and the impact of agriculture on the environment and the benefits of closer-to-nature farming

The stocktaking exercise showed that there is a lack of knowledge on the environmental impacts of farming and low motivation to continue close-to-nature farming. There is little social recognition of the ecosystem services provided by the natural environment and the conservation of biodiversity, and there is a lack of advisory services in this regard. The level of cooperation between sectors is very low, but rather some form of competition has developed, so it is important to facilitate cooperation between sectors and to support their establishment.

6.5.1. Support for cooperation between agriculture, water management, grassland management, forestry, hunting, nature conservation

The situation has clearly shown the weakness that the level of cooperation between agriculture, water management, grassland management, forestry, wildlife management and nature conservation is very low. There is a very low degree of cooperation and coordination between professionals and areas, while these areas interact strongly and action in one area often has a serious impact on other areas. It is therefore very justified to support cooperation between different areas. Without cooperation between agriculture, water management, grassland management, forestry, hunting and nature conservation, the objectives of nature protection cannot be achieved.

Planned interventions:

- Rural development cooperation for the development of the biomass economy RD52_R12_BIC_77
- Sectoral interventions for fruit and vegetables: Aid to producer organisations – SC28_E01_FVI_47
- Activities other than caps

6.5.2. Communicating the importance of ecosystem services and biodiversity to the general public

Society is increasingly confronted with the consequences of negative developments in the natural environment, but at the same time is very little aware of causal relationships. Members of society have very little knowledge of ecosystem services, biodiversity, its role, the relationship between individual and social well-being and the functioning of healthy ecosystems. Public information on this issue should therefore be a priority. Informing the public and thus supporting it is essential to increase biodiversity.

Planned interventions:

- Apiculture marketing SC01_A02_BEM_55
- Rural development cooperation for regional active and ecotourism development RD51_R11_TUC_77

6.5.3. Improving farmers' knowledge of the environmental impact of agriculture, motivating closer-to-nature farming

The stocktaking exercise showed that there is a lack of knowledge on the environmental impacts of farming and low motivation to continue close-to-nature farming. Farmers make their decisions primarily on the basis of cost-benefit considerations, and taking into account the impact of farming on the environment is only a multitude of considerations. It is therefore essential to raise awareness in this area. In particular, healthy food can only be produced in a healthy, diversified environment and a healthy ecosystem is more resilient to the challenges of climate change. The clarification of these contexts is particularly important for farmers. Improving farmers' knowledge of the environmental impact of agriculture and motivating them to continue closer-to-nature farming are important for farmers to recognise the importance of the topic.

Planned interventions:

- Beekeeping knowledge transfer and technical assistance SC02_A01_BEA_55
- Animal welfare aid in the apiculture sector RD33_G16_ANB_70
- Improving the competitiveness of the beekeeping sector SC03_E02_BEI_55

6.6. Exploiting the potential of gene conservation, the use of landscape varieties, long-established animal breeds and landscape management in both agriculture and forestry

In addition to habitat and racial diversity, the preservation of genetic diversity is a key element of biodiversity, which is of particular importance both in terms of land and forestry, especially in the light of adaptation to the effects of climate change. The conservation and development of forest genetic resources can ensure future viable material and biological diversity of afforestation. Gene conservation, landscape breeds, long-range animal breeds and landscape management can be a good starting point for the development of climate adaptive breeds.

6.6.1. Harnessing the potential of gene conservation and landscape management in adaptive agriculture and forestry

In addition to habitat and racial diversity, the preservation of genetic diversity is a key element of biodiversity, which is of particular importance both in terms of land and forestry, especially in the light of adaptation to the effects of climate change. The conservation and development of forest genetic resources can ensure future viable material and biological diversity of afforestation. Gene conservation, landscape varieties, long-range animal breeds and landscape management can be a good starting point for the development of climate-adaptive breeds.

Planned interventions:

- Increasing the competitiveness of the beekeeping sector SC03_E02_BEI_55
- Ex situ conservation of animal genetic resources RD24_G07_GAX_70
- Preservation of animal genetic resources in situ RD25_G08_GAI_70

- In vitro conservation of animal genetic resources RD26_G09_GAV_70
- Ex situ conservation of plant genetic resources and micro-organisms RD27_G10_GPX_70
- Preservation of plant genetic resources in situ RD28_G11_GPI_70
- Forest genetic multiannual commitments RD36_F03_GEN_70

6.7. Increasing the area under organic farming

In Hungary, the production volume of organic farming remained stable between 2005 and 2014. The number of organic farmers ranged from 1429 to 1672, with organic farmland ranging from 116 to 141 thousand hectares. The area covered by organic farming in Hungary in 2019 was 303 190 thousand hectares, of which the organic area was 185.227 ha and the area under conversion 117 963 ha. This area falls significantly short of the EU's strategic objective, therefore increasing this is an important objective.

6.7.1. Increasing the area under organic farming

The expansion of organically cultivated areas is not only a green deal requirement, but also a tool for biologic diversity and close-to-environment farming.

Planned interventions:

- Organic or integrated production – Vegetables SC13_G01_FVO_47
- Support for organic farming RD20_G02_ORT_70

2.1.SO6.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO6.7 Are you planning CAP contribution towards the LIFE programme (only for SO4, SO5, SO6)

: No

2.1.SO6.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.7^{PR} - Enhancing support for farms in areas with specific needs Percentage of additional support per hectare in areas with higher needs (compared to average)	111.57 %
R.17^{CU PR} - Afforested land Area supported for afforestation, agroforestry restoration, including breakdowns	16,174.00 ha
R.18^{CU} - Investment support for the forest sector Total investment to improve the performance of the forestry sector	399,567,252.00 EUR
R.22^{PR} - Sustainable nutrient management Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management	21.89 %
R.24^{PR} - Sustainable and reduced use of pesticides Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage	23.94 %
R.25 - Environmental performance in the livestock sector Share of livestock units (LU) under supported commitments to improve environmental sustainability	1.45 %
R.27^{CU} - Environmental or climate-related performance through investment in rural	1,811.00

areas Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas	
R.29^{PR} - Development of organic agriculture Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion	5.26 %
R.30^{PR} - Supporting sustainable forest management Share of forest land under commitments to support forest protection and management of ecosystem services	6.54 %
R.31^{PR} - Preserving habitats and species Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices	29.95 %
R.32^{CU} - Investments related to biodiversity Share of farms benefitting from CAP investment support contributing to biodiversity	1.02 %
R.33 - Improving Natura 2000 management Share of total Natura 2000 area under supported commitments	11.35 %
R.34^{PR} - Preserving landscape features Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees	0.49 %
R.35^{CU} - Preserving beehives Share of beehives supported by the CAP	62.71 %

Justification of the targets and related milestones

SO6 – Contributing to halting and reversing biodiversity loss, enhancing ecosystem services and preserving habitats and landscapes

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

The value of the R indicators related to the SO6 specific objective is heavily influenced by the AKG, ÖKO and AÖP interventions. In the case of these payments, farmers choose from a set of commitments that change their farming practices in an environmentally sound manner. Each commitment contributes to a number of R indicators, as they modify farming practices to an extent that they address a number of natural factors (e.g.: water, soil, biodiversity). Examples include organic grassland management (ÖKO) or retention of unsown land (AKG). These pledges both save nature from chemical use, earthworks and provide habitats for wildlife. ÖKO support is in itself a complex set of commitments, but in the case of AKG and ÖP, farmers have to choose more commitments, so that a given area contributes to most environmental R indicators. The contribution of the requirements to a given R indicator has sometimes been taken into account with different territories, as they also affect natural factors (such as R indicators) at different territorial scales. In the case of biodiversity, the impact on the area concerned may be significantly exceeded (e.g.: 10 % unmown land).

R.07^{PR}: Enhancing support for farms in areas with specific needs: Percentage additional support per hectare in areas with higher needs (compared to average)

All interventions (and their value) of the R.07^{PR} indicator that relate to SO6 have already been analysed for SO1.

R.17^{PR}: Afforested land: Area supported for afforestation, agroforestry and restoration, including breakdowns

For the support of the total value of the indicator, see SO4.

R.18: Investment support for the forest sector: Total investment to improve the performance of the forestry sector

The indicator's target is investment support for the forestry sector – the value of the total investment to

improve the performance of the forestry sector, which is EUR 399567252. Two of the interventions contributing to the target relate to the needs underlying the SO6 specific objective, which together account for almost half of the target of R.18. The more significant of these (also crucial for all interventions in the indicator) is RD38_F05_AFI_73 – Support for investments in afforestation and woodland, with an aid intensity of 100 %, which will provide a balanced investment support between 2026 and 2028 on nearly 5 thousand hectares per year, in total almost 15 thousand hectares. The area was calculated on the basis of increased planting areas in 2020, with territorial values consolidated over the medium term, with the corresponding aid amount planned on the basis of the previous planning period, taking into account the expected target stock, with the support of the basic aid and the additional aid. Support for afforestation and woodland investments in relation to the SO6 specific objective will support an increase in the share of forest land under forest management that provides continuous cover (6.3.2). RD52_R12_BIC_77 – Rural development cooperation for the development of the biomass economy and RD51_R11_TUC_77 – Rural development cooperation for active and eco-tourism development in the region, supported by a total of 21 projects for both interventions between 2024 and 2027, represent a much lower contribution to the target of indicator R.18, which also builds SO6.

R.22^{PR}: Sustainable nutrient management: Share of Utilised Agricultural Area (UAA) under supported commitments to improve nutrient management

For the support of the total value of the indicator, see SO4.

R.24^{PR}: Sustainable and reduced use of pesticides: Utilised Agricultural Area (UAA) concerned by supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage

For the support of the total value of the indicator, see SO5.

R.25: Environmental performance of the livestock sector: Share of livestock units under supported commitments to improve environmental sustainability

Indicator target: 1.45 %, which is the share of livestock units covered by supported commitments to improve environmental sustainability; the numerator of the indicator shall be equal to 35573 LU, which shall remain at full value in 2026 and 2027. Both interventions responsible for the value of the indicator R.25 are linked to the needs underlying the SO6 specific objective, so the indicator is presented at full value. More than 88 % of the indicator target is provided by the intervention RD25_G08_GAI_70 – Conservation of animal genetic resources in situ, the remaining less modest rate is due to the ex situ conservation of animal genetic resources intervention RD24_G07_GAX_70. The results of each intervention, calculated in LSU, were calculated on the basis of the number of animals in the applications submitted in the previous planning period, using the coefficients. Accordingly, the interventions contributing to the target of indicator R.25 specifically support the exploitation of the potential of gene conservation, the use of landscape varieties, long-established animal breeds and landscape management in climate-adaptive agriculture. (6.6.1).

R.27: Environmental or climate-related performance through investment in rural areas: Number of operations contributing to environmental sustainability and achievement of climate change mitigation and adaptation targets in rural areas

See SO4 for supporting the indicator value; there is one intervention to support the achievement of indicator R.27 with a modest contribution (10 projects) exclusively through SO6: RD26_G09_GAV_70 – In vitro conservation of animal genetic resources, namely 6.6.1 Gene conservation, use of landscape varieties, use of long-established animal breeds and use of landscape management in climate adaptation by addressing the need for both agriculture and forestry.

R.29^{PR}: Development of organic agriculture: Share of utilised agricultural area (UAA) supported by the CAP for organic farming, with a split between maintenance and conversion

For the support of the total value of the indicator, see SO4.

R.30^{PR}: Supporting sustainable forest management: Share of forest land under commitments to support forest protection and management of ecosystem services

The indicator's target is 6.54 %, representing 127 thousand hectares of forest land. Each year, the share of hectares covered by the target increases, and the target will be reached in 2029. There is no overlap between the areas covered by the two interventions related to the indicator. The most important intervention for the indicator target is RD35_F02_FEC_70 – Forest Multi-Annual Commitments for the Environment (JU) with nearly two thirds of the indicator target. This intervention responds specifically to the SO6 Main Needs 3: in addition to increasing the share of forest land under forest management that provides continuous cover (6.3.2), improving forest structure and age composition and encouraging forest renovations, taking full account of ecological considerations (6.3.3), the two needs addressed.

A more modest contribution to the value of the indicator is provided by RD36_F03_GEN_70 – Forest Genetic Multi-Annual Commitments, which supports the exploitation of the potential of gene conservation, the use of landscape varieties, long-established animal breeds, landscape management, both in climate adaptation and in agriculture and forestry (6.6.1).

R.31^{PR}: Preserving habitats and species: Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices

The indicator target is 29.95 %, which is the share of utilised agricultural area (UAA) under supported commitments to support biodiversity conservation or restoration, including high nature value farming practices. The calculation underlying the indicator target value used territorial data from the previous planning period and takes into account possible duplications. The numerator of the target calculated after duplication screening shall be 1 590 450 hectares, resulting from the contribution of five interventions. The largest areas will be provided by the DP17_G01_ECOS_16 – Basic Agro-ecological Programme and the second most important result unit RD19_G01_AEC_70 – Agri-environmental management payments (AKG). The contribution of RD20_G02_ORT_70 – Support for organic farming and payment for agro-ecological land-use change measures RD20_G02_ORT_70 – Support for organic farming and payment to encourage agro-ecological land-use change in the areas of R.31 is further but much less modest, but the latter is of great importance in practice by helping to maintain new habitats. The territorial coverage resulting from the specificities of these interventions is described in detail in chapter 2.1.8 of the SO4 specific objective.

The interventions of the indicator R.31 respond in a complex manner to the needs underlying the SO6 specific objective. Intermediate zones ensure ecological interoperability and biodiversity between cultivated areas (6.2.3). They also serve to improve the status of habitats linked to agriculture and the status of species: NATURA 2000 agricultural habitats (6.1.1) and high nature value areas (6.1.2) are also included in their commitments to preserve and improve their natural condition, maintain and improve the good ecological status and species richness of grasslands and prevent scrub (6.1.3). As other elements of complexity, they support cooperation between agriculture, water management, grassland management, forestry, hunting, nature conservation (6.5.1), gum conservation, the use of landscape varieties, long-established animal breeds, landscape management (6.6.1), and increasing the area under organic farming (6.7.1).

R.32: Investments related to biodiversity: Share of farms benefitting from CAP investment support contributing to biodiversity

The indicator target is 1.18 % of farms receiving CAP investment support contributing to biodiversity. Achievement of the indicator target by RD21_G04_LCI_73 – Agro-ecological non-productive investments intervention involving a total of 1278 farms, RD38_F05_AFI_73 – Support for investments in afforestation and creation of woodland with a total of 1560 farms. The indicator value will develop between 2025 and 2029, calculated with a higher number of more intensive engagements over the first two years.

The interventions of the indicator R.32 play a key role in addressing two main needs in a wide range of areas: in addition to improving the condition of agriculture-related habitats and the status of species

(principal need 1) it is also involved in the restoration of acronymity of agricultural land and land use change (main need 2), both in terms of territorial diversification and ecological interoperability between cultivated areas. It also concerns an increase in the share of forest land managed with permanent cover (6.3.2) and support for cooperation between farming, water management, grassland management, forestry, hunting and nature conservation (6.5.1).

R.33: Improving Natura 2000 management: Share of total Natura 2000 area under supported commitments

The indicator's target is 22.55 %, which is the share of the total Natura 2000 areas covered by supported commitments compared to Hungary's total utilised agricultural area. The indicator's target is mainly provided by the RD19_G01_AEC_70 – Agri-environmental management payments (AKG) intervention, in particular through specific payments for nature conservation in High Natural Value Areas to support Natura 2000 management tasks between 2024 and 2027 with a steady annual commitment value. The intervention contributes to addressing the main need 1 underlying the SO6 specific objective: supports the preservation or improvement of the natural condition of high nature value areas (agriculture, forest, wet) (6.1.2) and the maintenance and improvement of the good ecological status and species richness of grasslands (6.1.3). Compared to AKG, the contribution of RD35_F02_FEC_70 – Forest Multi-Annual Commitments (EAC) to the target is much lower (0.7 % in total), while reflecting a very different need for SO6 in 15 % of the total areas covered by the intervention: it also supports increasing the share of forest areas under forest management that provide continuous cover (6.3.2) and improving the structure and age composition of forests and encouraging forest renovation, taking full account of ecological considerations (6.3.3).

R.34^{PR}: Preserving landscape features: Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees

The indicator target is 0.491 %, which is the share of utilised agricultural area (UAA) under supported commitments to manage landscape features, including hedges and trees, in Hungary's total utilised agricultural area. Three interventions contribute to the indicator target; in the calculation of the target value for indicator R.34, we also ensured adequate duplication screening. DP17_G01_ECOS_16 – Basic Agro-ecological programme and RD19_G01_AEC_70 – Agri-environmental management payments (AKG) are the two most significant interventions, which provide the indicator's target. All three interventions related to the indicator reflect the main needs 1 and 2 of the SO6 specific objective, as recorded in indicator R.31.

The second subparagraph of Article 4(4)(b) states that 'If Member States so decide, 'assisted hectares' may include other landscape features, provided that they do not dominate and do not significantly impede the exercise of agricultural activity because of the area they occupy. Such landscape features are complementary to landscape features protected under GAEC 8. Hungary has decided to designate a variety of such landscape features and to make them eligible in the BISS. This is a major step that all environmental and nature protection groups see as a "historical step". This is certainly a significant step forward, as the traditional EU definition of eligible hectares previously covered only agricultural land used for production or at least kept in a form suitable for continuing agricultural production at any time.

In chapter 4.1.3.5, we list the "other landscape features" that will be eligible for BISS, thus giving farmers a direct incentive to maintain them in their full ecological functionality. These are:

- Woody-sectoral grasslands
- Ecological buffer strip
- Erosion control facility established on arable land as part of a non-productive investment
- Stitch edge
- Erosion control band

Eligibility for BISS is a sufficient incentive for farmers to:

(I) these landscape features are maintained (regardless of whether they are protected or accounted for under GAEC 8; GAEC protected landscape features are another large set of landscape features eligible for BISS listed in Chapter 3.10.4.1);

(II) create landscape features on their currently eligible agricultural areas without losing their entitlement to BISS

Although ‘other landscape features’ eligible for BISS are not methodologically eligible for R34, we estimate that an additional 80 000 hectares could be reflected through R.34 if the facts described above are taken into account. This is, of course, additional to the 26 064 hectares already calculated for the three other interventions.

R.35: Preserving beehives: Share of beehives supported by the CAP

The indicator target is 62.71 %, which is the share of beehives supported by interventions providing R.35 (760000 bee colonies). It is expected that there will be a full overlap between the two interventions concerned. SC03_E02_BEI_55 – Developing the competitiveness of the apiculture sector plans to support 700000 bee colonies already in 2023 and then calculates with 15000 new bee colonies per year until 2027. RD33_G16_ANB_70 Animal welfare aid in the apiculture sector is planned to reach bee colonies in 2026 and 2027, while remaining within the scope supported by the above mentioned intervention. The interventions of the R.35 indicator are key to ensuring the need for SO6, the stability of pollination systems (6.5.3) and the potential of gene conservation, the use of landscape varieties, long-established animal breeds and landscape management (6.6.1).

2.1.SO6.9 Justification of the financial allocation

Specific objectives 4, 5 and 6 cannot be separated from the point of view of meeting the recommendations and ensuring an adequate financial allocation. Overall, the measures relating to the three SOs fulfil our obligation under Article 93. Some of the measures of all other SOs also contribute to the objectives of the three SOs, with the result that environmental resources constitute one of the most significant parts of the plan’s framework.

Relevant recommendations:

- Halting and reversing biodiversity loss, contributing to the EU Green Deal targets on high-diversity landscape features.
- Preparing agriculture for the challenges of water management.
- Increase the efficiency of nutrient management to reduce losses and soil, air and water pollution through reduction measures, thereby helping to achieve the Green Deal objective of reducing nutrient losses.
- Contribution to the organic farming objective of the EU Green Deal.
- Support mitigation practices and adaptation tools.

The financial envelope provided for in the plan is sufficient to address the recommendations, supported by the relevant parts of Headings 3 and 5.

2.1.SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

2.1.SO7.1 Summary of the SWOT Analysis

2.1.SO7.1.1 Strengths

E.1. Increase in the number and share of young farm managers with a professional qualification in agriculture
E.2. Increase in the popularity of the profession of agricultural engineer
E.3. Increase in the number of micro-enterprises operating in agriculture
E.4. Career guidance initiatives (AGRYA – Young Farmers’ Association, National Chamber of Agricultural Economy) and Successful School Open Days
E.5. Openness of young farmers to the use of digital tools and new solutions that take better account of the environment [CCO/1.4]
E.6. Farmers attach a major role in knowledge brokering to those with close personal contacts (influencer farmers, special advisers, village farmers, accountants)
E.7 Information services for young farmers and industry are well developed
E.8. There is an interest representation of young farmers
E.9 Support activities in the agricultural sector
E.10 Simple borrowing method (Agricultural Széchenyi Card) for young farmers
E.11 Policy strategy and legislation to address agricultural generational renewal from a systemic perspective

2.1.SO7.1.2 Weaknesses

Gy.1. Low agricultural skills and knowledge of young farmers compared to the EU average [SO2/5.1] [SO7/2.1] [SO9/6.1] [CCO/1.1] [CCO/1.2]
Gy.2. Lack of information and knowledge and lack of exchange/sharing on farming and farm transfer [SO7/2.1] [CCO/1.2] [CCO/1.6] [CCO/2.2]
Gy.3. Decreasing numbers of pupils in secondary agro-vocational education, high drop-outs, frequent repetition of the year [SO7/2.2]
Gy.4. Lack of training and further training and outdated infrastructure in both secondary and tertiary education [SO2/5.5] [SO3/1.2] [SO7/2.1] [CCO/2.1]
Gy.5. Almost a third of recent agricultural graduates are located in other sectors. [SO7/1.1] [SO7/2.2]
Gy.6. Low activity of agricultural enterprises in dual training [SO7/2.2] [CCO/1.9]
Gy.7 Most guidance tools are ineffective [SO7/2.2]
Gy.8. The willingness of the older generation to transfer holdings is low [SO7/1.2]
Gy.9 Low intergenerational cooperation [SO7/1.2]
Gy.10. Lack of specific elements for young farmers in the advisory system [SO7/2.1] [CCO/1.6] [CCO/1.8]
Gy.11. Low labour value in agriculture [SO7/2.2]
Gy.12 Shortage of skilled and trained labour [SO2/5.4] [CCO/3.1]
Gy.14. Access to land in general, but particularly scarce for young people [SO7/1.3]
Gy.14. Access to credit for investments by young farmers setting up a new business is more difficult, especially in livestock [SO1/1.2] [SO7/1.4]
Gy.15. The administrative and financial burden for business start-ups and farm transfer is high [SO7/1.4], [SO7/1.5] [SO7/3.1]
Gy.16. Number and share of holdings with diversified activity structure decreasing [SO7/3.2]
Gy.17. The management structure of private forest management is fragmented

2.1.SO7.1.3 Opportunities

- L.1. Improvement of the prestige of the agricultural track [SO7/2.2]
- L.2. As digitalisation rises, agricultural careers can become more attractive for young people [SO7/2.2]
- L.3. Greater involvement of agri-businesses in replacement education [SO7/2.2]
- L.4. Rise in vertical and horizontal cooperation [SO3/1.1] [SO3/1.2]
- L.5. Consumer demand for new diversified services and products in rural areas and beyond our borders [SO7/3.1] [SO7/3.2]
- L.6. Increase in income for young farmers by adding value added [SO2/1.3]
- L.7 Professional potential to expand the network of private forestry enterprises [SO7/3.3]
- L.8. Increasing crèches, pre-school accommodation and basic services in rural areas [SO8/4.1]
- L.9 Young people's more open world views and language skills underpin access to foreign markets, international perspectives and the circulation of the latest professional information
- L.10. Faster adaptability of young people to changes in farming environments
- L.11 Increasing the popularity of organic farming among young farmers.

2.1.SO7.1.4 Threats

- F.1 Reduction in the number of economically active population [SO8/1.2] [SO8/1.3]
- F.2 Young rural population exodus [SO7/1.1] [SO7/2.2] [SO8/1.2] [SO8/1.3]
- F.3 Increase in the labour-absorption effect of other sectors [SO7/1.1] [SO7/2.2]
- F.4. Further rise in land prices hinders access to land [SO7/1.3]
- F.5. Underdeveloped or poorly organised sales channels [SO3/1.1] [SO3/1.3] [SO3/1.4]
- F.6. Low labour income in agriculture compared to other sectors [SO1/1.1] [SO8/1.5]
- F.7 Underdevelopment of the services sector and infrastructure in small-scale rural areas [SO7/3.1] [SO8/3.1] [SO8/4.1]
- F.8. Unfavourable age structure of farmers (especially in the poultry sector, grape and wine production, fruit and arable crops) [SO7/1.1]
- F.9 The number of newly registered agricultural enterprises decreases from year to year [SO7/1.1] [SO7/3.1]

2.1.SO7.1.5 Other comments

Not relevant.

2.1.SO7.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes
7.1.2	Support intergenerational cooperation	2	Yes
7.1.3	Easing access to land for young farmers	2	Partially
7.1.4	Easing access to credit for young farmers	2	Partially
7.1.5	Reducing the administrative burden of intergenerational transfer of agricultural enterprises	2	Partially
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
7.2.2	Attracting young generations to farming	1	Yes
7.3.1	Business start-up support for people outside the	1	Yes

	young farmer category		
7.3.2	On-farm/off-farm diversification, with the aim of creating multi-start rural businesses	2	Yes
8.1.5	Improving the profitability of small farms	2	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO7.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	CIS-YF(30) - Complementary income support for young farmers	DP03_B01_YFS_16 - Complementary income support for young farmers	O.6. Number of hectares benefitting from complementary income support for young farmers
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01b_E01_FRM_73 - Support for investments by young farmers	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD04a_E02_FON_73 - Adding value to agricultural products	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD09a_B05_SML_73 - Sustainable development of small farms	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD09b_R14_OGR_73 - Support for small enterprises in the ornamental horticulture sector	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD11_B07_DVF_73 - Diversification of activities of farmers	O.24. Number of supported off-farm productive investment operations or units
RD	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up	RD05_B01_YFS_75 - Generational renewal with start-up support for young farmers	O.25. Number of young farmers receiving setting-up support
RD	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up	RD06_B02_YFY_75 - Generational renewal with support for the economy	O.27. Number of rural businesses receiving support for start up
RD	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up	RD08_B04_BIS_75 - Generational renewal by supporting start-up rural and young forest entrepreneurs	O.27. Number of rural businesses receiving support for start up
RD	COOP(77) - Cooperation	RD07_B03_YFO_77 - Generational renewal, economic transfer cooperation	O.30. Number of supported operations or units for generational renewal (excluding setting-up support)

Overview

7.1. Main Needs: Making it easier for young people to set up farming activities

The situation reveals that young people's farming activity is hampered by a number of factors, the most important of which is the lack of capital to set up a business. It is difficult for young farmers to access preferential loans due to the lack of a proper farming record. The continued rise in land prices and rents, as well as the low supply of land, pose significant obstacles to young people's access to land. Another important obstacle to generational renewal is the lack of intergenerational cooperation, as well as the complex and lengthy administration and the high costs associated with the transition process of the economy.

Requirement 7.1.1: Encouraging start-ups in agriculture and forestry among young people

Encouraging business start-ups in agriculture and forestry among young people contributes to lowering

the average age of farmers. We can support generational renewal in agriculture by providing young farmers with complementary income support (DP03_B01_YFS_16) or by providing capital support for setting up their business (RD05_B01_YFS_75) and by supporting younger farmers to take over and continue to operate the farm from older farmers wishing to abandon farming (RD06_B02_YFY_75).

Planned interventions:

- Complementary income support for young farmers DP03_B01_YFS_16
- Generational renewal with start-up support for young farmers RD05_B01_YFS_75
- Generational renewal supported by the farmer RD06_B02_YFY_75

Need 7.1.2: Supporting intergenerational cooperation

Cooperation with the transferor of the farm makes it easier for young farmers to start up. The aim is to encourage economic growth and promote the social and economic sustainability of family farms based on successful succession stages, both by helping the conscious planning process for farming (RD07_B03_YFO_77) and by supporting younger farmers (RD06_B02_YFY_75).

Planned interventions:

- Generational renewal supported by the farmer RD06_B02_YFY_75
- Generational renewal, farm transfer cooperation RD07_B03_YFO_77

Need 7.1.3: Facilitating access to land for young farmers

The most important condition for setting up young farmers is the availability of land on which they can start farming. Access to land can be facilitated by administrative means and is dependent on the land market, not the competence of the CAP, but the initial support for young farmers (RD06_B02_YFY_75) or support for the farm takeover to take over and continue to operate the farm and land from an older farmer wishing to abandon farming (RD06_B02_YFY_75) contributes indirectly to this objective.

Planned interventions:

- Generational renewal with start-up support for young farmers RD05_B01_YFS_75
- Generational renewal supported by the farmer RD06_B02_YFY_75

Need 7.1.4: Facilitating access to credit for young farmers

The capital available in sufficient quantities is the most important condition for young farmers to start up, and they are typically able to obtain it from credit. Access to credit can be facilitated by administrative means and depends on the financial markets, not the CAP's ST competence, but the complementary income support for young farmers (DP03_B01_YFS_16) can improve the creditworthiness of young farmers.

Planned interventions:

- Complementary income support for young farmers DP03_B01_YFS_16

Need 7.1.5: Reducing the administrative burden and costs of intergenerational transfer of agri-businesses

The transfer of agri-businesses entails considerable administrative burden and costs for participants. The reduction of administrative burdens is primarily the responsibility of public bodies, and the Strategic Plan can only contribute to this by supporting the economic transferee (RD06_B02_YFY_75) and by providing advice and mentoring to the Farming Planning Process (RD07_B03_YFO_77).

Planned interventions:

- Generational renewal supported by the farmer RD06_B02_YFY_75
- Generational renewal, farm transfer cooperation RD07_B03_YFO_77

7.2. Main Needs: Effective transfer of knowledge to take up an economic activity

The stock-taking highlights that young farmers have a low level of agricultural skills and farm management knowledge compared to the EU average, as well as a lack of information and knowledge on farming and farm transfers, as well as a lack of exchange/sharing.

Need 7.2.1: Providing complex entrepreneurial knowledge for economic management

Business start-up requires complex entrepreneurial skills that young farmers can acquire through training and demonstration farm programmes (RD58_A01_TRA_78) and as part of generational renewal programmes.

Planned interventions

Generational renewal with start-up support for young farmers RD05_B01_YFS_75

Generational renewal supported by the farmer RD06_B02_YFY_75

Generational renewal with support for rural and young forest entrepreneurs RD08_B04_BIS_75

· Trainings and demonstration programmes RD58_A01_TRA_78

Need 7.2.2: Attracting young generations to farm careers

Agricultural careers are becoming increasingly unattractive among young people, even those in vocational agricultural education, and it is therefore necessary to promote and highlight the benefits of farming, agriculture-related professions and the way of life of farmers.

Planned interventions

Complementary income support for young farmers DP03_B01_YFS_16

Generational renewal with start-up support for young farmers RD05_B01_YFS_75

Generational renewal supported by the farmer RD06_B02_YFY_75

7.3. Main Needs: Encouraging business start-ups in rural areas

Need 7.3.1: Support for agricultural business start-ups for people outside the young farmer category

Given the long-term development of the sector and the survival of the rural population, it is important to support not only young farmers but also those outside the category of young farmers to set up farming. This objective is mainly supported by support for the farm takeover (RD05_B01_YFY_75), which also gives people outside the young farmer category the opportunity to transfer the holding and the corresponding payment entitlements, as well as the obligations, from the transferor intending to abandon farming, as well as the obligations. In addition, the “Sustainability Development of Small Farms” intervention (RD09a_B05_SML_73) responds to the need by helping small-scale farmers with developing potential to earn income and find more economic opportunities. The start-up and further development of the activities of farmers and forest managers in rural areas related to or not linked to agriculture (RD11_B07_DVF_73) will also contribute to the objective.

Planned intervention

· Sustainable development of small farms RD09a_B05_SML_73

Need 7.3.2: Helping on-farm/off-farm diversification, with the aim of creating more standing rural businesses

More standing businesses improve their ability to earn their income, thus helping them to stay in rural areas. On-farm diversification linked to agriculture and farm resources and off-farm diversification for non-agricultural activities independent of the farm is supported by several measures of the CAP Strategic Plan, contributing to the livelihood of the rural population on the ground, increasing rural employment and the development of the local economy.

Planned interventions:

· Adding value to agricultural products RD04a_E02_FON_73

· Diversification of farmers' activities RD11_B07_DVF_73

· Support for small enterprises in the ornamental horticulture sector RD09b_R14_OGR_73

2.1.SO7.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO7.6 Are you planning CAP contribution towards the Erasmus programme : No

2.1.SO7.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.9^{CU PR} - Farm modernisation Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency	2.86 %
R.36^{CU PR} - Generational renewal Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown	10,700.00
R.39^{CU} - Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	7,900.00

Justification of the targets and related milestones

SO7 – Attracting young farmers and other new farmers and keeping them in the sector and promoting sustainable business development in rural areas

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

R.36^{PR} – Generational renewal: Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown

Two interventions contribute to the R.36 indicator, all of which are relevant for the SO7 objective. 80 % of the indicator target is provided by the intervention “DP03 Complementary income support for young farmers” by providing 5500 new entrants to a complementary income support. The intervention “RD05 Generational renewal with start-up support for young farmers” has a smaller, but not negligible, weight: 2695 young farmers are planned to reach. There will also be duplication, with some young farmers benefiting from both interventions; by eliminating this, the indicator is planned to reach more than half of its target of 6 800 in two years, by 2025, and to reach 100 % in a further 3 years.

·According to preliminary figures from the 2020 Agrárcenzus, two thirds of farmers are above retirement age (65), while the share of farm managers under 40 is estimated to be 10 % (KSH, 2021)[1] and it is therefore necessary to encourage the start-up of agricultural and forestry businesses among young people, thereby reducing the average age of farmers (7.1.1). Both interventions aim to address this need, so by the end of the period, 6,800 young farmers (under 40) will substantially reduce the average age.

·Based on preliminary data from the 2020 Agrárcenzus, young farmers have a lower share of land ownership, renting more land than those aged 40+. According to the 2019 AKI questionnaire on generational renewal, among the obstacles to generational renewal, the farmers surveyed considered the lack of rentable or purchased land for expansion as the second most important obstacle to the administrative burden of transfer and takeover[2]. It is therefore necessary to facilitate access to land for young farmers (7.1.3); the intervention “RD05 Generational renewal with start-up support for young farmers” contributes to addressing this difficulty for 2695 young farmers.

·In the case of start-ups, most of the time, the lack of capital and collateral and the lack of an enterprise’s past hinders borrowing. In a questionnaire on generational renewal of farmers in autumn 2019, respondents considered the fourth of the top ten obstacles to generational renewal for young farmers to be

the fourth most serious problem[3]. It is therefore necessary to facilitate access to credit for young farmers (7.1.4). This need is addressed by the “DP03 Complementary Income Support for Young Farmers” intervention, thus improving the conditions of access to credit for 5500 young farmers.

R.39 – Development of the rural economy: Number of rural businesses including bio-economy businesses developed with CAP support

11 interventions contribute to indicator target R.39, of which 5 interventions, accounting for almost 60 % of the indicator target, address the two main needs for the SO7 target.

THE HEADING ‘7.1 Making it easier for young people to set up farming is also aimed at achieving progress in 4 out of 5 sub-needs of 602 farms, with a complex view of the intervention “RD06 Generative Renewal Supporting the Economic Receiver”.

·Incentivising young people to start up farming and forestry businesses among young people (7.1.1) and “facilitating access to land for young farmers” (7.1.3) which call for an average age reduction (already presented in R.36 result indicator) are also progressing.

·According to the results of the questionnaire survey on 192 generational renewals, mostly young farmers, the main difficulty for stakeholders is the administrative tasks related to farm transfers (modification of administrative authorisations, transcription of tools, transfer of tenders, transfer of aid)[4]. It is therefore necessary to reduce the administrative burden and costs of intergenerational transfer of agri-businesses (7.1.5).

·Experts and research highlight that the economic transfer process is hampered by differences in attitudes between generations and the low level of collaboration between older generations and young generations willing to take over the economy[5]. It is therefore necessary to support intergenerational cooperation.

(7.1.2.) The intervention “RD07 Generational renewal, economic transfer cooperation” will also contribute to addressing this need, so that 456 farmers can benefit from intergenerational cooperation.

THE HEADING ‘7.3 Encouraging business start-ups in rural areas’, the interventions under indicator R.39 contribute, according to the complexity of the challenge, by:

·According to farm structure surveys (FSS), the number of other non-agricultural holdings in Hungary decreased by less than half (from 44375 to 19743) over the period to be examined with statistical data (2013-2016). There was considerable interest in the RDP call for the start-up and development of non-agricultural activities, which shows that farmers are open to setting up and developing diversification activities[6]. In the 2014-2020 cycle, there is still a need to support on-farm/off-farm diversification with a view to creating more standing rural businesses. (7.3.2) This need is managed through more interventions, planned to reach more than 1000 farmers: ‘RD09b Unit cost of support for small enterprises in the skiing sector’; “RD11 Diversification of farmers’ activities”.

R.09^{PR} – Modernisation of farms: Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

For evidence of the total value of the indicator, see SO2.

[1] Situation analysis for specific objective 7 (30.6.2021), Chapter 2

[2] Situation analysis for specific objective 7 (30.6.2021), Chapter 8

[3] Situation analysis for specific objective 7 (30.6.2021), Chapter 9

[4] Situation analysis for specific objective 7 (30.6.2021), Chapter 6

[5] Situation analysis for specific objective 7 (30.6.2021), Chapter 6

[6] Situation analysis for specific objective 7 (30.6.2021), Chapter 6

2.1.SO7.9 Justification of the financial allocation

For SO, we intend to spend around 2 % of the overall plan, thus fulfilling our obligation under Article 95. The most important of the interventions are the start-up support for young farmers, but also support for start-up farmers beyond the age limit, support for farm creation and support for non-agricultural start-ups.

As in the Strategic Plan as a whole, we mainly support objectives related to agriculture and forestry, relying on the resources of the operational programmes to support other start-ups.

One of the Commission's recommendations to Hungary states that it is important to "make the agricultural sector more attractive to newcomers", with funds for the specific purpose, we intend to respond to this recommendation.

2.1.SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

2.1.SO8.1 Summary of the SWOT Analysis

2.1.SO8.1.1 Strengths

- E.1. Increase in employment rate in typically rural areas for both 15-64 and 20-64 age groups
- E.2. Employment growth in agriculture and food
- E.3. Leader and other good practices for local cooperation, local knowledge of local action groups, experience of implementation of development policy and programme and network of contacts
- E.4. Continuous growth of afforested or planted land, growing stock of live trees
- E.5. Wood kits are available throughout the country, albeit with significant variations, within a rational transport distance near municipalities
- E.6. Availability of small-scale LEADER funding tailored to local needs for micro-enterprises and civil society organisations with typically low capital and risk tolerance in rural areas
- E.7 Increasing the interdependence of local development and making better use of the human capacity of LEADER LAGs for the EAFRD basic services and the management of rural development funds outside the CAP
- E.8. FRM production can meet domestic climate forecasts

2.1.SO8.1.2 Weaknesses

- Gy.1. The employment rate of women is significantly below that of men [SO8/1.1]
- Gy.2. Despite rising incomes, there are still significant differences in the income distribution (between the lowest and highest income earners and between types of municipalities) [SO8/4.2].
- Gy.3. Increasing but still low labour productivity
- Gy.4. Population decline, especially in rural areas [SO8/1.3]
- Gy.5. Emigration for work purposes [SO8/1.2]
- Gy.6. Strong market exposure due to predominance of firewood among forest benefit options [SO8/6.1]
- Gy.7 Company-level inefficiencies in FRM production and forest management [SO8/6.1] SO8/6.2]
- Gy.8. Higher value selection of trees and underdevelopment of value added among forest managers [SO6/3.3] [SO8/6.1]
- Gy.9 Despite moderate convergence, significant regional disparities remain [SO8/3.1][SO8/3.2]
- Gy.10. Reduction of job capacity in rural areas
- Gy.11. Territorial differences in the development of infrastructure necessary to improve the quality of rural transport and other public services [SO8/3.1] [SO8/3.2]
- Gy.12 Low sewerage rate in municipalities
- Gy.13. General unavailability of small villages with child protection, health and education services [SO8/4.1]
- Gy.14. Restrictions on additional tourism opportunities for small farmers [SO8/1.5]
- Gy.15. The constraints of LEADER resources and the high administrative burden on the use of small-scale resources compared to the scale [SO8/2.3]
- Gy.16. Fragmented management/construction service conditions in private forest management [SO8/1.5] SO8/6.1
- Gy.17. Primary use of biomass farm feedstock production is underdeveloped [SO8/5.1]
- Gy.18. Lack of complex cross-programme solutions for the reintegration of long-term inactive people [SO8/1.4]
- Gy.19. The exposure of vulnerable social groups (Roma, unemployed, low-skilled) to poverty or social exclusion remains high

2.1.SO8.1.3 Opportunities

- L.1. Development of enterprises to improve labour productivity
- L.2. Contribution of the biomass economy to the achievement of energy efficiency and climate protection targets
- L.3. Developing the value chains of the biomass economy by complementing feedstock production with chemical and biotechnology processing
- L.4. Capacity of a biomass economy to create jobs in less-favoured areas [SO8/5.1]
- L.5. Maintenance of public amenity services in forestry
- L.6. More diverse integration of forestry in the in-situ bioeconomy, finding new functions and sources of income using BAT technologies in “energy communities”
- L.7 Increased interest in domestic tourism, including agro- and eco-tourism
- L.8. Launch of complex multi-fund rural development programmes
- L.9 Strengthening rural-urban cooperation
- L.10. Increased availability of ICT opportunities
- L.11 Increasing the efficiency of forest and forestry service companies
- L.12. Spread of rel-type cooperation
- L.13. Conscious sectoral labour supply by organising practical training for potential entrants
- L.14. Domestic and EU programmes, strategies, synergies between programmes to address complex problems (e.g. poverty) outside or complementary to CAP ST [SO8/4.2]
- L.15 Labour market integration of potential labour reserves
- L.16. Increase in fixed broadband internet coverage between households with the internet
- L.17. Improvement of some elements of transport infrastructure (e.g. increasing motorway length)
- L.18. Increased crèches and pre-school accommodation

2.1.SO8.1.4 Threats

- F.1 Further decrease in the number of economically active population [SO8/1.3]
- F.2 The ageing population puts at risk the further expansion of economic growth due to consumption [SO8/1.3].
- F.3 Exhausting reserves for further employment expansion [SO8/1.4]
- F.4. The high proportion of firewood in forestry harvesting maintains the vulnerability of the sector [SO6/3.3] [SO8/6.1] [SO8/6.2].
- F.5. Deterioration in access to local basic health services (e.g. increase in the number of unfilled GPs and nurseries) [SO8/4.1]
- F.6. Domestic and international take-up of wood replacement products [SO4/5.1.]
- F.7 Lack of a biomass-based economic strategy and action plan [SO8/5.1]
- F.8. Increased focus on emission limits for biomass-based energy production and on the calculation of the life-cycle GHG balance [SO8/5.1]
- F.9 Fragmented management conditions and persistence of labour shortages in forest management [SO8/1.2] [SO8/1.5]
- F.10. Excessive expansion of energy plantations for renewable energy use, thereby facilitating the spread of invasive species [SO8/6.1] [SO8/6.2].
- F.11 The results of Roma inclusion programmes are not sufficiently tangible [SO8/4.2].
- F.12 Further erosion of human resources available for part of LEADER LAGs [SO8/2.1] [SO8/2.2]

2.1.SO8.1.5 Other comments

Not relevant.

2.1.SO8.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
8.1.1	Increasing the employment rate of women in rural areas	1	Partially
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes
8.2.1	Human resources for the implementation of development policy programmes	2	Partially
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.2.3	Coherence of local development programmes, regional cooperation	1	Partially
8.3.1	Reducing regional disparities in rural transport infrastructure	3	Partially
8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially
8.4.1	Provision of small villages with child protection, health and education services	3	Partially
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially
8.6.1	Increase the scope and added value of forest benefits, improve profitability	3	Yes
8.6.2	Production of forest reproductive material to increase forest stands and to adapt them to climate change	2	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO8.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
DPdecoupled	CIS-YF(30) - Complementary income support for young farmers	DP03_B01_YFS_16 - Complementary income support for young farmers	O.6. Number of hectares benefitting from complementary income support for young farmers
Sectoral - Wine	DISTIL(58(1)(g)) - distillation of by-products of wine making carried out in accordance with the restrictions laid down in Part II, Section D, of Annex VIII to Regulation (EU) No 1308/2013	SC08_E07_WID_58 - Distillation of wine by-products	O.36. Number of actions or units supported in the wine sector
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD36_F03_GEN_70 - Multi-annual commitments for forest genetics	O.19. Number of operations or units supporting genetic resources
RD	ENVCLIM(70) - Environmental, climate-related and other management	RD39_F06_AFM_70 - Maintenance of investments in	O.16. Number of hectares or number of other units under

	commitments	afforestation and support for income replacement	maintenance commitments for afforestation and agroforestry
RD	INVEST(73-74) - Investments, including investments in irrigation	RD04a_E02_FON_73 - Adding value to agricultural products	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD09a_B05_SML_73 - Sustainable development of small farms	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD09b_R14_OGR_73 - Support for small enterprises in the ornamental horticulture sector	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD11_B07_DVF_73 - Diversification of activities of farmers	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD40_F07_INP_73 - Investments for competitive forestry (for-profit)	O.24. Number of supported off-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD42_R01_RAN_73 - Rural infrastructure development in schools	O.22. Number of supported infrastructures investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD42a_R01_RAN_73 - Rural infrastructure development in closed garden areas	O.22. Number of supported infrastructures investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD43_R02_LOC_73 - Rural infrastructure development in small settlements	O.22. Number of supported infrastructures investment operations or units
RD	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up	RD05_B01_YFS_75 - Generational renewal with start-up support for young farmers	O.25. Number of young farmers receiving setting-up support
RD	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up	RD08_B04_BIS_75 - Generational renewal by supporting start-up rural and young forest entrepreneurs	O.27. Number of rural businesses receiving support for start up
RD	COOP(77) - Cooperation	RD07_B03_YFO_77 - Generational renewal, economic transfer cooperation	O.30. Number of supported operations or units for generational renewal (excluding setting-up support)
RD	COOP(77) - Cooperation	RD15_W04_COP_77 - Supporting sustainable water management communities that improve water efficiency	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD50_R10_SEC_77 - Rural development cooperation for the development of social enterprises	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD51_R11_TUC_77 - Rural development cooperation for active and eco-tourism development in the region	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD52_R12_BIC_77 - Rural development cooperation for the development of a biomass-based economy	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	O.31. Number of supported local development strategies (LEADER) or preparatory actions

Overview

1. Main needs: Reducing labour displacement by increasing the number and profitability of rural

businesses, improving income distribution and living standards for rural people, reducing territorial disparities

8.1.1 Increasing the employment rate of rural women

The SWOT analysis mentions as a weakness that the employment environment for women (Gy.1) remains significantly worse than that of men, especially in rural areas. Despite positive trends, there are still significant differences in the distribution of income (between the lowest and the highest income and between types of settlement (Gy.2). Another weakness is that rural areas are particularly affected by population decline (GY.4) and labour emigration (GY.5). Improvements to improve labour productivity in enterprises (L.1) and improvements aimed at re-integrating the labour market of long-term inactive people (L.16) are mentioned as an option.

Planned interventions:

RD11_B07_DVF_73 – Diversification of agricultural activity

RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

RD04a_E02_FON_73 – Adding value to agricultural products

RD43_R02_LOC_73 – Rural infrastructure development in small settlements

Improving the profitability of micro-enterprises in rural areas

Tourism, interventions to support generational renewal, diversification and SLAIP can be key to improving the profitability of smaller rural businesses. In the 2014-2020 period, a significant number of applications for support from LEADER Local Development Strategies (LDS) were used to develop non-agricultural and food micro-enterprises in rural areas. As LFS are based on local needs, where available resources and conditions allow, LEADER's contribution to meeting this need is still expected.

Furthermore, the call for proposals GINOP Plusz-1.2.2-22 can make a significant contribution to meeting this need by providing support to micro-entrepreneurs in municipalities with a maximum of 5000 inhabitants within or outside the free business zones. Taking this into account in the LEADER HFS, synergies between programmes should be identified at local level for interventions for economic development.

Planned interventions:

RD51_R11_TUC_77 – Rural development cooperation for regional active and eco-tourism development

RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

DP03_B01_YFS_16 Complementary income support for young farmers

RD05_B01_YFS_75 Generational renewal with young farmers start-up aid

RD08_B04_BIS_75 – Generational renewal with start-up rural and young forest entrepreneurs

RD11_B07_DVF_73 – Diversification of agricultural activity

RD04a_E02_FON_73 – Adding value to agricultural products

RD43_R02_LOC_73 – Rural infrastructure development in small municipalities (in proportion to population – total expected: 2.000.000)

RD50_R10_SEC_77 – Rural development cooperation for the development of social enterprises

8.1.5 Improving the profitability of small farms

Improving the profitability of small farms is essential for the rural population living in agriculture. In this respect, the SWOT analysis showed that obstacles remain for complementary tourism development in small farms (Gy.14). Joining the biomass-based economy would provide additional opportunities to improve the profitability of small farms (L4). In relation to the LEADER initiative, it was found in the thematic evaluation of the VP that a significant number of applications for support from the LFS envelope served the development of small-scale agricultural or food processing activities. Given that LFSs are based on local needs, where available resources and conditions allow, LEADER's contribution to meeting this need is still expected.

Planned interventions:

DP03_B01_YFS_16 – Complementary income support for young farmers

RD04a_E02_FON_73 Adding value to agricultural products
 RD07_B03_YFO_77 Generational renewal, farm transfer cooperation
 RD09a_B05_SML_73 Sustainable development of small farms
 RD09b_R14_OGR_73 Support for small enterprises in the decorative sector
 RD11_B07_DVF_73 – Support for diversification of agricultural activity
 RD51_R11_TUC_77 – Rural development cooperation for regional active and eco-tourism development
 RD52_R12_BIC_77 – Rural development cooperation for the development of a biomass-based economy

8.1.6 Biomass feedstocks, intermediate products, waste processing, renewable energy recovery
 The management of local and community-organised agricultural and manufacturing intermediate products, by-products, waste and waste water in the context of the circular economy can be an important building block for the sustainability of rural areas. The above need is based on the weakness GY.17 of the SWOT analysis, according to which the primary use of raw material production in the biomass-based economy is underdeveloped. The contribution of the biomass-based economy to the achievement of the energy efficiency and climate goals (L.2), the processing of raw material production in the biomass economy for chemical and biotechnology (L.3) and the job creation potential of the biomass-based economy in disadvantaged areas (L.4) are considered as options.

Planned interventions:

SC08_E07_WID_58 Distillation of wine by-products
 ·RD42_R01_RAN_73 – Rural infrastructure development in farms
 ·RD43_R02_LOC_73 – Rural infrastructure development in small municipalities
 ·RD52_R12_BIC_77 – Rural development cooperation for the development of a biomass-based economy
 ·RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies
 RD01c_E01_FRM_73 – Support for green investments in agricultural holdings
 RD04b_E03_FOF_73 – Support for green investments linked to adding value to agricultural products

8.1.7 Replacement of industrial raw materials of Fossil origin with green substitutes
 The need reflects the use of option L3 (development of biomass economy value chains by complementing feedstock production with processing for chemical and biotechnological purposes).

Planned interventions:

RD52_R12_BIC_77 – Rural development cooperation for the development of a biomass-based economy
 RD01c_E01_FRM_73 – Support for green investments in agricultural holdings
 RD04b_E03_FOF_73 – Support for green investments linked to adding value to agricultural products

2. Main needs: Supporting local cooperation in rural areas

8.2.1 Human resources for the implementation of development policy programmes

The SWOT analysis mentions as a strength the network of LEADER Local Action Groups (LAGs) covering the country's rural areas, providing local resources for local development with local knowledge, networking, development policy and programme implementation experience (E8). However, it mentions the further erosion of this resource as a threat (F.12.). The retention of the above-mentioned human resources can be ensured primarily by the operational and animation resources of the LEADER intervention.

Planned interventions:

·RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

8.2.2 Developments that can be adapted to local/regional needs and have a measurable impact on them

The SWOT analysis found that there is still a significant lack of infrastructure and services in municipalities in rural areas (Gy.11) (Gy.13) (F.5). It is necessary to continue and expand the developments initiated under the previous programme in order to improve the quality of life in rural areas

(L.8) (L.9) (L.15). The strength of the SWOT analysis is that LEADER provides an adequate small-scale development resource tailored to local needs for micro-enterprises and civil society organisations with low capital and risk tolerance in rural areas (E11). The analysis mentions as weaknesses the limitation of LEADER funds and the high administrative burden of using small-scale funds compared to the size (GY15). In particular, LEADER and cooperation interventions can contribute to the development of local/regional needs.

Planned interventions:

- RD15_W04_COP_77 – Supporting sustainable water management communities that improve water efficiency
- RD43_R02_LOC_73 – Rural infrastructure development in small municipalities
- RD50_R10_SEC_77 – Rural Development Cooperation for Social Business Development
- RD51_R11_TUC_77 – Rural development cooperation for regional active and eco-tourism development
- RD52_R12_BIC_77 – Rural development cooperation for the development of a biomass-based economy

- RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

Coherence of local development programmes, regional cooperation

Options for SWOT analysis include strengthening the mutualisation of local development and making better use of the human capacity of LEADER LAGs for EAFRD basic services and management of rural development funds outside the CAP (L15). In order to exploit this potential, there is a need for LEADER to strengthen synergies between development programmes and regional cooperation at local level. The 2020 LEADER evaluation learned that more than half of LAGs were involved in implementing projects funded by other OPs. Providing LAGs with dedicated resources from other OPs and capacity building for their efficient use can be an effective tool to turn this activity into a common practice.

Planned interventions:

- RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

3. Main needs: Improving the quality of local infrastructure and services

8.3.1 Reduction of regional disparities in rural transport infrastructure

The SWOT analysis found that transport infrastructure and services are not of sufficient quality in rural areas (GY.11) (Gy.12). Improving this goes beyond the tools of the CAP Strategic Plan, but needs can be addressed by co-designing with other development programmes (L.14). An example could be the component of the Hungarian Village *Program Falusi* Road Fund.

Review of planned interventions:

- RD43_R02_LOC_73 – Rural infrastructure development in small settlements

8.3.2 Developing the infrastructure background for local population services that increase quality of life

The SWOT analysis has shown that the quality of local population services is an important determinant of quality of life and is therefore an important component of the retention of the rural population. The analysis shows a number of disadvantages in rural areas, especially in villages (Gy.11) (Gy.12) (Gy.13) (F5). Based on the experience of previous years, in addition to the development of the local economy, LEADER LFSs also aim to improve rural living space by developing services and the necessary small-scale infrastructure; and strengthening local attachment and community relations through community activation programmes and the development of the necessary environment. In line with the long-term vision for the European Union's rural areas, social innovation and the use of digital tools should be encouraged to achieve these goals. While the toolbox needed to address this need goes beyond the possibilities of the CAP Strategic Plan, it is proposed to create co-design with other programmes (L.15).

For example, the annual calls of the nationally funded Hungarian Village Programme for municipalities below 5000 people play an important role in meeting the needs.

Review of planned interventions:

RD43_R02_LOC_73 – Rural infrastructure development in small settlements

RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

4. Main needs: Promoting social inclusion and inclusion in rural areas

Provision of small villages with child protection, health and education services

The overall lack of care of small villages with child protection, health and education services significantly reduces the attractiveness of rural spaces (GY.13). Alleviating the need would require complex solutions across programmes for the reintegration of permanently inactive working age (GY.18). However, addressing the need goes beyond the tools of the CAP Strategic Plan, so the potential of other programmes should be highlighted as a matter of priority (L.15). Development resources are mainly included in the draft Territorial and Municipal Development Operational Programme Plus and the Recovery and Resilience Instrument (RRF). The annual calls of the nationally funded Hungarian Village Programme for municipalities below 5000 people play a significant role in meeting the needs.

Planned interventions:

RD43_R02_LOC_73 – Rural infrastructure development in small settlements

RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

8.4.2 Encouraging Roma inclusion programmes, reducing segregation

Improving the situation of the Roma population is one of the most important tools to improve the situation of lagging municipalities. However, the SWOT analysis showed that Roma inclusion programmes still lack tangible results, which maintains the cumulative disadvantage of the rural Roma population (Gy.18) (F.11). While addressing the problem goes beyond the tools of the CAP Strategic Plan, the analysis highlighted that rural development programmes together have a greater chance of achieving results in Roma inclusion (L.15). For example, the Human Resources Development Operational Programme Plus includes development resources for this need.

Planned interventions:

RD43_R02_LOC_73 – Rural infrastructure development in small settlements

·RD50_R10_SEC_77 – Rural Development Cooperation for Social Business Development

·RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

RD04a_E02_FON_73 Adding value to agricultural products

6 Main needs: Support for sustainable forest management

8.6.1 Increasing the scope and added value of existing profits and improving profitability

The inclusion of the need is justified by the weaknesses and threats identified in the forest management study and the SWOT analysis. These are the strong market exposure due to the predominance of firewood (Gy.6) (F.4) of the forest benefit options, the underdevelopment of higher-value wood ranges and the pursuit of added value among forest managers (Gy.8), fragmented management and construction operator conditions in private forest management (Gy.16), and the domestic and international penetration of wood substitute products (F.6). The SWOT analysis also found that the area afforested or cultivated with trees is constantly growing (E.9) and that these timber stocks are located within a rational transport route in the vicinity of settlements throughout the country. Increasing the added value of forest products ensures more stable employment in the sector. On this basis, the maintenance of public amenity services in forestry (L.5), a more diverse integration of forest management into the in-situ biomass economy (L.6) and an increase in the efficiency of forest management and forestry service undertakings (L.11) have been

identified as typical options in the sector.

Planned interventions:

RD39_F06_AFM_70 Rearing and income replacement support for investments in afforestation

·RD40_F07_INP_73 – Investments for competitive forestry (for-profit)

·RD57_R15_LDR_77 – Preparation and implementation of LEADER strategies

Production of forest reproductive material ensuring the enhancement and climate adaptation of forest stands

The need is justified by the fact that propagating material production is an important tool for climate adaptation of forests. There are inefficiencies in FRM production and forest management, while urgent action is needed in the sector due to rapidly deteriorating climatic conditions. Failure to do so would result in a further deterioration in the production efficiency of undertakings active in forestry.

Planned intervention:

RD36_F03_GEN_70 Multiannual forest genetic commitments

RD40_F07_INP_73 – Investments for competitive forestry (for-profit)

Summary of the intervention logic for LEADER

Leader intervention contributes to addressing many of the needs identified for SO8 through support for local development strategies. The SWOT analysis mentions as a strength the LEADER network covering the country's rural areas, providing a local resource (E8) with local knowledge, networking, development policy and programme implementer experience for local development. However, it mentions the further erosion of this resource as a threat (F.12.). These two findings are based on the need to define the need for human resources at local level for the implementation of development policy programmes (8.2.1). This need is addressed by a network of local action groups financed from the operational and animation window of LEADER intervention, which is expected to fully cover rural areas in Hungary.

The strength of the SWOT analysis is that LEADER provides an adequate small-scale development resource tailored to local needs for micro-enterprises and civil society organisations with low capital and risk tolerance in rural areas (E11). The analysis mentions as weaknesses the limitation of LEADER funds and the high administrative burden of using small-scale funds compared to the size (GY15). The above strength and weakness is based on the need to define developments that can be adapted to and have a measurable impact on local/regional needs and the need for the necessary resources to do so (8.2.2). The implementation of LEADER local development strategies contributes to this need.

Options include strengthening the mutualisation of local development and making better use of the human capacity of LEADER LAGs for EAFRD basic services and for managing rural development funds outside the CAP (L15). The need for LEADER to strengthen synergies between development programmes and regional cooperation at local level (8.2.3) has emerged in order to exploit this potential.

The **thematic focus** of LEADER intervention is defined in the CAP Strategic Plan in an orientation way. Local communities design priority areas in their local development strategies. The Managing Authority may encourage greater emphasis on certain areas (e.g. by transferring knowledge, creating additional resources) or define frameworks. In previous years, LEADER LAGs had to allocate at least 50 % of their development resources to farm development. The continuation of this practice is confirmed by point GY2 of the SWOT analysis and the following main need: *“Mitigating population decline and reducing labour displacement by increasing the number and profitability of rural businesses, improving the standard of living of rural people, reducing territorial disparities”*. By strengthening the focus on economic development, LEADER can contribute to self-employment and job creation in rural areas (in line with the level of resources available) based on previous experience. This goal is in line with the goal of a successful or prosperous rural area of the European Union's long-term vision for rural areas, creating an attractive economic space for businesses.

The territorial differences in the development of infrastructure needed to improve the quality of rural transport and other residential services are identified as weaknesses in the SWOT analysis (GY11). This is a response to the need for 8.3.2, which requires the development of the infrastructural background of local population services that enhance quality of life. Based on the experience of previous years, LEADER

LFSs have as an important objective the development of rural living space by developing services and the necessary small-scale infrastructure, as well as strengthening local connectivity and community links through community activation programmes and the development of the environment needed for it. In line with the long-term vision for the European Union's rural areas, it is necessary to promote social innovation and the use of digital tools, in particular through the transfer of knowledge and good practice, in order to achieve these goals.

2.1.SO8.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO8.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.18^{CU} - Investment support for the forest sector Total investment to improve the performance of the forestry sector	399,567,252.00 EUR
R.30^{PR} - Supporting sustainable forest management Share of forest land under commitments to support forest protection and management of ecosystem services	6.54 %
R.37^{CU} - Growth and jobs in rural areas New jobs supported in CAP projects	10,958.00
R.38^{CU} - LEADER coverage Share of rural population covered by local development strategies	99.96 %
R.39^{CU} - Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	7,900.00
R.40^{CU} - Smart transition of the rural economy Number of supported smart-village strategies	52.00
R.41^{CU PR} - Connecting rural Europe Share of rural population benefitting from improved access to services and infrastructure through CAP support	28.36 %
R.42^{CU} - Promoting social inclusion Number of persons covered by supported social inclusion projects	44,181.00

Justification of the targets and related milestones

SO8 – Promoting employment, growth, gender equality, including women's participation in agricultural activities, social inclusion and local development in rural areas, including circular bio-economy and sustainable forestry

The milestone values for each R indicator and the value of the contribution of the related interventions (broken down per year) are set out in the attached table, so that they are not described in detail in the text.

R.18 – Investment support for the forestry sector: Total investment to improve the performance of the forestry sector

Interventions that respond to the needs underlying the SO8 specific objective account for 42.6 % of the total value of indicator R.18 (EUR 448423415). These three interventions are responsible for the ramp-up of indicator R.18: There is a sharp increase in the indicator value in 2025, followed by a steady high annual contribution in 2026 and 2027, reaching the target in 2028.

Of the three SO8 interventions, a key element in ensuring the indicator target is RD40_F07_INP_73 -

Investments for competitive forestry (for-profit), which alone accounts for 40 % of the R.18 pledge. This intervention is the main need 8.6: In support of sustainable forest management, both sub-necessities, 8.6.1. Increase the scope and added value of forest benefits, improve profitability and improve profitability, as well as under 8.6.2. It also reflects the need to produce forest reproductive material to increase forest stands and adapt it to the climate. A total of 800 projects are planned for the intervention, with an aid intensity of 50 % and an increase in average project size. In order to address the needs detailed in chapter 2.1.4, the scope of eligible activities, the increase in project size and the increase in the resources allocated proportionally were also justified compared to the previous period.

The rural cooperation RD51_R11_TUC_77 – Rural Development Cooperation for *active and ecotourism in the region* and RD52_R12_BIC_77 - Rural Development Cooperation for *the development of a biomass-based economy* provides 2.6 % of the R.18 indicator. These two interventions address major needs related to SO8 8.1 and 8.2 in a total of 42 projects, addressing several sub-necessities by supporting complex collaborations. This complex approach is justified on the basis of the needs described in detail in section 2.1.4: only in this way can the challenges of rural areas, which are closely interlinked, be effectively addressed. In order to reduce labour displacement, these two interventions thus aim at improving the profitability of micro-enterprises in rural areas (8.1.2), improving the profitability of small farms (8.1.5), promoting the processing of biomass feedstocks, intermediate products, waste and the use of renewable energy (8.1.6). These two interventions support local cooperation in rural areas through developments that can be adapted to local/regional needs and have a measurable impact on them (8.2.2), while also taking into account the coherence of local development programmes (8.2.3) and providing these human resources for the implementation of development policy programmes (8.2.1). Overall, an important added value will be the development of infrastructure for local population services that enhance quality of life (8.3.2).

R.30 – Support for sustainable forest management

May be assigned to R.18 or R.30 for interventions related to sustainable forestry. In the case of RD36_F03_GEN_70 – Forest Genetic Multi-annual Commitments, the R.30 indicator has been selected. We also consider it important to strengthen its genetic and sustainability link, as the need for the production of FRM ensuring the increase and climate adaptation of forest stands was also selected for the intervention.

R.37 – Growth and job creation in rural areas: New jobs supported in CAP projects

All interventions in the indicator are linked to the SO8 specific objective and thus fully support the management of related needs and the achievement of the targets set. The overall target of indicator R.37 is 6.900 FTE, which it aims to achieve over the planning period with a steady year-on-year increase in value. Of the three interventions providing a target of 6.900 FTE, the DP03_B01_YFS_16 - *Complementary Income Support for Young Farmers* intervention is of particular importance, since it alone provides a value of 5.500 FTE with the involvement of 1.100 new young farmers per year, taking into account demographic reserves. As a result of the steady increase, R.37 is planned to reach the target by 2027. In addition, the two interventions responsible for generational renewal contribute to achieving the results that the indicator makes transparent: *RD05_B01_YFS_75 for young farmers' start-up aid* and *RD08_B04_BIS_75 for start-up rural and young forest entrepreneurs*. These two interventions will mainly ensure an increase in employment for the indicator in 2024 and 2025, so that the overall target is expected to be met by 52 % in 2025, with a continuous increase. These three interventions focus on improving the profitability of micro-enterprises in rural areas (8.1.2) in order to reduce labour emigration (key needs 8.1) and also help to improve the profitability of small farms (8.1.5).

R.38 – LEADER coverage: Share of rural population covered by local development strategies

The indicator R.38 can be specifically linked to the LEADER intervention as required by the Commission. Compared to the total rural population (4.056.919 people), the proportion of the rural population expected to be affected by the local development strategy (4.056.919 people) could reach 99.96 %. Leader therefore almost fully covers the rural area for which it is intended to develop (municipalities with less than 10 thousand inhabitants and outskirts of municipalities with more than 10 thousand inhabitants). This share is ongoing from 2024 onwards, as the development starts at the start of the planning period in all

regions at the same time.

The employment provided by the LEADER programme will contribute intensively to improving the employment environment for women in rural areas, especially in smaller municipalities (8.1.1), in reducing labour migration, and will improve the profitability of micro-enterprises (8.1.2), as well as substantial progress in the processing of biomass raw materials, intermediate products, waste and the use of renewable energy (8.1.6). It supports local development in rural areas in all its aspects: it provides human resources for the implementation of development policy programmes (8.2.1). Of course, LEADER will also provide funds for the development of infrastructure for local population services that improve quality of life (8.3.2), as well as for the reduction of segregation and Roma inclusion programmes (8.4.2) for social inclusion and inclusion. To support sustainable forest management, it will contribute to increasing the range and added value of forest benefits, improving profitability (8.6.1) This complex approach and how needs are addressed are described in detail in chapter 2.1.4.

R.39 – Development of the rural economy: Number of rural businesses including bio-economy businesses developed with CAP support

The 10 interventions under the R.39 indicator reflect the needs underlying the SO8 specific objective, which together account for around 90 % of the total indicator value (4.600 farms). There is an expected overlap between the farms expected to implement the interventions, so that due to the elimination of duplications, the design values of each intervention can be primarily taken into account in the order of magnitude. The R.39 indicator is specifically one of the indicators that are constantly growing and are free from leaps: From 2024 to 2029, its value is growing dynamically every year.

Out of the 10 interventions, the added *value of agricultural products* is prominent (RD04a_E02_FON_73), which alone accounts for one third of the target value. There are another 5 interventions that each account for 7-13 % of the value of the plan, and are therefore of particular relevance to the R.39 indicator. These are *Generational Renewal, Farm Transfer Cooperation* (RD07_B03_YFO_77), *Support for Small Enterprises in the Normal Forestry sector* (RD09b_R14_OGR_73) *Generational renewal with support for rural and young forest start-ups* (RD08_B04_BIS_75), *diversification of farmers' activities* (RD11_B07_DVF_73) *and support for joining quality assurance and management systems* (RD47_R06_QSJ_77). Four additional interventions together provide an indicator value of around 6 %: *Support for sustainable water management communities that improve water efficiency* (RD15_W04_COP_77), *Rural Development Cooperation for active and ecotourism development in the region* (RD51_R11_TUC_77), *Rural Development Cooperation for the Development of a Biomass Economy* (RD52_R12_BIC_77), *Wine by-products distillation* (SC08_E07_WID_58).

The broad package of interventions contributing to the R.39 indicator responds to almost all the needs relevant to the SO8 specific objective. Several interventions contribute to reducing labour migration in rural areas, in particular by increasing the employment rate of women (8.1.1), but also by improving the profitability of micro and small farms (8.1.2; 8.1.5) is also a priority. Biomass feedstocks, intermediate products, waste processing and the use of renewable energy (8.1.6) are included in two interventions. The coordination of local and regional development programmes (8.2.3) and the promotion of development adapted to local needs (8.2.2) are also included in the related interventions, and the infrastructure development of local services enhancing quality of life will also be prioritised (8.3.2). Indicator R.39 offers a complex set of interventions according to the rural situation, needs and needs, which is planned to be used by at least 4600 farms, thus raising rural living standards, improving labour market conditions and improving the quality of services, as described in chapter 2.1.4.

R.40 Smart transition of the rural economy: Number of supported smart-village strategies

The target value of indicator R.40 is 52 strategies, the entire source of which is the preparation and implementation of RD57_R15_LDR_77 – LEADER strategies. In total, 27 strategies will be prepared between 2024 and 2027, with an increasing annual element until 2026.

The LEADER intervention also responds to 3 main needs, mainstreaming the digital transition into the intervention. Smart village strategies plan service development (8.2.2) taking into account local needs, respond to regional differences in rural transport infrastructure (8.3.1) and improve the infrastructure

background of local population services that increase quality of life, and the management of biomass feedstocks, intermediate products, waste processing and renewable energy (8.1.6) are also among the needs addressed.

R.41^{PR} Connectivity between rural areas of Europe: Share of rural population with better access to services and infrastructure thanks to CAP support

Indicator R.41 “PR” is fully linked to SO8: the 1.151.000 people affected by the two interventions account for more than 30 % of the total rural population.

Rural infrastructure development interventions play a role in reaching 1151000 people: intervention RD42_R01_RAN_73 targeting farmland areas will involve 9 thousand people and RD43_R02_LOC_73 for small settlements will affect more than 1 million people, as planned. The indicator value will start to increase in 2025, the scale of progress in interventions is expected in 2027, after which the annual contribution is constant – the target is expected to be reached by 2029.

The development of infrastructure for schoolchildren responds to the most relevant needs: it aims to increase the employment rate of rural women, improve the profitability of micro-enterprises and small businesses, and support the processing of biomass feedstocks, intermediate products, waste and the use of renewable energy through more than 3000 projects. Due to the difference in the situation of small municipalities compared to farms, the development of infrastructure for small settlements responds to a number of other main needs in addition to those listed in the case of schoolchildren by implementing 1.565 projects: to improve the quality of local infrastructure and services, it seeks to improve the conditions for rural transport (8.3.1) and focuses on local public services that increase quality of life (8.3.2); to promote social inclusion, it provides small villages with child protection, health and education services (8.4.1) and provides opportunities for Roma inclusion and desegregation programmes (8.4.2).

R.42 Promoting social inclusion: Number of persons covered by supported social inclusion projects

Indicator R.42 is fully linked to SO8: it targets the involvement of a total of 10.730 people through two interventions. We plan to reach the indicator target between 2024 and 2027, with a sharp increase in 2026. 97 % of the indicator value is achieved through the preparation and implementation of RD57_R15_LDR_77 – LEADER strategies, which we have already described under indicator R.40. The value of the indicator is supported by a more modest contribution to RD50_R10_SEC_77 - *Rural Development Cooperation for the Development of Social Enterprises*, which is very complex in terms of the needs addressed: it improves the profitability of micro-enterprises in rural areas (8.1.2), provides human resources for the implementation of development programmes (8.2.1), supports local development (8.2.2) and contributes to the development of quality of life services (8.3.2), the provision of child protection, health and education services to small villages (8.4.1) and the implementation of programmes to reduce segregation (8.4.2).

2.1.SO8.9 Justification of the financial allocation

Within the specific objective, as in the plan as a whole, measures related to agriculture and forestry will be implemented and, for other interventions linked to rural areas, resources from the operational programmes are expected. Within the objectives of the SO, we fulfil our minimum support obligation for LEADER in accordance with Article 92.

The relevant Commission Recommendation “Reversing depopulation and ageing trends in rural areas in Hungary”. The implementation of the recommendation is supported by SO7 measures as well as by the operational programmes.

2.1.SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

2.1.SO9.1 Summary of the SWOT Analysis

2.1.SO9.1.1 Strengths

E.1. Strict and extensive food chain control regulation and the existence of a veterinary action plan to reduce antimicrobial resistance in line with international guidelines for responsible antimicrobial use (1)
E.2. Existing animal welfare aid schemes (7)
E.3. Food supervisory authority enjoying consumer confidence (4)
E.4. Increase in organic land, albeit from very low levels (5.2)
E.5. Well-developed and highly professionalised Plant Protection Action Plan (2)
E.6. Integrated Pest Management System (IPM) based on plant protection forecast and operated by higher education experts (2)

2.1.SO9.1.2 Weaknesses

Gy.1. Weak domestic solvent demand for products meeting special social needs (4, SO2, 7)
Gy.2. High, often conscious, specific antibiotic use (1) [SO9/1.1]
Gy.3. Low internal market share of organic products, insufficient processing capacity (5.2) [SO9/4.1]
Gy.4. Outdated techniques and technologies hindering compliance with legal requirements and societal needs (1, 2, 3, 6) [SO9/1.1] [SO9/2.1]
Gy.5. Shortcomings in data collection (e.g. actual in-house antibiotic use, mycotoxin contamination, food loss, quality schemes), lack of interconnection of available databases (1, 2, 5.1, 6) [SO9/2.1] [SO9/2.2] [SO9/2.3] [SO9/3.1.] [SO9/7.1]
Gy.6. Complex, cumbersome waste management requirements (6) [SO9/3.3]
Gy.7 Farmers' lack of knowledge of new environmental and social challenges (1, 2, 6) [SO9/2.1] [SO9/3.5.] [SO9/6.1]
Gy.8. Lack of consumer knowledge of food production and trade marks (5.1, 5.2) [SO9/3.5] [SO9/8.1]
Gy.9 Market problems (e.g. for some by-products there is no market partly due to regulatory reasons and partly due to a lack of demand) (6) [SO9/3.3] [SO9/3.4]
GY.10. Lack of knowledge among producers of innovative alternative products and technologies to replace antibiotics and pesticides.

2.1.SO9.1.3 Opportunities

L.1. Increased demand for products meeting specific social needs – for the time being mainly in export markets (4) [SO9/8.2]
L.2. Increased segmentation of consumers, addressing specific needs (4) [SO9/5.1] [SO9/8.2].
L.3. Modernisation (e.g. precision farming, farm hygiene, vaccination, feeding systems, resistant plant varieties, biological plant protection, mechanical weed control, introduction of new food technologies) (SO10, 4)
L.4. Modern data collection and monitoring systems (e.g. antibiotics, pesticides, mycotoxins, public varietal recognition, quality schemes, food losses) (1, 2, 5.1, 6) [SO9/1.3.]
L.5. Promotion of sustainable technologies and food (4)
L.6. Existence of EU promotion programmes (4) [SO9/3.5.]
L.7 Extensive communication by public authorities and education to consumers (4) [SO9/3.5.]
L.8. Increasing consumer awareness

2.1.SO9.1.4 Threats

F.1 Increase in import pressure on the organic market (5.2)
 F.2 Emergence of new pests and diseases, animal health diseases (1) [SO9/1.2] [SO9/1.3]
 F.3 Emerging pests and diseases due to climate change and global trade, loss of feed base, heat stress (1) [SO9/1.3]
 F.4. Rapid adaptation to food consumption trends (e.g. artificial meat, insect proteins, free products) (4) [SO9/3.1.]
 F.5. Increased production costs and investment needs due to new or tightening environmental, plant and animal health, animal welfare, etc. requirements, needs (1, 2, 6, 7)

2.1.SO9.1.5 Other comments

Not relevant.

2.1.SO9.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially
9.2.1	Promote the use of a rational, predictive targeted pesticide	1	Yes
9.2.2	Rational use of antibiotics in livestock farming	1	Yes
9.3.1	Product development and packaging development that meet consumers' expectations	3	Yes
9.3.2	Use of innovative technological solutions in food production – packaging	2	Partially
9.3.3	Promoting compliance with the Packaging and Waste Framework Directive	2	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes
9.4.1	Increase the share of organic products in the internal market and related processing capacities	2	Yes
9.5.1	Increasing the effectiveness of information transmission and data collection in the field of official controls	1	No
9.7.1	Development of market information systems	2	No
9.8.1	Meeting dietary needs due to specific health or social reasons	2	Yes

Other comments related to needs assessment.

Not relevant

2.1.SO9.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
Sectoral - Fruit and	INVRE(47(1)(a)) - investments in tangible and intangible assets, research	SC28_E01_FVI_47 - Investments, research and experimental and	O.35. Number of supported operational programmes

Vegetables	and experimental and innovative production methods and other actions	innovative production methods and other activities – fruit and vegetables	
Sectoral - Fruit and Vegetables	ORGAN(47(1)(d)) - organic or integrated production	SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	PROMO(47(1)(f)) - promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification and consolidation of markets	SC15_E10_FVP_47 - promotion, communication and marketing — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	QUAL(47(1)(g)) - implementation of Union and national quality schemes	SC16_E11_FVQ_47 - use of EU and national quality schemes	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRACE(47(1)(h)) - implementation of traceability and certification systems, in particular the monitoring of the quality of products sold to final consumers	SC17_E12_FVC_47 - application of traceability and certification schemes — fruit and vegetables	O.35. Number of supported operational programmes
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20_G02_ORT_70 - Support to organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD20a_G02_ORT_70 - Support for organic farming	O.17. Number of hectares or number of other units benefitting from support for organic farming
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD29_G12_AWC_70 - Animal welfare aid in the small ruminants sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD30_G13_AWC_70 - Animal welfare aid in the beef sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD31_G14_AWC_70 - Animal welfare aid in the beef cattle sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD32_G15_AWC_70 - Animal welfare aid in the poultry sector	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased

			biosecurity measures
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD33b_G17_AMR_70 - Compensation payment for the fight against antimicrobial resistance	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
RD	INVEST(73-74) - Investments, including investments in irrigation	RD01e_E01_FRM_73 - Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector	O.20. Number of supported on-farm productive investment operations or units
RD	INVEST(73-74) - Investments, including investments in irrigation	RD04a_E02_FON_73 - Adding value to agricultural products	O.24. Number of supported off-farm productive investment operations or units
RD	COOP(77) - Cooperation	RD45_R04_GIS_77 - Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes	O.29. Number of beneficiaries receiving support to participate in official quality schemes
RD	COOP(77) - Cooperation	RD46_R05_GIJ_77 - Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme	O.29. Number of beneficiaries receiving support to participate in official quality schemes
RD	COOP(77) - Cooperation	RD47_R06_QSJ_77 - Support for adherence to quality assurance and management systems	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
RD	COOP(77) - Cooperation	RD48_R07_QSP_77 - Support for information and promotion activities for quality schemes	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)

Overview

9.1.Main demand: SO9/1. Improving animal welfare conditions and preventing animal health problems

The analysis of the situation shows that farmers can face the challenges of agriculture in Hungary if they modernise their production systems and carry out improvements in farming, rearing and feeding technology to mitigate or avoid adverse effects. On the societal side, in addition to the production of healthy food, sustainability and animal welfare have also come to the fore. It is necessary to support livestock farmers who undertake to provide animals with stricter hygiene, feeding and husbandry conditions leading to an improvement in the overall health and hygiene status of livestock. The development of farm monitoring systems and the digitalisation of farms can help achieve these goals.

SO9/1.1 Meeting animal welfare requirements and meeting the natural needs of farm animals

In Hungary, livestock farming is characterised by outdated techniques and technologies, often with high specific antibiotic consumption. In order to meet society's animal welfare expectations, it is appropriate to meet the natural needs of farm animals and to improve the living conditions. On the basis of the above, one of the key objectives of domestic development is the modernisation of animal husbandry (e.g. farm hygiene, vaccination, development of feeding systems). Animal welfare developments in various sectors – cattle (RD30), small ruminant (RD29), poultry, (RD32) and apiculture (RD 33) – are an integral part of this.

To this end, it is proposed to introduce the following measure:

RD20 Support for organic farming

- RD29 Animal welfare aid in the small ruminant sector
 - RD30 Animal welfare premiums in the cattle sector
 - RD32 Animal welfare subsidies in the poultry sector
- RD33b Compensation payment for the fight against antimicrobial resistance

SO9/1.2. Improve general hygiene and biosecurity conditions and increase food safety

Reducing the risks of animal health epidemics, improving general hygiene and biosecurity conditions, thereby increasing food safety, can be achieved through a more sustainable development of farms (RD01). Our aim is to operate sustainable farms that improve input efficiency and reduce per unit of pollutant emissions that are relevant from the point of view of environmental pressures; re-use or recycling, continuation of organic farming, energy savings. This can be achieved by developing renewable energy, supporting green investments and implementing animal welfare improvements (RD29, RD30, RD32, RD33). Aid for adding value to agricultural products (RD04) contributes to increasing food security. The use of modern data collection and monitoring systems (e.g. antibiotics, public varietal recognition, quality schemes) contributes to addressing the problems encountered, and it is therefore proposed to support the digital transition of farms (RD02).

In order to achieve this objective, the following measures should be introduced:

RD01e Support for disease control investments in livestock holdings

- RD29 Animal welfare aid in the small ruminant sector
- RD30 Animal welfare premiums in the cattle sector
- RD32 Animal welfare subsidies in the poultry sector

RD33b Compensation payment for the fight against antimicrobial resistance

SO9/1.3. Prevention of animal health problems, development/development of forecasting systems

The emergence of new pests and diseases due to climate change and global trade, the reduction of the feed base and the increase in the frequency of animal health epidemics make it essential to develop farms in a sustainable way (RD01). This is supported by animal welfare aid for the cattle sector (RD30), the small ruminant sector (RD29) and the poultry, (RD32) and apiculture (RD 33) sectors. The development and development of modern data collection and monitoring systems, digitalisation of plants (RD02) contributes to achieving these objectives.

To this end, it is proposed to introduce the following measure:

RD01e Support for disease control investments in livestock holdings

- RD29 Animal welfare aid in the small ruminant sector
- RD30 Animal welfare premiums in the cattle sector
- RD32 Animal welfare subsidies in the poultry sector

RD33b Compensation payment for the fight against antimicrobial resistance

9.2.Main demand: SO9/2. Responsible use and reduction of plant protection products and antimicrobial veterinary medicinal products

On the basis of the analysis of the situation, it can be concluded that the practice of responsible use of plant protection products in Hungarian agriculture is deficient. It is important to reduce the risks arising from the use of plant protection products and to ensure the widest possible use of these technologies among producers. The most commonly used antibiotic groups in livestock farming, as well as pharmaceutical forms, make it likely that a significant proportion of the antibiotics used today serve to prevent and compensate for errors in husbandry technology. The promotion of more environmentally friendly cropping, rational use of pesticides and animal welfare, as well as the rational use of antibiotics, which can be approached by the sustainable and digital development of agricultural holdings, is a key support objective. Together, they make technological developments and support for new innovative solutions inevitable.

SO9/2.1. Promoting a reasonable, predictive and targeted use of pesticides

There is widespread use of outdated techniques and technologies in plant protection that hinder compliance with legal requirements and societal needs. We therefore aim to develop agricultural holdings

that meet sustainability criteria (RD01). It is important to encourage the use of alternative and integrated pest management solutions and other environmentally friendly technologies in pest management. The sustainable use of pesticides (e.g. limiting the use of pesticides that are specifically or moderately hazardous to bees and/or risky, and the use of biological agents authorised in organic farming) concerns encouraging the restriction of the use of pesticide active substances. It follows that promoting the rational use of pesticides on farms and reducing losses is the primary objective that can be achieved through the use of precision technologies and measures for the technical development of digital tools (RD02). The use of EU and national quality schemes (SC16) and traceability, certification schemes (SC17) in agriculture can help achieve the targets.

Planned actions:

RD19 Agri-environmental management payments (AKG)

·SC17 Application of traceability and certification schemes – fruit and vegetables

SO9/2.2 Rational use of antibiotics in animal husbandry

Since some of the antibiotics are used unnecessarily (preventive herd treatments) in Hungary, it is essential to spread the technology for the rational use of antibiotics in livestock farming and to make available the modernisation of animal husbandry practices. To achieve this, we support measures to improve the sustainability of small and large farms (RD01, RD09). We reduce the need for antimicrobials through the external and internal disease control of livestock farms and the development of technology. We would like to improve the gaps in data collection on actual consumption of antibiotics in situ and the lack of interconnection of available databases by supporting the digital transition of plants (RD02). In animal husbandry, the use of antibiotics and traceability of antibiotics is mainly to be achieved through compensatory payments to combat antimicrobial resistance (RD33b) and animal welfare measures for the bovine, small ruminant, poultry and apiculture sectors (RD29, RD30, RD32, RD33).

Planned actions:

RD33b Compensation payment for the fight against antimicrobial resistance

9.3. Main Needs: SO9/3. Product development, development of technology for food production and packaging

The need for rapid adaptation due to the challenges faced by food producers and the rapid change in global consumption trends requires companies to continuously develop technology and products. Food producers should remain flexible and always prepared for change. Consumer expectations are increasingly focused on environmental considerations for food production and the use of sustainable food packaging, which requires technological developments. We have drawn up a comprehensive support package for the sector, as set out below, aimed at making the agricultural and food sectors more productive, sustainable and competitive.

SO9/3.1. Development of products to meet consumer expectations and improvement of product packaging

Production costs and investment needs are increasing due to new or tightening environmental requirements. Due to rapid changes in food consumption trends (e.g. artificial meat, insect proteins, “free” products), food producers are under rapid adaptation pressure. It is essential to put in place measures to support product development and innovative technological solutions that take into account global trends and consumer expectations (RD04). Aid for improving product packaging contributes to the use of green packaging and the development of circular farming. We plan to use specialist advice, training and exchange of good practices (SC12) to learn new technologies. As farmers have insufficient knowledge of the new environmental and social challenges, this is the result of measures to support promotion, communication and marketing (SC15) and producer organisations (SC28) in the fruit and vegetables sector.

Planned actions:

·SC28 Sectoral interventions for fruit and vegetables: Support for producer organisations

·RD04 Adding value to agricultural products

SO9/3.2. Use of innovative technological solutions in food production and packaging

Climate change and environmental challenges, the need to minimise packaging materials and food waste also require new, sustainable, innovative technological solutions and product development (RD04) from

food producers. As farmers have insufficient knowledge of new environmental and social challenges, support for promotion, communication and marketing (SC15) and producer organisations (SC28) in the fruit and vegetables sector is counterbalanced. We plan to use advice and technical assistance (SC11) to learn new technologies in the sector. Our aim is to translate their existing knowledge into innovative solutions (RD61) that can be applied in practice through cooperation to develop, transfer and implement innovative practices (agriculture, forestry, food, research, consultancy). This will better adapt to current challenges such as increased competition, volatile market prices, climate change and compliance with stricter environmental rules.

Planned actions:

- SC28 Sectoral interventions for fruit and vegetables: Support for producer organisations
- RD04 Adding value to agricultural products

SO9/3.3. Facilitating compliance with the Packaging and Waste Framework Directive

It is difficult to comply with the current complex waste management requirements. Food producers and processors face a number of barriers if they look for good recovery opportunities for their food waste. Most of these are regulatory issues, but the lack of a real market for by-products, insufficient chain-based cooperation between stakeholders and currently insufficient incentives to reduce losses are also a major challenge. Aid for adding value to agricultural products (RD04) is intended to make sure that businesses need to avoid waste (including packaging waste) and make better use of losses.

Planned actions:

- SC28 Sectoral interventions for fruit and vegetables: Support for producer organisations
- RD04 Adding value to agricultural products

SO9/3.4. Quality schemes, quality assurance and certification schemes, consumer information

Farmers' lack of knowledge of new environmental and social challenges, as well as consumers' knowledge of food production and trademarks, needs to be filled. To achieve this goal, we support farmers and food processors in producing high-quality, healthy products (RD04a-b), which we also want to support through advice (SC11). The introduction and implementation of EU and national quality schemes and quality assurance and certification schemes (SC16, SC17, RD45, RD46, RD47, RD48) helps farmers and food processors to maintain and develop market positions. It is essential to continue communicating and educating consumers on high-quality, healthy products (SC27).

To this end, it is proposed to introduce the following measure:

SC14 Transport and storage of fruit

SC15 Vegetables promotion, communication and marketing

·SC16 Application of EU and national quality schemes

SC17 Vegetable and fruit traceability

SC27 Vegetable and fruit communication activities

·RD45 Support for co-operations for the creation of a new PDO/PGI/GJ/TSG and for a new activity related to the operation of the quality scheme under EU quality schemes

·RD46 Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme

·RD47 Support for access to quality assurance and management systems

·RD48 Support for information and promotion of quality schemes

Major Needs SO9/4. Product development and market share of organic products

A significant proportion of certified organic farming products produced in Hungary are sold abroad, mostly unprocessed, in the form of raw material; as a result, their added value is low. Although Hungarian organic products seem to be sold because of the western demand market, good marketing work and the promotion of the consumption of domestic organic products are necessary, especially as a large proportion of the products available to consumers on the Hungarian markets are imported goods.

The low degree of market share of domestic organic products, the lack of processing capacities and know-how, as well as shortcomings in the support system, both demonstrate the need for product development and market access support for organic farming and organic products.

SO9/4.1. Increase the internal market share of organic products and related processing capacity

The low internal market share of organic products, due to insufficient processing capacity, support for organic farming, the achievement of added value to organic products (RD20, SC13, RD04) is necessary. A specific target for support is fruit and vegetable growers engaged in organic farming, to be supported in the area of promotion, communication and marketing (SC15). EU and national quality schemes for organic products (SC16) also help to increase their market share.

Planned actions:

- SC13 Organic or integrated production of fruit and vegetables
- SC15 Promotion, communication and marketing – fruit and vegetables
- RD04a-b Adding value to agricultural products

Main needs SO9/5. Strengthening cooperation between public authorities and businesses

Incomplete data collection and monitoring systems justify the need to interconnect, integrate, develop and improve existing databases in addition to the development of digital infrastructure for businesses.

SO9/5.1 Increase the efficiency of information transfer and data collection in the area of official controls

Our aim is to develop modern data collection and monitoring systems (e.g. antibiotics, pesticides, mycotoxins, public varietal recognition, quality schemes, food losses) to strengthen cooperation between authorities and businesses. Support for the digital transition of farms (RD02), alongside the development of digital solutions, the development of quality assurance, certification and traceability (SC17) also aims to strengthen the efficiency of information transfer and data collection. Innovation collaborations allow actors from different professional backgrounds to connect and find solutions to a current problem and challenge (RD61) in a complementary way to meet the needs.

Activity outside the CAP.

Main needs SO9/7. Development of market information systems to inform producers

The Market Information System enables the exchange of information between the parties. Rapid and immediate access to data is an important issue for both the administration and market participants. The analysis of the situation reveals shortcomings in data collection, which justifies supporting the need below.

Need: SO9/7.1 Development of market information systems

Gaps in data collection and the interconnection of available databases justify the development of market information systems. Communication between market players is based on the collection and processing of primary data, making rapid, immediate access to data by developing digital solutions a key issue for market participants. This requires support for the provision of advisory services (SC11) in addition to the development of digital infrastructure for agri-food businesses (RD02), which meet the environmental-economic societal expectations of digital technologies.

Activity outside the CAP.

Major Needs SO9/8. Increasing the level of consumer knowledge on food production and production

Need: SO9/8.1. Meeting nutritional needs due to specific health or social reasons

Society's demand for products that meet special dietary habits is characterised by an increase in demand. In response to societal needs, we plan to address specific needs through support for the added value of agricultural products (RD04a-b) and producer organisations (SC28) in the fruit and vegetables sector.

To this end, it is proposed to introduce the following measure:

RD04 Adding value to agricultural products

2.1.SO9.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.SO9.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.10^{CU PR} - Better supply chain organisation Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP	2.59 %
R.24^{PR} - Sustainable and reduced use of pesticides Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage	23.94 %
R.29^{PR} - Development of organic agriculture Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion	5.26 %
R.39^{CU} - Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	7,900.00
R.43^{PR} - Limiting antimicrobial use Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)	11.55 %
R.44^{PR} - Improving animal welfare Share of livestock units (LU) covered by supported actions to improve animal welfare	57.03 %

Justification of the targets and related milestones

SO9 – Improving the response of EU agriculture to societal demands on food and health, including high-quality, safe and nutritious, sustainably produced food, reducing food waste, enhancing animal welfare and combating antimicrobial resistance

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

R.10^{PR} – Improving supply chain organisation

See SO2 and SO3 to support the total value of the indicator.

R.24^{PR} – Sustainable and reduced use of plant protection products

For evidence of the total value of the indicator, see SO5.

R.29^{PR} – Development of organic farming

For evidence of the total value of the indicator, see SO4.

R.39^{CU} – Development of the rural economy

See SO7 and SO8 to support the total value of the indicator.

R.43^{PR} – Limitation of the use of antimicrobials

Thanks to the three related interventions (RD20_G02_ORT_70, RD_33b_G17_AMR_70 and RD01e_E01_FRM_73), the indicator's target of 51.84 % is replaced by 1267400 LU.

Accordingly, nearly all livestock on domestic farms are covered by interventions to limit the use of antimicrobials. This coverage is fully justified as there is a general pattern of unnecessary use of some of the antibiotics in prevention, so the use of reasonable antibiotics in livestock farming (9.2.2) should be widely promoted and animal husbandry practices should be modernised. Similarly, it is essential to improve animal welfare conditions and prevent animal health problems, taking into account husbandry needs (9.1.1), to improve general hygiene and biosecurity conditions, to increase food safety (9.1.2) and to develop and improve predictive systems to prevent animal health problems (9.1.3).

R.44^{PR} – Improving animal welfare

With the four related interventions, the indicator will reach its target value of 49.67 % by 2026, which will continue to be repeated in 2027 as an annual value based on the related interventions. Almost half of the total livestock on domestic farms is therefore covered by interventions to improve animal welfare. This share is particularly justified given the increasing societal pressure on animal welfare, sustainability and healthy food, as demonstrated by research carried out by the EU Food Safety Authority in 2019: in the case of 30-50 % of the population, these issues appear among the aspects considered important or considered when purchasing. However, techniques used in animal husbandry are outdated, high levels of antibiotic use, housing conditions and hygiene need to be improved. Accordingly, all interventions in the indicator are linked to the needs underlying the SO9 specific objective and are primarily active in addressing key needs 1 and 2. To improve animal welfare conditions and prevent animal health problems, they intervene to meet animal welfare requirements and meet the natural needs of farmed animals (9.1.1), focus on improving general hygiene and biosafety conditions, increasing food safety (9.1.2) and supporting the prevention of animal health problems, the development and development of forecasting systems (9.1.3). They also contribute to the dissemination of the rational use of antibiotics (9.2.2).

2.1.SO9.9 Justification of the financial allocation

The objectives of SO are achieved through a wide range of interventions, often linked to other SOs, such as regulating the use of antimicrobials and pesticides within the green superstructure. We have specific measures to improve animal welfare conditions for each major animal species.

Relevant Commission recommendations:

- Contribute to the EU Green Deal target on antimicrobials.
- Improving animal welfare, in particular for pigs, and the biosecurity of farms by supporting better animal husbandry practices.
- Contribute to the EU Green Deal objective on pesticides by strengthening efforts to reduce the quantity and risks of the most hazardous pesticides and promoting the sustainable use of plant protection products, in particular by ensuring the uptake of integrated pest management practices.

The resources allocated allow the recommendations to be met.

2.1.XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

2.1.XCO.1 Summary of the SWOT Analysis

2.1.XCO.1.1 Strengths

- E.1. Some elements of the AKIS are organised
- E.2. There are well-functioning knowledge transfer events among farmers, e.g. organised by integrators, research institutes, chambers
- E.3. High-speed broadband coverage and internet access in rural residential areas above the EU average
- E.4. There are competitive domestic agro-IT developments at international level
- E.5. Strategic programmes exist to support digital transformation (e.g. DAS)
- E.6. Launch of the Digital Agricultural Academy
- E.7 An integrated research network is available
- E.8. In addition to expert advice, knowledge transfer can be facilitated by several networks of professionals, e.g. village farmers network, ARDA network [CCO/1.7], [CCO/1.8], [SO4/5.1], [SO5/7.1]
- E.9 Implement strategies for the development of digital, innovation competences and knowledge base [CCO/1.2], [CCO/3.1], [CCO/4.1], [SO2/3.1], [SO2/3.5], [SO4/5.1]
- E.10. The implementation of strategies for the development of secondary and tertiary education can improve the quality of education, including closer cooperation with tankers and workshops, training open to innovation, adaptation of dual training and the provision of new scholarship applications [CCO/1.1], [CCO/1.9], [CCO/2.1], [CCO/2.2], [SO4/5.1], [SO5/7.3]
- E.11 Development of affordable and easy-to-use applications also for small farms and support for innovative (e.g. joint) use of equipment [CCO/1.4], [CCO/4.4], [SO2/3.1], [SO2/3.5]
- E.12. Promotion of practice-oriented research [CCO/3.3], [SO2/3.6]
- E.13 National increase in agricultural R & D expenditure [CCO/3.2]
- E.14. Cooperation between the relevant organisations (MÁK, Nébih, NAV, government agencies, NAK and other professional agricultural organisations) is increasing [CCO/4.3], [SO4/6.1], [SO5/6.1]
- E.15 Involvement of Profi consultants in agricultural research [CCO/1.3]

2.1.XCO.1.2 Weaknesses

- Gy.1. The structure of the AKIS as a whole and the elements are not yet developed [CCO/1.8]
- Gy.2. Low professional, management, digital and linguistic skills of farmers [CCO/1.2], [CCO/1.1], [CCO/4.1]
- Gy.3. The lack of complex knowledge is typical of the sector [CCO/1.2], [CCO/1.6], [SO3/1.3], [SO4/5.1], [SO5/7.1], [SO5/7.3]
- Gy.4. Training in agriculture is outdated and/or low-quality infrastructure [CCO/1.5], [CCO/2.1], [SO4/5.1]
- Gy.5. Dual education is not attractive for businesses and students [CCO/1.1], [CCO/1.9]
- Gy.6. Dual education in secondary education is not attractive. Only a small number of agricultural enterprises and individual farms would like to employ students [CCO/1.1], [CCO/1.9]
- Gy.7 Lack of relevant research background [CCO/3.2]
- Gy.8. Insufficient support for research workshops [CCO/3.2]
- Gy.9 There is a large gap between science/research and practice [CCO/1.3], [SO2/3.6]
- Gy.10. In terms of R & D expenditure, number of research organisations and number of researchers, the rural area lags significantly behind the capital [CCO/3.2]
- Gy.11. There is a lack of confidence in innovations [CCO/3.1], [SO2/3.1], [SO2/3.5]
- Gy.12 There are problems of “coupling” of innovation actors [CCO/1.3], [SO2/3.6]

Gy.13. Bureaucratic obstacles (e.g. complicated application process) cause problems [CCO/4.3]
 Gy.14. Lack of reliable and readily available data for farmer decisions (weather, plant protection, soil, market information, etc.) [CCO/4.2], [SO4/6.1], [SO9/7.1]
 Gy.15. Administrative systems are separated and farmers provide data on multiple locations [CCO/4.2], [CCO/4.3], [SO5/6.1]
 Gy.16. Insufficient mobile network and internet coverage in agricultural and forest areas [CCO/4.1]
 Gy.17. There is a lack of legislation (e.g. drones, data management) to harness the opportunities of digitalisation [SO2/3.1]
 Gy.18. There is a lack of information on completed innovative procedures [CCO/1.4], [CCO/3.3], [SO2/3.1], [SO2/3.5], [SO3/1.3], [SO5/5.1]
 Gy.19. There is a lack of specialist advisors with knowledge of agro-IT and innovation [CCO/1.7], [CCO/4.1], [SO2/3.1], [SO3/1.3], [SO5/5.1]
 Gy.20. In small farms, some technologies cannot be used or are limited, the return on innovation investment is uncertain [CCO/3.4], [SO2/3.1], [SO2/3.5]

2.1.XCO.1.3 Opportunities

L.1. There is a need for knowledge transfer and innovation events among farmers [CCO/1.2], [CCO/3.1], [SO2/3.1], [SO5/7.3]
 L.2. The activities of schools organised in agricultural centres will be coordinated and coordinated [CCO/2.2]
 L.3. The launch of vocational training becomes demand driven [CCO/1.1] [CCO/1.2]
 L.4. Helping start-ups (e.g. mentoring, coaching, incubation, acceleration) [CCO/3.3], [SO2/3.1], [SO2/3.5]
 L.5. Operation of institutional systems that effectively support innovation activities [CCO/3.3], [SO2/3.1], [SO2/3.5], [SO2/3.6]
 L.6. Implementation of multi-actor (multi-actor) projects [CCO/1.3], [SO2/3.6]
 L.7. Ensure data access for more efficient management (basic maps, environmental data, plant and animal health, market information, etc.) [CCO/4.4], [SO2/3.1], [SO3/1.3], [SO4/6.1], [SO5/5.1], [SO9/7.1]
 L.8. Development of common databases (data integration) from which data is provided to relevant institutions, thus reducing the administrative burden [CCO/4.2], [SO4/6.1], [SO5/6.1]
 L.9. Digital infrastructure in rural areas (both on-farm and forest areas) is developing [CCO/4.1], [SO2/3.1]
 L.10. Development of integrated development and support schemes to stimulate the uptake of digital technologies [CCO/1.4], [CCO/3.4], [SO2/3.1]
 L.11. Regulatory change based on the possibilities offered by digital technologies [SO2/3.1], [SO4/6.1], [SO5/5.1]
 L.12. The contribution of the enterprise sector to R & D expenditure (both on the liabilities side and on the use side) is increased [CCO/3.2]

2.1.XCO.1.4 Threats

F.1 Unfavourable demographic trends in rural areas [CCO/1.6], [SO8/1.2]
 F.2 In agricultural sciences, the share of R & D expenditure in relation to total R & D expenditure decreases [CCO/3.2]
 F.3 The social perception of farming careers continues to deteriorate and the agricultural career is not attractive [CCO/1.5], [CCO/1.6], [CCO/2.2]
 F.4. Input material manufacturers and distributors are further strengthened in technology consultancy [CCO/1.7], [CCO/1.8], [SO5/5.1]
 F.5. Environmental and economic data and digital services required for efficient production are missing and/or not up to date [CCO/4.1], [CCO/4.2], [CCO/4.3], [CCO/4.4], [SO4/6.1]
 F.6. Issues related to the use of data or data rights are not clarified [SO5/6.1]

F.7 Inequality of digitalisation and access to information may exacerbate the disruption of certain producer circles [CCO/1.5] [CCO/1.8] [CCO/4.4], [SO2/3.1]

2.1.XCO.1.5 Other comments

Not relevant.

2.1.XCO.2 Identification of needs

Code	Title	Prioritisation at the level of the CAP Strategic Plan	Need is addressed in Cap Strategic Plan
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
6.5.2	Providing information to the public on the importance of ecosystem services and biodiversity	2	Yes
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.10	Consumer education and awareness raising	1	Partially
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.1.3	Strengthening cooperation between producers and processors of researchers	1	Yes
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes
CCO.1.7	Training of special advisers	1	Yes
CCO.1.9	Encourage the participation of agricultural entrepreneurs in dual training as recipients	2	Yes
CCO.2.1	Development of the skills and tools of secondary and higher agricultural education institutions	2	Partially
CCO.2.2	Design of demonstration plants	1	Yes
CCO.3.1	Increasing the level of skills of the workforce to make use of innovative technologies	1	Yes
CCO.3.2	Hosting qualified researchers, support to the RDI sector	2	Yes
CCO.3.3	Increasing the innovativeness of agricultural and food business operators	2	Yes
CCO.4.1	Providing personal access to broadband internet services	2	Partially
CCO.4.2	Development and integration of digital sector registers	1	No
CCO.4.3	Electronic administration, transparency	1	Partially
CCO.4.4	Development of digital infrastructure for agri-food and forest businesses	1	Yes
CCO.4.5	Development of digital solutions for quality assurance, certification, traceability, marking	1	Yes

Other comments related to needs assessment.

Not relevant

2.1.XCO.4 Intervention logic

Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Common Output Indicator
Sectoral - Fruit and Vegetables	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	ADVII(47(1)(b)) - advisory services and technical assistance, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, climate change adaptation and mitigation, the conditions of employment, employer obligations and occupational health and safety	SC11_A03_FVA_47 - Advisory services and technical assistance — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Fruit and Vegetables	TRAINCO(47(1)(c)) - training including coaching and exchange of best practices, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, and climate change adaptation and mitigation, as well as the use of organised trading platforms and commodity exchanges on the spot and futures market	SC12_A04_FVT_47 - training, including coaching and exchange of best practices — fruit and vegetables	O.35. Number of supported operational programmes
Sectoral - Apiculture products	ADVIBEEES(55(1)(a)) - advisory services, technical assistance, training, information and exchange of best practices, including through networking, for beekeepers and beekeepers' organisations	SC02_A01_BEA_55 - Apiculture knowledge transfer and technical assistance	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Apiculture products	PROMOBEES(55(1)(f)) - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products	SC01_A02_BEM_55 - Beekeeping marketing	O.37. Number of actions or units for beekeeping preservation or improvement
Sectoral - Wine	INOVWINE(58(1)(e)) - tangible and intangible investments in innovation consisting of development of innovative products, including products from, and by-products of, wine making, innovative processes and technologies for the production of wine products and the digitalisation of those processes and technologies, as well as other investments adding value at any stage of the supply chain, including for knowledge exchange and contribution to adaptation to the climate change	SC04_A01_WIIN_58 - INOVWINE – Innovative investments in the wine sector	O.36. Number of actions or units supported in the wine sector
Sectoral - Wine	ADVWINE(58(1)(f)) - advisory services, in particular concerning the conditions of employment, employer obligations and occupational health and safety	SC30a_A02_WIA_58 - Advisory services in the wine sector	O.36. Number of actions or units supported in the wine sector
RD	ENVCLIM(70) - Environmental, climate-related and other management commitments	RD24_G07_GAX_70 - Ex situ conservation and technical support of animal genetic resources	O.19. Number of operations or units supporting genetic resources
RD	INVEST(73-74) - Investments, including investments in irrigation	RD02_D01_FRM_73 - Supporting the digital transition of agricultural holdings	O.20. Number of supported on-farm productive investment operations or units
RD	COOP(77) - Cooperation	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	O.31. Number of supported local development strategies (LEADER) or preparatory actions
RD	COOP(77) - Cooperation	RD61_A05_EIP_77 - European Innovation Partnership (EIP)	O.1. Number of European

		cooperation	Innovation Partnership (EIP) operational group projects
RD	KNOW(78) - Knowledge exchange and dissemination of information	RD58_A01_TRA_78 - Training and demonstration programmes	O.33. Number of supported training, advice and awareness actions or units
RD	KNOW(78) - Knowledge exchange and dissemination of information	RD60_A04_ADP_78 - Advisory services	O.33. Number of supported training, advice and awareness actions or units

Overview

1. Main needs: Supporting practice-oriented knowledge transfer in support of sectoral objectives

The SWOT assessment has highlighted a number of factors affecting the transfer of knowledge in practice. The main challenge of knowledge transfer and exchange activities is to bridge the science-practice gap, but also the low willingness to cooperate between practical actors is a major problem; low ICT maturity; lack of communication with consumers and society and lack of trust between actors. The quality of knowledge transfer and exchange is also influenced by the fact that the volume and quality of information available in universities, vocational education and training institutions and specialist consultancies varies widely across the board.

The concept of dual vocational training requires closer cooperation between practical trainers and trainers and thus provides a form of practice-oriented knowledge transfer. At the same time, the popularity of dual training is decreasing on the basis of the number of students participating and the number of host enterprises.

CCO 1.1 Need: Supporting practice-oriented knowledge transfer in support of sectoral objectives

The thematic evaluation of the RDP's knowledge transfer showed that, in the next programming period, it is proposed to support practice-oriented demonstration programmes and study visits among forms of knowledge transfer by means of well-established support schemes. At the same time, the strengthening of the advisory service is also an important element in practice-oriented knowledge transfer, and the launch of demand-driven vocational training can improve practice-oriented knowledge transfer in thematic areas where there is a clear need for farmers and practitioners. (SC11, SC12, SC02, RD60). Thematic technical advice and training in the horticulture sector and the transfer of knowledge in apiculture will help to modernise the sector, learn about and apply innovation through practical knowledge transfer activities (SC11, SC12, SC02).

CCO 1.2 need: Improving farmers' knowledge: strengthening up-to-date management knowledge, practice-oriented knowledge transfer on, inter alia, social and environmental challenges, changing production conditions with climate change, adaptation options, and the impact of agriculture on the environment; integrating innovation practices into everyday workflows, motivating them to pursue closer-to-nature farming

By strengthening the advisory service and launching demand-driven vocational training, practical knowledge transfer can be improved in thematic areas where there is a clear need for farmers and practitioners (SC02, RD60). The SWOT assessment also showed that farmers' professional, management, digital and language skills are low. At the same time, a demonstration plant programme and targeted training will enable the improvement of these competences and the implementation of demonstration plant programmes to acquire practical knowledge and good practices in response to societal and environmental challenges and changing production conditions with climate change (RD58).

CCO 1.3 Strengthening collaborations between researchers and processors to increase innovation potential Support for pooling, such as support for EIP Operational Groups (RD61), ensures cooperation between researchers and processors through the implementation of interactive innovation projects. The link

between knowledge producers and users is established by knowledge transfer actors, in particular trainers, trainers, experts and consultants, with a view to implementing, transferring and informing an innovation project.

CCO 1.6 Knowledge to accelerate generational change in agriculture

In general, the Hungarian agricultural community is characterised by an ageing population, a lack of young supplies, a difference in mind between generations and a slow generational change. Knowledge transfer is an important tool in this process through demonstration programmes, training and advice (RD58; RD59, RD60). Young farmers learn about the latest digital technologies and production methods that characterise agroium, whether abroad or domestically.

CCO 1.7 Training of specialist consultants, adaptation of the advisory system to the specific objectives of the CAP, in particular the integrated approach to low-burden agricultural practices (plant protection product application, GHG, air-circular and particulate matter abatement processes, good nutrient management and composting) and the expansion of sector-specific advisory services

Specialist consultants are clearly expected to provide farmers with up-to-date technological knowledge, specialised knowledge – solutions responding to the challenges of climate change (RD60). It is also expected to provide knowledge/services related to innovation.

CCO 1.9. Encourage the participation of agricultural entrepreneurs in dual training and as hosts

As an incentive scheme, the show-breaking programme allows host enterprises under dual training to take part in demonstration programmes, either domestically or abroad, thereby ensuring a practice-driven transfer of knowledge. Participation in the scheme is an incentive for host enterprises in dual training, which is also targeted by the measure (RD58).

2 Main needs: Development of infrastructure for secondary and higher education establishments, educational establishments, demonstration plants and sample plants

In Hungary, the Ministry of Culture and Innovation is responsible for innovation, research, higher education, vocational training and adult education (except agricultural vocational training). While most of the operational tasks for research and innovation matters have been delegated to the National Office for Research, Development and Innovation (NKFIH). The National Research Infrastructure Commission (NKIB) is involved in its public tasks aimed at the sustainable development and international networking of domestic research infrastructures. Based on the institutional structure, there are indirect tools available in the CAP SP to improve the infrastructure of secondary and higher education institutions, educational establishments, demonstration plants and sample plants.

CCO 2. 1 Developing the preparedness and equipment of secondary and higher agricultural education institutions

·Off-cap activities

CCO 2.2 Development, organisation and subsequent interconnection of demonstration plants, development of knowledge transfer programmes, including demonstration of state-of-the-art and emission reduction technologies

The demonstration plant programme allows farmers to improve their level of knowledge, the quality of their knowledge or their practicality. The demonstration plant programme encourages participation in lifelong learning by supporting an applied professional knowledge transfer service responding to specific needs.

3 Main needs: Promoting practice-oriented research and innovation for sectoral objectives

CCO 3.1 For a competitive, resource-efficient, high value-added and innovative agriculture and food industry, it is essential to promote and create the conditions for practically oriented research and innovation. Raising the level of skills of the workforce in order to use innovative technologies

Innovative technologies can increase competitiveness, but this requires increasing the skills and qualifications of the agricultural workforce. Training and demonstration programmes (TRA_78) will enable farmers and rural workers to improve their level of knowledge, the quality of their knowledge or its practicality. The demonstration operational programme encourages participation in lifelong learning by supporting an applied professional knowledge transfer service responding to specific needs. Advisory services (ADP_78) also have the potential to increase the level of knowledge of the workforce on the use of new technologies.

CCO 3.2 Retention of qualified researchers, support to the RDI sector

The SWOT analysis also showed the need to increase domestic resources for R & D & I and retain qualified researchers. While support for EIP Operational Groups will not be a decisive measure in terms of volume as regards the share of RDI funds in agriculture, it provides significant added value by bringing practical needs closer to research themes in the context of cooperation that fosters innovation.

CCO 3.3 Increasing the innovation of agricultural and food business operators and accelerating their response to changing market needs

Increasing the innovation of agricultural and food business operators is necessary in order to accelerate the response to changing market needs. The low level of innovation among businesses is due, among other things, to a lack of trust among the actors in which support for EIP cooperation can help (EIP_77).

Improvements aimed at adding value and access to the market, technological development of agricultural products, increasing corporate efficiency in food processing and resource efficiency (FON_73), as well as further development of the hail mitigation system (JGR_73), can contribute to meeting the need.

Main Need: Development of digital solutions in production and sectorial registers

Digitalisation of agriculture and food includes hardware (e.g. sensors, drones, robots), data assets (e.g. registries, soil maps, weather data, pest and pathogen surveys), methods and software to provide analysis (e.g. artificial intelligence, decision support software), corporate governance systems, as well as e-government, e-commerce and online banking and digital solutions related to logistics. Digital solutions can help to use resources more efficiently, reduce production risks, reduce losses, increase productivity, traceability and quality assurance, and address labour shortages in some areas. Increasing the efficiency of production has a positive impact on the environment and the climate.

CCO 4.1 Need: Ensuring face-to-face access to broadband internet services and strengthening basic digital skills

The availability of adequate digital infrastructure and network coverage is essential for the uptake and use of digital services. The EU Green Deal also stresses that access to fast broadband internet is essential to deploy the technologies needed to achieve sustainability goals (e.g. precision farming). The development of the broadband network is essentially provided by resources from other operational programmes under the National Digitalisation Strategy up to 2030, and the CAP ST is responsible for connecting to them and developing digital skills. Rural infrastructure developments (e.g. smart villages) contribute to digitalisation efforts, thus reducing the backlog of rural areas (measure RD56).

CCO 4.2 Need: Development and integration of digital sector registries

The assessment of the situation showed that the data of farmers and livestock farmers are recorded by several organisations (MÁK, Nébih, NAV, NAK, professional organisations), which constitutes a significant obligation to provide information. The current practice of different authorities, institutions and organisations imposing different reporting obligations on the same data set is highly detrimental.

However, there are data sets (e.g. antibiotic use) that are currently not available in any of the databases, although knowledge of them would be essential for the development and market transparency of specific sectors. Sectoral registers are of varying degrees of development, such as the vineyard register (VINGIS) is a complete but closed geospatial database, while the register of fruit orchards and fish farms needs to be improved. In a number of planning forums, the need for a grass cadastre was also mentioned, which also records the capacity to retain animals.

The exploration of the situation also identified the need for reliable and readily available basic data (weather, plant protection, soil, market information, etc.) and decision support applications to support farmers' decisions.

Activities outside the CAP.

CCO 4.3 Need: Electronic administration, transparency, traceability

Currently, some mandatory reporting on agricultural management systems can only be done electronically, with gateway identification, while others can still be provided on paper. The possibility of electronic administration should be increased.

For electronic data reporting and traceability, it is important that producers also have adequate digital records and investment should be encouraged (RD02).

Activities outside the CAP

CCO 4.4 Need: Development of digital infrastructure and IT facilities for agri-food businesses

Digital technologies and tools are widely available to domestic farmers and food businesses, but the analysis of the situation has shown that the level of digitalisation of farms is very heterogeneous and overall low, especially in agricultural businesses. Innovative, environmentally friendly production and breeding technologies (RD02) can help to make more efficient use of resources (e.g. fertiliser, pesticides, irrigation water, feed), thus meeting sustainability criteria and increasing competitiveness.

CCO 4.5 Need: Development of digital solutions for quality assurance, certification, traceability, marking and classification

Monitoring due to legal requirements throughout the food chain and with a view to strengthening consumer confidence. Consumer confidence can be gained and maintained by serving food of good and stable quality that can be traced from ingredients to the finished product. This is particularly important in the fruit and vegetables sector (SC17) and animal products. With the development of IT, new digital solutions (e.g. blockchain) are emerging in traceability systems, which require technical advice from actors in the food chain (SC11). Production data underpin the functioning of product tracking systems and therefore support farm level data collection and the use of operational management applications in farm management and decision preparation (RD02). Given the quantity and quality of the raw material, food processing can be optimised, thus improving the yield indicators and the quality of the products.

Due to the coronavirus outbreak, the importance of online marketplaces has been appreciated, so the sale of agricultural products by small municipalities, as well as the purchase of food materials by local public and municipal institutions and small shops, is worth making use of a digital platform. Only products and services that have successfully completed a preliminary validation (SC17) can appear on the digital marketplace.

2.1.XCO.5 Where relevant, a justification for the use of InvestEU, including the amount and its expected contribution to the Specific Objective/Cross-Cutting Objective

Not relevant.

2.1.XCO.8 Selection of the result indicator(s)

Selection of the result indicator(s) for this specific objective

Result indicators [recommended Result indicators for this specific objective are fully displayed in bold]	Target value
R.1^{CU PR} - Enhancing performance through knowledge and innovation Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance	738,210.00
R.2^{CU} - Linking advice and knowledge systems Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)	14,640.00
R.3^{CU} - Digitalising agriculture Share of farms benefitting from support for digital farming technology through CAP	7.32 %
R.28^{CU} - Environmental or climate-related performance through knowledge and innovation Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance	441,726.00
R.40^{CU} - Smart transition of the rural economy Number of supported smart-village strategies	52.00
R.42^{CU} - Promoting social inclusion Number of persons covered by supported social	44,181.00

inclusion projects	

Justification of the targets and related milestones

XCO – Cross-cutting objective of modernising the sector through the promotion and sharing of knowledge, innovation and digitalisation in agriculture and rural areas

The milestone value of each R indicator and the value of the contribution of the related interventions (by year) are set out in the attached table, so they are not described in detail in the text.

R.1^{PR} – Improving performance through knowledge and innovation

A specific feature of the R.1 indicator is that, according to the fiche methodological guide, there is no need to screen the number of persons affected by the related interventions, so there may be duplication within or between interventions, resulting in a high value of R.1 (736240 persons). All related interventions in indicator R.1 are related to the needs underlying xCO and are presented at full value. Related interventions include training, advice and information; the number of persons concerned was calculated on the basis of the services carried out in the previous years in the VP, so it was a reliable value.

It provides 68 % of the target for indicator R.1, so that the RD60_A04_ADP_78 Advisory Services Intervention, which is the operation of the General Advice Network, which will affect 100000 people per year between 2024 and 2028, is key to achieving it; on average, a person receives 4.5 information per year. 37500 people per year are expected to participate in the support of individual advisory services between 2024 and 2028. The number of participants in training courses (RD58_A01_TRA_78) varies annually. Compulsory training is planned in 2026 and 2027, with the number of people affected outliers (at least double in other years) in these two years. In addition to the experience of the VP, the RDP contributed to the calculation of the number of training participants in the new planning period, as well as the additional training needs generated by new interventions. SC04_A01_WIIN_58 – Innovative investments in the wine sector will provide support to an additional 30 people to enhance the market and competitiveness of EU grapevine products, in particular through the development of innovative products, processes and technologies. Interventions ensuring the value of the R.1 will help address the first main need in particular, supporting the acquisition of practical knowledge through a variety of methods (CCO1.1, CCO.1.2), strengthening cooperation between researchers and processors (CCO 1.3), fostering intergenerational dialogue and generational renewal (CCO 1.6). The need for training for special advisers (CCO 1.7) clearly led to the development of high value-added interventions. In addition to improving the knowledge of professionals and farmers, the first priority concerns consumer education and consumer awareness (CCO.1.10), which also reach consumers.

The skills of new entrants to professionals and farmers should already be supported through formal education, for which part of the interventions will also devote resources to the development of demonstration plants (CCO.2.2).

In addition to know-how, openness to innovations needs to be developed (CCO 3.1), so programmes will be explicitly included in the implementation of interventions. The development of innovation and R & D (CCO 3.2, CCO 3.3) is ensured by the European Innovation Partnership (EIP) cooperation, which does not represent an excessive proportion of the target for indicator R.1 in itself, but which is important for the results expectations of the result indicator. The development of digitalisation is supported by interventions in several areas: digital solutions are also needed for quality assurance, certification, traceability and marking of goods (CCO.4.5).

R.2 – Interconnecting advisory and knowledge systems

An important feature of the R.2 indicator, like indicator R.1, is that, according to the fiche, duplication screening is not necessary. Taking this into account, the target of the three related interventions in 2029 is 14640 consultants receiving support, which is a balanced upward value as of 2024.

The training (RD58_A01_TRA_78) intervention (RD58_A01_TRA_78) provides more than half of the target for indicator R.2, which is planned to involve 1000 special advisers and 600 village promoters per year.

The advisory intervention (RD60_A04_ADP_78) involves 760 consultants on an annual basis in

individual advisory services, while the operation of the general advisory network is involved.

In order to address the needs already described in the case of R.1, it is important to involve the full range of advisors, because through advisors, information, knowledge and awareness-raising can reach much more farmers, and reflecting on individual points of view can specifically contribute to the effectiveness of information input and attitude-shaping.

R.3 – Digitalisation of agriculture

Target value for indicator R.03: 7.67 %, representing 18491 beneficiary holdings, compared to a total of 241.000. Both interventions providing the total design value of indicator R.03 respond to one or more needs underlying the xCO specific objective.

Training and demonstration plant programmes (RD58_A01_TRA_78) will provide awareness-raising to 8 thousand farms in 2026 and another 8 thousand in 2027, which, as described in the case of R.1, Main Needs: Supporting practice-oriented knowledge transfer in support of sectoral objectives responds to all its needs. Support for the digital transition of farms (RD02_D01_FRM_73) will provide real support for the development of digital solutions in the three years 2025-2027 between 490 and 530 farms, thus supporting the development of electronic administration, transparency (CCO.4.3) in the software area, as well as the development of digital infrastructure for farmers (CCO.4.4) and the development of digital solutions for quality assurance, certification, traceability, goods marking (CCO.4.5).

R.28 – Environmental or climate performance through knowledge

For indicator R.28, as for R.1 and R.2, there is no need to screen for duplication. The total target is 441726 persons, the role of contributing interventions being the same as for R.1. The R.28 indicator has a strong correlation with indicator R.1: each intervention contributing to both R indicators shows the number of people involved in training, advice and information. For indicator R.1, this is the total number of participants, covering all topics. The R.28 indicator shows how many people from the total number of participants will be affected by knowledge and innovation on environmental or climate-related performance. According to the professional planning, 60 % of trainings, advice and information will deal with this topic, meaning that the number of persons involved for indicator R.28 (per intervention and in total) is 60 % of the values shown for indicator R.1.

A reflection on the related needs and the number of participants in the interventions can be found in the description of indicator R.1.

R.40 – Smart Transition of the Rural Economy

For evidence of the total value of the indicator, see SO8.

R.42 – Promoting social inclusion

For evidence of the total value of the indicator, see SO8.

2.1.XCO.9 Justification of the financial allocation

The objectives of the CCO are achieved through a wide range of interventions, often linked to other SOs. Relevant Commission recommendations:

- Contribute to the EU Green Deal target on broadband connectivity by completing investments in a timely manner for fast broadband connection coverage in rural areas. In doing so it will be important to ensure synergies with other EU and national funds.
- Empower farmers, agri-food businesses and people living in rural areas, by fostering knowledge, skills and technological development, exchange, research, advice, digitalisation and innovation projects by strengthening the existing connections among research, education, and farming advice, and by providing innovation support across the farming and the rural community.

The implementation of the recommendations will be made possible by the resources allocated. The development of broadband networks is provided by resources from other operational programmes, and CAP ST funds consider linking them to them and developing digital skills. Training, research and advice are among the priority objectives of the CAP ST. Therefore, the plan provides more resources than in

previous periods.

2.2 Context Indicators and other values used for the calculation of the targets

Context indicators (PMEF Code)	Baseline value	Baseline year	Updated value	Updated year	Justification/Comments	Source of data
C.01 Total rural population – for LEADER (R.38) (Person)	1,813,276.00	2020	4,058,628.00	2022	Number of inhabitants in settlements below 10.000 + number of settlements above 10.000 inhabitants in rural areas	Central Statistical Office
C.01b Total rural population – for services and infrastructure (R.41) (Person)	1,813,276.00	2020	4,058,628.00	2022	Number of inhabitants in settlements below 10.000 + number of settlements above 10.000 inhabitants in rural areas	Central Statistical Office
C.05 Total forest area (Hectares)	2,416,138.00	2018	1,941,600.00	2021	Under C05, the original value is CORINE, which covers a physical woody cover (land cover). This includes: parks, arboreals, woodlands	National Forest Stock Data Repository 1 January 2021 Section 6(1) of Act XXXVII of 2009 on forests, forest protection and forest management.
C.12 Total number of farms (Farm)	430,000.00	2016	241,000.00	2020	The 2020 agricultural census gives a more up-to-date picture of the number of farms and will be published soon.	Central Statistical Office
C.17 Total utilised agricultural area (UAA) (Hectares)	5,309,520.00	2019				
C.19 Total agricultural area and forest area in Natura 2000 sites (Hectares)	721,099.00	2018	1,433,344.00	2023	C.19 total agricultural area in Natura 2000 Updated value 1 433 344 ha	European Environment Agency Estimates, European Commission, GREX document 02/05/2023
C.23 Total number of livestock units (Livestock units)	2,444,890.00	2016				
D.35 Total number of beehives notified to the EU Commission: average of the latest three years available at the time of establishing the plan. (Beehives)	1,212,009.00	2020				

2.3 Targets Plan

2.3.1 Recapitulative table

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.1^{CU PR} Enhancing performance through knowledge and innovation Number of persons benefitting from	XCO	100,000.00	244,545.00	390,096.00	543,644.00	694,189.00	738,204.00	738,210.00	738,210.00

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance									
R.2^{CU} Linking advice and knowledge systems Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)	XCO	582.00	3,506.00	6,430.00	9,354.00	12,278.00	14,639.00	14,640.00	14,640.00
R.3^{CU} Digitalising agriculture Share of farms benefitting from support for digital farming technology through CAP	SO2, XCO	0.00 %	0.00 %	0.01 %	3.47 %	6.93 %	7.32 %	7.32 %	7.32 %
R.3 Numerator: Number of beneficiaries from relevant paid support		0.00 farm	0.00 farm	24.00 farm	8,360.00 farm	16,695.00 farm	17,636.00 farm	17,636.00 farm	17,636.00 farm
R.3 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.4 Linking income support to standards and good practices Share of utilised agricultural area (UAA) covered by income support and subject to conditionality	SO1		94.17 %	94.17 %	94.17 %	94.17 %	94.17 %		94.17 %
R.4 Numerator: Number of hectares paid		0.00 ha	5,000,000.00 ha	5,000,000.00 ha	5,000,000.00 ha	5,000,000.00 ha	5,000,000.00 ha	0.00 ha	5,000,000.00 ha
R.4 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.5 Risk management Share of farms with supported CAP	SO1	0.00 %	0.00 %	30.29 %	30.29 %	30.29 %	0.00 %	0.00 %	30.29 %

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
risk management tools									
R.5 Numerator: Number of farms benefiting from relevant support		0.00 farm	0.00 farm	73,000.00 farm	73,000.00 farm	73,000.00 farm	0.00 farm	0.00 farm	73,000.00 farm
R.5 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.6^{PR} Redistribution to smaller farms Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)	SO1	0.00 %	112.25 %	112.25 %	112.25 %	112.25 %	112.25 %	0.00 %	112.25 %
R.6 Numerator: Average DP/ha paid to beneficiaries below average farm size		0.00 EUR/ha	299.15 EUR/ha	299.15 EUR/ha	299.15 EUR/ha	299.15 EUR/ha	299.15 EUR/ha	0.00 EUR/ha	299.15 EUR/ha
R.6 Denominator: Average DP/ha paid to all beneficiaries			266.51 EUR/ha	266.51 EUR/ha	266.51 EUR/ha	266.51 EUR/ha	266.51 EUR/ha		266.51 EUR/ha
R.7^{PR} Enhancing support for farms in areas with specific needs Percentage of additional support per hectare in areas with higher needs (compared to average)	SO1, SO6	0.00 %	100.00 %	111.57 %	111.57 %	111.57 %	111.57 %	0.00 %	111.57 %
R.7 Numerator: Average income support/ha for beneficiaries in areas with specific needs		0.00 EUR/ha	272.18 EUR/ha	303.67 EUR/ha	303.67 EUR/ha	303.67 EUR/ha	303.67 EUR/ha	0.00 EUR/ha	303.67 EUR/ha
R.7 Denominator: Average income support/ha paid to all beneficiaries			272.18 EUR/ha	272.18 EUR/ha	272.18 EUR/ha	272.18 EUR/ha	272.18 EUR/ha		272.18 EUR/ha
R.8 Targeting farms in specific sectors Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality	SO1, SO2		18.32 %	18.32 %	18.32 %	18.32 %	18.32 %		18.32 %
R.8 Numerator: Number of beneficiaries of coupled income support		0.00 farm	44,148.00 farm	44,148.00 farm	44,148.00 farm	44,148.00 farm	44,148.00 farm	0.00 farm	44,148.00 farm
R.8 Denominator: Total number of farms		241,000.00	241,000.00	241,000.00	241,000.00	241,000.00	241,000.00	241,000.00	241,000.00

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
		farm	farm	farm	farm	farm	farm	farm	farm
R.9^{CU PR} Farm modernisation Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency	SO2, SO7	0.00 %	0.25 %	0.58 %	1.04 %	1.87 %	2.41 %	2.86 %	2.86 %
R.9 Numerator: Number of beneficiaries receiving relevant support		0.00 farm	600.00 farm	1,400.00 farm	2,500.00 farm	4,500.00 farm	5,800.00 farm	6,900.00 farm	6,900.00 farm
R.9 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.10^{CU PR} Better supply chain organisation Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP	SO2, SO3, SO9	0.54 %	1.39 %	2.28 %	2.44 %	2.58 %	2.59 %	2.59 %	2.59 %
R.10 Numerator: Number of beneficiaries from relevant support		1,300.00 farm	3,353.00 farm	5,498.00 farm	5,892.00 farm	6,228.00 farm	6,230.00 farm	6,231.00 farm	6,231.00 farm
R.10 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.11 /Fruit and Vegetables Concentration of supply Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors	SO3	16.50 %	17.59 %	18.76 %	19.81 %	20.92 %	0.00 %	0.00 %	20.92 %
R.11 Numerator: Total value of marketed production by POs with operational programmes		159,525,509.17 EUR	170,123,320.50 EUR	181,361,794.25 EUR	191,536,357.29 EUR	202,265,005.16 EUR	0.00 EUR	0.00 EUR	202,265,005.16 EUR
R.11 Denominator: Total value of production of sectors concerned		966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR	966,908,164.00 EUR
R.12 Adaptation to climate change	SO4		16.78 %	16.78 %	21.49 %	21.51 %	16.25 %	0.04 %	21.51 %

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation									
R.12 Numerator: Number of hectares paid		0.00 ha	890,781.00 ha	890,781.00 ha	1,140,759.00 ha	1,141,836.00 ha	862,675.00 ha	2,154.00 ha	1,141,836.00 ha
R.12 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.13^{PR} Reducing emissions in the livestock sector Share of livestock units (LU) under supported commitments to reduce emissions of greenhouse gases and/or ammonia, including manure management	SO4				20.74 %	20.74 %			20.74 %
R.13 Numerator: Number of Livestock Units for which a related payment was made		0.00 LU	0.00 LU	0.00 LU	507,000.00 LU	507,000.00 LU	0.00 LU	0.00 LU	507,000.00 LU
R.13 Denominator: Total number of livestock units		2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU
R.14^{PR} Carbon storage in soils and biomass Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)	SO4		16.84 %	16.84 %	21.11 %	21.14 %	12.19 %	0.04 %	21.14 %
R.14 Numerator: Number of hectares paid		0.00 ha	894,285.10 ha	894,285.10 ha	1,121,097.40 ha	1,122,174.40 ha	647,112.00 ha	2,154.00 ha	1,122,174.40 ha
R.14 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.15^{CU} Renewable energy from agriculture and forestry and from other renewable sources Supported investments in renewable energy production capacity, including bio-based (in MW)	SO4	0.00 MW	2.23 MW	21.31 MW	29.73 MW	64.67 MW	97.98 MW	131.29 MW	131.29 MW
R.16^{CU} Investments related to climate Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials	SO4	0.00 %	0.02 %	0.27 %	0.46 %	1.14 %	1.81 %	2.29 %	2.29 %
R.16 Numerator: Number of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to renewable energy or biomaterials production		0.00 farm	45.00 farm	645.00 farm	1,118.00 farm	2,759.00 farm	4,356.00 farm	5,525.00 farm	5,525.00 farm
R.16 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.17^{CU PR} Afforested land Area supported for afforestation, agroforestry restoration, including breakdowns	SO4, SO5, SO6	0.00 ha	0.00 ha	587.00 ha	6,174.00 ha	11,174.00 ha	16,174.00 ha	16,174.00 ha	16,174.00 ha
R.18^{CU} Investment support for the forest sector Total investment to improve the performance of the forestry sector	SO4, SO5, SO6, SO8	0.00 EUR	22,832,136.00 EUR	85,893,471.00 EUR	203,390,901.00 EUR	312,710,932.00 EUR	399,567,252.00 EUR	399,567,252.00 EUR	399,567,252.00 EUR
R.19^{PR} Improving and protecting soils Share of utilised agricultural area (UAA) under supported commitments beneficial for soil	SO5	0.00 %	28.41 %	28.41 %	30.41 %	30.48 %	28.55 %	0.14 %	30.48 %

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)									
R.19 Numerator: Number of hectares paid		0.00 ha	1,508,361.00 ha	1,508,361.00 ha	1,614,637.00 ha	1,618,456.00 ha	1,515,999.00 ha	7,638.00 ha	1,618,456.00 ha
R.19 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.20^{PR} Improving air quality Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission	SO5		13.48 %	13.48 %	13.48 %	13.48 %	13.48 %		13.48 %
R.20 Numerator: Number of hectares paid		0.00 ha	715,521.00 ha	715,521.00 ha	715,521.00 ha	715,521.00 ha	715,521.00 ha	0.00 ha	715,521.00 ha
R.20 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.21^{PR} Protecting water quality Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies	SO5		20.40 %	20.40 %	25.19 %	25.24 %	13.66 %	0.09 %	25.24 %
R.21 Numerator: Number of hectares paid		0.00 ha	1,082,891.97 ha	1,082,891.97 ha	1,337,517.97 ha	1,340,024.97 ha	725,354.00 ha	5,014.00 ha	1,340,024.97 ha
R.21 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.22^{PR} Sustainable nutrient management Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management	SO4, SO5, SO6	0.00 %	17.18 %	17.18 %	21.89 %	21.89 %	13.48 %	0.00 %	21.89 %
R.22 Numerator: Number of hectares paid		0.00 ha	911,988.00 ha	911,988.00 ha	1,162,420.00 ha	1,162,420.00 ha	715,521.00 ha	0.00 ha	1,162,420.00 ha

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.22 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.23 ^{PR} Sustainable water use Share of utilised agricultural area (UAA) under supported commitments to improve water balance	SO5		15.74 %	15.74 %	18.94 %	18.94 %	9.15 %		18.94 %
R.23 Numerator: Number of hectares paid		0.00 ha	835,668.00 ha	835,668.00 ha	1,005,794.60 ha	1,005,794.60 ha	486,076.00 ha	0.00 ha	1,005,794.60 ha
R.23 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.24 ^{PR} Sustainable and reduced use of pesticides Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage	SO5, SO6, SO9	0.00 %	18.14 %	18.14 %	23.94 %	23.94 %	18.14 %	0.00 %	23.94 %
R.24 Numerator: Number of hectares paid		0.00 ha	963,090.00 ha	963,090.00 ha	1,270,875.00 ha	1,270,875.00 ha	963,090.00 ha	0.00 ha	1,270,875.00 ha
R.24 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.25 Environmental performance in the livestock sector Share of livestock units (LU) under supported commitments to improve environmental sustainability	SO6				1.45 %	1.45 %			1.45 %
R.25 Numerator: Number of Livestock Units for which a related payment was made		0.00 LU	0.00 LU	0.00 LU	35,573.00 LU	35,573.00 LU	0.00 LU	0.00 LU	35,573.00 LU
R.25 Denominator: Total number of livestock units		2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU
R.26 ^{CU} Investment related to	SO4, SO5			0.29 %	0.79 %	1.04 %	1.20 %	1.20 %	1.20 %

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
natural resources Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource									
R.26 Numerator: Number of farms receiving relevant support		0.00 farm	0.00 farm	700.00 farm	1,900.00 farm	2,500.00 farm	2,900.00 farm	2,900.00 farm	2,900.00 farm
R.26 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.27^{CU} Environmental or climate-related performance through investment in rural areas Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas	SO4, SO5, SO6	0.00	506.00	1,010.00	1,462.00	1,751.00	1,799.00	1,811.00	1,811.00
R.28^{CU} Environmental or climate-related performance through knowledge and innovation Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance	XCO	60,000.00	146,727.00	234,058.00	324,986.00	415,313.00	441,722.00	441,726.00	441,726.00
R.29^{PR} Development of organic agriculture Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion	SO4, SO5, SO6, SO9		5.26 %	5.26 %	5.26 %	5.26 %			5.26 %
R.29 Numerator: Number of hectares paid		0.00 ha	279,415.00 ha	279,415.00 ha	279,415.00 ha	279,415.00 ha	0.00 ha	0.00 ha	279,415.00 ha

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.29 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.30^{PR} Supporting sustainable forest management Share of forest land under commitments to support forest protection and management of ecosystem services	SO4, SO6, SO8	0.00 %	0.55 %	4.21 %	5.77 %	6.03 %	6.28 %	6.54 %	6.54 %
R.30 Numerator: Number of hectares paid		0.00 ha	10,660.00 ha	81,650.00 ha	112,000.00 ha	117,000.00 ha	122,000.00 ha	127,000.00 ha	127,000.00 ha
R.30 Denominator: Total forest area		1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha	1,941,600.00 ha
R.31^{PR} Preserving habitats and species Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices	SO6	0.00 %	19.94 %	19.94 %	29.87 %	29.95 %	19.54 %	0.17 %	29.95 %
R.31 Numerator: Number of hectares paid		0.00 ha	1,058,725.00 ha	1,058,725.00 ha	1,586,038.00 ha	1,590,450.00 ha	1,037,289.00 ha	8,824.00 ha	1,590,450.00 ha
R.31 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.32^{CU} Investments related to biodiversity Share of farms benefitting from CAP investment support contributing to biodiversity	SO6			0.27 %	0.69 %	0.85 %	1.02 %	1.02 %	1.02 %
R.32 Numerator: Number of farms receiving relevant support		0.00 farm	0.00 farm	639.00 farm	1,668.00 farm	2,058.00 farm	2,448.00 farm	2,448.00 farm	2,448.00 farm
R.32 Denominator: Total number of farms		241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm	241,000.00 farm
R.33 Improving Natura 2000	SO6		10.51 %	11.03 %	11.35 %	11.35 %	0.84 %	0.84 %	11.35 %

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
management Share of total Natura 2000 area under supported commitments									
R.33 Numerator: Ha with relevant commitments on Natura 2000 sites		0.00 ha	150,631.00 ha	158,131.00 ha	162,631.00 ha	162,631.00 ha	12,000.00 ha	12,000.00 ha	162,631.00 ha
R.33 Denominator: Total agricultural area and forest area in Natura 2000 sites		1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha	1,433,344.00 ha
R.34^{PR} Preserving landscape features Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees	SO6	0.00 %	0.42 %	0.42 %	0.45 %	0.49 %	0.29 %	0.07 %	0.49 %
R.34 Numerator: Utilised Agricultural Area (UAA) under supported commitments for managing landscape features, including hedgerows and trees		0.00 ha	22,318.00 ha	22,318.00 ha	24,153.50 ha	25,989.00 ha	15,143.00 ha	3,671.00 ha	25,989.00 ha
R.34 Denominator: Total utilised agricultural area (UAA)		5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha	5,309,520.00 ha
R.35^{CU} Preserving beehives Share of beehives supported by the CAP	SO6	57.76 %	58.99 %	60.23 %	61.47 %	62.71 %	62.71 %	62.71 %	62.71 %
R.35 Numerator: Number of beehives for which a related payment was made		700,000.00 beehives	715,000.00 beehives	730,000.00 beehives	745,000.00 beehives	760,000.00 beehives	760,000.00 beehives	760,000.00 beehives	760,000.00 beehives
R.35 Denominator: Total number of beehives notified to the EU Commission: average of the latest three years available at the time of establishing the plan.		1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives	1,212,009.00 beehives
R.36^{CU PR} Generational renewal Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown	SO1, SO7	0.00	1,700.00	6,700.00	8,500.00	9,600.00	10,700.00	10,700.00	10,700.00

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.37^{CU} Growth and jobs in rural areas New jobs supported in CAP projects	SO8	0.00	1,700.00	6,700.00	8,564.00	9,724.00	10,946.00	10,958.00	10,958.00
R.38^{CU} LEADER coverage Share of rural population covered by local development strategies	SO8	0.00 %	99.96 %	99.96 %	99.96 %	99.96 %	99.96 %	99.96 %	99.96 %
R.38 Numerator: Rural population covered by LAG funded through LEADER over the programming period		0.00 person	4,056,919.00 person	4,056,919.00 person	4,056,919.00 person	4,056,919.00 person	4,056,919.00 person	4,056,919.00 person	4,056,919.00 person
R.38 Denominator: Total rural population – for LEADER (R.38)		4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person
R.39^{CU} Developing the rural economy Number of rural businesses including bio-economy businesses developed with CAP support	SO2, SO3, SO7, SO8, SO9	0.00	200.00	500.00	2,000.00	4,500.00	6,300.00	7,900.00	7,900.00
R.40^{CU} Smart transition of the rural economy Number of supported smart-village strategies	SO8, XCO	0.00	5.00	0.00	10.00	30.00	50.00	52.00	52.00
R.41^{CU PR} Connecting rural Europe Share of rural population benefitting from improved access to services and infrastructure through CAP support	SO8			4.39 %	8.75 %	15.28 %	21.81 %	28.36 %	28.36 %
R.41 Numerator: Rural population benefitting from relevant improvements		0.00 person	0.00 person	178,000.00 person	355,000.00 person	620,000.00 person	885,000.00 person	1,151,000.00 person	1,151,000.00 person
R.41 Denominator: Total rural population – for services and infrastructure (R.41)		4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person	4,058,628.00 person
R.42^{CU} Promoting social inclusion Number of persons covered by supported social inclusion projects	SO8, XCO	0.00	1,045.00	149.00	25,494.00	37,261.00	43,620.00	44,181.00	44,181.00

Result Indicator	Specific Objective	2023	2024	2025	2026	2027	2028	2029	Overall Target Value
R.43^{PR} Limiting antimicrobial use Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)	SO9	0.00 %	33.84 %	9.30 %	10.69 %	11.55 %	8.18 %	0.00 %	11.55 %
R.43 Numerator: Number of livestock units for which a related payment was made		0.00 LU	827,400.00 LU	227,400.00 LU	261,400.00 LU	282,400.00 LU	200,000.00 LU	0.00 LU	282,400.00 LU
R.43 Denominator: Total number of livestock units		2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU
R.44^{PR} Improving animal welfare Share of livestock units (LU) covered by supported actions to improve animal welfare	SO9		1.12 %	1.12 %	57.03 %	57.03 %			57.03 %
R.44 Numerator: Number of livestock units for which a related payment was made		0.00 LU	27,400.00 LU	27,400.00 LU	1,394,400.00 LU	1,394,400.00 LU	0.00 LU	0.00 LU	1,394,400.00 LU
R.44 Denominator: Total number of livestock units		2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU	2,444,890.00 LU

2.3.2 Planned interventions and outputs with a direct and significant link to result indicators

See the table in SFC2021 application

2.3.3 Consistency with and contribution to the Union targets for 2030 set out in the Farm to Fork Strategy and the EU Biodiversity for 2030

As stated in the Strategic Resolution: the Hungarian CAP Strategic Plan makes a substantial contribution to achieving the objectives of the European Green Deal.

Below we look at the targets of the Farm to Fork (F2F) Strategy and the Biodiversity Strategy for agriculture and the food industry, and present our plan's contribution to meeting these targets.

Objective F2F: Reduce nutrient losses by 50 % while soil fertility does not deteriorate

In Hungary, the basic principles of soil use are laid down in *Act CXXIX of 2007 on the protection of soil*, which, in addition to the general protection of soils, covers protection against erosion, the preservation of organic matter in soils, the cultivation of saline and sour soils and environmentally sound nutrient management, as well as the prevention and elimination of excessive soil compaction, thereby improving its water management. *Government Decree No 90/2008 on the detailed rules for drawing up a soil protection plan (VII. 18) Decree of the Minister for Agriculture and Rural Development* lays down, in accordance with the above Act, the activities for which soil protection plans are to be drawn up (e.g. irrigation, slurry, sewage and sewage sludge in agriculture, implementation of technical soil protection interventions against erosion, etc.).

GAEC standards 5, 6 and 7 apply to the protection of soils in our Strategic Plan. These requirements aim, on the one hand, to reduce the risk of soil degradation and soil erosion and, on the other hand, to preserve *the soil potential in accordance with Act CXXIX of 2007 on the protection of arable land*. The **agro-ecological programme** (intervention code: Among the optional requirements of DP17_G01_ECOS_16), winter soil cover, non-rotational tillage, use of soil conditioners, nitrogen inhibitors, microbiological preparations, cover between plantations, crop diversification and maintenance of higher non-productive areas (e.g. fallow, nitrogen-fixing crops, secondary green manure) help preserve and improve soil potential, protect and improve soil structure and soil biodiversity, increase the nutrient and water retention capacity of soils and protect against erosion. **AGRI -environmental payments (AKG)**, intervention code: Several of the general requirements of RD19_G01_AEC_70 cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis, limiting the application of the nitrogen active substance), soil conservation management (non-rotated tillage, erosion control measures, soil protection crop structure, etc.) and, in addition, specific sets of requirements have been drawn up for areas that are vulnerable to erosion, inland water or drought. While the primary objective of the set of anti-erosion standards is the reduction of alluvial and pollutant pressures from soil erosion and/or surface runoff, water retention in inland water sensitive areas and water retention in drought-sensitive areas are encouraged good practices. **Support for organic farming** (interventions code: RD20_G02_ORT_70) directly contributes to improving the gross nutrient balance of agricultural land, reducing soil extortion and restoring soil organic matter due to the principles and rules in the EU organic production legislation applied in farming mode. All these standards go beyond the basic requirements detailed above, thereby contributing to the achievement of the F2F objective.

F2F and Biodiversity Strategy objective: 25 % of the EU's agricultural area is managed organically

In Hungary, support for organic farming is considered as a priority in the light of the objectives of the Biodiversity Strategy and the Farm to Fork Strategy. We ensure a proportionate allocation of resources and an increased level of specific support for both the transition and the maintenance period.

Support for organic farming already present in previous rural development programmes (EAD, intervention code: RD20_G02_ORT_70) and to ensure continuity of support is also a priority in a national policy dimension, as organic farming is a form of farming with significant environmental added value, contributing a significant amount of land and resources to our environmental and climate efforts. With an increased unit cost from 2022, with a commitment period of 3 years, the new OAD call under the rules of the VP was launched, followed by a new OAD call from 2025 onwards, in accordance with the rules of the Strategic Plan. This means that in 2022: Article 28 (Agri-environment-climate operations) and Article 29 (Organic farming) of Regulation (EU) No 1305/2013, while from 2023 we will conclude under Article 70 (Environmental, climate and other management commitments) of the CAP Strategic Plan Regulation. The launch of the new EAD in 2025 will be an opportunity to develop sets of specifications that address new needs and/or problems that have arisen even more effectively.

As IFOAM pointed out in its publication (link: https://www.organicseurope.bio/content/uploads/2021/11/IFOAMEU_policy_CAP_externalbriefing_17112021.pdf?dd), we have put a strong emphasis in the planning of the CAP strategy in Hungary in order to achieve the strongest possible synergy with the parallel National Organic Action Plan (ÖCST). The team responsible for the two programmes has worked in close cooperation over the past year.

The main objective of the Action Plan is to **double the size of the land under domestic organic farming by 2027, reaching a 10 % eco-area ratio**, thus contributing significantly to the achievement of the ambitious EU target. A significant part of the resources needed to implement the measures of the Action Plan can be integrated into the Hungarian CAP Strategic Plan. The Hungarian CAP Strategic Plan will therefore support the measures on a number of points:

- The Ministry of Agriculture holds regular technical meetings with the relevant sectoral organisations (Seed Column and Product Council, National Association of Cereal Producers, FruitVeB, Poultry Product Council, Milk Interprofessional Organisation and Product Council, Slaughter and Meat Interprofessional Organisation and Product Council, Association of Responsible Food Manufacturers, etc.) and the Managing Authority of the Ministry of Agriculture in order to **align the CAP calls with eco-targets and achieve a successful ecological transition** rate from 2022.
- Ministry of Agriculture 26/2018 on national recognition of quality schemes for agricultural products and foodstuffs and voluntary agricultural product certification schemes (X. 1.) Decree of the Minister for Agriculture (X. 1.) recognises, as part of the **KMÉ trade mark system, an ÖKO-KMÉ trade mark until 2023, which**, by further strengthening existing quality schemes, encourages full transition and highlights the higher quality of bio-products (international examples: Austrian AMA Biosiegel, similar to the German Bio-Siegel).
- The Ministry of Agriculture is particularly **encouraging** (e.g. significant application points) farmers who are particularly susceptible to innovation, as well as young farmers, fresh fruit and vegetables producers for **organic production** and the development of feed integration (e.g. milk, pigs, eggs and poultry and small ruminant lines) for the **conversion of smaller organic livestock holdings** from 2023.
- On behalf of the Ministry of Agriculture, the NAK publishes **sector-specific technology guides and factsheets** for farmers from 2022 to promote successful ecological transition, to learn organic livestock farming, nutrient fertilisation, certified production, and to raise awareness of the contribution of organic farming to climate, biodiversity and health protection objectives.
- The Ministry of Agriculture **will increase the number of producers participating in eco-product integration by 20 per cent by 2027 through the** relevant CAP calls (e.g. food processing investment calls).
- The Ministry of Agriculture **clarifies the requirements for REL collaborations** and supports the **creation of organic short supply chains** with a share of eco-area-proportional share of the envelope of the relevant CAP calls, in particular the costs of setting up and operating eco-molnar

co-operations and community-supported organic agricultural systems (AMAP schemes) until 2027.

- The Ministry of Agriculture encourages **organic animal production (e.g. dairy products, honey, fish, meat, eggs) with a proportion of eco-** areas under the relevant CAP calls, with a particular focus on the **ecological status of livestock farming linked to eco-** grass (e.g. farmyard development, support for livestock acquisition costs associated with the conversion of organic livestock) and the exploitation of the potential of small ruminants by 2027.
- The Ministry of Agriculture encourages the **doubling of the number of processing plants for certified eco-food production by 2027 with the share of eco-** area allocation under the relevant CAP calls.
- The Ministry of Agriculture supports the accession of enriched eco **-product producers to other quality management systems** (IFS, BRC GLOBALG.A.P., etc.), at least with the share of eco-areas of the CAP call for access to quality management systems as of 2023.
- The Ministry of Agriculture shall provide a tendering framework for **sustainable packaging and logistics improvements and** investments in certified eco-product plants, in line with the EU Circular Economy Action Plan, at least with the share of eco-areas in the relevant CAP calls as of 2023.
- The Ministry of Agriculture devotes 15 % of the Hungarian agricultural marketing envelope to the **promotion of organic products**, which it will implement by means of tenders for CAP information obligations and other national tendering frameworks until 2027.
- The Ministry of Agriculture supports the **acquisition and promotion of the ÖKO-KMÉ trade mark as part of the organic certification and the KMÉ trade mark** system, with the share of eco-areas in the envelopes of the CAP calls for joining quality schemes and promoting quality schemes.

Biodiversity Strategy objective: 10 % of the agricultural area of the Member States is covered by high-diversity landscape features

In Hungary, Act LIII of 1996 on the conservation of nature states in general that the **conservation of wild organisms and their populations and communities must be ensured in conjunction with the conservation of their** habitats, that all activities must be carried out in a manner that protects the habitats of wild organisms and their biodiversity, and that sustainable use must be ensured, including sustainability, the use of nature-friendly methods and the protection of biodiversity. The natural and close-to-nature status of the landscapes must be preserved, as well as the preservation of the natural assets, natural systems and unique landscape values that determine the aesthetic conditions and nature of the landscapes.

In our Strategic Plan, Statutory Management Requirement 3 for Natura 2000 sites and SMR 4 are listed in our Strategic Plan 275/2004 on areas of conservation of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for maintaining NATURA 2000 grasslands Government Decree (X. 18.) of 18 October 2006. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, minimum land use standards for their conservation. Among the conditionality requirements, **GAEC 1** (protection of permanent grasslands), **GAEC 2** (protection of wetlands and bogs), **GAEC 8** (maintenance of non-productive elements, protection of landscape features and restrictions on the nesting period) and **GAEC 9** (Natura 2000 sensitive grasslands) contribute to maintaining and increasing the diversity of farmland habitats, thereby helping to improve the status of species in unfavourable conservation situations. The **agro-ecological programme** (intervention code: Among the optional provisions of DP17_G01_ECOS_16), the conservation of permanent grasslands at farm level, the increased **maintenance rate of 10 % non-productive elements**, the maximisation of field size, the restriction of pesticides hazardous to bees, the use of authorised agents in organic plant protection, and the selection of cropland cover and intermediate cropping practices also contribute to maintaining and increasing the diversity of habitats associated with agricultural land, reducing over-use of pesticides, thus helping to

improve the status of species in unfavourable conservation situations. **AGRI -environmental payments** (AKG, intervention code: RD19_G01_AEC_70) eight sets of standards specifically target the conservation of species of Community interest linked to cultivated grassland and arable land with species-specific requirements in High Natural Value Areas. In addition, the other sets of standards include provisions that can contribute to the conservation of habitats and species associated with agricultural land, thereby also helping to improve the status of species in unfavourable conservation status. **Compensation payments for Natura 2000 grassland and forest areas** (interventions codes: RD23_G06_NAG_72, RD34_F01_NAF_72) is intended to compensate for the additional costs and income losses caused by the specific land use regulations applicable to these areas, which contributes to improving the status of species in unfavourable conservation status. **Agro -ecological non-productive investments and payment encouraging agro-ecological land use change** to maintain them (interventions code: RD21_G04_LCI_73, RD22_G05_LCP_70) aims to promote land-use change in arable land currently cultivated at the limits of economy, with the aim, inter alia, of creating biodiversity-relevant habitat types such as long-lasting greenugars (bee-grazing), grass strips, species-rich grasslands, conservation forest strips, woody pastures, wetlands and grassland protection strips. The resulting habitats, which are maintained according to appropriate standards, contribute to improving the status of species in unfavourable conservation status. **Support for the maintenance of multiannual commitments in forestry for environmental or climate purposes** (EIU, intervention code: Measure RD35_F02_FEC_70) contributes to improving the natural status of existing forests also in Natura 2000 forest areas through forest-environmental commitments going beyond the obligations set by the forest authority in the forest plan (continuously improved renovation, reduction of intensively transmitted alien trees and shrub species, reconversion of cleansing, manual maintenance of forest stands and environmentally friendly material handling). Investments to **improve the climate and environmental performance of forests by transforming forest** structures and increasing mixing contribute to improving the natural status of existing forests also in Natura 2000 forest areas on the basis of a forest plan approved by the relevant forest section authority. (intervention code: RD41_F08_INN_73)

Objective F2F: Reduce the use of pesticides and specifically the use of risky pesticides by 50 %

In Hungary, the Hungarian rules on the use of plant protection products are mainly laid down in Act XLVI of 2008 on the food chain and its official supervision, and on plant protection activities. (IV. Decree No 23/1999 of the Minister for Agriculture and Rural Development. These standards also comply with **statutory management requirements 7 and 8 (placing on the market and sustainable use of plant protection products)** within the conditionality.

In our Strategic Plan, the **agro-ecological programme** (intervention code: DP17_G01_ECOS_16) several of the optional provisions that go beyond the above regulations relate to the sustainable use of pesticides, such as restricting the use of specific or moderately hazardous or risky pesticides for bees or encouraging the use of biological agents authorised in organic farming. Maintaining non-productive elements helps beneficial living organisms, which are part of integrated pest management. **AGRI -environmental payments** (AKG, intervention code: RD19_G01_AEC_70) covers the sustainable use of plant protection products (limitation of active substances that may be used) and the use of integrated pest management solutions (use of plant protection forecasting, aid to beneficial living organisms). **Support for organic farming** (interventions code: RD20_G02_ORT_70) contributes directly to the reduction of pesticide pollution from agricultural sources as a result of the principles and rules laid down in EU legislation on organic production in farming mode. All these standards go beyond the basic requirements detailed above. Among the **sustainable and digital development of agricultural holdings** and **interventions in the fruit and vegetables sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that can effectively reduce the use of pesticides by farmers (interventions code: SC18_G02_FVL_47, RD01_E01_FRM_73, RD02_D01_FRM_73).

Objective F2F: Reduce the volume of antimicrobials placed on the market by 50 %

The rearing of farm animals has changed significantly in recent decades. Furthermore, in addition to the use of healthy food by consumers, sustainability and animal welfare have also come to the fore.

The **preventive health measures and treatments included in our CAP Strategic Plan lead to an improvement in the overall health and hygiene status of livestock**. This reduces the number of cases, thereby reducing the need to provide treatments, including antimicrobials, antibiotics. This reduces the risk of developing antibiotic resistant pathogenic strains and spreading in domestic populations. As of 28 January 2022, new Union legislation directly applicable in all Member States will be introduced. Regulations (EU) 2019/6 on veterinary medicinal products and (EU) 2019/4 of the European Parliament and of the Council on medicated feed give priority to AMR and include a number of measures and tightening measures to promote responsible use of antibiotics in animal health, which we have of course taken into account when designing our CAP interventions. (intervention codes: RD29_G12_AWR_70, RD30_G12_AWC_70, RD31_G12_AWS_70, RD32_G12_AWP_70, RD33_G15_AWB_70)

In line with international guidelines, a **national veterinary action plan to reduce AMR was developed** in April 2018, including a target of 128/2009. (X. 6.) FVM. The new domestic provisions introduced in August 2021 help reduce the use of antibiotics and promote prudent and responsible antibiotic use, taking into account the common protection of animal and public health, in line with national professional policy efforts. Key changes include: (I) antibiotics must be prescribed by a veterinarian only on prescription (not to be used by a client) in sufficient quantities for treatment for a maximum of seven days; (II) prophylactic use of so-called critically important active substances for human health is forbidden and may only be used for therapeutic purposes after a resistance test has been carried out; (III) As of January 2022, the use of antibiotics should be recorded in a medical treatment log with more data than at present and data will be provided in Nébih's online system.

Food chain inspection bodies, authorities contribute to the responsible antibiotic use through targeted checks, review of antimicrobial authorisations, intensive contacts with professional organisations, relevant international tasks, and guidance and training.

3 Consistency of the Strategy and complementarities

3.1 Overview of the environmental and climate architecture

3.1.1 A description of the overall contribution of conditionality to the specific environmental- and climate-related objectives set out in points (d), (e) and (f) of Article 6(1)

GAEC standards support each of the specific environmental and climate objectives set out in points (d), (e) and (f) of Article 6(1). They contribute to climate change mitigation and adaptation, as well as to the diffusion of sustainable energy. They support sustainable development and efficient management of natural resources such as water, soil and air. They help protect biodiversity, enhance ecosystem services and protect habitats and landscapes.

- GAEC 1 maintenance of permanent grassland helps to sequester carbon, participates in the regulation of local climate systems, helps protect soils against erosion and, as habitats and landscape features, contributes to the protection of biodiversity and the preservation of habitats and landscapes.
- Wetlands and peatlands preserved under GAEC 2 contribute to the proper management of carbon-rich soils. Due to proper preparation for implementation, the requirement will only be introduced as of 2025.
- GAEC 3 is a ban on burning stubble, cane and other plant residues that helps to preserve soil organic matter and biological status and contributes to reducing air pollution
- Within GAEC 4, the requirements for buffer strips contribute to protection against water pollution by limiting the application of nutrients.
- GAEC 5, as an anti-erosion measure, contributes to avoiding soil degradation and preserving soil stocks by setting minimum land management standards for site-specific minimum land management to limit erosion.
- GAEC 6 protects against erosion by ensuring soil cover in sensitive periods, helps carbon sequestration and prevents water loss, and contributes to increasing soil organic matter content, improving soil structure and soil potential by growing a soil cover crop.
- The provisions of GAEC 7 on crop conversion help preserve soil potential and reduce the use of plant protection products by establishing the correct crop order and greater diversity.
- Under GAEC 8, non-productive landscape features and plant protection product free crops for agro-ecological purposes, N-fixing crops, contribute to the protection of biodiversity, the preservation of habitats and landscapes and the protection of soils.
- GAEC standard 9 contributes to the protection of biodiversity and the conservation of habitats and landscapes by maintaining NATURA 2000 grasslands.

3.1.2 Overview of the complementarity between the relevant baseline conditions, as referred to in Article 31(5) and Article 70(3), conditionality and the different interventions addressing environment and climate-related objectives

1. Minimum requirement for agricultural areas in accordance with Article 4(2) STR

An agricultural area shall be considered to be maintained in good condition if it is subject to agricultural production or, if there is no agricultural production, is maintained in such a way that there is no severe weeding on a large scale. (See the relevant SFC chapter for the detailed specification: 4.1.1.2.)

2. Reduction of fertiliser use

2.1. Mandatory requirements and statutory management requirements (SMR) and GAEC standards laid down in national legislation

As regards the use of fertilisers, Article 42 of Act CXXIX of 2007 on the protection of arable land states in general that agricultural land must be subject to environmentally sound nutrient management that takes into account the nutrient supply of soil and the nutrient requirements of cultivated crops.

In addition, Decree No 59/2008 laying down detailed rules for the action programme for the protection of waters against pollution caused by nitrates from agricultural sources and the procedures for reporting and recording data (IV. The mandatory requirements of Good Agricultural Practice laid down in Decree No 29/1999 of the Minister for Agriculture and Rural Development correspond to SMR 2 within the conditions (Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources).

2.2. CAP Strategic Plan contribution to the objective

Among the optional requirements of the **agro-ecological programme**, the requirement to use soil conditioning and microbiological preparations contributes indirectly to the reduction of fertiliser use (intervention code: DP17_G01_ECOS_16).

Many of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis and leaf analysis, restriction of nitrogen active substance application, application of organic fertilisers) thus contributing to the rational use of fertilisers and the reduction of fertiliser application. (intervention code: RD19_G01_AEC_70)

Support for organic farming contributes directly to reducing the use of fertilisers as a result of the principles and rules laid down in EU legislation on organic production in farming. All these standards go beyond the basic requirements detailed above. Both the relevant sectoral (DP) and rural development (RDP) interventions effectively serve this headline objective (interventions code: RD20_G02_ORT_70, SC13_G01_FVO_47).

Among the **sustainable and digital development of agricultural holdings** and interventions in the **fruit and vegetables sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that can effectively reduce the use of fertilisers by farmers (Code of interventions: SC18_G02_FVL_47, RD01_E01_FRM_73, RD02_D01_FRM_73).

3. Reduction of the use of plant protection products

3.1. Mandatory requirements and statutory management requirements (SMR) and GAEC

standards laid down in national legislation

The Hungarian provisions on the use of plant protection products are mainly laid down in Act XLVI of 2008 on the food chain and its official supervision, and on plant protection activities. (IV. Decree No 23/1999 of the Minister for Agriculture and Rural Development. These standards also comply with **statutory management requirements 7 and 8** (placing on the market and sustainable use of plant protection products) within the conditionality.

3.2. CAP Strategic Plan contribution to the objective

Several of the optional provisions of the **agro-ecological programme**, which go beyond the above rules, relate to the sustainable use of pesticides, such as restricting the use of specific or moderately hazardous or risky pesticides for bees or encouraging the use of biological agents authorised in organic farming. Maintaining non-productive elements helps beneficial living organisms, which are part of IPM (intervention code: DP17_G01_ECOS_16).

Several of the general requirements for **agri-environmental management (AEM) payments** cover the sustainable use of plant protection products (limitation of active substances that may be used) and the use of integrated pest management solutions (use of plant protection forecasting, aid to beneficial living organisms). **Support for organic farming** contributes directly to the reduction of pesticide pollution of agricultural origin as a result of the principles and rules laid down in EU legislation on organic production in farming. All these standards go beyond the basic requirements detailed above. Both the relevant sectoral (DP) and rural development (RDP) interventions are effectively served by the headline target (interventions code: RD20_G02_ORT_70; SC13_G01_FVO_47).

Among the **sustainable and digital development of agricultural holdings** and interventions **in the fruit and vegetables sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that can effectively reduce the use of pesticides by farmers (interventions code: SC18_G02_FVL_47, RD01_E01_FRM_73, RD02_D01_FRM_73).

4. Animal welfare requirements

4.1. Mandatory requirements and statutory management requirements (SMR) and GAEC standards laid down in national legislation

The Hungarian provisions on animal welfare are laid down in Decree No 32/1999 of 1999 on animal protection rules for the keeping of farm animals. (III. Decree No 31/2001 of the Minister for Agriculture and Rural Development. The rules cover the conditions of individual and group rearing and the keeping and handling of calves, pigs and poultry and other farmed animals. This legislation corresponds to **statutory management requirements 9, 10 and 11** (protection of calves, pigs and animals kept for farming purposes) within the conditionality.

4.2. CAP Strategic Plan contribution to the objective

We plan to extend **animal welfare support** to most farm animal species (cattle, poultry, small ruminants and beekeeping). In the case of animal welfare aid, in addition to the above legislation, we would require, inter alia, greater space, more frequent checks, higher technological standards, the provision of natural husbandry conditions, prevention and the use of smart antibiotics, and the provision of feed of sufficient purity, quality and mineral content, and drinking water. (Intervention codes: RD29_G12_AWR_70, RD30_G12_AWC_70, RD32_G12_AWP_70, RD33_G15_AWB_70).

Sustainable and digital farm development interventions are an opportunity to support investments that effectively contribute to the establishment of animal farms with favourable conditions for animal health and welfare, for example by developing manure management, feeding, ventilation or ammonia sequestration (interventions code: RD01_E01_FRM_73, RD02_D01_FRM_73).

5. Other mandatory requirements: Soil protection

5.1 Binding requirements and GAEC standards laid down in national legislation

The basic principles of soil use are laid down in Act CXXIX of 2007 on the protection of soil, which, in addition to the general protection of soils, covers, in addition to the general protection of soils, the protection of soil organic matter, the cultivation of saline and sour soils and environmentally sound nutrient management, as well as the prevention and elimination of excessive soil compaction, thereby improving its water management. Government Decree No 90/2008 on the detailed rules for drawing up a soil protection plan (VII. 18) Decree of the Minister for Agriculture and Rural Development lays down, in accordance with the above Act, the activities for which soil protection plans are to be drawn up (e.g. irrigation, slurry, sewage and sewage sludge in agriculture, implementation of technical soil protection interventions against erosion, etc.).

Within the Conditionality **GAEC standards 5, 6 and 7** apply to the protection of soils. These requirements aim, on the one hand, to reduce the risk of soil degradation and soil erosion and, on the other hand, to preserve the soil potential in accordance with Act CXXIX of 2007 on the protection of arable land.

5.2. CAP Strategic Plan contribution to the objective

Among the optional requirements of the **agro-ecological programme**, winter soil cover, non-rotational tillage, use of soil conditioners, microbiological products, cover between plantations, crop diversification and maintenance of higher non-productive areas (e.g. fallow, nitrogen-fixing crops, secondary green manure crops) help preserve and improve soil potential, protect and improve soil structure and soil biodiversity, increase the capacity of soils to retain water, and protect against erosion (intervention code: DP17_G01_ECOS_16).

Several of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis, limitation of nitrogen application), conservation farming (non-rotated tillage, erosion control measures, soil conservation crop structure, etc.) and in addition specific sets of requirements have been drawn up for areas that are vulnerable to erosion, inland water or drought. While the primary objective of the set of anti-erosion standards is the reduction of alluvial and pollutant pressures from soil erosion and/or surface runoff, water retention in inland water sensitive areas and water retention in drought-sensitive areas are encouraged good practices. (intervention code: RD19_G01_AEC_70)

Support for organic farming contributes directly to improving the gross nutrient balance of agricultural land, reducing soil extortion and restoring soil organic matter as a result of the principles and rules applied in the farming mode, as laid down in the EU legislation on organic production. All these standards go beyond the basic requirements detailed above. Both the relevant sectoral (DP) and rural development (RDP) interventions are effectively served by the headline target (interventions code: RD20_G02_ORT_70; SC13_G01_FVO_47).

Among the **sustainable and digital development of agricultural holdings** and interventions in the **fruit and vegetables sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that effectively help farmers to manage soils (interventions code:

6. Other mandatory requirements: Qualitative and quantitative protection of waters

6.1. Mandatory requirements and statutory management requirements (SMR) and GAEC standards laid down in national legislation

Government Decree No 123/1997 on the protection of water bases, long-term water bases and water facilities for the supply of drinking water. (VII. Government Decree No 18/1999 contains restrictions on the use of protection zones for surface water and groundwater bases.

Decree No 220/2004 on rules for the protection of surface water quality. (VII. Government Decree No 21/2001 lays down the general rules on the discharge of waste water. In order to safeguard water quality, the environmental requirements for the discharge of waste water are set out in a permit for the discharge of waste water. On amendments to Decree No. 219/2004. (VII. Government Decree No 21/2001 lays down requirements to prevent or limit the discharge of pollutants into groundwater or geological formation.

Government Decree No 83/2014 on the use and use of areas vulnerable to large water basins, coastal strips, watercourses and the resulting waters and rules on the procedures and content of the preparation of the large water basin management plan in the case of rivers (III. On the basis of Government Decree No 14/2001, agricultural use and use in areas on the exempted side of flood defence draughts that break into the surface due to flood water pressure and are vulnerable to leaking waters may be carried out only on the owner's or user's own responsibility.

Soil protection rules to protect against erosion are also linked to water quality (see above)

Act CXIII of 2019 on Irrigation Management contains detailed rules on the establishment of irrigation servitude, the recognition and control of sustainable water management communities and the approval of environmental district plans, and the implementing rules are laid down in Decree 302/2020 on the implementation of the Law on Irrigation Management. (VI. Government Decree No 29/1999.

Government Decree No 147/2010 laying down general rules on activities and facilities for the exploitation, protection and prevention of water damage (IV. Government Decree No 29/1999 lays down the general rules on water management, including, inter alia, the general requirements for waste water treatment and disposal, flood remediation, water management and agricultural water use, e.g. irrigation. Further rules on activities subject to authorisation under water law, including water use for irrigation purposes, are laid down in Decree 72/1996 on the exercise of water management authority powers. (V. 22.) Gov. Decree. This legislation corresponds to the part of the **farmer requirement in legislation 1** which concerns Article 11(3)(e) of Directive 2000/60/EC of the European Parliament and of the Council establishing a framework for Community action in the field of water policy (authorisation of water abstractions and reservoirs). Domestic legislation on Article 11(3)(h) (protection against diffuse pollution of phosphates) is still in the process of being drawn up, but its content will be in line with the manure application rules of the Good Farming Practice for Nitrate Control in Sloping Areas, extending it to non-nitrate-sensitive sloping areas.

In addition, Decree No 59/2008 laying down detailed rules for the action programme for the protection of waters against pollution caused by nitrates from agricultural sources and the procedures for reporting and recording data (IV. The mandatory requirements of Good Agricultural Practice laid down in Decree **No 29/1999 of the Minister for Agriculture and Rural Development correspond to SMR 2 within the conditions** (Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources).

Among the GAEC standards, the **GAEC standard 4** (water buffer strips) directly contributes to the achievement of the objectives of the River Basin Management Plan by reducing nutrient or pesticide pollution from agricultural sources, reducing alluvial and polluting loads from soil erosion and/or surface runoff, and regulating the authorisation of water use for irrigation. The provisions of **GAEC 5** (tillage for erosion control) and **SMR 8** (sustainable use of pesticides) contribute indirectly to reducing pressures on surface waters. The provisions of GAEC 1 (protection of permanent grasslands), **GAEC 2 (protection of aquatic habitats and bogs)** and **GAEC No 8** (maintenance of **non** -productive elements, protection of landscape features) support natural water retention, improvement of water treatment conditions and the provision of ecological water quantity.

6.2. CAP Strategic Plan contribution to the objective

Among the optional requirements of the **agro-ecological programme**, winter soil cover, non-rotational tillage, the use of soil conditioners and microbial products, the obscuration of plantations help to increase the water retention capacity of the soils and to protect against erosion, such as reducing alluvial and pollutant pressures from soil erosion and/or surface runoff. In plantations for irrigation, the promotion of micro-irrigation promotes sustainable water use, while restrictions on pesticide use can contribute to reducing pesticide pollution from agriculture (intervention code: DP17_G01_ECOS_16).

Many of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a soil-based nutrient management plan, limitation of nitrogen application), conservation farming (non-rotated tillage, erosion control measures, soil conservation crop structure, etc.) and the sustainable use of pesticides (limitation of active ingredients that may be used, application of plant protection prediction, etc.) contributing to the reduction of nutrient or pesticide pollution from agricultural sources. In addition, specific sets of standards have been established for erosion, inland water and drought-sensitive areas. While the primary objective of the set of anti-erosion standards is the reduction of alluvial and pollutant pressures from soil erosion and/or surface runoff, water retention in inland water sensitive areas and water retention in drought-sensitive areas are encouraged good practice. (intervention code: RD19_G01_AEC_70)

Support for organic farming contributes directly to the reduction of nutrient and pesticide pollution from agriculture, as a result of the principles and rules laid down in EU legislation on organic production. Both the relevant sectoral (DP) and rural development (RDP) interventions are effectively served by the headline target (interventions code: RD20_G02_ORT_70; SC13_G01_FVO_47).

Agro -ecological non-productive investments and the **payment to encourage agro-ecological land-use change** to maintain them are intended, on the one hand, to encourage the long-term conservation of surplus waters in a given area through land-use change, the creation of wetlands and the creation of small-scale water retention facilities, and, on the other hand, to reduce nutrient loads and pollution in their waters by establishing certain erosion control facilities and the establishment of agriculturally uncultivated buffer zones surrounding watercourses. (interventions code: RD21_G04_LCI_73, RD22_G05_LCP_70).

As part of the intervention to support **investments in water efficiency** and sustainable water management communities, we aim to support investments in irrigation that improve water efficiency and the development of water retention facilities by ensuring the sustainable management of water resources. By supporting certain land-use activities, we aim to improve the water management capabilities of the soil (interventions code: RD12_W01_WTO_74, RD15_W04_COP_77).

Among the **sustainable and digital development of agricultural holdings** and interventions in the **fruit and vegetable sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that effectively contribute to the introduction of water saving measures by farmers on

farms and livestock farms. They can also promote the introduction of soil-saving technologies that promote water-saving management by increasing the water retention capacity of the soil (interventions code: SC18_G02_FVL_47, RD01_E01_FRM_73, RD02_D01_FRM_73).

7. Other mandatory requirements: GHG emission reduction, carbon sequestration

7.1. Binding requirements and GAEC standards laid down in national legislation

Under Section 23(2) of Act LIII of 1996 on nature protection, all bogs are protected under national significance by operation of law. Láp is defined as land that is permanently or intermittently exposed to water, that has intermittently water saturated soils, has a significant proportion of Logic cohabitation or living organisms, and its soils are characterised by varying peat content and peat formation processes.

Among the conditionality requirements, **GAEC 2** (protection of wetlands and bogs) contributes directly to the conservation of carbon-rich soils, but **GAEC 1 (maintenance of permanent grassland)** also makes a major contribution to the carbon sequestration of agricultural land. Furthermore, **GAEC 8** (maintenance of non-productive elements) increases the sequestration of carbon stocks in soil and biomass.

7.2. CAP Strategic Plan contribution to the objective

Among the optional requirements of the **agro-ecological programme**, winter soil cover, non-rotational tillage, obscuration of plantations and maintenance of higher non-productive areas contribute to the carbon sequestration of agricultural land and, on the other hand, the use of soil conditioners and microbial products contributes to reducing fertiliser application, thereby reducing ammonia emissions (intervention code: DP17_G01_ECOS_16).

Several of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis and leaf analysis, restriction of nitrogen active substance application, application of organic fertilisers) thus contributing to the reduction of fertiliser application and thus to the reduction of ammonia emissions. (intervention code: RD19_G01_AEC_70)

Support for **organic farming** contributes directly to the reduction of ammonia emissions from agriculture as a result of the principles and rules laid down in EU legislation on organic production in farming. Both the relevant sectoral (DP) and rural development (RDP) interventions are effectively served by the headline target (interventions code: RD20_G02_ORT_70; SC13_G01_FVO_47).

Agro -ecological non-productive investments and the **payment to encourage agro-ecological land-use change** to sustain them are intended to promote land-use change of arable land currently cultivated at the limits of economy, including through the planting of grasslands and the creation of wetlands, to promote land-use change in favour of carbon sequestration, to store carbon in soil and biomass, and to increase the organic carbon stock of soils. (interventions code: RD21_G04_LCI_73, RD22_G05_LCP_70).

One of the key objectives **of intervention to support the development and maintenance of afforestation** and creation of woodland is to reduce the effects of climate change through land-use change and to significantly sequester carbon dioxide. (interventions code: RD39_F05_AFI_73, RD36_F06_AFM_70).

Investments to **improve the climate and environmental performance of forests aim at** counteracting the spread of growing and increasingly extreme abiotic environmental damage conditions and events (such as forest and vegetation fires, frost and storm damage caused by water scarcity and drought) and

new biotic pathogens and pests, both by preventing damage to forest potential and restoring them in a more resilient way. In addition, the long-term quality renewal, restructuring and reconditioning of forests with climate-resistant material are also a priority. Forest restructuring can improve the age structure, mix and biodiversity of forest stocks, thus improving the resilience and carbon sequestration capacity of forest ecosystems. (intervention code: RD41_F08_INN_73).

The **cooperation** aims to support voluntary partnerships between forest managers and specialised public bodies for the development and implementation of modern, sustainable, multi-farmer planning and implementation of forest fire prevention and mitigation. By preventing forest fires, emissions of greenhouse gases and gases with atmospheric pressures can be reduced and the carbon balance of forest stands can be maintained and their climate adaptive renewal can be facilitated. (intervention code: RD37_F04_FRC_77).

Among the **farm sustainability development and the digital transition of agriculture**, as well as **interventions in the fruit and vegetables sector**, climate change mitigation and adaptation measures are all an opportunity to support investments that contribute to reducing ammonia emissions from agriculture. In crop production, for example, the introduction of techniques for the application of manure that facilitate or inject continuous soil cover, and on livestock farms the management, storage, use of manure, ammonia sequestration (interventions code: SC18_G02_FVL_47, RD01_E01_FRM_73, RD02_D01_FRM_73).

8. Other mandatory requirements: Protecting biodiversity

8.1. Mandatory requirements and statutory management requirements (SMR) and GAEC standards laid down in national legislation

In general, Act LIII of 1996 on nature conservation states that the conservation of wild organisms and their populations and communities must be ensured in conjunction with the conservation of their habitats, that all activities must be carried out in a manner that protects the habitats of wild organisms and their biodiversity, and that sustainable use must be ensured, including sustainability, the use of nature-friendly methods and the protection of biodiversity. And to preserve the natural and close-to-nature status of the landscapes and to ensure the preservation of the natural assets, natural systems and unique landscape values that determine the aesthetic and nature of the landscapes.

SMR 3 for Natura 2000 sites and Statutory Management Requirement 4 (Statutory Management Requirement No. 4) on sites of European Community Importance (SCI) No 275/2004. Government Decree No 269/2007 of 8 October 2007 on land use rules for maintaining NATURA 2000 grasslands Government Decree (X. 18.) of 18 October 2006. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, minimum land use standards for their conservation.

Among the conditionality requirements, **GAEC 1** (protection of permanent grasslands), **GAEC 2** (protection of wetlands and bogs), **GAEC 8** (maintenance of non-productive elements, protection of landscape features and restrictions on the nesting period) and **GAEC 9** (Natura 2000 sensitive grasslands) contribute to maintaining and increasing the diversity of farmland habitats, thereby helping to improve the status of species in unfavourable conservation situations. These areas are eligible for aid under Article 4(4)(b)(i) and (ii) of the SPR Regulation, thus ensuring their highest possible presence, thus increasing the diversity of habitats linked to agricultural areas.

8.2. CAP Strategic Plan contribution to the objective

Among the optional requirements of the **agro-ecological programme**, the maintenance rate of permanent grasslands at farm level, the maintenance rate of the increased non-productive element, the maximisation

of field size, the restriction of pesticides hazardous to bees, the use of authorised agents for organic plant protection, and the selection of cropland cover and intermediate cropping practices also contribute to maintaining and increasing the diversity of habitats associated with agricultural land, reducing over-use of pesticides, thus helping to improve the status of species in unfavourable conservation situations (intervention code: DP17_G01_ECOS_16).

Eight of the **agri-environmental management payments** (AKG) packages specifically target the conservation of species of Community interest linked to cultivated grassland and arable land with species-specific standards in High Natural Value Areas. In addition, the other sets of standards include provisions that can contribute to the conservation of habitats and species associated with agricultural land, thereby also helping to improve the status of species in unfavourable conservation status. (intervention code: RD19_G01_AEC_70)

The **compensation payments for Natura 2000 grassland and forest** areas are intended to compensate for the additional costs and income losses incurred as a result of the specific land use regulations applicable to these areas, which contributes to improving the situation of species in unfavourable conservation status. (interventions codes: RD23_G06_NAG_72, RD34_F01_NAF_72)

Agro- ecological non-productive investments and an agro -ecological land-use change payment to sustain agro-ecological land use are intended to promote land- use change in arable land currently cultivated at the limits of economy, with the aim, inter alia, of creating habitat types that are important for biodiversity, such as long-lasting greenugars (beegrass) that protect biodiversity, grass strips, species-rich grasslands, conservation forest strips, woody pastures, wetlands or grassland water buffer strips. The resulting habitats, which are maintained according to appropriate standards, contribute to improving the status of species in unfavourable conservation status. (interventions code: RD21_G04_LCI_73, RD22_G05_LCP_70).

Intervention to **support the maintenance of multiannual commitments in forest management for environmental or climate purposes** (EIA) contributes to improving the natural status of existing forests also in Natura 2000 forest areas, with forest-environmental commitments going beyond the obligations set out by the forest authority in the forest plan. Such increased obligations could include transition to a continuous forest cover mode, continuous restructuring or improved renovation, reduction of intensively transmitted alien trees and shrub species, reconversion of cleansing, manual management of forest stands, or nature-friendly material handling (intervention code: RD35_F02_FEC_70).

Investments to **improve the climate and environmental performance of forests by transforming forest** structures and increasing mixing contribute to improving the natural status of existing forests also in Natura 2000 forest areas on the basis of a forest plan approved by the relevant forest section authority (intervention code: RD41_F08_INN_73).

While bees are not covered by the Hungarian legislation laying down the basic requirements, we believe that it is important to mention **interventions in the apiculture sector**. The maintenance of the domestic bee stock plays a key role in preserving domestic biodiversity through ecosystem services.

9 – Overview of the building-up of interventions to achieve specific environmental and climate protection objectives

1. Talaj szervesanyag tartalmának védelme, talajpotenciál megőrzése, talajszerkezet

1. szint: Támogatható terület fogalmának bővítése (AÖT)

- Mezővédő erdősávok
- Fűves, cserjés védősávok

2. szint: Kötelező környezeti alapfeltételek (kondicionalitás)

- Talrlóégetés tilalma
- Minimális talajborítás
- Vetésváltás és terménydiverzifikáció
- Ökológiai másodvetés
- N-megkötő növények
- 12 % feletti lejtőn kapás kultúra csak megkötésekkel termesztendő
- Erózióvédelmi teraszok megőrzése ültetvényekben

3. szint: Önkéntes agro-ökológiai alapprogram (AÖP, eco-scheme)

- Téli talajtakarás
- Talajkondicionálók, mikrobiológiai készítmények alkalmazása
- Forgatás nélküli talajművelés
- Emelt szintű terménydiverzifikáció
- Ültetvény talajtakarás, sorközgyepesítés
- Táblaméret maximalizálása

4. szint: Önkéntes emeltszintű agro-ökológiai átállást segítő beavatkozások

- AKG szántó tematikus előíráscsoportok
- AKG erózióérzékeny szántó tematikus előíráscsoportok
- ÖKO területek támogatása
- Földhasználat váltással létrehozott gyeptelepítés fenntartása
- Földhasználat váltással létrehozott mezővédő fasorok és fásítás fenntartása Nem termelő beruházások kapcsolódó elemei:
- Ültetvények sorközgyepesítése
- Erózióvédelmi védősávok és létesítmények kialakítása
- Mezővédő erdősáv kialakítása
- Gyeptelepítés- Ültetvények sorközgyepesítése

5. szint: Egyéb fenntarthatóságot szolgáló beavatkozások

- Talajvédő gazdálkodáshoz szükséges gépek
- Szerves-trágyafeldolgozó üzemek és kijuttató gépek
- Precíziós talajművelő eszközök

Horizontális támogatás: AKIS beavatkozások és a KAP Hálózat

• Tájékoztatási szolgáltatás • Tanácsadási szolgáltatás • Képzések és bemutató üzemi programok • Innováció (EIP)
• Innovációt és digitalizációt támogató egység
• Környezet- és klímavédelmi célkitűzéseket támogató egység

2. Vízviszartartás a talajban, tájban és víztestek minőségi és mennyiségi védelme

1. szint: Támogatható terület fogalmának bővítése (AÖT)

- Védett táji elemek
- Időszakosan belvízzel borított területek, vizes élőhelyek
- Gyepesített part menti védősávok
- Fűves, cserjés védősávok
- Mezővédő erdősávok

2. szint: Kötelező környezeti alapfeltételek (kondicionalitás)

- Állandó gyepesítés védelme
- Vizes élőhelyek és lipok megőrzése
- Minimális talajborítás
- Nem termelő táji elemek megőrzése
- Vízvédelmi sávokra vonatkozó előírások
- Nitrát-érzékeny területek korlátozásai
- Vízkészlethasználatra vonatkozó szabályok
- Foszfátok elleni védelem
- 12 % feletti lejtőn kapás kultúra csak megszorításokkal termesztendő
- Erózióvédelmi teraszok megőrzése ültetvényekben
- Fenntartható növényvédőszer használat

3. szint: Önkéntes agro-ökológiai alapprogram (AÖP, eco-scheme)

- téli talajtakarás
- talajkondicionálók, mikrobiológiai készítmények alkalmazása
- forgatás nélküli talajművelés
- ültetvény talajtakarás, sorközgyepesítés
- Méhekre veszélyes növényvédőszer korlátozása
- Mikroöntözés ültetvényekben
- Ökológiai növényvédelemben engedélyezett ágensek használata

4. szint: Önkéntes emeltszintű agro-ökológiai átállást segítő beavatkozások

- AKG aszály- és belvíz érzékeny, gyepes, nádas, MTET AKG tematikus előíráscsoportok
- Ökogazdálkodás
- Földhasználat váltással létrehozott gyeptelepítés fenntartása, új vizes élőhely fenntartása, vízvédelmi pufferzóna fenntartása
- Nem termelő beruházások kapcsolódó elemei: Gyeptelepítés
- Ültetvények sorközgyepesítése, élővilág kultúrákkal való telepítése
- Vizes élőhelyek kialakítása, területi vízviszartartás beruházásai
- Vízvédelmi pufferzóna és Vízviszartartási kialakítása
- Erózióvédelmi védősávok és létesítmények kialakítása
- Mezővédő erdősáv kialakítása

5. szint: Egyéb fenntarthatóságot szolgáló beavatkozások

Erdőtelepítés
Beruházások környezet-, klímavédelmi és adaptációs elemei
- Harmadlagos művek és víztározók kialakítása és fenntartása
- Víztaérekos öntözésfejlesztés és korszerűsítés
- Talajvédő gazdálkodáshoz szükséges gépbeszerzés
- Szervestrágyaszóró gépbeszerzés
- Precíziós növényvédőszer és műtrágya kijuttatás technológiájának bevezetése

Horizontális támogatás: AKIS beavatkozások és a KAP Hálózat

• Tájékoztatási szolgáltatás • Tanácsadási szolgáltatás • Képzések és bemutató üzemi programok • Innováció (EIP)
• Innovációt és digitalizációt támogató egység • Környezet- és klímavédelmi célkitűzéseket támogató egység

3. Klimavédelem: szénmegkötés, ÜHG és ammónia-emissziócsökkentés

1. szint: Támogatható terület fogalmának bővítése (AÖT)

- Időszakosan belvízzel borított területekkel, vizes élőhelyekkel történő bővítés

2. szint: Kötelező környezeti alapfeltételek (kondicionalitás)

- Állandó gyepek védelme
- Vizes élőhelyek és lápok megőrzése
- Tarlóégetés tilalma
- Minimális talajborítás
- Natura 2000 JFGK

3. szint: Önkéntes agro-ökológiai alapprogram (AÖP, eco-scheme)

- Téli talajtakarás
- Talajkondicionálók, mikrobiológiai készítmények alkalmazása
- Forgatás nélküli talajművelés
- Ültetvény talajtakarás, sorközgyepezítés
- Állandó gyepek gazdaság szintű megőrzése

4. szint: Önkéntes emeltszintű agro-ökológiai átállást segítő beavatkozások

- AKG gyepek tematikus előíráscsoportok
- AKG nádas tematikus előíráscsoport
- Földhasználat váltással telepített gyepek fenntartása
- Földhasználat váltással létrehozott új vizes élőhely fenntartása
- Natura 2000 kompenzációs kifizetés gyepterületeken
- Nem termelő beruházások: - gyeptelepítés, - ültetvény sorközgyepezítése, - vizes élőhelyek kialakítása

5. szint: Egyéb fenntarthatóságot szolgáló beavatkozások

- Erdőtelepítés
- Állattartótelep felújítása a takarmányozás, a trágyakezelés, trágyatárolás, szellőzőrendszer és megújuló energetikai rendszer fejlesztésével
- Szerves-trágyaszóró és hígtrágya kijuttató gépek (csoroszhány, csőfüggyönyös, injektoros)
- Talajvédő gazdálkodáshoz szükséges gépbeszerzés
- Precíziós tápanyagkijuttatás technológia bevezetése

Horizontális támogatás: AKIS beavatkozások és a KAP Hálózat

• Tájékoztatási szolgáltatás • Tanácsadási szolgáltatás • Képzések és bemutató üzemi programok • Innováció (EIP)
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• Környezet- és klímavédelmi célkitűzéseket támogató egység

4. Biodiverzitás- és tájvédelem

1. szint: Támogatható terület fogalmának bővítése (AÖT)

- Védett táji elemek
- Időszakosan belvízzel borított területek, vizes élőhelyek
- Mezővédő erdősávok
- Gyepes vízvédelmi sávok
- Fűves, cserjés sávok

2. szint: Kötelező környezeti alapfeltételek (kondicionalitás)

- Állandó gyepek védelme
- Vizes élőhelyek és lápok védelme
- Natura 2000 területek védelme
- Nem termelő elemek fenntartása
- Fészkelési időszakra vonatkozó korlátozások
- Natura 2000 érzékeny gyepek feltérési tilalma

3. szint: Önkéntes agro-ökológiai alapprogram (eco-scheme)

- állandó gyepek gazdaság szintű megőrzése
- ültetvény talajtakarás, sorközgyepezítés
- emelt szintű nem termelő elem arány
- táblaméret maximalizálása
- méhekre veszélyes növényvédőszer korlátozása
- ökológiai növényvédelemben engedélyezett ágensek használata

4. szint: Önkéntes emeltszintű agro-ökológiai átállást segítő beavatkozások

- AKG MTÉT, nádas tematikus előíráscsoport
- Ökológiai gazdálkodás
- Natura 2000 kompenzációs kifizetés
- Biodiverzitás védelmi tartós zöldugor fenntartása
- Gyeptelepítés fenntartása és degradált gyepek helyreállítása
- Földhasználat váltással létrehozott mezővédő fásítá, fás legelők, vizes élőhelyek fenntartása
- Natura 2000 kompenzációs kifizetés
- Nem termelő beruházások: - Biodiverzitás védelmi tartós zöldugor kialakítása, - Fűves cserjésávok kialakítása, - Gyeptelepítés, - Mezővédő erdősáv kialakítása, - Fás legelő kialakítása, - Vizes élőhelyek Gyepes vízvédelmi sávok kialakítása

5. szint: Egyéb fenntarthatóságot szolgáló beavatkozások

- Állati in-situ, ex-situ és in-vitro génmegőrzés
- Növényi ex-situ és in-situ génmegőrzés
- Erdészeti génmegőrzés

Horizontális támogatás: AKIS beavatkozások és a KAP Hálózat

• Tájékoztatási szolgáltatás • Tanácsadási szolgáltatás • Képzések és bemutató üzemi programok • Innováció (EIP)
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3.1.3 Explanation on how to achieve the greater overall contribution set out in Article 105

1. CAP Strategic Plan Presentation of Increasing Environmental Ambition

One of the most prominent objectives of the Common Agricultural Policy (CAP) 2023-2027 is to promote environmental protection and climate action in agriculture and forestry and to contribute to the achievement of the European Union's environmental and climate objectives.

Overall, through the interventions of the green architecture of the Hungarian CAP Strategic Plan, it contributes more to the achievement of the specific objectives set out in points (d), (e) and (f) of Article 6(1) compared to the 2014-2022 period. For the specific objectives, the following quantified increase can be identified in the related interventions.

For reasons of clarity and to avoid unnecessary duplication, the interventions and programme elements that are relevant for all three environmental specific objectives (SOs) are first presented. Later, those that can be assigned more decisively to one SO or to another SO.

Findings for each of the three specific environmental objectives on the level of environmental ambition of each measure

Extension of the definition of eligible areas

Areas eligible for support under Article 4(4)(b)(i) and (ii) of the SPR Regulation are also areas which normally do not meet the definition of agricultural area and are accounted for as landscape features and non-productive elements under GAEC 8 and AÖP. These are areas that are currently either excluded at the time of inspection or are not already covered by the definition of eligible area, but are highly valuable from an environmental and climate policy perspective (e.g. protective forest strips, ecological buffer strips, tree and bush groups, submerged field margins, uncultivated field margins, uncultivated coastal strips of watercourses, intermittent inland areas, stormy areas, wetlands, saline areas). With this new high level of ambition, our aim is to increase the eligible area by around **100 thousand hectares compared to the areas currently eligible, ensuring** that our producers are not encouraged by the basic area-based income support (BISS) to reduce or at least not increase the size of these valuable areas. The increase does not result in a substantial decrease in the level of the BISS support and therefore does not jeopardise its income stabilisation objective.

Confirm Conditionality Specifications

The system of standards for conditioning, including the Good Environmental and Agricultural Conditions (GAEC), is extended to include the conditions for the payment for agricultural practices beneficial for the climate and the environment ('greening') in force in 2015-2022, such as the preservation of permanent grassland and the maintenance of ecological focus areas. **The inclusion of these standards as a basic condition for direct and certain rural development area payments in itself ensures a higher contribution compared to the expectations of the previous period.** In addition, the GAEC specifications are currently set out in 50/2008. We will continue to implement and confirm the requirements set out in the Decree of the Minister for Agriculture and Rural Development as follows:

1. The protection of wetlands and bogs is a new element, but due to the specificities of the Member States and the preparation of the necessary implementation tasks, the introduction of this standard will only be possible as of 2025. (GAEC 2)
2. In buffer strips along watercourses, the application of fertilisers and manure will be regulated uniformly, maintaining stricter requirements for organic fertilisers and prohibiting the use of pesticides with a width of at least 5 m (GAEC 4)
3. In the context of erosion control, in areas with a slope of more than 12 %, the scope of the restricted crops covers all grub crops, including the cultivation of maize and sunflower and autumn swede rape with a spacing of more than 24 cm. This means that these species may only be grown on a contour or by means of anti-erosion strips or by direct sowing in areas with a slope of more than 12 %. (GAEC 5)
4. It will be mandatory for all farmers to maintain non-productive areas or landscape features on a certain proportion of their arable land. Greening is increased to 7 % compared to the 5 % EDF area, including nitrogen-fixing and secondary crops, of which at least 3 % must be non-productive. (GAEC 8)

Under the **Basic Income Support for Sustainability (DP01_E01_BISS_16)**, the planned target area **per year is 5.000 ha -EUR 789700000 per year**. The approved SAPS area for 2020 was 4 942 768 ha.

DP17_G01_ECOS_16 Agro-ecological programme

The optional provisions of the newly developed measure contribute to the achievement of all three environmental objectives (e.g. increasing carbon sequestration by maintaining permanent grasslands at farm level, reducing ammonia emissions, soil protection standards, biodiversity protection by requiring maintenance rates for the increased non-productive element, etc.).

Given that the measure had no direct history in the 2014-2022 period, its introduction clearly contributes to an increase in the level of ambition. The target output of **the measure is 2.500.000 ha** of agricultural area, the total indicative financial allocation per year is **EUR 202.125,000/year**.

RD19_G01_AEC_70 – Agri-environmental management payments (AKG)

The continuation of the **AEM** measure and ensuring the continuity of support is a priority given that AKG support is a form of farming with high environmental added value, contributing to environmental and climate spending in a significant amount of areas and with significant resources.

With an increased unit cost in 2021, with a commitment period of 3 years, new AKG and ÖKO calls under the rules of the VP, starting in 2022, will be followed by another AKG/ÖKO call under the rules of the Strategic Plan as of 2025. Thus, in 2022, payments are still made under Article 28 (Agri-environment-climate) and Article 29 (Organic farming) of Regulation (EU) No 1305/2013, while from 2023 onwards, we will close it to Article 70 of the CAP Strategic Plan Regulation (Environmental, climate and other management commitments). The launch of the new AKG 2025 will be an opportunity to develop sets of standards that better respond to emerging needs and address emerging problems more effectively.

The annual output target of the intervention in the CAP Strategic Plan **shall be 961 324 ha of agricultural land**.

In the 2014-2022 Rural Development Programme, an average of **697 thousand hectares of agricultural land** was supported per year, whereas the CAP Strategic Plan calculates an annual subsidy of **961 thousand ha** of agricultural land, an **increase of approximately 38 %**.

RD20_G02_ORT_70 – Support for organic farming

The continuation of the **ÖKO** action and ensuring the continuity of support is a priority given that ÖKO grants are types of farming with high environmental added value, which contribute to environmental and climate spending in a significant amount of areas and with significant resources.

With an increased unit cost in 2021, with a commitment period of 3 years, new AKG and ÖKO calls under the rules of the VP, starting in 2022, will be followed by another AKG/ÖKO call under the rules of the Strategic Plan as of 2025. Thus, in 2022, payments are still made under Article 28 (Agri-environment-climate) and Article 29 (Organic farming) of Regulation (EU) No 1305/2013, while from 2023 onwards, we will close it to Article 70 of the CAP Strategic Plan Regulation (Environmental, climate and other management commitments).

The annual output target of the intervention **shall be 279 415 ha of agricultural land**.

In the 2014-2022 Rural Development Programme, an average of **178 thousand ha** of agricultural land was supported per year, whereas the CAP Strategic Plan calculates an annual subsidy of almost **280 thousand ha** of agricultural land, an **increase of approximately 56 %**.

RD21_G04_LCI_73 – Agro-ecological non-productive investments and

RD22_G05_LCP_70 – Payment encouraging agro-ecological land-use change

Non-productive investments for agro-ecological purposes aim to support investments that help mitigate and adapt to adverse climate change caused by agriculture, protect not only biodiversity but also soil, water and air, and preserve and restore landscape features and diversify habitats. The effectiveness of habitats, landscape or conservation features created by agro-ecological NPIs and the willingness of farmers to do so is increased by the fact that the resulting habitats, landscape or conservation features do not lose their eligibility for support and thus remain eligible for BISS support. Furthermore, under Article 70, we intend to establish a **multi-annual maintenance** support for individual non-productive investments, independent from the agri-environmental management programme (AKG).

While a total of 348 projects were supported under the **non-productive investments for habitat development and water protection announced under the RDP**, the target for the intervention for agro-ecological NPIs (RD21_G04_LCI_73) is **1420 projects with a total allocation of EUR 19.910.350**. In addition, under the unprecedented **agro-ecological land-use change payment** (RD22_G05_LCP_70), we intend to support land-use change at a total of 9.500 ha with a **total allocation of EUR 28.829.000**.

RD38_F05_AFI_73 – Support for investments in afforestation and woodland and

RD39_F06_AFM_70 – Care and income replacement support for investments in afforestation

The afforestation ambition will not be higher in nominal terms, in terms of area coverage, than in the previous period – 5 000 ha per year – as the negative effects of climate change also mean that areas suitable for afforestation in the long term are also declining and heavily transforming. As such, a forced quantitative increase is not justified, but it is important to maintain afforestation ambitions and thus ensure a sustained increase in forest areas. However, quality ambitions are clearly increasing. Support for afforestation already introduced in 2019 an amendment to specifically encourage the planting of rare blends. This also resulted in a significant increase in the installation unit cost, so the increased amount of aid was already reflected in the applications submitted from 2021. As the ex-post incentive element of the aid is popular, we plan to continue to do so so that the promotion of the planting of forests of equal but higher biodiversity value will be achieved at a higher level of expenditure. In order to attract land users to change the use of land through highly costly and long-return afforestation, nursing work will also be supported until it is completed, and agricultural income foregone will also be compensated under the afforestation investment and income replacement measure.

For the Rural Development Programme afforestation aid measure (8.1.1), 4.304 aid applications were received by 2022, of which 4.213 aid applications for traditional afforestation and 99 aid applications for plantations for industrial purposes. During the implementation of the measure, more than **43.000 ha** have already received aid applications for afforestation. A **significant part of the implementation of these afforestations will be carried over to the CAP Strategic Plan period**, with a total of 40 000 hectares of new forest land expected to be completed by 2024.

In addition, the new CAP ST start-up action target of **20.000 ha** over the entire CAP ST timeframe, the total indicative financial allocation is **EUR 63.350.137**, including the maintenance premium, which will support the **maintenance of 45.000 ha** of newly planted forests at the end of the CAP ST period with a total financial envelope of **EUR 155.200.000**.

RD41_F08_INN_73 – Investments for environmental sustainability in forestry (non-profit)

The objective of investment to improve the climate resistance and environmental value of forests is to compensate for the spread of growing and increasingly extreme abiotic environmental damage conditions and events (such as forest and vegetation fires, frost damage and storm damage caused by water scarcity and drought) and new biotic pathogens and pests, both by potentially preventing damage to forest potential and restoring them in a more resilient manner. In addition, the long-term quality renewal, restructuring and reconditioning of forests with climate-resistant material are also a priority. Forest restructuring can improve the age structure, mix and biodiversity of forest stocks, thus improving the resilience and environmental value of forest ecosystems. The measure was designed by merging and

complementing the VP measures 8.3.1, 8.4.1 and 8.5.1 of the Rural Development Programme 2014-2022. In the next period, we plan to place a strong emphasis on this group of interventions, regardless of the form of ownership, which will have a funding framework that will be more than double that used under the RDP. In addition to restructuring as defined in the legislation, the scope of interventions will be broadened by encouraging ‘improved renovation’, which, in addition to increasing blending, will also encourage the shortening of protracted reforestation times.

Under measures 8.3.1, 8.4.1 and 8.5.1 of the Rural Development Programme, 1906 projects were supported as previous interventions.

The measure has a target output of **2000 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 4.778.588**.

Objective-specific findings on the level of environmental ambition of each measure

—SO4 Contribution to climate change mitigation and adaptation and the promotion of sustainable energy, including by reducing greenhouse gas emissions and enhancing carbon sequestration

RD01c_E01_FRM_73 – Support for green investments in agricultural holdings and RD04b_E03_FOF_73 – Support for green investments linked to the enhancement of agricultural products

One of the aims of the interventions is to increase the self-sufficiency of agricultural and food processing plants and to reduce energy dependency by supporting the reduction of carbon emissions and energy use on farms by improving energy efficiency and supporting renewable energy sources, including biomass-based energy sources. The intervention also encourages the implementation of projects following a circular biomass economy model based on the non-food use of in-situ biomass resources and the use of by-products generated (e.g.: soil improvement, fibre extraction, biorefining, substitution of fossil feedstocks). The aim is to exploit geothermal thermal energy potential, based on the country’s geological conditions, to which the intervention contributes by supporting farm development, for example in the context of greenhouse heating. The intervention covers the reduction of energy use in agricultural and food processing plants in order to reduce the environmental impact of the sector: it improves the energy efficiency of livestock farms and horticultural plants, mainly through renovations and renovations in buildings energy, engineering and energy supply.

Measure *RD01c_E01_FRM_73* has an output target of **4180 operations** over the entire CAP ST timeframe, a total indicative financial allocation of **EUR 26.744.186**. Measure *RD04b_E03_FOF_73* has a target output of **334 operations** over the entire CAP ST timeframe and a total indicative financial allocation of **EUR 13.380.057**.

In the period 2014-2022, an average of **701 projects** per year were supported under focus area 5B of the Rural Development Programme aimed at increasing the efficiency of energy use by agriculture and the food processing industry. CAP ST, on the other hand, calculates an annual average of approximately **903 projects** in the two relevant interventions, an **increase of 28.7 %**. A dedicated green investment measure under the Rural Development Programme was not available.

RD01d_E01_FRM_73 – Farm development to reduce ammonia emissions

Under Directive 2016/2284 of the European Parliament and of the Council (‘NEC Directive’), Hungary is to reduce ammonia (NH₃) emissions by 32 % by 2030 compared to 2005 levels. Around 92 % of domestic NH₃ emissions come from agriculture. Against this background, aid granted under the intervention can achieve environmental objectives that reduce ammonia and GHG emissions, improve air quality and improve pressures on surface and subsurface water. The intervention’s output target for the entire CAP ST timeframe is **154 operations** and the total indicative financial allocation is **EUR 8.139.535**. In comparison to the previous period, the intervention is a fundamental novelty aimed at reducing ammonia emissions in Hungary, and the design of the intervention allowing a dedicated resource also reflects the higher

level of ambition.

RD27_G10_GPX_70 – Ex situ conservation of plant genetic resources and micro-organisms and RD28_G11_GPI_70 – In situ conservation of plant genetic resources

The annual output target for interventions **shall be 94131 lots for ex situ gene conservation, 150 varieties for in situ gene conservation and 30 260 ha.** Interventions are aimed at the conservation of genetic resources in agriculture and aim to support the conservation of agricultural plant species and micro-organisms of high genetic value and often threatened with extinction/genetic erosion, which can serve as a basis for the breeding of varieties with sufficient tolerance to adapt to the effects of climate change. An increase is also expected for the claims for items already supported under the Rural Development Programme, and Hungary plans to make significant changes from the Strategic Plan period onwards in order to increase the level of environmental ambition, as the intervention “RD28_G11_GPI_70 – Conservation in situ of plant genetic resources” will be introduced as a **new element**.

In the period 2014-2022, support for plant gene conservation was implemented with an average of EUR 2832876 per year in the Rural Development Programme, whereas under the CAP Strategic Plan, the Member State plans to support the promotion of plant gene conservation of EUR 5479452 per year.

RD37_F04_FRC_77 – Co-operative support for forest fire prevention and risk reduction

As a new measure, we intend to support voluntary partnerships between forest managers and specialised public bodies for the development and implementation of modern, sustainable, multi-farmer planning and implementation of forest fire prevention and mitigation, with a role to play in forest water supply.

The measure has an output target of **10 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 7.290.698**.

The imposition of the measure, given its lack of history in the period 2014-20022, will in itself contribute to an increase in the level of ambition.

— SO5 Support sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

RD01c_E01_FRM_73 – Support for green investments in agricultural holdings and RD04b_E03_FOF_73 – Support for green investments linked to the enhancement of agricultural products

One of the aims of the interventions is to increase the self-sufficiency of agricultural and food processing plants and to reduce energy dependency by supporting the reduction of carbon emissions and energy use on farms by improving energy efficiency and supporting renewable energy sources, including biomass-based energy sources. The intervention also encourages the implementation of projects following a circular biomass economy model based on the non-food use of in-situ biomass resources and the use of by-products generated (e.g.: soil improvement, fibre extraction, biorefining, substitution of fossil feedstocks). The aim is to exploit geothermal thermal energy potential, based on the country's geological conditions, to which the intervention contributes by supporting farm development, for example in the context of greenhouse heating. The intervention covers the reduction of energy use in agricultural and food processing plants in order to reduce the environmental impact of the sector: it improves the energy efficiency of livestock farms and horticultural plants, mainly through renovations and renovations in buildings energy, engineering and energy supply.

Measure *RD01c_E01_FRM_73* has an output target of **4180 operations** over the entire CAP ST timeframe, at a total indicative financial allocation of **EUR 26.744.186**. Measure *RD04b_E03_FOF_73* has a target output of **334 operations** over the entire CAP ST timeframe and at a total indicative financial allocation of **EUR 13.380.057**.

In the period 2014-2022, an average of **701 projects** per year were supported under focus area 5B of the Rural Development Programme aimed at increasing the efficiency of energy use by agriculture and the food processing industry. CAP ST, on the other hand, calculates an annual average of approximately **903 projects** in the two relevant interventions, an **increase of 28.7 %**.

RD01d_E01_FRM_73 – Farm development to reduce ammonia emissions

The intervention's output target for the entire CAP ST timeframe is **154 operations** and the total indicative financial allocation is **EUR 8.139.535**. In comparison to the previous period, the intervention is a fundamental novelty aimed at reducing ammonia emissions in Hungary, **and the design of the intervention allowing a dedicated resource also reflects the higher level of ambition**. Under Directive 2016/2284 of the European Parliament and of the Council ('NEC Directive'), Hungary is to reduce ammonia (NH₃) emissions by 32 % by 2030 compared to 2005 levels. Around 92 % of domestic NH₃ emissions come from agriculture. Against this background, aid granted under the intervention can achieve environmental objectives that reduce ammonia and GHG emissions, improve air quality and improve pressures on surface and subsurface water.

— SO6 Contribution to halting and reversing biodiversity loss, enhancing ecosystem services and preserving habitats and landscapes

RD24_G07_GAX_70 – Ex situ conservation of animal genetic resources

RD25_G08_GAI_70 – Conservation in situ of animal genetic resources

RD26_G09_GAV_70 – In vitro conservation of animal genetic resources

RD27_G10_GPX_70 – Ex situ conservation of plant genetic resources and micro-organisms

RD28_G11_GPI_70 – In situ conservation of plant genetic resources

Interventions are aimed at the conservation of genetic resources in agriculture and aim to support the conservation of agricultural plant species and micro-organisms of high genetic value and often threatened with extinction/genetic erosion, which can serve as a basis for the breeding of varieties with sufficient tolerance to adapt to the effects of climate change. An increase is also expected for the claims for items already supported under the Rural Development Programme, and Hungary has planned significant changes in order to increase the level of environmental ambition:

- In the case of the conservation of animal genetic resources, with regard to ex situ, in situ and in vitro conservation, the previously supported varieties **will be extended** to include black mangalica, akhal cows, Carpathian ribbons, Hungarian cold-blooded horses and Hungarian giant rabbits, and in the case of in vitro gene conservation, embryonic cells and sexual organ tissues will also be eligible as new elements.
- In the case of plant genetic conservation, the intervention "RD28_G11_GPI_70 – Conservation of plant genetic resources in situ" will be introduced as a **new element** from the Strategic Plan period.

Annual output target for interventions

4000 LU for the ex situ conservation of animal genetic resources,

31573 LU for the in situ conservation of animal genetic resources,

13000 samples for the in vitro conservation of animal genetic resources,

94131 lots in the case of ex situ gene conservation of plant genetic resources and micro-organisms,

—aid for plant genetic resources **in situ gene conservation 150 varieties and 30 260 ha.**

In the period 2014-2022, support for plant gene conservation was implemented with an average of EUR 2832876 per year in the Rural Development Programme, whereas under the CAP Strategic Plan, the

Member State plans an average of EUR 5479452 per year to support the promotion of plant gene conservation. Support for the conservation of animal genetic resources was implemented in the Rural Development Programme with an average of EUR 13751902 per year, whereas during the CAP Strategic Plan, the Member State plans an average of EUR 24657533 per year to support the conservation of animal genetic resources. It is also important to note that, in the case of genetic conservation, a lengthy technical consultation has led to the development of the range of varieties to be supported (e.g. the inclusion of Hungarian giant rabbits and varieties under reconstruction in the aid scheme), and in line with the needs of the sector, we expect not only a quantitative but also a qualitative increase from the period of the Strategic Plan.

RD33_G16_ANB_70 – Animal welfare aid in the apiculture sector: the annual output target of the intervention is **to support 98630 LU**. The aim of the intervention is to improve animal welfare conditions and prevent animal health problems by applying a higher standard than mandatory standards. Hungary has introduced significant changes to improve animal welfare conditions already from the transition period, in order to increase the level of environmental ambition. The animal welfare aid for the apiculture sector was introduced by Hungary for the first time in 2022, and the intervention in the CAP Strategic Plan can be considered as an increase in basic ambition compared to the previous period.

RD35_F02_FEC_70 Forest-environment multiannual commitments (ECV)

The EJU measure contributes to improving the natural status of existing forests through forest-environmental commitments going beyond the obligations set out by the forest authority in the forest plan (continuous restructuring or improved renovation, reduction of intensively transmitted alien wood and shrub species, reconversion of cleansing, manual maintenance of forest stands, and the management of nature-friendly materials).

The output target of the measure shall be 50.000 ha in the first planned year (2025), **80.000 ha** per year in subsequent years, the total indicative financial allocation per year for the first year (2025) shall be EUR 6082317/year, for the following years EUR 9.940.000/year and EUR 45.643,800 for the **whole** period.

The current earmarking of forest-environment multiannual commitments under the Rural Development Programme amounts to almost EUR 41 million for the entire programme period and the current EAFRD Regulation excluded public forest managers from receiving support. This will lead to higher ambitions in both quantity and quality in the next period. State-owned forests, such as forest holdings, national parks, water bodies, are also eligible. A number of new sub-measures, such as continuous restructuring or improved renovation to improve the environmental value of renewable forests, as well as small-scale (modular) ecosystem services, will be included to increase the level of quality ambition, with pledging options that allow farmers of non-natural forest stands to make a realistic environmental commitment. In relation to sub-measure 15.1 of the Rural Development Programme, the target area covered by Forest Environmental Contracts was 8.082 ha and 1.430 aid applications were received under the sub-measure 8.302 forest sections.

RD36_F03_GEN_70 – Forest genetic multiannual commitments

Climate change projections show that, from a forest management perspective, the speed of displacement of climate zones exceeds the natural adaptability of forest stands. The key issue for the long-term sustainability of forests is therefore, in the first place, the provision of material that is resilient to or adapted to the effects of climate change, while preserving the necessary genetic diversity. This is only possible if both in-situ and ex-situ gene conservation and development tools are exploited and developed. During in situ conservation, the stock of genes to be conserved is maintained by natural methods in its original environment or in a similar site or habitat, so that the processes affecting and shaping the gene set can continue to take place without hindrance. Where the conditions for **in situ** conservation are not met, the genotypes to be preserved shall be placed **in ex situ** collections. The subsequent utilisation of

conservation genetic material may result in synthetic populations of the specimens thus archived. They can henceforth serve as a source of propagating material for forestry interventions for climate protection and nature conservation purposes.

During the 2014-2022 period of the Rural Development Programme, a total of 89 aid applications were received under the *conservation of Forest Genetic Resources (VP4-15.2.1.1-16)* and the *Development of Forest Genetic Resources (VP4-15.2.1.2-17)* measures.

The output target of the measure planned under the CAP Strategic Plan is **to support 2.000 hectares of forest land involved in forest gene conservation with a total financial allocation of EUR 6.000.000**. In addition, ex situ gene conservation.

RD23_G06_NAG_72 – Natura 2000 compensatory payments for agricultural areas

The compensatory aid for **Natura 2000 grasslands** is a support scheme that already covers its third cycle, the maintenance of which is of utmost importance. Given the finite coverage of Natura 2000 grasslands and the order of magnitude of the areas receiving compensatory aid in recent years, no substantial increase in the level of ambition of the intervention is expected. The Rural Development Programme's target for 2014-2020 was 241.790 ha, compared to which the CAP ST is **planned to support 287,000 ha with a financial allocation of EUR 33.005.000 per year**. In addition, the subsidy amount has been increased.

If the legal obligations underlying the compensation payments under Article 72 of the STR Regulation are also introduced for other Natura 2000 agricultural areas, in particular arable land, the intervention could be supplemented by an amendment to the CAP Strategic Plan by compensating these areas, which could further increase the contribution of this intervention to environmental objectives. The same is true of any compensation payments related to the WFD and the National River Basin Management Plan.

In the case of **Natura 2000 arable land**, we consider the necessary government decree regulation to be realistic in the second half of 2024. Thus, as of 2025, the compensation payment under Article 72 will also apply to Natura 2000 arable land.

RD34_F01_NAF_72 – Natura 2000 compensation payments for forest areas

In the case of support for Natura 2000 forest areas, the eligible areas will be extended up to 5 % of Natura 2000 designated areas with areas not designated but protected or specially protected on the basis of national legislation and classified as natural forests, nature forests, derived forests and transitional forests in accordance with Act XXXVII of 2009 on forests, forest protection and forest management (the Forest Act). In addition, the payment entitlement will be extended to non-private forests. Accordingly, **instead of the aid currently used for around 110.000 hectares, we calculate 230.000 hectares of aid with a total financial allocation of EUR 27.490.427 per year**.

2. Detailed description of the green superstructure of the CAP Strategic Plan

The Hungarian CAP Strategic Plan's environmental and climate plan for agriculture and forestry ('green superstructure'), compiled from Pillar I and Pillar II interventions of the Hungarian CAP, can be summarised as follows:

Level 1: Detailed description of the definition of eligible area (APE)

The achievement of the environmental objectives of the Common Agricultural Policy starts with the designation of **eligible areas**, as area payments have a significant impact on the state of the ecosystems linked to farming. At present, area aid is only available on agriculturally cultivated areas, where minimum standards are to be met. These standards help to maintain farmland in the state of cultivation and avoid excessive weeding, but they are not always beneficial from an ecological point of view. Unfortunately, recent decades have shown that in order to comply with the eligibility criteria, i.e. the above minimum

requirements, and the existence of the largest eligible area, the species-rich field margins, bars, watersheds and inland water spots disappear. This is worrying not only for nature conservation reasons, but also poses serious economic risks due to changes in the soil condition, microclimate and water balance in the area, with the deterioration of the soil status and the increase in the drought situation.

On the basis of Article 4(4)(b)(i) and (ii) of the EU CAP Strategic Plan Regulation, it has been made possible to include in the concept of 'eligible hectare' the uncultivated areas or landscape features to be maintained under the Good Agricultural and Environmental Conditions (GAEC) or the eco-scheme (AEB) framework, which will be presented at a later stage, as well as areas on farms which do not comply with the basic definition of eligible hectare due to other obligations (e.g. Natura 2000 standards, afforestation, etc.).

By extending the definition of eligible area, it is therefore possible to become eligible areas for so-called agro-ecological areas (AEBs) which are important for climate and environmental reasons and which are closely linked to agricultural areas, such as forest strips, ecological buffer strips, uncultivated coastal strips of watercourses, marshland, silky, occasionally covered in inland water, saline areas which are currently excluded either at the time of control or do not fall under the definition of eligible area. At the same time, agricultural areas where this type of habitat or agro-ecological area is newly created will not lose their payment entitlements. As these units, ACS, are not agricultural land, they are not subject to the cultivation obligation.

This approach will help to achieve the objectives set out in the New Green Deal Strategies from Place to Fork and Biological Diversity; in particular, those aimed at using 10 % of agricultural land without production. If non-productive areas that are useful in many respects become eligible, farmers will not have an interest in making them ploughed or new areas may develop landscape and non-productive features. Agro-ecological areas that help achieve soil protection and erosion objectives also contribute to our EU obligations to protect waters against nitrate and phosphate pollution, to protect soils and, not least, to protect pollinators. Such an extension of the eligible area can also significantly improve the effectiveness of higher levels of rural development measures (e.g. AKG) to protect these areas.

On the basis of land cover databases, taking into account the heterogeneity of ownership and land use rights, the expected area increase is likely to be around 100.000 ha. However, in addition to the obvious environmental-ecological advantage, the question arises, in particular by producers who do not have this type of area, as to how much territorial expansion reduces the specific amount of the basic payment at national level. As the current eligible area of 5 million hectares would be increased by only 2 % according to our calculations, the specific BISS support could be reduced by two to three euros.

Level 2: Detailed description of mandatory baseline environmental conditions (conditionality)

The **system** of standards for conditioning, including the Good Environmental and Agricultural Conditions (GAEC), is extended to include the conditions for the payment for agricultural practices beneficial for the climate and the environment ('greening') in force in 2015-2022, such as the preservation of permanent grassland and the maintenance of ecological focus. The inclusion of these standards as a basic condition for direct and certain rural development area payments in itself ensures a higher contribution compared to the expectations of the previous period. In addition, the GAEC specifications are currently set out in 50/2008. We will continue to implement and confirm the requirements set out in the Decree of the Minister for Agriculture and Rural Development as follows:

1. The protection of wetlands and bogs is a new element, but due to the specificities of the Member States and the preparation of the necessary implementation tasks, the introduction of this standard will only be possible as of 2025. (GAEC 2)
2. In buffer strips along watercourses, the application of fertilisers and manure will be regulated uniformly, maintaining stricter requirements for organic fertilisers and prohibiting the use of pesticides with a width of at least 5 m (GAEC 4)
3. In the context of erosion control, in areas with a slope of more than 12 %, the scope of the restricted crops covers all grub crops, including the cultivation of maize and sunflower and autumn swede rape with

a spacing of more than 24 cm. This means that these species may only be grown on a contour or by means of anti-erosion strips or by direct sowing in areas with a slope of more than 12 %. (GAEC 5)

4. It will be mandatory for all farmers to maintain non-productive areas or landscape features on a certain proportion of their arable land. Greening is increased to 7 % compared to the 5 % EDF area, including nitrogen-fixing and secondary crops, of which at least 3 % must be non-productive. (GAEC 8)

Level 3: Detailed description of the voluntary agro-ecological programme (AÖP, eco-scheme)

Among the direct aids, the **agro-ecological programme measure** (eco-scheme) (DP17_G01_ECOS_16) is introduced, with a much higher level of ambition in terms of quality standards than the greening payment in force in 2015-2022. Based on the positive experience of the greening payment and the rural development programme's agri-environmental management payment, we have defined optional standards that are already somewhat known, understandable and environmentally useful for farmers. A well-targeted intervention aims to achieve an environmentally effective support programme in a relatively large part of agricultural land, involving many farmers. In order to ensure that the majority of farmers find the best standard for them, optional standards have been formulated per utilisation method. These standard agricultural practices focus on soil and water protection, biodiversity protection and climate change mitigation.

Level 4: Detailed description of EAFRD interventions to support voluntary advanced agro-ecological transition or nature-friendly forestry

The voluntary advanced agro-ecological transition interventions (Natura 2000 grassland and forest land compensation, AKG and ÖKO, sectoral support and forest EJU interventions) are intended to ensure that our farmers and foresters meet higher environmental and climate standards than mandatory and voluntary basic conditions (levels 2 and 3). These are interventions and standards that are known and are still being used in large numbers, so we plan to fine-tune them in line with new EU requirements. In forest management, voluntary commitments can take the form of investments (RD 41) and multi-annual commitments (RD 35 and DR 36). In order to involve the widest possible range of farmers, both the supply and the funding framework will be significantly expanded. The non-productive investments needed for the agro-ecological transition, as well as the support for maintaining these investments, are new or redesigned interventions, with a significant increase in ambition. By re-designing the interventions and significantly increasing their resources, we want to change the low interest of producers in the current period and thus help as many farmers as possible to meet the requirements of Levels 2 to 4.

The continuation of the **AKG** (RD19_G01_AEC_70) and **ÖKO** (RD20_G02_ORT_70) actions and ensuring continuity of support is a priority, given that AKG and ÖKO support are high environmental added-value farming, which contribute to environmental and climate spending in a significant amount of land and resources.

The aim of the measures is to support agricultural practices, going beyond mandatory standards, aimed at preserving and improving the environment (soil and water), preventing environmental pressures from agriculture, preserving biodiversity, strengthening agricultural practices based on the sustainable use of natural resources, which contributes to combating adverse climate change through a change in production patterns and land use, and to encourage the conversion of conventional land into organic farming and to maintain farming practices in organic areas. These measures will strengthen natural self-regulation processes, improve soil biological status, reduce negative environmental impacts from inappropriate use of plant protection products and poor nutrient management, and enhance food safety.

With an increased unit cost in 2021, with a commitment period of 3 years, new AKG and ÖKO calls under the rules of the VP, starting in 2022, will be followed by another AKG/ÖKO call under the rules of the Strategic Plan as of 2025. Thus, in 2022, payments are still made under Article 28 (Agri-environment-

climate) and Article 29 (Organic farming) of Regulation (EU) No 1305/2013, while from 2023 onwards, we will close it to Article 70 of the CAP Strategic Plan Regulation (Environmental, climate and other management commitments). The launch of the new AKG 2025 will be an opportunity to develop sets of standards that better respond to emerging needs and address emerging problems more effectively.

As in other countries around the world, Hungary has seen a significant increase in the number of organic controlled areas and organic farms in recent years. In 2020, 301.430 hectares of organic farming were controlled in Hungary, of which 193 215.3 ha were already under conversion and 108 215.1 ha were in conversion. **Organic farming** accounted for 6.12 % of domestic agricultural land in 2020, making Hungary the third largest development among Member States (after Croatia and Bulgaria). It should also be highlighted that Hungary is the 10th most dynamic developing country in the world in terms of the expansion of organic farming areas.

The AKG and ÖKO grants also respond to the needs of the Strategic Plan and contribute to the achievement of the objectives of the Green Agreement. Support for organic farming is of particular importance in the light of the objectives of the Biodiversity Strategy and the Farm to Fork Strategy. The coordination of the new calls with the 'Green body' system, which is currently being designed, is an important aspect of its design, so that particular attention should be paid to ensuring that there is no overlap between the AÖP (Agri-ecological Programme) and the AEM/EGO requirements.

The **Natura 2000 grassland** compensation scheme (RD23_G06_NAG_72) is a support scheme that already covers its third cycle, the maintenance of which is of utmost importance. The size of Natura 2000 grasslands is finite, so the size of the areas receiving compensation has not changed in recent years.

If the legal obligations underlying the compensation payments under Article 72 of the STR Regulation are also introduced for other Natura 2000 agricultural areas, in particular arable land, the intervention may be supplemented by an amendment to the CAP Strategic Plan by compensating these areas. The same is true of any compensation payments related to the WFD and the National River Basin Management Plan (OVGT).

In the case of **Natura 2000 forest** areas (RD35_F01_NAF_72), the eligible areas are extended up to 5 % of Natura 2000 designated areas with areas not designated but protected or specially protected under national legislation and classified as natural forests, nature forests, derived forests and transitional forests in accordance with Act XXXVII of 2009 on forests, forest protection and forest management (the Forest Act). In addition, the payment entitlement will be extended to non-private forests.

Under **non-productive investments for agro- ecological purposes** (RD21_G04_LCI_73), we aim to **support investments that help mitigate and adapt to harmful climate change caused by agriculture, protect not only biodiversity but also soil, water and air, and preserve and restore landscape features and diversify habitats.** The effectiveness of habitats, landscape or conservation features created by agro-ecological NPIs and the willingness of farmers to do so is increased by the fact that the resulting habitats, landscape or conservation features do not lose their eligibility for support and thus remain eligible for BISS support. Furthermore, in the framework of Article 70, we intend to establish a **multi-annual maintenance** support for certain non-productive investments (RD22_G05_LCP_70) *independent of the agri-environmental programme (AKG).*

The **forest-environment multiannual commitments measure EV (RD35_F02_FEC_70)** contributes to improving the natural status of existing forests with forest-environmental commitments going beyond the obligations set out by the forest authority in the forest plan (continuous restructuring or improved renovation, reduction of intensively transmitted alien wood and shrub species, reconversion of cleansing, manual maintenance of forest stands, and management of nature-friendly materials).

Support for non-profit investments for the environmental sustainability of forest management (RD41_F08_INN_73) aims to compensate for the spread of growing and increasingly extreme abiotic environmental damage conditions and events (such as forest and vegetation fires, frost damage and storm damage caused by water scarcity and drought) and new biotic pathogens and pests, both by potentially preventing damage to forest potential and restoring them in a more resilient way. In addition, the long-term quality renewal, restructuring and reconditioning of forests with climate-resistant material are also a priority. Forest restructuring can improve the age structure, mix and biodiversity of forest stocks, thus improving the resilience and environmental value of forest ecosystems.

Level 5: Description of other environmental, climate and adaptation interventions

Interventionssupporting gene conservation effectively contribute to the achievement of the green objectives:

1. Aid for ex situ gene conservation RD24_G07_GAX_70: Supports the conservation of males (other than poultry) implementing an approved breeding programme for protected autochthonous, endangered agricultural breeds and agricultural animals undergoing breed reconstruction, in an ex situ environment other than the original rearing conditions.
2. Aid for in situ gene conservation RD25_G08_GAI_70: Supports the maintenance of females or, in the case of poultry, mixed females carrying out an approved breeding programme for protected indigenous, endangered agricultural and breed-restructuring breeds of animals with a low number of animals, under in situ conditions similar to the original rearing and feeding conditions.
3. Support for animal In vitro gene conservation RD26_G09_GAV_70: It shall support the collection, preparation for deep-frozen storage, storage under laboratory conditions of genetic material (semen, embryos or ova) of animals implementing an approved breeding programme for protected autochthonous, endangered agricultural and breed-reconstructed agricultural animals, and genetic testing of protected indigenous, endangered agricultural animals and animals undergoing breed reconstruction.
4. Ex situ conservation of genetic resources of rare and endangered plant varieties and micro-organisms RD27_G10_GPX_70: It supports the protection and maintenance of landscapes, home garden varieties, excluded varieties and ecotypes of other crops, wild and related species and micro-organisms of agricultural and food plant species.
5. Preservation of plant genetic resources in situ RD28_G11_GPI_70: It supports the preservation of the diversity of agricultural and food plant species in use (on-farm), the cultivation of sufficient sizes of landscape varieties, domestic garden varieties and varieties excluded from cultivation, as well as the preservation of crop ecotypes and wild related species in the natural habitat (in situ), and the production and use of propagating material of natural flora.

Under the **multi-annual forest genetic commitments** (RD36_F03_GEN_70), we are using and developing both in-situ and ex-situ gene conservation and development tools. During in situ conservation, the stock of genes to be conserved is maintained by natural methods in its original environment or in a similar site or habitat, so that the processes affecting and shaping the gene set can continue to take place without hindrance. Where the conditions for **in situ** conservation are not met, the genotypes to be preserved shall be placed in **ex situ** collections. The subsequent utilisation of conservation genetic material may result in synthetic populations of the specimens thus archived. They can continue to serve as a source of material for forest interventions for climate protection and nature conservation purposes, ensuring the availability of material that is resilient to or adaptable to the effects of climate change, while preserving the necessary genetic diversity.

A significant extension of animal **welfare measures** aims at the sustainable development of animal husbandry in terms of both animal species and expectations, helping our animal keepers to apply stricter animal welfare, hygiene, husbandry and feeding standards than those required. In doing so, they increasingly meet the increasingly demanding consumer expectations and the objective of the Green Deal to reduce the use of antibiotics, as reflected in the Green Deal Strategy from Place to Fork. In addition to the current dairy cow measure, we introduce this intervention for poultry, small ruminants and bees.

—RD29_G12_AWC_70 – Animal welfare subsidies in the small ruminant sector

—RD30_G13_AWC_70 – Animal welfare premiums in the cattle sector

- RD32_G15_AWC_70 – Animal welfare subsidies in the poultry sector
- RD33_G16_ANB_70 – Animal welfare aid in the apiculture sector

The compensatory payment(RD_33b_G17_AMR_70) in the fight against antimicrobial resistance(RD_33b_G17_AMR_70) takes advantage of international , EU and domestic professional efforts, strategies and recommendations to promote responsible sustainable use of antimicrobials, in particular antibiotics, in domestic animal husbandry, in particular to reduce the use of active substances that are critical for human health. The aid scheme compensates for additional costs in food-producing livestock resulting from commitments to combat antimicrobial resistance that go beyond the requirements established at Union level.

The development of agricultural holdings to reduce ammonia emissions (RD01d_E01_FRM_73) is a fundamental novelty compared to the previous period aimed at reducing ammonia emissions in Hungary. Under Directive 2016/2284 of the European Parliament and of the Council ('NEC Directive'), Hungary is to reduce ammonia (NH3) emissions by 32 % by 2030 compared to 2005 levels. Around 92 % of domestic NH3 emissions come from agriculture. Against this background, aid granted under the intervention can achieve environmental objectives that reduce ammonia and GHG emissions, improve air quality and improve pressures on surface and subsurface water.

Support for green investments on agricultural holdings (RD01c_E01_FRM_73) and support for green investments linked to the enhancement of agricultural products (RD04b_E03_FOF_73) are aimed at increasing the self-sufficiency of agricultural and food processing plants and reducing energy dependency by improving energy efficiency and supporting renewable energy sources, including biomass-based energy sources, to support the reduction of carbon emissions and energy use on farms. The intervention also encourages the implementation of projects following a circular biomass economy model based on the non-food use of in-situ biomass resources and the use of by-products generated (e.g.: soil improvement, fibre extraction, biorefining, substitution of fossil feedstocks). The aim is to exploit geothermal thermal energy potential, based on the country's geological conditions, to which the intervention contributes by supporting farm development, for example in the context of greenhouse heating. The intervention covers the reduction of energy use in agricultural and food processing plants in order to reduce the environmental impact of the sector: it improves the energy efficiency of livestock farms and horticultural plants, mainly through renovations and renovations in buildings energy, engineering and energy supply.

Increasing carbon sequestration is one of the most significant interventions to combat and mitigate climate change. The agricultural economy can also contribute to this goal by, among other things, shifting land use. Woody introductions from the root zone through the ground level serve this purpose with their full tree crown, therefore we support the establishment of additional **afforestation and woodland (RD38_F05_AFI_73 and RD39_F06_AFM_70)** and **the uptake of agroforestry systems specifically designed** to protect the environment and climate (RD21_G04_LCI_73 and RD22_G05_LCP_70).

Presentation of horizontal interventions supporting all levels

In addition to the increase in the level of ambition presented for each AKIS intervention, we consider it more important to plan for organisational development already in 2022 ahead of the start of the new **CAP by setting up the CAP network** and the AKIS coordination unit. In addition to the Rural Development Unit of the current ARDA, the CAP Network plans to create an Innovation (EIP) and Digital Transition and a Green Transition Unit. With this early AKIS organisational development, we aim to develop individual AKIS actors and interventions into an active and strong knowledge-network until the start of the new programme. Our aim is to develop a knowledge-network that can help our producers meet the increasingly fast-changing green and digital expectations with science-based, yet 'close-to-the-ground' practicalities.

As part of the **information service**, the smallest 110 thousand farmers receive on a number of occasions every year personal information on changes to the standards and assistance in drawing up the necessary reports and applying for the support available. We are planning to strengthen this intervention in order to meet growing environmental and climate protection requirements.

The sustainability assessment and compliance advice to be developed as part of the **advisory service** is part of all environmental and climate protection standards, thus directly and indirectly supporting the green transition of our producers. There is also a positive environmental and climate protection impact of advisory interventions in the apiculture and fruit sector, which will also be integrated into the AKIS system in the future. We are planning to significantly increase the resources for all three advisory interventions and thus the number of farmers available. The increase in ambition is the most significant among AKIS interventions.

All environmental and climate protection requirements will be part of the **compulsory consultancy training planned to be supported by training and demonstration operational programmes**. Three handbooks dealing with agricultural climate regulation and practices in the joint care of the Chamber of Agriculture (NAK) and the Ministry of Agriculture (as part of the Climate Action Plan: <https://www.nak.hu/kiadvanyok/kiadvanyok>) was already completed at the beginning of 2021 and was already part of this year's mandatory consultancy training. Furthermore, the requirements are also part of the compulsory training of producers for AKG and organic farming support. Furthermore, training and demonstration programmes for the digital transformation of producers are expected to have an indirect but significant positive impact on the environment and climate protection. There is also a positive environmental and climate protection impact of training interventions in the apiculture and vegetable and fruit sector (DP), which will also be integrated into the AKIS system in the future.

In the **Innovation (EIP-Agri) tenders**, most operational groups continued to deal with soils and the use of smart inputs in the 2014-2020 period, so we plan to keep environmental and climate-related initiatives a priority in the new period. Knowledge in Operational Groups would be turned into thematic analyses, training materials and policy recommendations based on these, with the help of the innovation and green transition units of the CAP Network.

3. CAP Strategic Plan presentation of “ring-fencing” to increase the level of green ambition

As stated in the Chapter 1 strategic declaration, Hungary is committed to contemporary action to ensure a green future. In the Hungarian CAP Strategic Plan, this is reflected in a higher share of green expenditure than in previous periods. The financial overview under chapter 6.1 shows in numerical terms that:

1. For rural development support (EAFRD), more than 74 % of EU funding will be spent on environmental and climate-related interventions. Those expenditures included only all the interventions in levels 1 to 4 of the ‘Green superstructure’, as well as those relating to level 5 which serve only and exclusively such purposes. I.e. interventions under Articles 70, 72 and 73 and 77 were recorded as green spending. The interventions under Articles 73 and 77 relating to other ‘Green superstructure’, but only partly for environmental and climate policy purposes, have not been taken into account.
2. As the EAFRD interventions for environmental and climate policy “Our green superstructure” are so robust, we would like to apply the derogation provided for in Article 97(2) of Regulation (EU) 2021/2115.
3. On the basis of the derogation referred to in the previous point, in the case of direct aids (EAGF), we will dedicate at least 15 % of EAGF resources to the agro-ecological programme (eco-scheme, AÖP) by establishing it for the envelope resulting from the transfer between pillars. Consequently, this amount will also be higher than 15 % of the EAGF allocation to Hungary in Annex V to

Summary:

In addition to the technical aspects, Hungary meets the significantly higher level of green ambition compared to the previous programming period, with the five-tier ‘green superstructure’ developed in the CAP Strategic Plan. On the basis of professional considerations and taking into account the results of a number of dedicated socialisation events, we decided on green superstructure I (EAGF) and II. The green standards for (EAFRD) pillar interventions and the resources allocated to them. Our aim was to set up a rational agro-ecology programme (eco-scheme) for Pillar I (EAGF) that reaches **as many farmers as possible on as many hectares as possible, thus providing strong AKIS support to drive a wide-ranging change in farming’s mindset (‘moving a few forwards’)**. Building on this, we have put more emphasis than ever on Pillar II dedicated agri-environmental and climate interventions that can take into account territorial and challenging differences, thus ensuring much greater targeting and longer engagement (**“go-to-targeted”**).

A description of the interventions and practices to compensate for the potential negative environmental impacts of coupled aid (CIS) would be included here, but will be uploaded in a separate document due to character limitations in the section “Other documents”.

3.1.4 Explanation of how the environmental and climate architecture of the CAP Strategic Plan is meant to contribute to already established long-term national targets set out in or deriving from the legislative instruments referred to in Annex XI

1. Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds; and

2. Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora;

1.1. Related objectives of national environmental and climate plans

V. National Nature Conservation Basic Plan (The 5th National Plan for Nature Conservation) Annex 1 of the National Environment Programme)

1. Improve the status of species in unfavourable conservation status, in particular those listed in the annexes to the Habitats and Birds Directives, and specially protected species.

National Natura 2000 Priorised Action Plan (PAF) for the Multiannual Financial Framework 2021-2027

The PAF document proposes the following measures from the EAFRD:

1. Support for grazing and mowing management in private areas. Size of target area: 46.822 ha, estimated annual cost: EUR 8569590/year

2. Zonal programmes for the conservation of species of Community interest linked to cultivated grassland and arable land in High Natural Value Areas (LPAs) – species-specific agri-environmental management payments. Size of target area: pasture: **145.500 ha**, estimated annual cost: **EUR 5269223 per year for arable land: 58.000** his the estimated annual cost: **EUR 25514196/year**

3. Compensation for additional costs and loss of income due to specific land use regulations for grassland

areas in the Natura 2000 network – Relevant for all managed private grassland habitat types of community interest. Target area of **287.000 ha**, estimated annual cost: **EUR 23534029/year**

4. Forest-environment payments for nature conservation in private forest areas **14.083 ha**, estimated annual cost: **EUR 7130845/year**

5. Compensation for additional costs and loss of income due to compliance with forest management obligations for forest areas of the Natura 2000 network – Size of target area relevant for all private grassland habitat types of community interest affected by forest management: **90.000 ha**, estimated annual cost: **EUR 13500000/year**

Contribution of the CAP Strategic Plan to national long-term objectives

Agricultural measures:

Extending the range of **areas eligible for direct area payments** will help to increase the diversity of farmland habitats and thus help to improve the status of species in unfavourable conservation situations.

Among the conditionality requirements, GAEC 1 (protection of permanent grasslands), GAEC 2 (protection of wetlands and bogs), GAEC 8 (maintenance of non-productive elements, protection of landscape features and restrictions on nesting periods) and GAEC 9 (Natura 2000 sensitive grassland mowing ban) and SMR 3 and 4 for Natura 2000 sites also contribute to the maintenance and diversity of farmland habitats, thereby helping to improve the status of species in unfavourable conservation status.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000 ha** -EUR 789.700/year.

Among the optional provisions of the **agro-ecological programme (DP17_G01_ECOS_16)**, the conservation of permanent grasslands at farm level, the maintenance rate of the non-productive element at farm level, the maximisation of field size, the restriction of pesticides hazardous to bees, the use of authorised agents for organic plant protection, and the selection of cropland cover and interurban practices also contribute to maintaining and increasing the diversity of farmland habitats, reducing over-use of pesticides, thus helping to improve the status of species in unfavourable conservation situations.

The target output of **the measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation per year is **EUR 202.125,000/year**.

Eight of the sets of standards for **agri-environmental management payments (AKG) (RD19_G01_AEC_70)** specifically target the conservation of species of Community interest linked to cultivated grassland and arable land with species-specific standards in High Natural Value Areas, which overlap with the Natura 2000 network on average 55.6 %. In addition, the other sets of standards include provisions that can contribute to the conservation of habitats and species associated with agricultural land, thereby also helping to improve the status of species in unfavourable conservation status. However, as part of the AKG support, Natura 2000 areas are also eligible due to the overlapping of requirements only by reducing the aid amount for agri-environmental management payments for Natura 2000 grassland by the amount of the compensatory aid for Natura 2000 grassland, thus avoiding double financing.

The target output of the measure is 961,324 ha to support agricultural land, the total indicative financial allocation per year is **EUR 373.253,570 per year**. In the case of AKG, no more detailed target and allocation of funds has been set, however, the share of MTET standard groups significantly overlapping with the Natura 2000 network in the AKG is close to 30 % on the basis of the aid data so far.

The **compensation payments for Natura 2000 grasslands (RD23_G06_NAG_72)** are intended to compensate for the additional costs and income losses caused by the specific land use requirements for

these areas, which contributes to improving the situation of species in unfavourable conservation status. The output target of the measure is 287,000ha grassland, the total indicative financial allocation per year is **EUR 33.005.000 per year**, which is higher than the target set in the National Natura 2000 Priorised Action Plan. Natura 2000 arable land is not subject to specific land use requirements laid down in legislation, so no compensatory aid can be granted for these areas.

Agro- ecological non-productive investments (RD21_G04_LCI_73) and the agro-ecological land-use change payment (RD22_G05_LCP_70) are intended to promote land-use change in arable land currently cultivated at the limits of economy, including the creation of habitat types that are important for biodiversity, such as permanent green sward (beegrass) that protects biodiversity, grass strips, species-rich grasslands, forest strips, woody pastures, wetlands and grassland water protection strips. The resulting habitats, which are maintained according to appropriate standards, contribute to improving the status of species in unfavourable conservation status. The investment measure will include Natura 2000 sites as selection criteria. The commitment period of the maintenance measure shall be at least 5 years.

The investment measure has an output target of **1451 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 19.854.465.78**.

The target output of the maintenance measure in the last payment year of the CAP ST is **14,500ha**, an indicative financial allocation for the entire period of **EUR 34.242.833.33**.

Forestry measures:

The **compensation payments for Natura 2000 forest areas (RD34_F01_NAF_72)** are intended to compensate for the additional costs and loss of income caused by the special forest use requirements for these areas adopted by the competent public authorities in the district forest plan, which contributes to improving the situation of species in unfavourable conservation status.

For forest areas, the measure's output target is **230.000 ha** of forest land, the total indicative financial allocation per year is **EUR 27.490,427 per year**, which is higher than the target set in the National Natura 2000 Priorised Action Plan.

Support for maintaining the multiannual commitments of forest management for environmental or climate purposes (EKV) (RD35_F02_FEC_70) through forest-environmental commitments going beyond the obligations set out by the forest authority in the forest plan (continuous restructuring or improved renovation, reduction of intensively transmitted alien wood and shrub species, reconversion of clearings, manual maintenance of forest stands and environmentally friendly material handling) contributes to improving the natural status of existing forests also in Natura 2000 forest areas.

The measure's output target is 50.000 ha in the first planned year (2025), **80.000 ha** per year in subsequent years, the total indicative financial allocation per year in the first year (2025) is EUR 6082317/year, in subsequent years EUR 9 940 000 /year, **which is higher than the target set in the National Natura 2000 Priorised Action Plan**

Investments for the environmental sustainability of forest management (non-profit) (RD41_F08_INN_73) contribute to improving the natural status of existing forests also in Natura 2000 forest areas on the basis of a forest plan approved by the relevant forest section authority, by restructuring forest structures and increasing their mix. The priority objective of the measure is also the long-term quality renewal, restructuring and restoration of forests with climate-resistant material. Forest restructuring can improve the age structure, mix and biodiversity of forest stocks, thus improving the resilience and environmental value of forest ecosystems and helping to recharge forest habitats by creating and improving water retention facilities. In forest management interventions, we include Natura 2000 forest areas as selection criteria in line with the proposals in the PAF, e.g. reducing alien species, encouraging forest restructuring, encouraging mode change, etc. At the same time, we cannot take into account, for example, the proposal to 'encourage grazing', as the Forest Law prohibits grazing in all high-

or medium-natural forest stands (from 1 to 6 naturalness categories) – not only protected or under NATURA designation – for specific reasons of habitat and biodiversity protection. We support more gentle and cautious ways of curbing unwanted vegetation.

The measure has a target output of **2000 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 4.778.588**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which contributes to the development and awareness-raising of farmers' practices that protect biodiversity.

3. Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (Water Framework Directive, WFD);

3.1. Related objectives of national environmental and climate plans

Third River Basin Management Plan (OVGT) of Hungary for the period 2022-2027 (the OVGT was adopted by the Government on 28 April 2022).

1. Reduction of nutrient pollution from agricultural sources by encouraging the application of good farming practices (nitrate sensitive areas)
2. Additional measures for agricultural production to reduce nutrient loads and losses and to increase the uptake of nutrients
3. Other soil improvement and protection interventions
4. Crop change (arable grassland, cropland – forest, cropland conversion) and maintenance of existing grasslands, forests and wetlands
5. Screening of inland waters from agricultural land prior to introduction into the receiver (filter field)
6. Reduction of pollutant and alluvial leaching using crop production techniques
7. Protection against soil erosion by planting vegetation
8. Technical facilities for soil erosion, development of terrain formations (sequestration of water scrubbing, dams, etc.)
9. Establishment of buffer zones and buffer zones adjacent to watercourses and lakes
10. Protection against wind erosion to reduce atmospheric deposition
11. Reduction of erosion and runoff in forest areas as part of good forest management practice
12. Territorial retention of water on agricultural land to increase infiltration and reduce run-off
13. Retention of water by storage in hilly areas, storm reservoirs on small watercourses and possibly permanent reservoirs
14. Retention of water by storage in plains in inland water reservoirs or in extended sections
15. Promoting and regulating the utilisation of sewage sludge For agricultural use of sewage sludge,
16. Single removal and utilisation of sludge and bed vegetation accumulated in watercourses and stagnant waters
17. Use of water-saving and green energy solutions in crop production (crops, irrigation technology, energy efficiency)
18. Promoting alternative water uses in agriculture
19. Modernisation of livestock farms on the basis of the EU Nitrate Directive and promotion of the use of livestock manure
20. Regulating the use of plant protection products under the EU Pesticide Directive, implementation of the National Plant Protection Action Plan

21. Use of pesticides in accordance with voluntary environmental conditions

Long-term targets included in the National Water Strategy (SCI):

1. Gradual improvement of water status until good status/potential is reached
2. Water retention for better use of our waters

3.2. CAP Strategic Plan contribution to national long-term objectives

From available water resources, in order to protect them, irrigation water needs can only be ensured if, in combination with other abstractions, the abstractions do not deteriorate the quantitative and qualitative status of the relevant surface water or groundwater resource in accordance with the WFD. If the needs cannot be met from the available resources, steps may need to be taken to increase stocks or reduce water demand. One of the solutions to this is the retention and storage of water in the framework of the Irrigation Strategy. Another solution is the diffusion of water-efficient irrigation technologies, the improvement of water efficiency in irrigation equipment and the development and reconstruction of water-efficient irrigation infrastructure (regulated, automated technical solutions) and related artefacts.

It is also necessary to ensure the development of water scarcity at a later stage, i.e. storage from autumn and winter precipitation, by using the appropriate agro-technical method, maintaining the moisture content in the soil, cultivating drought-tolerant crop varieties, and by retaining water in the region, creating a favourable microclimatic environment, which we intend to promote at all levels of the CAP ST's green superstructure, also through area-based aid.

The **expansion of the area eligible for direct area payments** by maintaining different types of land cover and sparsely areas promotes natural water retention, thus also contributing to the improvement of water conditions and the availability of ecological water.

Among the conditionality requirements, GAEC 4 (water buffer strips) and SMR 1 (protection of water resources and protection against phosphorus pollution) and SMR 2 (protection against pollution caused by nitrates) contribute directly to the achievement of the objectives of the River Basin Management Plan by reducing nutrient or pesticide pollution from agricultural sources, alluvial and polluting pressures from soil erosion and/or surface runoff, and by regulating water use for irrigation purposes subject to authorisation. GAEC 5 (Sustainable Pesticide Use) and SMR 8 (Sustainable Pesticide Use) indirectly contribute to reducing pressures on surface waters. The provisions of GAEC 1 (protection of permanent grasslands), GAEC 2 (protection of aquatic habitats and bogs) and GAEC 8 (maintenance of non-productive elements, protection of landscape features) help to maintain natural water retention, improve water treatment and ensure ecological water quantity.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000 ha** -EUR 789.700/year.

Among the optional requirements of the **agro-ecological programme (DP17_G01_ECOS_16)**, winter soil cover, non-rotational tillage, use of soil conditioners, microbiological products, obscuration of plantations help to increase the water retention capacity of the soils and protect against erosion, such as reducing alluvial and pollutant pressures from soil erosion and/or surface runoff. Encouraging micro-irrigation in plantations for irrigation helps the sustainable use of water.

The target output of **the measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation per **year is EUR 202.125,000/year**.

Several of the general requirements for **agri-environmental management payments (AKG) (RD19_G01_AEC_70)** cover conservation farming (non-rotated tillage, erosion control measures, conservation sowing, etc.) contributing to the maintenance of soil moisture content and improving soil water management. In addition, specific sets of standards have been established for drought-sensitive areas, where water retention tillage is a good practice supported.

The target output of the measure is 961,324 ha to support agricultural land, the total indicative financial allocation per year is **EUR 373.253,570 per year**.

The measure **supporting organic farming (RD20_G02_ORT_70)** contributes directly to the reduction of nutrient or pesticide pollution from agricultural origin as a result of the principles and rules in the EU organic production legislation applied in farming.

The annual output target for the measure is 134,564 ha to support agricultural land, the total indicative financial allocation per year shall be **EUR 98.632.794.63 per year**.

One of the main objectives of **agro- ecological non-productive investments (RD21_G04_LCI_73)** and the **agro- ecological land-use change payment (RD22_G05_LCP_70)** is to encourage the conservation of surplus waters for as long as possible in a given area through land-use change, the creation of wetlands and the creation of small-scale aquatic facilities for land retention.

The investment measure has an output target of **1451 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 19.854.465.78**.

The target output of the maintenance measure in the last payment year of the CAP ST is **14,500 ha**, an indicative financial allocation for the entire period of **EUR 34.242.833.33**.

In **-farm investment to improve water efficiency (RD12_W01_WTO_74)** is targeted at water retention:

- Target 2: Support for water retention facilities by ensuring the sustainable management of water resources: The target area supports the technical solutions necessary for collecting and storing rainwater, which causes more damage than tolerable damage from cultivated areas, prior to its subsequent utilisation. Reservoirs improve the region's resilience to climate change, reduce climate change risks, damage, losses, and balance water scarcity and water surpluses, and establish buffer zones to achieve water quality and quantity targets.

- Target 3: Support for improvement of land use and water efficiency: The target area typically supports land-related land on the farm and the development of improvement pathways. Rainwater, which falls in large quantities, has a physical, rarely chemical effect on agricultural land roads, which must be protected by appropriate drainage solutions and the stability of the road's track structure. Water management should aim at retaining usable water and ensuring that only surplus, non-storable water is decoupled. Agricultural water management is responsible, inter alia, for intervention to prevent water damage. The soil is the largest aquifer and, in order to fulfil this function, it is also necessary to rehabilitate the natural geological and soil conditions of the area. As a result of cultivation, the resulting watertight layer must be loosened in order to allow the soil to store the rainwater. The intervention can significantly reduce the damage caused by water scarcity and excess water.

In addition, the objective of irrigation water efficiency is to support the efficiency of irrigation water use under target area 1 of RD12_W01_WTO_74 – In-farm investment to improve water efficiency, where beneficiaries may receive support for the refurbishment, optimisation of existing irrigation equipment, the creation of new irrigation works, the introduction of energy-efficient irrigation technologies and the construction of a drought monitoring station. It is important to note that the increase in irrigated areas does not necessarily entail an increase in irrigation water. The description of the intervention refers in several places to the importance of optimal irrigation and mentions the intended efficiency of irrigation, under which the introduction of a complex water-saving method, which takes into account the specific characteristics of the area to be irrigated (soil conditions, crop, topography and precipitation conditions) and predicts the need for irrigation and the quantity of irrigation water, and the automation of the irrigation system. These can be achieved through the acquisition, development and expert advice of computer software, supported by the intervention. If irrigation is tailored to the area to be irrigated, it will in any event have a positive impact on the conservation of water resources in the long term.

The measure has an output target of **1070 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 17,202,932**.

The aim of the intervention is to **support sustainable water management communities (RD15_W04_COP_77)** to improve the efficiency of the water sector in order to support the functioning of sustainable water management communities. Irrigation farming involves high investment

needs and high operating costs, but it is more worthwhile to continue in a larger area, lower unit costs, reduced losses and more efficient organisation of work. All these factors contribute to the optimal use of available water resources in areas of sustainable water management communities. The dissemination of targeted precision irrigation methods, in which water volumes can be accurately measured, leaks and leaching can be reduced and water stress (over-irrigation) within the field to be avoided, will also contribute to increasing water use efficiency. This kind of resource-intensive investment by communities, prepared with support under this intervention, is essential for the efficient use of water resources. Supporting sustainable water management communities also promotes the introduction of water-efficient irrigation technologies, the optimisation of water use in irrigation systems, the development of water-efficient irrigation infrastructure and related structures, and the optimal operation, maintenance, energy-saving irrigation technologies and optimisation of the energy use of irrigation systems. Against this background, the intervention contributes to increasing water efficiency and the sustainability of in-situ water use and utilisation.

The measure's output target for the entire CAP ST timeframe is **27 operations**, with a total indicative financial allocation of **EUR 1.274.291**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which contributes to the efficient use of water by farmers and their management for water retention, as well as awareness-raising.

All measures take into account the recommendations of the River Basin Management Plan (VGT 2, VGT 3 from 2022) on agricultural measures. Accordingly, the basic objective of the intervention is to support the measures necessary to bring and/or maintain the good status of surface and subsurface water bodies, including water retention, the sustainable management of our water resources, the uptake of saving irrigation technologies, climate-resilient production methods and sustainable land use.

Instruments outside the framework of the CAP ST

The strategic objective of Hungary is to retain rainfall waters and to better contain and utilise water flows through its territory by increasing natural water storage opportunities (e.g. soil, groundwater reservoirs, beds and their floodplains). The improvements made and planned in the area of water retention (municipal storm water management, inland water management) and drainage, as well as the adaptation of the operation of inland drainage and dual-operated channels are aimed at controlling natural runoff for water retention purposes. Reservoirs equalise the gap between water scarcity and availability in water over extended periods of time, establishing a match between water demand and water availability. The planned measures will focus on surface water resources, as our groundwater reserves are also risky in quantitative terms in the areas most affected by water scarcity, and stratified waters are the most important and conserved water base for public water supply. The use of subsurface resources is conceivable in an area if groundwater enrichment takes place there.

The KEHOP Plus priority 1 Water Management and Disaster Risk Reduction specifically aims at climate change adaptation and disaster risk prevention and fostering resilience, taking into account ecosystem-based approaches. To this end, support will be given to water management projects that protect the population, assets and the security of water supply in the landscape and living environments (e.g. flooding, inland water), relate to other surface water or groundwater (e.g. groundwater level, water scarcity), address significant water quality problems and improve water retention, utilisation (e.g. irrigation, rainfall and fire water storage), water use and water management efficiency. In particular, the establishment and renewal of water reservoirs, the development of blue infrastructure (benefits from near-nature water retention), investments in climate adaptation resilience, investments to keep storm water on the ground, and small-scale nature-based water retention options for municipalities. In addition, land-based projects will be eligible, which address the problems caused by water damage and water scarcity in a complex manner. In particular, investments in hills and plains, investments to improve groundwater

levels, complex water protection, water management, ecological-based/inclusive investments at the level of the landscape, the establishment of temporary and permanent water retention areas, investments necessary to operate run-off, retention and good ecological conditions (swabbling, dredging, wetlands) are eligible for investments aimed at the natural retention of water in dead branches, side branches, targeted groundwater storage and additional investments to achieve the VKI objectives.

The primary objectives of water management component D of the draft Recovery and Adaptation Plan (RRF) are water replenishment in water scarcity areas, increasing water retention, enabling regional water transfers, protecting groundwater resources, balancing the uneven distribution of water resources in space and over time in order to protect surface and groundwater bodies and habitats and to mitigate adverse impacts from excess or scarcity of water. Other objectives include extending the area of impact of water replenishment, preserving wetlands, increasing the proportion of water bodies with good status under the Water Framework Directive (WFD), raising awareness to protect water resources, and establishing a monitoring system and a public information system. The objectives may be achieved through measures such as reconstructing existing water replacement systems, interconnecting them, creating new systems, investments in water reclamation, developing appropriate water governance practices, adapting previous operations, examining the potential for re-utilisation of urban purified waste water, making better use of the capacity of line installations, delaying run-off, reducing the run-off ratio, examining and creating options for inland water irrigation, taking into account quality requirements (irrigation – nature protection).

4. Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (Nitrate Directive);

4.1. Related objectives of national environmental and climate plans

Nitrate Action Programme (27/2006) (II. Government Decree No 59/2008 on the protection of waters against pollution caused by nitrates from agricultural sources. (IV. Decree No 29.) of the Minister for Agriculture and Rural Development on the detailed rules of the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources and on the procedures for the provision of data and records)

1. Protecting water quality from pollution of nitrates from agriculture to soil and surface waters by encouraging the application of good farming practices

Soil Action Plan

1. The conscious and environmentally sound use of soils by farmers, among other things, increases the organic matter content of soils, improves the supply capacity of nutrients, reduces the amount of fertilisers used and strengthens erosion control, which also prevents agricultural phosphate loads in surface waters.

Third River Basin Management Plan (OVGT) of Hungary for the period 2022-2027 (the OVGT was adopted by the Government on 28 April 2022).

1. Reduction of nutrient pollution from agriculture by encouraging the use of good farming practices (nitrate sensitive areas)

2. Modernisation of livestock farms on the basis of the EU Nitrate Directive and promotion of the use of livestock manure

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)

1. Significantly reduce the environmental impact caused by crops and performance-enhancing agents used in agriculture.

4.2. CAP Strategic Plan contribution to national long-term objectives

According to the Nitrate report: ‘When comparing the assessment of eutrophication status of surface waters with the results of the previous period, the proportion of monitoring points classified as eutrophic has increased significantly as a result of the new assessment standard under point 5.3.2 of the 2020 Nitrate Reporting Guidelines (new definition of eutrophic potential eutrophic classification), the increased number of water samples and climate change: 77 % of watercourses and 32 % of stagnant waters became eutrophic. The eutrophic state is caused by phosphorus emissions in addition to nitrogen (and in many cases to a greater extent)’ The load is caused by various load routes, which include point waste water loads, significant erosion from agriculture and groundwater, but also the so-called secondary load when past pollution from the effluent is returned to the water. In addition, research from the Institute of Soilology of the Research Centre for Agricultural Sciences has shown that nutrient leaching in Hungary is not caused by excessive nutrient application, as the growing soils in Hungary are particularly nutrient deficient but mainly due to erosion.

In this context, a number of anti-erosion protection standards have been drawn up at all levels of the green superstructure.

The **extension of the payment entitlement** will allow erosion control strips, bars of trees and coastal buffer zones maintained under GAEC 8 or AÖP to retain their payment entitlements, making it attractive for farmers to set up such areas as well.

Among the **conditionality** requirements, GAEC 4 (water buffer strips) and SMR 2 (protection against nitrate pollution) directly promote the protection of waters against pollution caused by nitrates from agricultural sources by complying with them to reduce nutrient pollution from agriculture both by limiting land application and reducing erosion. Farmers in Nitrate Vulnerable Zones are required to have soil tested every five years and, based on the results, to draw up a nutrient management plan every year. However, GAEC 5 (tillage for erosion) and GAEC 6 (soil cover in sensitive periods) also contribute significantly to reducing surface water pressures by reducing erosion. Under GAEC 5, the cultivation of sloping crops, including maize and sunflower, as well as winter cabbage sown on a wide range of rows, is restricted in sloping areas. These species may only be grown contoured or by means of erosion protection strips or by direct sowing in areas with a slope of more than 12 per cent.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000** ha -EUR 789.700/year.

Among the optional requirements of the **agro-ecological programme (DP17_G01_ECOS_16)**, winter soil cover, non-rotational tillage, use of soil conditioners and microbiological products, obscuring the spacing of plantations by improving the soil structure and minimising the uncovered soil surface, helps to protect against erosion, such as reducing alluvial and pollutant pressures from soil erosion and/or surface runoff. Furthermore, non-productive elements to be maintained on arable land have an erosion-reducing effect, including anti-erosion bars, woody strips, grassland and shrub protection strips, water protection strips not under arable cultivation; terraces, erosion control facilities, wetlands fixed in the LPIS. Equally, maintaining grassland at field level for non-sensitive permanent grasslands has an erosion-reducing effect.

The target output of **the measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation per **year is EUR 202.125,000/year**.

Many of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis, limitation of nitrogen application, application of livestock manure, green bedding, rotation of stem residues, etc.) and conservation farming (non-rotated tillage, erosion control measures, protective crop structure with leguminous crops, etc.) contributing to the reduction of nutrient pollution from agricultural sources. In addition, specific sets of standards have been established for erosion-sensitive areas, which also contribute to reducing alluvial and pollutant pressures from soil erosion and/or surface runoff. Support for **organic farming** contributes directly to the reduction of nutrient pollution from agriculture, as a result of the principles and rules laid down in EU legislation on organic production in farming.

The output target of the **AEM** measure is 961,324 ha to support agricultural land, the total indicative financial allocation per year is **EUR 373.253,570 per year**.

The annual output target for **support for organic farming (RD20_G02_ORT_70)** is 134,564 ha of agricultural area, the total indicative financial allocation per year is **EUR 98.632.794.63 per year**.

Agro-ecological non-productive investments (RD21_G04_LCI_73) and the **agro-ecological land use change payment (RD22_G05_LCP_70)** are specifically aimed at developing non-productive land uses which, among other things, effectively contribute to the reduction of erosion events, thereby also reducing nutrient loads and pollution in our waters. Investments specifically contributing to anti-erosion protection and reducing the entry of nutrients into surface waters shall be:

- grassland strips intended for erosion control on arable land or plantations;
- grassland plantation for soil protection;
- development and development of technical facilities for erosion control;
- establishment and development of a coastal water protection buffer zone not under arable land;
- establishment of rows of protective trees and forest strips of several rows of trees and shrubs

The investment measure has an output target of **1451 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 19.854.465.78**.

The target output of the maintenance measure in the last payment year of the CAP ST is **14,500 ha**, an indicative financial allocation for the entire period of **EUR 34.242.833.33**.

Farm development to reduce ammonia emissions (RD01d_E01_FRM_73) is intended to support technological development activities promoting the reduction of ammonia emissions on agricultural holdings, whereby the agricultural sector contributes to the domestic NH₃ emission reduction target. The intervention will support, inter alia, the purchase of up-to-date injection and instantaneous manure application technologies, the modernisation of manure management inside and outside stables, in-house development (e.g. acquisition of flooring, roof insulation, drip-free drinking, air scrubber equipment), covering existing manure storage facilities, building new covered manure storage facilities. Support under the intervention can achieve environmental objectives that reduce ammonia and GHG emissions, improve air quality and improve pressures on surface and subsurface waters.

The measure has an output target of **154 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 8.139.535**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which contributes, inter alia, to the protection of farmers against erosion, to the development of farming practices that reduce nutrient leaching, and to raising awareness.

5. Directive 2008/50/EC of the European Parliament and of the Council on ambient air quality and cleaner air for Europe; and

6. Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC;

5.1. Related objectives of national environmental and climate plans

Air Quality Action Plan

1. The combined aim of the air quality plans and the LCsT is to ensure compliance with air quality limit values throughout the country. They do not include only objectives and targets directly or indirectly linked to agriculture or the Common Agricultural Policy, but agriculture, in particular, makes a significant

contribution to the emission of ammonia, which contributes to the development of secondary particulate matter (PM), and the reduction of their emissions is essential to meet the air quality limit values for PM10 and PM2.5.

National Airload Reduction Programme Agriculture Sub-programme

1. Covering slurry stores,
2. Technological development specifications in this regard,
3. Promoting the use of organic fertilisers,
4. Organised manure – laying down conditions for land application,
5. Supporting the practical application of nutrients – farming,
6. Prohibition of outdoor combustion of crop residues and waste and forest biomass residues from agricultural harvests

5.2. CAP Strategic Plan contribution to national long-term objectives

Among the **conditionality** requirements, GAEC 3 (prohibition of burning stubble) contributes directly to the protection of air quality by prohibiting the burning of stubbles, reeds, plant residues and grasslands, unless this is necessary for phytosanitary reasons.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000** ha -EUR 789.700/year.

Of the optional requirements of the **agro-ecological programme (DP17_G01_ECOS_16)**, winter soil cover, tillage without rotation and the spacing of plantations help protect air quality by minimising the surface of the soil. The use of soil conditioners and microbiological products contributes to reducing fertiliser application, thereby reducing ammonia emissions. Requiring the application of urea fertilisers by rotation or inhibitor directly reduces ammonia emissions.

The target output of **the measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation **per year is EUR 202.125,000/year**.

Several of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis and leaf analysis, restriction of nitrogen active substance application, application of organic fertilisers) thus contributing to the reduction of fertiliser application and thus to the reduction of ammonia emissions. Support for **organic farming** contributes directly to the reduction of ammonia emissions from agriculture as a result of the principles and rules laid down in EU legislation on organic production in farming.

The output target of the **AEM measure** is 961,324 ha to support agricultural land, the total indicative financial allocation **per year is EUR 373.253,570 per year**.

The annual output target for **support for organic farming (RD20_G02_ORF_70)** is 134,564 ha of agricultural area, the total indicative financial allocation **per year is EUR 98.632.794.63 per year**.

Farm development to reduce ammonia emissions (RD01d_E01_FRM_73) is intended to support technological development activities promoting the reduction of ammonia emissions on agricultural holdings, whereby the agricultural sector contributes to the domestic NH₃ emission reduction target. The intervention will support, inter alia, the purchase of up-to-date injection and instantaneous manure application technologies, the modernisation of manure management inside and outside stables, in-house development (e.g. acquisition of flooring, roof insulation, drip-free drinking, air scrubber equipment), covering existing manure storage facilities, building new covered manure storage facilities. Support under the intervention can achieve environmental objectives that reduce ammonia and GHG emissions, improve air quality and improve pressures on surface and subsurface waters.

The measure has an output target of **154 operations** over the entire CAP ST timeframe, with a total indicative financial allocation **of EUR 8.139.535**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which also contributes to the transition and awareness-raising of farmers' practices in reducing emissions.

7. Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU and

8. Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013

7.1. Related objectives of national environmental and climate plans

Second National Climate Change Strategy 2018-2030 with a 2050 perspective

1. Domestic Decarbonisation Tool: sectoral priority lines and tasks for reducing domestic greenhouse gas emissions
2. Agriculture; Opportunities to mitigate climate-related damage in agriculture
3. Geospatial basis for territorial climate vulnerability assessment, need for a complex monitoring system

National Energy and Climate Plan

1. Greenhouse gas emissions should be reduced by at least 40 % by 2030 compared to 1990, i.e. gross emissions should not exceed 56.19 million tCO₂e in 2030, or 7.6 million tCO₂e in 2017.
2. The primary objective of reducing agricultural emissions is the requirement of good agricultural practices and various support instruments.
3. In order to enhance CO₂ sink capacities, in line with the National Forest Strategy, we will significantly increase the share of forest and other woodland cover.

National Clean Development Strategy 2021 (draft)

1. Hungary strives for net-zero GHG emissions, i.e. climate neutrality by 2050
2. Full integration of climate change as an edge condition into agricultural policies and practices by 2050, taking into account decarbonisation requirements and actual climate changes
3. Reducing GHG emissions in agriculture by means that also promote yields;
4. Reducing ammonia emissions from agriculture by 32 % by 2030;
5. Enhancing carbon sequestration (carbon storage in soil by increasing the organic carbon stock of soils and in biomass);
6. Improving the gross nutrient balance of agricultural land, reducing extortion and replenishment of organic matter;
7. Increasing the area and proportion of the total agricultural area covered by agri-environmental programmes;
8. Encourage climate investments and agro-technical solutions through producer cooperation.
9. Fully integrate climate change as an edge condition into forest policies, taking into account decarbonisation requirements and actual climate changes.
10. Increased protection of forests, forest degradation, prevention of forest fires, negative impacts and reduction of carbon emissions.

11. The development of the wood industry capable of processing wood to the greatest extent possible, which provides a high-quality wood raw material, greater use of wood as a renewable raw material, greater energy investment and the replacement of raw materials and products produced with high GHG emissions.

National Forest Strategy 2016-2030

1. The role of forests in carbon sequestration, promoting the adaptation of forests to the effects of climate change
2. The role of forests in mitigating climate change through its positive micro-, meso- and macroclimatic effects, promoting adaptation of forests to the effects of climate change

Action Plan for the Conservation of Climate and Nature

1. For column 5: As part of the action point (we plant 10 trees per child), we aim to reach 27 % forest cover in Hungary.

7.2. CAP Strategy Plan contribution to national long-term objectives

Extending the scope of areas eligible for direct area payments by maintaining different types of land cover and sensible areas will help change land use in favour of carbon sequestration, store carbon in soil and biomass, and increase the organic carbon stock of soils.

Among the **conditionality** requirements, GAEC 2 (protection of wetlands and bogs) contributes directly to the conservation of carbon-rich soils, but GAEC 1 (maintaining permanent grassland ratios) also makes an important contribution to carbon sequestration of agricultural land. Furthermore, GAEC 8 (maintaining non-productive elements) increases carbon stock sequestration in soil and biomass.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000 ha** -EUR 789.700/year.

Among the optional requirements of the **agro-ecological programme (DP17_G01_ECOS_16)**, winter soil cover, non-rotational tillage, use of soil conditioners, microbiological products, obscuration of plantations and maintenance of higher non-productive areas also contribute to carbon sequestration of agricultural land. Winter soil cover, tillage without rotation and cover between plantations help protect air quality by minimising the uncovered soil surface. The use of soil conditioners and microbiological products contributes to reducing fertiliser application, thereby reducing ammonia emissions. Requiring the application of urea fertilisers by rotation or inhibitor directly reduces ammonia emissions.

The target output of the **measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation per **year is EUR 202.125,000/year**.

Many of the general requirements for **agri-environmental management (AEM) payments** cover sustainable nutrient management (preparation of a nutrient management plan based on soil analysis and leaf analysis, limitation of nitrogen application, application of organic manure) and conservation farming (non-rotated tillage, erosion control measures, protective crop structure, etc.) thus contributing to improving the gross nutrient balance of agricultural land, reducing soil extortion and restoring soil organic matter stocks. Support for **organic farming** contributes directly to improving the gross nutrient balance of agricultural land, reducing soil extortion and restoring soil organic matter as a result of the principles and rules applied in the farming mode, as laid down in the EU legislation on organic production.

The output target of the **AEM measure** is 961,324 ha to support agricultural land, the total indicative financial allocation per **year is EUR 373.253,570 per year**.

The annual output target for **support for organic farming (RD20_G02_ORT_70)** is 134,564 ha of agricultural area, the total indicative financial allocation per year is **EUR 98.632.794.63 per year**.

Agro -ecological non-productive investments (RD21_G04_LCI_73) and the **agro-ecological land-use change payment** to maintain them (RD22_G05_LCP_70) are intended to promote land-use change of arable land currently cultivated at the limits of economy, including through the planting of grasslands and the creation of wetlands, thus promoting land-use change in favour of carbon sequestration, the storage of carbon in soil and biomass, and increasing the organic carbon stock of soils.

The investment measure has an output target of **1451 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 19.854.465.78**.

The target output of the maintenance measure in the last payment year of the CAP ST is **14,500ha**, an indicative financial allocation for the entire period of **EUR 34.242.833.33**.

One of the key objectives of the intervention to support the development and maintenance of **afforestation and creation of woodland (RD38_F05_AFI_73)** is to reduce the effects of climate change through land use change and to significantly capture carbon dioxide.

The measure's output target for the entire CAP ST timeframe is **20,000ha** and the total indicative financial allocation is **EUR 63.350.137**.

Investments for the environmental sustainability of forest management (non-profit) (RD41_F08_INN_73) aim, inter alia, at counteracting the spread of growing and increasingly extreme abiotic environmental damage conditions and events (such as forest and vegetation fires, frost damage and storm damage caused by water scarcity and drought) and new biotic pathogens and pests, both by potentially preventing damage to the forest potential and restoring them in a more resilient way. In addition, the long-term quality renewal, restructuring and reconditioning of forests with climate-resistant material are also a priority. Forest restructuring can improve the age structure, mix and biodiversity of forest stocks, thus improving the resilience and carbon sequestration capacity of forest ecosystems.

The measure has a target output of **2000 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 4.778.588**.

In *the framework of the cooperation, we intend to support, through the cooperation-based support for forest fire prevention and risk reduction (RD37_F04_FRC_77)*, voluntary partnerships between forest managers and specialised public bodies to design and implement a complex multi-farmer planning and implementation of modern, sustainable, territorial forest fire prevention and mitigation. By preventing forest fires, emissions of greenhouse gases and gases with atmospheric pressures can be reduced and the carbon balance of forest stands can be maintained and their climate adaptive renewal can be facilitated.

The measure has an output target of **10 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 7.290.698**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which also contributes to the transition and awareness-raising of farmers' practices in reducing emissions.

9. Directive 2009/28/EC on the promotion of the use of energy from renewable sources; and

10. Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, and

11. Regulation (EU) 2018/1999 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council

9.1. Related objectives of national environmental and climate plans

National Energy Strategy 2030

1. Enlarge the use of renewable energy and improve energy efficiency

National Energy and Climate Plan

1. Increasing the use of renewable energy and improving energy efficiency

9.2. CAP Strategic Plan contribution to national long-term objectives

Support for green investments in agricultural holdings (RD01c_E01_FRM_73) and green investments linked to the enhancement of agricultural products (RD04b_E03_FOF_73) are aimed at increasing the self-sufficiency of agricultural and food processing plants and reducing energy dependency by improving energy efficiency and promoting renewable energy sources to support the reduction of CO₂ emissions and energy use in agricultural and processing plants. The intervention also encourages the implementation of projects following a circular biomass economy model, based on the use of in-situ biomass resources and the use of by-products generated (e.g.: improvement of soil). The aim is to exploit geothermal thermal energy potential, based on the country's geological conditions, to which the intervention contributes by supporting farm development, for example in the context of greenhouse heating. The intervention covers the reduction of energy use in agricultural and processing plants in order to reduce the environmental impact of the sector: it improves the energy efficiency of livestock farms and horticultural plants, mainly through renovations and renovations in buildings energy, engineering and energy supply. Hungary would like to achieve a share of at least 21 % of renewable energy in gross final energy consumption by 2030. The intervention also contributes to this objective of Hungary.

Measure *RD01c_E01_FRM_73* has an output target of **4180 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 26.744,186**.

Measure *RD04b_E03_FOF_73* has an output target of **334 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 13.380,057**.

The **cooperation** will support voluntary partnerships (*RD52_R12_BIC_77 – Rural development cooperation for the development of the biomass economy*) in which forest or agronomists producing indigenous biomass feedstock and providers of local public services find long-term solutions to replace imports of fossil fuels in the relevant public infrastructure using in-situ biomass feedstock, using the best available technologies (BAT).

The measure has a target output of **21 operations** over the entire CAP ST timeframe, with a total indicative financial allocation of **EUR 1.274,302**.

Investment support for **afforestation and woodlanding** (*RD38_F05_AFI_73*) will increase the provision of in-situ biomass-based renewable energy, which reduces dependence on imported fossil energy sources.

The measure's output target for the entire CAP ST timeframe is **20,000ha** and the total indicative financial allocation is **EUR 63.350.137**.

All elements of CAP AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, which also contributes to the development of energy-efficient farming practices and awareness-raising among producers.

12. Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides;

12.1. Related objectives of national environmental and climate plans

National Plant Protection Action Plan

1. Pesticide use according to specifications, rational crop protection (chemical, biological, agrotechnical) and timely and appropriate methods, mitigation of risks from pesticide use
2. Introduction of integrated crop production technology

National Strategy for the Conservation of Biological Diversity 2021-2030 (draft to be approved 2021)

1. Significant reduction of the environmental impact caused by crops and performance-enhancing agents used in agriculture.

12.2. Contribution of the CAP Strategic Plan to the achievement of the strategic objectives

Among the **conditionality** requirements, SMR 8 (sustainable use of pesticides) contributes directly to the sustainable use of plant protection products, and the crop change rules in GAEC 7, as one of the basic elements of the IPM, help the optimal development of the crop and thus its pest-competence.

Under the Basic Income Support for *Sustainability (DP01_E01_BISS_16)*, the planned **target area per year is 5.000** ha -EUR 789.700/year.

Several of the optional provisions of the agro-ecological programme (DP17_G01_ECOS_16) relate to the sustainable use of pesticides, such as restricting the use of specific or moderately hazardous or risky pesticides for bees or encouraging the use of biological agents authorised in organic farming. Maintaining non-productive elements helps beneficial living organisms, which are part of integrated pest management.

The target output of **the measure** is 2.500.000 ha of agricultural area, the total indicative financial allocation per year is EUR 202.125,000/year.

The basic requirement **for agri-environmental management payments (AKG (RD19_G01_AEC_70))** and support for organic farming is the application of IPM. Accordingly, the AKG support was designed to contribute, inter alia, to reducing the application of plant protection products through requirements going beyond the basic requirements.

At the level of specific specifications, this contribution can be presented as follows:

The thematic group of standards on arable land (Areas of Natural Value) requires the establishment of pesticide-free edges with a width of at least 6 metres. This provision is also included in the optional specifications of the horizontal cropland Thematic Specifications, where the border shall be constructed at a width of 3 or 6 metres in at least 25 % of the perimeter of the contiguous area covered by the commitment, with the planting of permanent green springs or bee pastures. These pesticide-free margins should be maintained permanently (at least 2 or 3 years) and thus contribute to reducing pesticide use in the longer term.

The AKG also contributes to reducing the risk of environmental pollution from pesticide use by limiting the range of pesticide active substances to be used in all arable and plantation areas under the measure. The use of a pesticide active substance which is not environmentally sound and the list of non-applicable products shall be reviewed and published by the competent authority every calendar year.

The rules limit the use of pesticides in cropland in a timely manner, thereby reducing the risk associated with the use of the product. The application of pesticides on arable land between 15 April and 1 July shall not be permitted for the cultivation of perennial crops, cultivated cereals and green springs.

In order to reduce the number of treatments and the rational use of pesticides, the measure supports the involvement of a plant protection manager in farming and the operation of a plant protection forecasting system that significantly reduces the environmental risk of pesticide use.

In both horizontal and SWOT grasslands, the establishment and spread of invasive and off-site plant species must be prevented by mechanical control or specific pesticide application. With regard to the

requirement, it is important that control is necessary with accurate, drop-free and targeted application of chemicals, thereby reducing unnecessary pesticide application.

The target output of the measure is 961,324 ha to support agricultural land, the total indicative financial allocation per year is **EUR 373.253,570 per year**.

In the case of **support for organic farming (RD20_G02_ORT_70)**, we aim to increase the area under organic production, in line with EU expectations. Farmers receiving support will have to comply with Council Regulation (EC) No 834/2007 and, as of 1 January 2022, with the requirements of national legislation corresponding to Regulations (EU) 2018/848 of the European Parliament and of the Council.

Support for organic farming aims to maintain and enhance biodiversity, strengthen natural self-regulatory processes, protect and improve soil biological status, reduce negative environmental impacts from the misuse of plant protection products and poor nutrient management, and ensure food safety. The aid is also intended to encourage the organicisation of conventional areas and to maintain farming methods in organic areas. Any use of chemicals may be carried out under strict control and with close registration. The records of the plant protection treatment (spray log) shall be recorded on the day of the treatment, as opposed to the other elements of the farming logbook to be recorded. The minimum requirement for the use of plant protection products must be complied with in addition to the requirements of organic farming, including the professional collection, treatment and destruction of packaging and packages which have been emptied during plant protection activities (e.g.: plant protection product packaging may not be used for other purposes, even when cleaned).

In addition to the above, the sustainable and digital development of agricultural holdings, as well as climate change mitigation and adaptation measures in the fruit and vegetables sector, all provide opportunities to support investments that can effectively reduce the use of plant protection products by farmers.

The annual output target for the measure is 134,564 ha to support agricultural land, the total indicative financial allocation per year shall be **EUR 98.632.794.63 per year**.

All elements of **CAP AKIS measures** (information service, advice, training, innovation and digitalisation) directly contribute to addressing specific environmental needs, effectively supported by the innovation and green support unit of the enlarged CAP network. The main task of the Green Support Unit is to support green interventions in Pillar I and Pillar II of the CAP Strategic Plan, contributing to the development of sustainable pesticide use and awareness-raising for farmers

3.1.5 Where relevant, CAP contribution towards LIFE projects

3.2 Overview of the generational renewal strategy

1. Need for a strategic approach based on an analysis of the situation

Despite direct support for rural development in recent years and a number of interventions adopted under national competence, the income and skills of young farmers set up are still inadequate. The SWOT analyses and identified needs for each specific objective (in particular SO7 and SO8 and CCO) show that Hungary, like most European Member States, is experiencing an ageing farming society and therefore generational renewal is one of the most important social policy issues. Non-exhaustive expectations in the needs analysis: SO7: Encouraging business start-ups among young people in agriculture and forestry; Reducing the administrative burden for the intergenerational transfer of agri-businesses; Making agricultural careers attractive to young generations. SO8: Reducing labour migration CCO: Knowledge transfer to accelerate generational renewal in agriculture and forestry.

The SO7 analysis concludes that direct and rural development support to farmers in recent years reduces the rate of population decline in rural areas, but the improvement of the farming age structure has so far not been achieved. The analysis shows that as digitalisation rises, agricultural careers can become more attractive for young people. The experience of social consultations, the findings of the SWOT analysis and the needs derived from it suggest that further development of policy tools is essential for the 2023-2027 period.

Hungary's strategic approach to generational renewal

Since 2018, the Ministry of Agriculture has been focusing on generational renewal in agriculture, bringing it to the level of a policy programme, which has been effectively supported by the process of analysis and socialisation of the CAP Strategic Plan. By the end of 2019, we had developed four action plans:

- Legislation facilitating family farming and farm transfers
- Expanding awareness-raising
- Reinforce training
- Extension of aid (described under point 3).

Generational renewal is indirectly but significantly supported by digitalisation, Hungary also has a Digital Agricultural and Food Strategy (DAS and dés). Both sectoral digitalisation strategies have a key role to play in improving skills and retraining, therefore their implementation also directly serves the goal of generational renewal. In addition, both strategies have served as the basis for and complement the interventions of our CAP Strategic Plan. Details of Hungary's strategic approach to digitalisation and its interventions are set out in Chapter 8.

The Central Statistical Office, hereinafter referred to as 'the Central Statistical Office', HCSO) based on the 2020 farm structure survey data, the age composition of both individual farmers and managers of enterprises is unfavourable, most of them belonging to the old age group. According to the latest data, the number of individual holdings is 231.351 thousand, with 645 thousand livestock units, and the number of companies is 9.651.

36 % of individual farmers aged 65 or over (82.406 persons), a further 25 % between 55 and 64 years old (56.686); 22 % of managers of enterprises were aged 65 or over (2.153 persons) and another 27 % between 55 and 64 years (2.637). At the same time, the proportion of individual farmers under 40 is 10 % (23.150); and 12 % of managers of enterprises are under 40 (1.157 persons).

Similarly, the age composition of the managers of viable enterprises is higher than the standard output value (SO) of EUR 6000 identified as the entry threshold in the applications of the Rural Development Programme, which developed as follows:

Based on the age composition of managers of **viable holdings**, **28 % of the managers** of individual holdings were aged 65 or over and 25 % were between 55 and 64 years old, as identified as the entry threshold in the RDP applications. The share of people under 40 in 2020 was 13 %. Looking at the age composition of managers of enterprises, 22 % were aged 65 or over (1.632), 27 % were aged between 55 and 64 (1.986 persons), 13 % under 40 years old (942)

	Under 40 years of age	40 to 55 years old	55 to 64 years old	65 years or over
Managers of individual holdings	13 %	34 %	25 %	28 %
Managers of enterprises	13 %	38 %	27 %	22 %

The support of young farmers in the last two programming cycles is mainly due to the fact that the age group under 54 accounts for 47 % of farmers who are normally engaged in agriculture. Without these subsidies, it is likely that there would be a much greater difference between those aged 55 and over.

Overall, when comparing the HCSO farm structure census data for 2016 and 2020, the age composition of

both groups deteriorated and, on the other hand, the problem is more pronounced among individual farms, as they affect more people in many of them, the data are poorer, and they do not have established legal possibilities for economic activity compared to social enterprises (economic organisations).

Around 90 % of young agronomic producers take over primarily operating farms. A significant part of the successful generational change depends on the most efficient transfer of farms. As a result of the historical characteristics of domestic agriculture, the generation of founders of farms starting at the time of system change is largely now reaching the age at which the farm is naturally transferred to young people.

Fortunately, this happens within a family. At the same time, both within and outside the family, there is no domestic tradition and established order.

In view of the results of recent surveys, administrative tasks are, in their own view, the greatest difficulty for the stakeholders interviewed when it comes to transferring or taking over the farm. Therefore, as a next step in the process of generational renewal, in order to ensure that farm transfers are still taking place in the farmers' lives, we have aimed at easing the administrative burden associated with the transfer, as there is a professional and social consensus on this issue.

Since the vast majority of farmers in agriculture are primary farmers and self-employed farmers, the first step in the measures to promote generational renewal was the entry into force of **Act CXXIII** of 2020 on family farms, which regulated the legal status of primary farmers, the family farms of primary producers and the conditions for obtaining a family farm certificate. More favourable regulation and taxation entered into force in 2021, which had been used by the end of the year with 66 thousand family farms, and we believe that this is the most important base for generational renewal. In view of the results of recent surveys, after financial reasons, the administrative burden in transferring and taking over the economy was the greatest difficulty. Therefore, a new single-gate farm transfer contract has been drawn up as a next step in order to ensure that farm transfers still take place in farmers' lives. The new legal instrument and the associated benefits are set out in **Act CXLIII** of 2021 on the transfer of agricultural holdings, which was published at the end of December, which, as of 1 January 2023, helps the generational renewal of Hungarian agriculture. In line with the new regulations, we planned the interventions provided by the CAP Strategic Plan.

It is important to **develop farmers' attitudes through continuous campaigns** in order to consciously plan and prepare for the transfer of the farm even if it is not finalised in their lives. Overall, the Economic Service is a long process in which the first steps, i.e. the failure to take a decision on the transfer, lead to an insufficiently planned transfer, which therefore ends with the splitting or abandonment of the economy, i.e. failure. Attracting young generations to farming is hampered by the particularly low prestige of agri-food professions. Reaching out to the young generation and raising awareness is important, in which youth programmes organised by various professional associations play a key role. NAK TechLab innovation competitions (<https://www.naktechlab.hu/>) and Agrovirtus(<https://agrovirtus.hu/>) innovation competitions are prominent among university students' programmes. After the COVID pandemic, we hope to launch a more intensive communication and awareness-raising campaign than is currently the case. We will continue to prioritise the active involvement of the MNVH, of course involving the key sector actors mentioned above.

We also have important tasks with regard to the training of farmers. We need to make the sector more attractive when choosing a career, and this is also the aim of **the transformation of Hungary's secondary and tertiary education system in 2020 and 2021**. In both secondary and tertiary agriculture, the number of enrolled students has increased in recent years. In the case of vocational education and training, dual training has been emphasised by increasing training periods in agricultural and food businesses following a basic sectoral examination, thus helping to promote generational renewal and labour shortages in agriculture. It is necessary to strengthen the benefits of digitalisation in modern training, to raise awareness among learners of the best available technology, as technological progress and innovation are expected to reduce physical work, thereby improving the perception of agricultural professions by young people and skilled job-seekers. The planned interventions on digitalisation are explained in detail in Chapter 8, but two interventions directly related to generational renewal are also

highlighted here. As of 2021, the virtual reality training room and programme set up at the Agricultural Training School in Handhalm, which was implemented with the support of the MNVH, serves to reach out to the secondary school age group. Another important step will be the development of the demonstration plant planned in 2022 under the Rural Development Programme, aiming at the digitalisation of secondary and higher agricultural education establishments' educational holdings. With this planned new application, the new CAP AKIS interventions are intended to create the background for the new CAP AKIS interventions, as modernised educational farms provide not only students in public education but also an attractive place for adult education.

The increased ambition of the CAP Strategic Plan to achieve the target

As stated in the strategic statement under Chapter 1, Hungary is committed to promoting a successful generational renewal of agriculture. Five of the interventions foreseen in the CAP Strategic Plan directly support Article 6(1), point (g), to attract and maintain a career in agriculture for young farmers and new farmers and to promote sustainable business development in rural areas. In addition to reducing administrative burdens, awareness-raising and training, it is crucial to increase the level of support for generational renewal, as families' decision-making is most affected by the availability of secure livelihoods.

In **Pillar I**, with regard to the application of Article 30 of the Strategic Plan Regulation, the following basic principles have been laid down (intervention DP03_B01_YFS_16):

- On the basis of Article 30(2), we will give young farmers starting before 2023 the possibility to make full use of the five-year support period under new, more favourable conditions;
- As of 2023, **1.4 % of direct aids from Pillar I to start-up** area payment for young farmers, i.e. EUR 18690804 per year, instead of 1 % before;
- The increased financial envelope provides for both the possibility to increase the unit payment from 67 to EUR 157/ha and the area ceiling from 90 to 300 ha;
- A minimum relevant agricultural qualification threshold and/or a condition for agricultural practice will also be required in Pillar I to address skills gaps;
- Given that the area available to young farmers at the time of the first application is on average around 15 hectares, the effect of the redistributive (redistributive) support under Article 29 can increase the average level of support for young farmers through that intervention.

Support for young farmers and, accordingly, for Pillar II **rural development interventions**, the following basic support targets have been laid down. Within the framework of the rural development pillar set out in Article 69, the issue of generational renewal, the support for young farmers in Article 75 and the dedicated part of the investments in Article 73 continue to be an important element of the allocation of funds of **1.6 % of direct aids**. For interventions with a direct impact, the planned envelopes are also included, but not for indirect effects.

Support for the **setting-up of young farmers** is granted on the basis of Article 75(2)(a). Basic know-how and production potential, which can serve as a basis for reaching out to young farmers in their business plan, is a prerequisite for the effective start-up and further development of agricultural activity. They are therefore defined as eligibility criteria for receiving aid. The aim is for young people to maintain their activities in the long term, which is the implementation of specific commitments such as mandatory investment (RD05_B01_YFS_75, intervention in the previous period, with a planned envelope of EUR 93 million, which represents an increase of + 68 % compared to 2014-2020).

On the basis of Articles 75 and 77, **support is provided for the takeover of operational farms and the transfer** of farms with a business start-up aid in the previous case, while the latter would be a cooperation type of aid. We see the continued operation and development of well-performing farms as an effective means of maintaining competitive agriculture. The transfer of operational holdings facilitates generational renewal, whereby younger farmers take over farms close to retirement age and intending to cease their

activity. Under Article 75, the transferee of the holding is supported in the form of start-up aid, while under Article 77 the transferor of the holding is granted a cooperation aid of between EUR 10 and 100 thousand. Support for generational renewal, including Farming, is essentially aimed at improving the age structure of farmers, but it is also important to ensure that well-functioning, competitive farms are not closed, thus ensuring that rural employment is maintained, contributing to increasing the population retention power of the countryside (RD06_B02_YFY_75, RD07_B03_YFO_77, new interventions with a planned envelope of over EUR 87 million).

Like agricultural enterprises, forest managers are characterised by ageing. The extremely long payback period for forestry and the necessary capital and credit to reach rational farm sizes are extremely cumbersome for professionals in the sector. Accordingly, it is necessary to provide **targeted incentives for young forest professionals to set up their own businesses** under Article 75, the main objective of which is to improve the negative age structure also in forest management. The associated objective is to re-manage forests without land managers where possible. Hungary intends to help young forest managers start up with specific lump sum support (RD08_B04_BIS_75; new intervention with a planned envelope of ~EUR 9.5 million, as the intervention also aims to support start-ups other than forestry, so that only half of the envelope is shown here).

In addition to the above, linked to the promotion of generational renewal, we also provide opportunities **to set up rural businesses producing or providing goods for local needs** and to develop small farms capable of developing (RD08_B04_BIS_75, RD09_B05_SML_73).

The increased aid intensity for the development of young farmers' holdings has proven to be a successful tool for applications supporting investments under the Rural Development Programme in the previous programming period. Therefore, under Article 73, young farmers can continue to rely on an increased support rate for investment aid for **farm development**, and at a higher rate of 15 % than before (RD01_E01_FRM_73, RD02_D01_FRM_73, RD03_E02_FON_73).

All **AKIS interventions** planned under Articles 78 and 75 serve young farmers (information service, advisory service, training, innovation). Most directly, the training and demonstration plant intervention is planned to provide, as in the current period, mandatory and optional training for those receiving Pillar II support, with 100 % aid intensity (RD54_A01_TRA_78, RD57_A04_ADP_78, RD58_A05_EIP_77).

In its CAP Strategic Plan, Hungary planned an intervention with a direct impact with significantly more and more resources than the 2014-2020 period to facilitate the strategic decision-making of rural families. Thus, in addition to professional aspects, interventions for generational renewal also meet the significantly higher level of ambition in financial terms compared to the previous programming period. On the basis of professional considerations, and in cooperation with organisations representing young farmers' interests, we decided on the I (EAGF) and II. The content of (EAFRD) pillar interventions and the resources allocated to them.

3.2.1 Where relevant, CAP contribution towards Erasmus projects

We did not plan to fund Erasmus projects.

At the same time, we consider the opportunities offered by Erasmus applications to be a priority. Therefore, according to our plans, the Rural Development (MNVH) and Innovation and Digitalisation (EIP) unit of the CAP Network will be responsible for informing and assisting young farmers and institutions responsible for secondary and higher agricultural education in applying.

3.3 Explanation on how the interventions under coupled income support as referred to in Subsection 1 of Section 3 of Chapter II of Title III are consistent with the Water Framework Directive - 2000/60/EC

I. Presentation of the national legislative environment in Hungary as a guarantee of compliance

with the Water Framework Directive

The presentation is made by describing, on the one hand, the water use authorisation and, on the other hand, the system of rules for intensive livestock farms as a potential risk to water quality.

In our view, consistency with the Water Framework Directive should not be achieved through the eligibility criteria for CIS schemes. The authorisation and monitoring process for the abstraction of water for irrigation purposes and, for example, for the establishment and operation of intensive livestock farms (with particular emphasis on manure storage) and its possible extension, is carried out on a case-by-case basis, taking into account the criteria set out in the Water Framework Directive. Our aim is to demonstrate, through the presentation of the regulatory environment, that this ensures consistency horizontally, so it is not necessary to include additional rules at the level of eligibility criteria.

Facts on the situation of agricultural irrigation in Hungary

	EU	Hungary
Share of irrigated agricultural land	8 %	2.4 %
Use of dynamic surface water resources	80 %	30 %
Installation of water replacement systems	8-9 %	1-2 %

Source: At the National Chamber of Agricultural Economics

Droughts are now a serious problem in Hungary, for which solutions need to be found in the short term. The CAP Strategic Plan seeks to achieve a positive impact on several sides. These include requiring the use of certified material, precision investments or irrigation improvements (e.g.: replacement of elements of the existing obsolete system: installation of new modern (water- and energy-saving) machinery, equipment and fittings or watertight insulation of reservoir spaces. We also call for the development of sustainable water management communities, which can facilitate investments in irrigation and re-irrigate areas that have been irrigated in the past. As can be seen in the table, Hungary is significantly below the EU average in terms of the prevalence and coverage of irrigation.

Description of the water authorisation process

Hierarchy of norms

- According to the Government's division of labour, the Minister of Interior is responsible for regulating water licensing procedures.
- In Hungary, interventions into surface and groundwater, with the exception of activities subject to notification, are subject to a water right permit. (*Act LVII of 1995 on water management*).
- Procedural rules for permitting water use for irrigation within water uses: *Government Decree No 72/1996 on the exercise of water management authority powers* *Government Decree No 273/2007 of 22 May 2004*.
- Substantive rules for irrigation: *Government Decree No 147/2010 laying down general rules on activities and facilities for the exploitation, protection and prevention of water damage (IV. Government Decree No. 29*.
- Legislation requiring measurement of the amount of irrigation water abstracted: *Decree 30/2008 of the European Parliament and of the Council on technical regulations applicable to activities and installations for the exploitation, protection and prevention of damage to waters (XII. Decree No 31/2001 of the Minister for Environment and Water; Government Decree No 43/1999 on the calculation of the water resource contribution (XII. Decree No 26/2000 of the Minister for EIA*.

Forms of water licensing

An important premise is that all water abstraction for agricultural irrigation is carried out under official control. The individual procedures are described in the following summaries.

Pre-notification

Exceptional use of water for irrigation during a prolonged period of water stress, for short-term irrigation only from surface water. In this case too, the parameters for abstraction are laid down by law. According to the legal provisions, the use of water for exceptional irrigation purposes is possible once without a water right permit on the basis of a declaration by the water user. Irrigation is not carried out from groundwater, but directly from surface water with a temporary pumping station, with a maximum volume of 120 mm/hectare (1 200 m³/hectare) applied over a maximum area of 100 hectares for a maximum duration of one month.

The operator of surface water subject to abstraction shall give its consent only if the abstraction does not endanger the surface water ecosystem affected by the abstraction and the interests of water management as defined by law, and may set the conditions for abstraction in the consent.

Notification

Refers to the construction and maintenance of wells for agricultural irrigation which:

- They are not more than 50 metres deep,
- only groundwater is used,
- do not affect a water-base protection area (*designated water bases that provide water supply for drinkingwater*),
- only self-owned land is irrigated,
- equipped with digital well meters.

The National Land Centre (hereinafter: NFK). In the course of the procedure, it examines whether the notified well falls within the authorisation or notification category in accordance with the legal conditions. It also examines whether it meets the conditions for notification and asks the **competent water directorate, since the water directorates have data on the quantitative and qualitative status of the water body concerned**. An expert opinion on the possibility of water abstraction is drawn up by the Water Directorate with territorial competence.

Subject to the opinion of the Water Directorate, and in view of the status of the water base and the impact of the planned well on the water base, the procedure will be concluded by approval or rejection in an official decision.

It is important that the operator is also responsible for ensuring that groundwater is used only to such an extent that the balance between abstraction and replenishment is maintained without any deterioration in quality and that the requirements for achieving the objectives of good water status are met.

Permission

Issued by the water authority for other aquatic installations not falling under the above categories. In the case of 'house' wells, the tasks of the water authority are performed by the NFK in the case of notary, agricultural irrigation wells and, in other cases, by the competent Disaster Management Directorate. **The procedure ends with the granting or refusal of a water right permit.** The permit may be theoretical (entitled to further planning), construction (entitlement to construction), operation (entitles to operate), termination (entitles to dismantle existing installations), survival (entitles to maintain and continue to operate an existing facility).

Upon submission of the plan drawn up by the designer with the designer's rights and the necessary

annexes, the competent licensing authority (NFK or the Disaster Management Directorate) shall examine the documentation in terms of form and content, contact the competent authorities to be involved and issue the necessary rectifications.

In the course of the procedure, the licensing authority shall contact any authority whose field of expertise is covered by the plan. The approval of the competent water directorate for water abstraction is a mandatory part of the permit dossier, without the permit being issued.

Upon receipt of the **opinions of the competent authority and the rectification of the missing information, if the licence can be issued, the licensing authority shall draw up the decision specifying the exact technical content and the conditions under which it contributes to the establishment, operation, termination or survival. If the authorisation cannot be issued or if the missing information is not completed, the authority shall refuse the authorisation.**

A set of rules to ensure that water quality is preserved from the point of view of the establishment and operation of livestock holdings

A. Official approval prior to the establishment of animal holdings

Under national law, prior to the commencement of a major investment, the environmental impact assessment must include the determination of the likely effects of the activity on the environmental elements (land, air, water, wildlife, built environment), their systems, processes, structures (in particular the landscape, settlement, climate), the health status of the population concerned and their social and economic situation (quality of life, land use conditions).

Authorisation procedures

Decree 314/2005 of 314/2005 on environmental impact *assessment and uniform environmental use permit procedures for the carrying out of activities causing significant environmental pressures or potentially causing significant pollution* to the environment. (XII. Government Decree No 25/2002 (hereinafter: The following procedure(s) shall be carried out:

Preliminary examination,

(2) an environmental impact assessment,

A uniform environmental use permit procedure.

(1) Preliminary test procedure

In the case of the activities specified in the Government Decree, the user of the environment shall initiate a preliminary investigation with the environmental authority. The purpose of the procedure is to determine whether the activity constitutes an environmental use which justifies a detailed environmental impact assessment procedure or a uniform environmental use permit procedure.

The question of water is already raised in the preliminary proceedings: (Annex 4)

'preliminary estimation of the expected effects on each environmental compartment during the transport, storage, storage, water treatment necessary for installation and implementation, during the installation, operation or abandonment of the activity, taking into account, in particular, the factors affecting them,

...

(FF) impacts on surface and groundwater bodies and on areas of protection designated for the abstraction of drinking water in accordance with the Government Decree on certain rules of river basin management, taking into account the content of the river basin management plan;

(g) measures proposed to reduce adverse environmental impacts identified pursuant to point (f)(ff) that cause deterioration of water status; "

As a result of the preliminary examination, the competent authority shall, in its decision:

- ascertains whether the implementation of the planned activity is likely to result in significant environmental impacts:
 - if a significant environmental impact is assumed: establish the content requirements of the environmental impact assessment and, where appropriate, of the application for a single environmental use permit,
 - if no significant environmental impact can be assumed: provide information on the other authorisations to commence the activity;

· If the preliminary examination documentation contained several variants, indicate the version(s) for which it considers possible;

· Where a ground for non-authorisation of the activity has been identified during the preliminary examination, no authorisation shall be granted to carry out that activity as requested;

· If a Natura 2000 site is expected to have significant effects on the environment, it shall set the content requirements of the environmental impact study taking into account the specifications defining the content of the Natura 2000 impact assessment documentation.

· An environmental or integrated environmental use permit may be requested within two years of the decision becoming final, which may be extended once by a maximum of one year.

Examples of activities subject to an environmental impact assessment depending on the preliminary assessment decision are:

- Agricultural and other non-urban water management,
- Irrigation plant,
- Conversion to intensive agricultural land use in areas recorded as abandoned,
- Open-surface main irrigation channel,
- **Intensive livestock farm:**
 - **Cattle rearing: 200 livestock when applying slurry technology;**
 - **Cattle rearing: in a water-base protection zone (if not excluded by the legislation on the protection of water bases, long-term water bases and water facilities for drinking water supply in the protection zone), a protected natural area, a Natura 2000 site or a protection zone for caves from 50 livestock;**

(2) Environmental Impact Assessment (EIA) procedure

On the basis of the classification of the Government Decree, an environmental impact assessment procedure is always required for certain activities, while in other cases the authority has to decide individually whether the project may have significant effects on the environment that require such a procedure.

The purpose of the procedure is to determine the environmental effects of the proposed investment and to establish the conditions for its use.

When determining whether an environmental impact assessment is necessary, the authority shall examine, inter alia, the following:

‘in the case of the relative scarcity, quality, regeneration capacity of the natural resources concerned, the status of the water body concerned on the basis of monitoring measurements carried out in accordance with the river basin management plan under the Government Decree on certain rules on river basin management and the ministerial decree on certain rules for groundwater assessment and the ministerial decree on certain rules for monitoring and assessing the status of surface waters’ (Annex 5 to the Government Decree)

Among the **content elements of the environmental impact assessments** submitted in the context of the procedure, the following deserve particular attention from the point of view of water: (Annex 6 to the Government Decree)

4. Estimation and assessment of expected environmental impacts

...

(AA)anassessment of <https://net.jogtar.hu/jogszabaly?docid=a0500314.kor - lbj306idabec>the change in the status of waters as defined in the river basin managementplan in accordance with the Government Decree on certain rules on river basin managementdue to water impacts and atimetable for the achievement of the environmental objective specified in the plan for the relevant water bodies and protected areas.'

As a result of the environmental impact assessment procedure, the authority takes a decision on the basis of the content of the environmental impact assessment submitted, the findings of its own and of the authorities and the comments of the clients concerned. **The authority may decide to issue an environmental permit or reject the application.** An application for an environmental permit shall be rejected if:

—practicing the planned activity would hinder the achievement of the environmental target statuses set out in the National Environment Programme (*this document deals with the protection and sustainable use of waters, in particular with regard to the achievement of the objectives of the Water Framework Directive.*);

—Fulfilment by Hungary of its environmental or nature conservation obligations under an international treaty;

During the successful environmental impact assessment procedure, the environmental permit will be issued, providing for measures to avoid, reduce and bring to an end adverse effects on the environment, as well as other permits falling within the authority's competence, if the conditions for doing so are met.

Examples of activities subject to an environmental permit (with specific thresholds, conditions) are:

Agriculture, hunting, forestry and fishing:

- Intensive livestock farm,
- Use of forest,
- Wildlife park,
- Fish farming in an intensive cage or bathing plant,
- Ponds or lake systems (if they cover more than 30 hectares of protected sites of national importance).

3) Uniform environmental authorisation procedure (IPPC permit)

The integrated environmental use permit is issuedas an authorisation for the activities listed in Annex 2 to the Government Decree. **(Intensive dairy cattle, relevant for coupled support, are not included in this Annex.)**

Examples of activities subject to a single environmental use permit (with specific thresholds, conditions) are:

- Food industry
 - Slaughterhouses.
 - Treatment and processing for the production of food or feed (from animal or vegetable raw materials).
 - Treatment and processing of milk.

- Processing of animal materials (disposal or recycling of animal carcasses or animal by-products).
- Large numbers of livestock (intensive rearing of poultry or pigs).

The significant difference between the single environmental use permit and the environmental permit is that **the permit** must include provisions on the application of the best available techniques (BAT).

In its decision on a single environmental use permit, the environmental authority shall, inter alia, set out measures, environmental requirements and emission limit values for the prevention of water pollution and the environmentally sound management of waste, and a deadline for compliance.

Environmental auditing

An environmental review is required, inter alia, if the environmental permit expires, a single environmental use permit is required every five years in the course of the activity, in the event of a substantial modification of the authorised activity.

It may be necessary to carry out a partial and complete environmental review, which shall be submitted to the competent environmental authority in the form of an environmental review dossier.

During the environmental review, the installation to be reviewed and the technology used shall be known, verified and analysed in depth with the 5-year series of activities.

B. Manure management

In Hungary, the **general rules on manure storage are laid down** in *Government Decree No 27/2006 on the protection of waters against pollution caused by nitrates from agricultural sources*. (II. Laid down in Government Decree No 7/2000. The Government Decree:

- It designates Nitrate Vulnerable Zones and makes it subject to regular review.
- It prohibits the establishment and extension of livestock farms in the waverooms, protection areas for water bases, flood reservoirs, coastal and buffer zones.
- In addition, manure storage may not be set up within 100 metres of surface water and in the 300-metre coastal strip of the ponds.
- It provides that compliance with the rules is to be monitored by the water protection and soil protection authorities and, depending on the seriousness of the non-compliance, the farm may suspend, restrict or prohibit its activities.
- Nitrate pollution in waters and eutrophication status of surface waters are monitored as part of national monitoring.

Detailed rules for the storage of manure are laid down in *Decree 59/2008 laying down detailed rules for the action programme for the protection of waters against pollution caused by nitrates from agricultural sources and the procedures for the provision of data and records*. (IV. Decree No 29.) of the Minister for Agriculture and Rural Development (hereinafter: nitrates Regulation). The territorial scope of the Nitrates Regulation only covers nitrate vulnerable zones, i.e. it regulates in detail the storage of manure in almost 70 % of Hungary's territory.

Storage – Intensive housing systems

As a general rule, no manure storage facility may be set up in a water-base protection area.

(a) Farm manure:

Under the Nitrates Regulation, livestock **manure** produced in livestock farms, i.e. livestock facilities that exceed the household needs of individuals, must be stored in a leak-proof, insulated-based manure storage with a collection channel and a shaft for collecting manure. The capacity of the farmyard manure storage facility shall be sufficient for the storage of 6 months' volume of farmyard manure.

(b) Slurry, manure juice:

Slurry and manure liquid may be stored only in tanks or basins provided with technical protection. The material of the storage tank or pelvis shall be such that it is resistant to corrosion and has a minimum life of 20 years. The slurry storage capacity shall be adapted to absorb 6 months of slurry.

The target values and the minimum technical parameters for the design of manure storage facilities are laid down in a separate annex to the Nitrates Regulation.

Storage – Extensive livestock production

In the case of deep litter and extensive grazing livestock, it is not necessary to build a manure storage facility provided that it is ensured that the manure accumulated is stored in the house or temporary accommodation for 6 months, and the manure produced is directly onto arable land. The technology used shall also ensure that no application occurs during the period not suitable for fertilisation.

In the case of grazing husbandry the capacity of the farmyard manure storage facility shall be determined in view of the length of time spent by the animals in their barns.

Temporary manure stores without protection against leakage shall not be built:

- within a distance of 100 metres from the coast of surface waters on the agricultural plate.
- water walks, in a stagnation area and on a drained plate,
- from 30 November to 15 February on a plot under agricultural cultivation and on frozen, water-saturated, continuous snow cover.

Farmyard manure may be stored for a maximum of 2 months in the temporary manure heap.

Additional rules

(a) manure application

In order to protect surface waters, the Nitrates Regulation lays down a strict set of rules for fertiliser, manure and slurry land application, in line with the requirements of the relevant Good Agricultural Practice.

The following applications are not allowed:

- fertilisers within 2 metres of the coastline of surface waters;
- organic manure
 1.
 - 20 m from the coastline of lakes;
 - 5 metres from other surface waters;
 - at a distance of 25 metres from sources, wells for human consumption or watering animals;

At the time of planning the nutrient management of agricultural areas, the volume of nutrients to be applied shall be calculated in view of the nutrient supply of the soil and the nutrient demand of the crop that is necessary for a crop yield adjusted to the conditions of the actual habitat. For the calculation of the amount of nutrients to be applied, the values used shall not exceed those laid down in the Regulation.

The soil of the irrigated area and, if the groundwater level is reached within 5 metres, the level and quality of groundwater must be checked every 5 years by the holder of a water right permit for irrigation. Data on groundwater quality and water test results received by the soil protection authority as part of the soil protection plan shall be sent annually to the water protection authority.

(b) Record-keeping obligation

The farmers concerned shall also keep continuous records of this aspect of their activity on the farm logs relating to nutrient management, fertilisation, parcel cultivation data and livestock farming. This is controlled by the National Food Chain Safety Office (NFCSSO).

II. Impact of the CAP Strategic Plan conditionality requirements on water saving of coupled support

Strengthened environmental conditionality will also become one of the basic conditions for access to support for coupled support as of 2023. Accordingly, the beneficiaries of these interventions also comply with all the standards set out in Annex III to Regulation (EU) 2021/2115 that directly or indirectly protect water as a priority natural resource. This is the following:

- GAEC 2 (Protection of wetlands and peatlands): Protection of soils with high carbon content;
- GAEC 4 (Development of buffer strips along water courses): Protection against water pollution and prevention of depletion of water resources;
- SMR 2 (Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources)

In addition, among the elements of conditionality valid from 2023 onwards, the SMR 1 contains a specific baseline standard for the implementation of certain elements of the WFD, which can also be held accountable to producers through the system of monitoring and penalties of conditionality. Article 11(3)(e) and (h) of the Directive are also a mandatory basic measure for each river basin management plan. The proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

III. Additional guarantees to strengthen the coherence between the Coupled Income Support (CIS) and the Water Framework Directive

The domestic water licensing system includes adequate guarantees to achieve the objectives of the Water Framework Directive. **In addition to the existing official control, a new targeted inspection will be introduced as of 2023 to detect possible illegal abstractions or abstractions other than those covered by the permit. In the case of coupled aid, this control provides additional guarantees that farmers interested in it treat water in a sustainable way as a priority resource in the course of their agricultural activities.**

The new control level will be structured as follows:

1. Farmers submitting an application under the coupled aid scheme shall declare, when submitting the single application, whether or not irrigation is being carried out during the cultivation of the crops covered by the aid. The information thus produced will be cross-checked with the water permit database maintained by the water authority, which would, in the context of an administrative check, confirm that applicants are in possession of a water use permit.
2. If the water authorities become aware of practices significantly different from those covered by the permit, thereby seriously jeopardising some of the objectives of the Directive, the authority shall send these findings to the Paying Agency.
3. When processing the applications, the Paying Agency shall examine, on the basis of the information received, whether the practice indicated occurs in the context of the cultivation of irrigated crops subject to coupled aid. If justified, it shall exclude the applicant concerned from the payment of the relevant entitlement for the year in question.

4. In addition to the feedback referred to in point 3, in order to ensure that more targeted checks are carried out in the case of coupled aid, the Paying Agency shall carry out an on-the-spot check to verify that the irrigation farmers act in accordance with their water rights permit. The size of the control sample is set at 3 %. The control sample will be drawn from the beneficiaries of the schemes relevant to compliance with the Water Framework Directive (sugar beet, rice, arable vegetables, industrial vegetables, intensive and extensive fruit) where the crops covered by the aid can be linked to a water body of less than good status. If, during the on-the-spot check, an irregularity is found which does not comply with the authorisation, thereby seriously jeopardising some of the objectives of the Directive, the Paying Agency shall exclude the applicant concerned from the current payment of the entitlement in question during the processing of the applications.
5. In the case of farmers participating in the dairy cow premium, the new control level examines whether the activity is carried out in accordance with the provisions of the environmental permit. If practices other than those specified in the environmental permit are discovered during the soil protection and water authority inspection or the on-the-spot check carried out by the Paying Agency, thus presenting a serious risk to the quality of the water, the aid linked to production cannot be paid for the year concerned. Water quality protection is also ensured by the fact that SMR 1 on diffuse pollution and SMR 2 on compliance with the Nitrates Directive are among the elements of conditionality.

In addition to this additional level of control, an element of “prudent treatment of water as a resource” will be included in a broad communication campaign on the new CAP system. In this context, particular attention will be paid to key elements of the legislative environment (e.g. water abstraction monitoring).

IV. Other CAP Strategic Plan interventions that can help users of coupled aid to comply with the Water Framework Directive

As a complementary piece of information, it can be noted that through the investment schemes financed under Pillar II of the CAP Strategic Plan, significant resources are planned for the **sustainability development of agricultural holdings** to improve compliance with the Directive, from which the modernisation of additional livestock holdings can be achieved (intervention code: RD01_E01_FRM_73) significant funding was available for the modernisation of livestock holdings in Hungary in the 2015-2022 cycle. The protection of water from a quality point of view is a priority objective, including manure storage and distribution in accordance with the requirements of the Nitrates Directive.

With the intervention foreseen in Pillar II of the CAP Strategic Plan, we also want to encourage the widest possible uptake of **precision farming**, promoting a more rational and sustainable use of natural resources (including water) in each sector (intervention code: RD02_D01_FRM_73). Furthermore, we are and will continue to support the introduction of **water-efficient irrigation technologies**, the optimisation of water use in irrigation systems, the development of water-efficient irrigation infrastructure and related structures, and the introduction of energy-saving irrigation technologies. We also aim to scale up the use of digital technologies and support investments to support the digitalisation transition of producers. Modern and professional irrigation management, optimised precision irrigation technology increases water efficiency. The purchase and development of such technologies can lead to significant additional costs for producers, but also contribute to saving water and energy, avoiding over-irrigation. The dissemination of targeted precision irrigation methods, in which water volumes can be accurately measured, leaks and leaching can be reduced, contributes to increasing efficiency (interventions code: RD02_D01_FRM_73; D12_W01_WTO_74; RD15_W04_COP_77).

ADDENDUM

How does the water licensing in Hungary take into account medium-term climate scenarios?

Authorisation for water abstraction is subject to the consent of the Water Directorates. The Water Directorates are responsible for the preparation of the River Basin Management Plans (RBMPs), which include the assessment of the status of water bodies. In accordance with the quantitative status of bodies of **water, abstraction may be authorised for both groundwater and surface water only if ecological water demand is ensured.**

Ecological water demand is protected by strong guarantees during authorisation. It is therefore not one of the many aspects of examination/balancing, but rather a guiding principle. According to the logic of the Water Framework Directive, the quantitative status **taken by the authority as the starting point does not indicate that there is a high or low level of free water resources at a point in the water network, but rather whether the already authorised uses of water cause the abstraction of ecological water.** For example, a small watercourse may be of good quantitative status because it is not subject to abstraction, but its usable water resources are quite insignificant, which does not provide for meaningful abstraction, as it has already dried due to previous surface water abstractions or the lowering of the groundwater (soil) level, or has become an intermittent watercourse because groundwater resources with a descending trend are not able to provide the basic flow of the watercourse either. In **the planning of the irrigation investment, the amount of water abstraction must therefore be determined in such a way as to ensure that the ecological water demand of the system affected by the abstraction of water is ensured.**

In Hungary, we call for the development of sustainable water management communities in order to facilitate investments in irrigation, who may require the preparation of **environmental district plans** (ESCPs) in order to obtain the water rights permit required for the investment, which, pursuant to Section 10(1) of Act CXIII of 2019 on *Irrigation Management*, have been drawn up by the National Land Centre as an irrigation administrative body with experts, thereby facilitating the water licensing process.

Sustainable water management communities operate in the irrigation area and the SARs are prepared for these irrigation areas. The **preliminary assessment documentation** (EVD) is a mandatory element of environmental district plans. Government *Decree 314/2005 on the environmental impact assessment and the uniform environmental use permit procedure*. (XII. The content of the EVD and the consultation request is set out in Annex 4 to Government Decree No 25/1999. On the basis of the Government Decree, the **mandatory element of the EVD is to demonstrate the impact of the planned activities/investments on certain environmental elements**, in which the issue of climate change is addressed in a number of points:

1. Climate **sensitivity analysis** of the investment;

2. analysis of **potential impacts for certain climatic factors**;

A description of **adaptation to the effects of climate change** for the planned activity;

4. describe the impact of the planned activity on the potential area of impact **and climate change adaptation capacity**.

The Hungarian authorities therefore clearly aim to spread sustainable water management through the water licensing criteria. As a result, the increase in irrigated areas does not result in a necessary or straight increase in water use (irrigated water). In the case of irrigation farming, priority should be given to technical solutions that take into account the scarcity of surface water and groundwater resources and thus lead to maximum water savings.

List of legislation that directly sets out the obligation to assess environmental aspects and climate change aspects at each stage of water licensing:

—*Environmental impact assessment and uniform environmental use permit procedure 314/2005*. (XII.

Government Decree No 25/2002

— Government Decree No 72/1996 on the exercise of water management authority powers Government Decree No 487/2015 of 22 May 2013

— Decree No 221/2004 on certain rules on river basin management (VII. Government Decree No 21/2000

— No 223/2014 on the designation of bodies performing the tasks of water administration, water protection authority and water protection authority. (IX. Government Decree No 4/2000

— Government Decree No 1242/2022 (IV. Decision No 28) on the 2021 River Basin Management Plan of Hungary (VGT3)

Act LIII of 1995 on the general rules on environmental protection

On the basis of the above, it can be summarised that the implementation of environmental and climate change aspects in the permit procedure must be examined as part of the involvement of a specialised authority or as a specialised issue. If, in the course of an administrative procedure, legislation requires an examination of a specific environmental issue (if applicable, water protection), the operative part of the decision closing the procedure must contain the fact, the outcome of the examination of the technical question and the specific requirements established on the basis thereof, and the detailed findings made during the examination of the technical question must be set out in the statement of reasons.

3.4 Overview as regards the aim of fairer distribution and more effective and efficient targeting of income support

Need for a strategic approach based on the analysis of the situation

The SWOT analyses carried out for each specific objective (in particular SO1, SO3, SO9) and the needs identified highlight the fact that, in line with global societies and economic changes, the way in which small farmers live in rural areas is becoming less attractive and sustainable in Hungary. Non-exhaustive requirements in the needs analysis: SO1: A predictable basic income for farmers; Reducing income fluctuations due to natural (weather) and market risks; Improving the profitability of small farms; SO3: Development of short supply chains, development of local cooperation in product production, distribution and marketing; SO7: Promoting on-farm/off-farm diversification, with a view to developing multi-build rural businesses; SO9: Raising consumer awareness.

(2) Hungary's strategic approach to strengthening small farms (targeting)

We believe that diversity is a fundamental element of Hungarian and European culture, not only for biological funds, but also for food systems. In order to maintain the diversity of food systems, we need to use as many tools as possible to support the small producers and food producers, which is the main guarantor of this diversity. Based on the needs assessment and the experience of technical and social consultations, it can be concluded that the support scheme applied in 2015-2022 needs to be further developed, for which the interventions of the CAP Strategy Plan provide a good opportunity.

Hungarian policy decisions result in a more targeted direct support scheme. Thus, **much stronger incomes compared to 2015-2022 will be redirected** towards small and medium-sized farms (10 % compared to less than 3 % in 2020). We also wish to maintain **coupled support** for sensitive sectors, as this is crucial, based on the findings of the SWOT analyses, consultations with partners and emerging needs and experience:

- Preserving the rural population through job creation.
- Security of income (SO1 Sub-necessity 1.1.1: A predictable basic income for farmers; SO1: Sub-requirement 1.1.3: Improving the profitability of small farms).
- Maintaining a diversified agricultural production structure and export potential and achieving environmental and climate objectives through strengthened conditionality, the agro-ecological programme and coherence with the Water Framework Directive (SO5-2). Main need: Improving

the ecological and chemical status of surface and shallow groundwater).

3. Augmented ambitious contribution of the CAP Strategic Plan to the achievement of the objectives set

Using the option provided for in Article 147 of Regulation (EU) 2021/2115, we will continue to maintain transitional national aid to support sensitive sectors, with their phasing out. In order to improve targeting, we make use of the possibility to change the reference period to 2018. To ensure that interventions in the form of direct payments effectively help meet the identified needs, **it is essential to increase the financial resources available for direct payments** through flexibility between pillars. This does not jeopardise the financing of rural development interventions, as the maximum national co-financing of 80 % in Pillar II will be available.

Against this background, from 2023 onwards, **we plan to implement the system of Pillar I direct payments along the following key elements:**

- Through a transfer between pillars, 25 % of EAFRD resources are grouped into direct payments;
- The Basic Income Support for Sustainability (BISS) is introduced without territorial discrimination, but by extending the definition of eligible hectare (DP01_E01_BISS_16).
- By redistributing funds to small and medium-sized farms, including a fairer distribution of direct payments from 2023 onwards, we will facilitate the use of redistributive income support (redistribution, CRIS) instead of support for small farmers (former SFS) and degression and capping (DP02_E02_CRIS_16).
- We do not use the derogation, and we plan to apply the redistributive support (CRIS) up to 14 % of direct support.
- The implementation of the agro-ecological programme (AÖP) has been developed in such a way that ambitious commitments allow the participation of small farms and access to additional support (DP17_G01_ECOS_16).
- In the case of Pillar I support for young farmers, the financial resources, the unit rate of support and the area boundary increase significantly, while allowing young farmers starting before 2023 to make full use of the five-year support period (DP03_B01_YFS_16).
- Coupled income support (CIS) remains available for sensitive sectors targeting a large number of small farms mainly active in the fruit and vegetables or livestock sectors (DP04_E03_CISB_16-DP16_E15_CISP_16).
- Using the possibility provided for in the Strategic Plan Regulation, transitional national support to the sensitive sectors concerned will be maintained with a phasing out, with an update of the reference period to 2018.

In Pillar II, intervention for small farms is planned in the form of flat-rate support under Article 73 of Regulation (EU) 2021/2115. The purpose of this intervention is to support the development of small farms. Objectives: market stabilisation and development, modernisation and diversification of product mix, production and processing of traditional artisanal products, modernisation of production methods, increased environmental efficiency, increased added value and digitalisation (RD09_B05_SML_73).

An important element is the implementation of tourism development, support for rural areas may include rural tourism development grants (RD51_R11_TUC_77). The contribution of the CAP Strategic Plan to the development of tourism services is essential, as the development of local product systems, the preservation of biodiversity, the enhancement of ecosystem services and the protection of landscapes are all key pillars of tourism attractions and services.

With a collaborative approach, we want to help to shorten the supply chain and involve producers and consumers in short supply chains (RD49_R09_SCC_77). Emphasis will be placed on supporting social

innovation cooperation, social enterprises, including social cooperatives (RD50_R10_SEC_77). Digitalisation-focused development is also a priority, as the digital transition is important both in rural areas and in agriculture to enable them to catch up. Through the LEADER intervention, support will be provided to local action groups already operating or set up in the territories of the country, which play a significant role in the territorially balanced development of rural areas and communities, taking into account previous experiences (RD57_R15_LDR_77).

Better targeting of aid is supported by the inclusion in the selection principles of each intervention, in part based on the results and experience of the previous period, of criteria such as the mainstreaming of regional criteria, which will help to give priority to applicants wishing to develop in less-favoured rural areas. Priority may also be given to developments under the Roma Inclusion Programme, which take place in areas well below average.

ADDITIONAL INFORMATION

Focus of the redistribution strategy

Our redistribution strategy focuses mainly on small farms. It is important to highlight that the examination of the implementation of the CRISS intervention alone does not provide a complete picture of our ambitions in this regard.

Contribution of the various elements of the Strategic Plan to strengthening the focus on small farms:

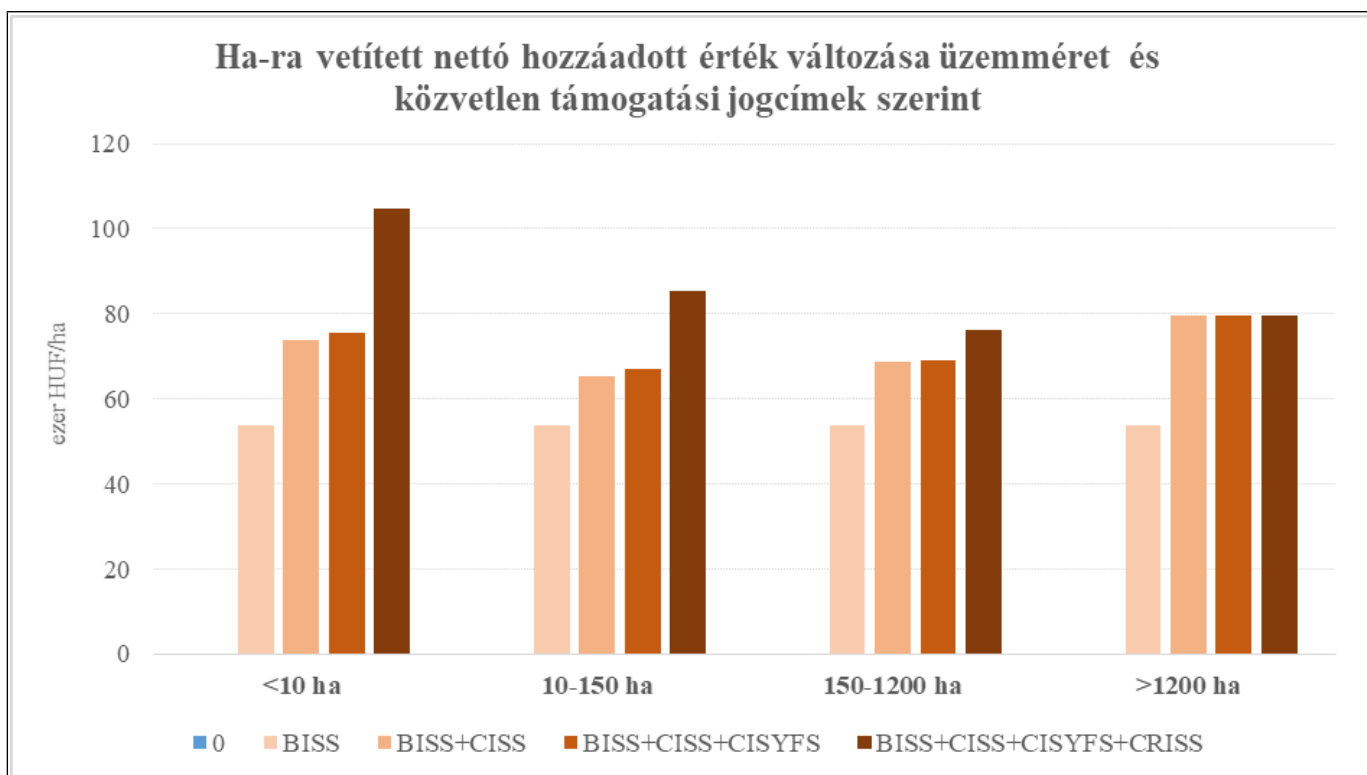
- Hungary dedicates 14 % of direct aids to CRISS intervention, and no derogation is requested in terms of the instruments used or the expenditure rate.
- As a result of the strategy, indicator R.6 increases from 100 % to above 112 %.
- 62 % (~104 thousand farmers) of the increased specific amount of the CRISS payment is allocated to their entire area as they operate on a maximum of 10 hectares.
- The minimum requirements for the use of direct aids (EUR 1 ha or EUR 100) have been designed in such a way as not to limit the number of potential beneficiaries to the detriment of small farms.
- In line with the same principles, the minimum number of eligible animals for livestock schemes for coupled aid is set at 1 animal, precisely in order to include the smallest operators in the aid scheme. In accordance with the consultations with the Commission, this will be consolidated for all animal production schemes in the plan.
- In order to reduce the administrative burden on small farms:
 - Farmers with a maximum of 10 hectares of arable land are exempted from compliance with GAEC 7 and GAEC 8.
 - Applications from small farms will be evaluated under a simplified procedure, which significantly reduces decision-making time.
- In Pillar II, we will also launch an intervention targeting smaller farms, focusing on the sustainability improvements of small farms, as per Article 73 of Regulation (EU) 2021/2115.

Combined effect of direct support schemes on a fairer distribution of resources

It is important to highlight that CRISS is not the only intervention that helps to deliver targeted support for small farms. We therefore agree with the Commission's observation that the combined effect of the direct aid elements should also be examined. This is shown in the graphs below.

In the case of complementary income support for young farmers (CIS-YF) and several coupled aid schemes (CIS) (mainly fruit and vegetables), most of the beneficiaries are small and small-medium farms.

Figure 1: Assessment of the combined effect of direct aid schemes (per hectare)



Source: Based on FADN data, AKI calculations

Explanation: As can be seen in the chart, using the proposed model, the specific net added value per unit of area would increase most for size classes < 10 ha, while for other size classes it would develop at approximately the same level. *Eco-scheme payments* are not included in the calculation, given that there is considerable uncertainty about the size of producers willing to make additional commitments in return for the aid and their size.

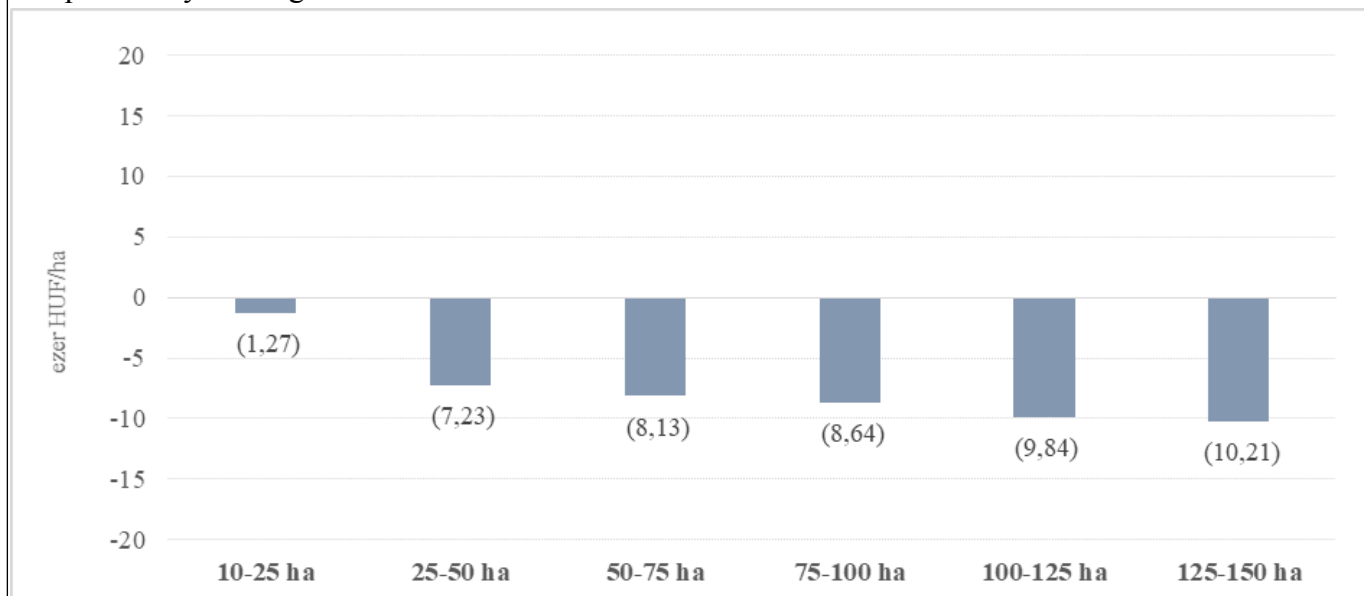
Figure 2: Impact of CRISS in the 10-150 ha category



Source: Based on FADN data, AKI calculations

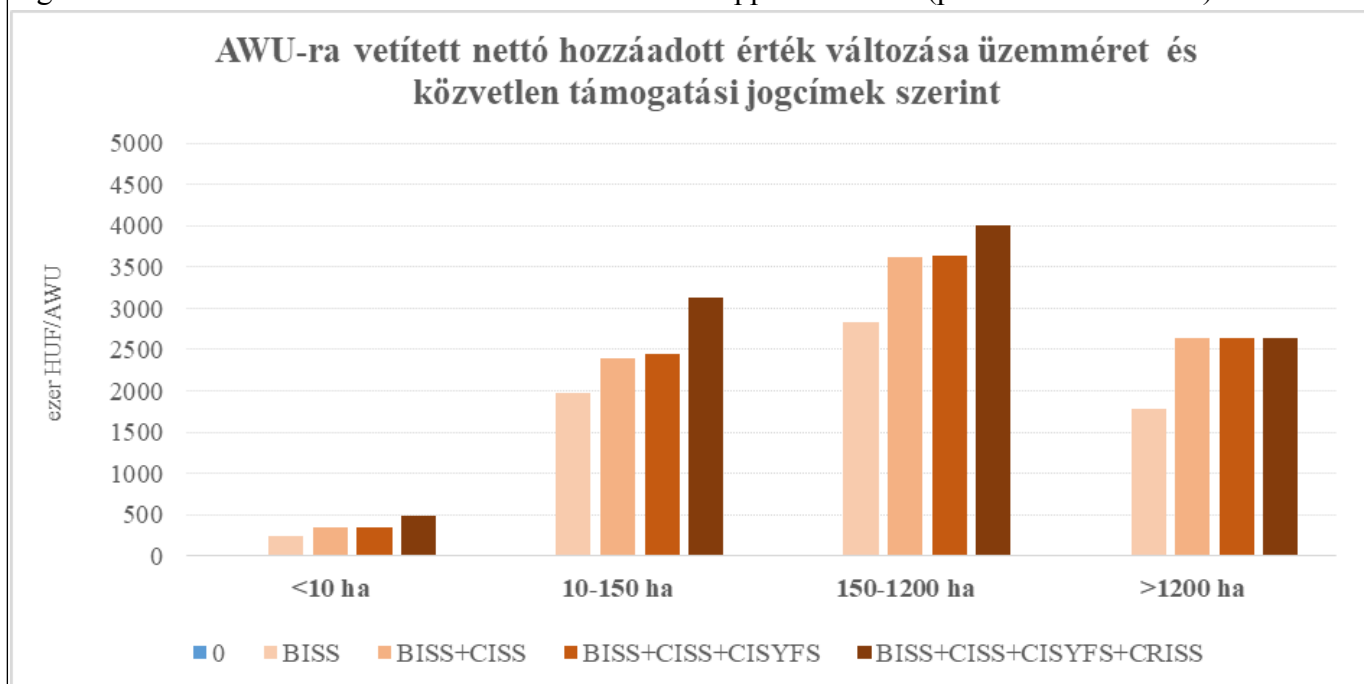
Figure 3: Change in net value added per hectare for 2023-2027 (*without eco-schemes*) vs. 2014-2020

comparison by holding size between 10 and 150 ha



Source: Based on FADN data, AKI calculations

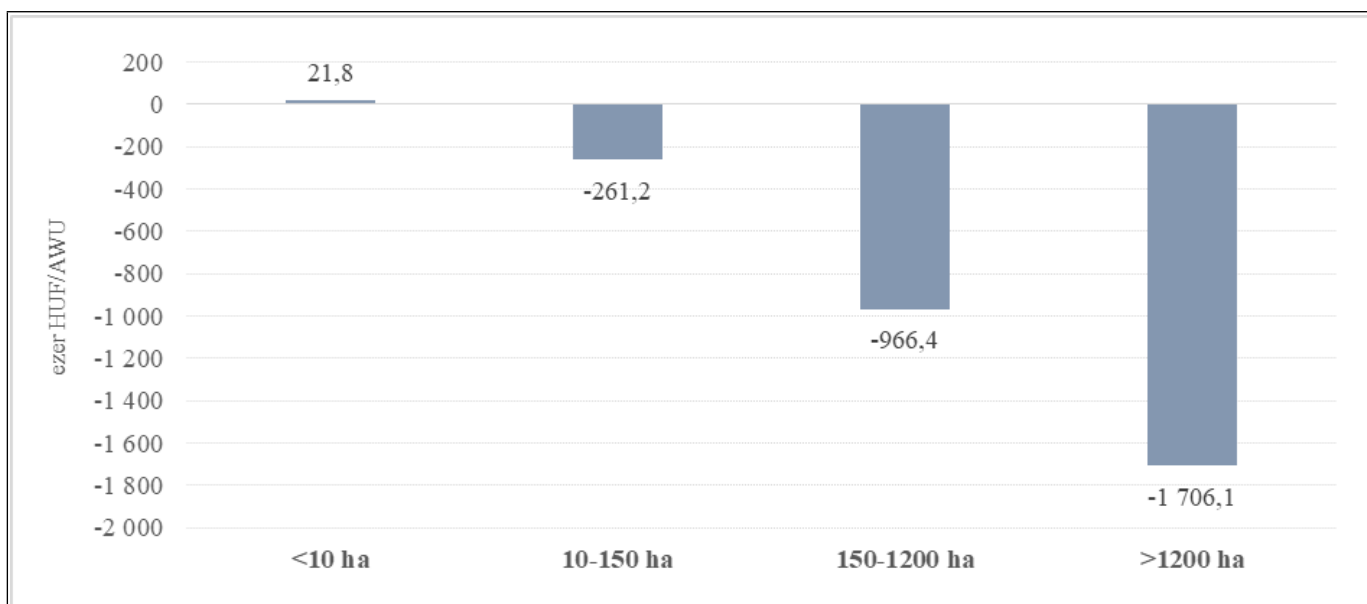
Figure 4: Assessment of the combined effect of direct support schemes (per annual work unit)



Source: Based on FADN data, AKI calculations

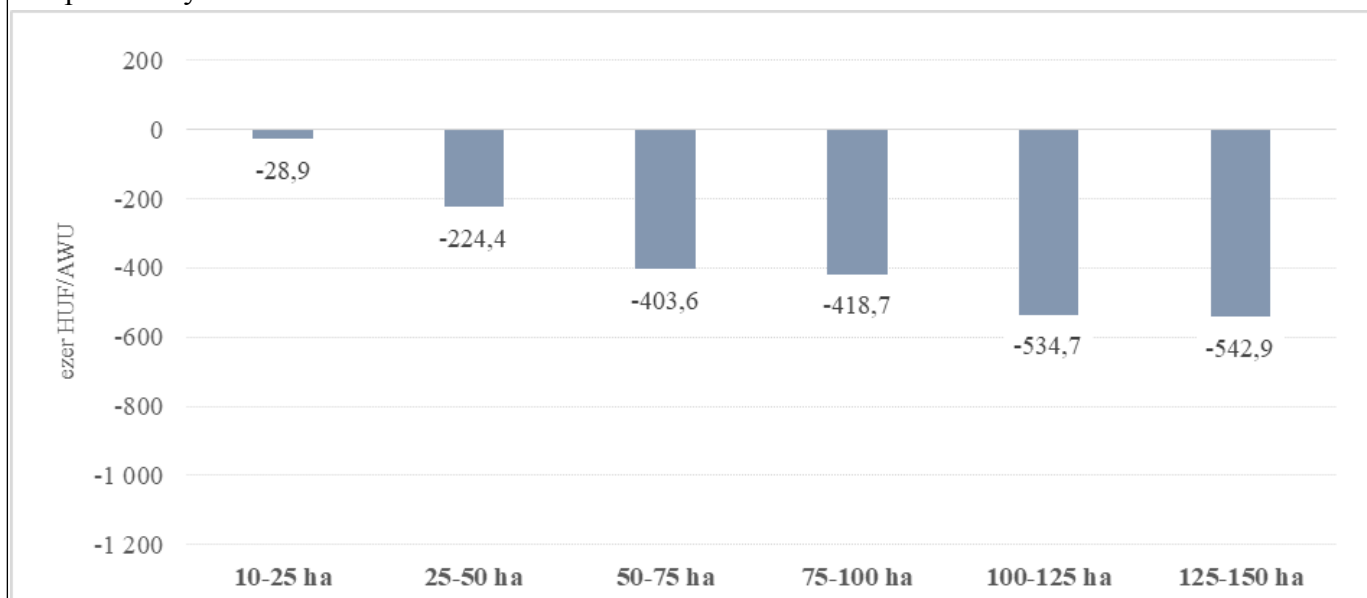
Explanation: As shown in the chart, the specific net value added per annual work unit increases the most for size classes 10 to 150 ha, while it would lead to less progress in size classes below 10 ha. The distortion of data is caused by the fact that, for larger farms, the additional support can be achieved with a lower use of labour. *Eco-scheme* payments are not included in this calculation either.

Figure 5: Change in net value added per AWU for 2023-2027 (*without eco-schemes*) vs. 2014-2020 comparison by plant size



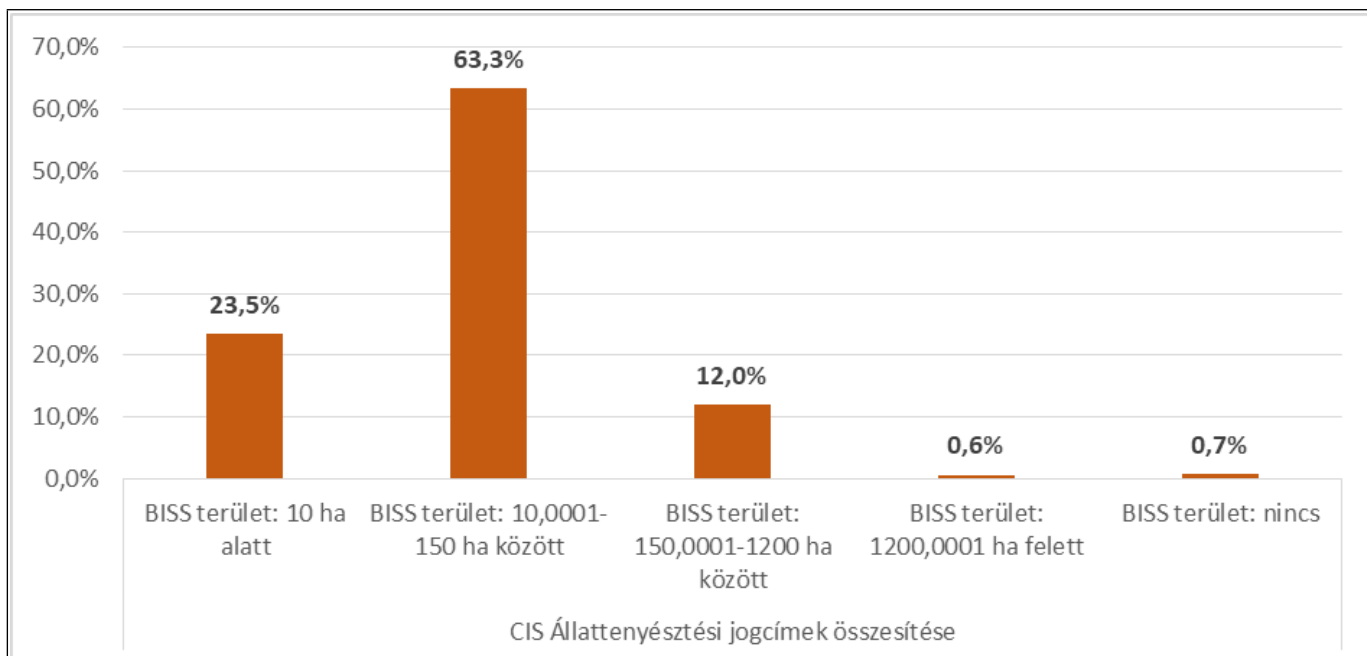
Source: Based on FADN data, AKI calculations

Figure 6: Change in net value added per AWU for 2023-2027 (*without eco-schemes*) vs. 2014-2020 comparison by farm size between 10 and 150 ha



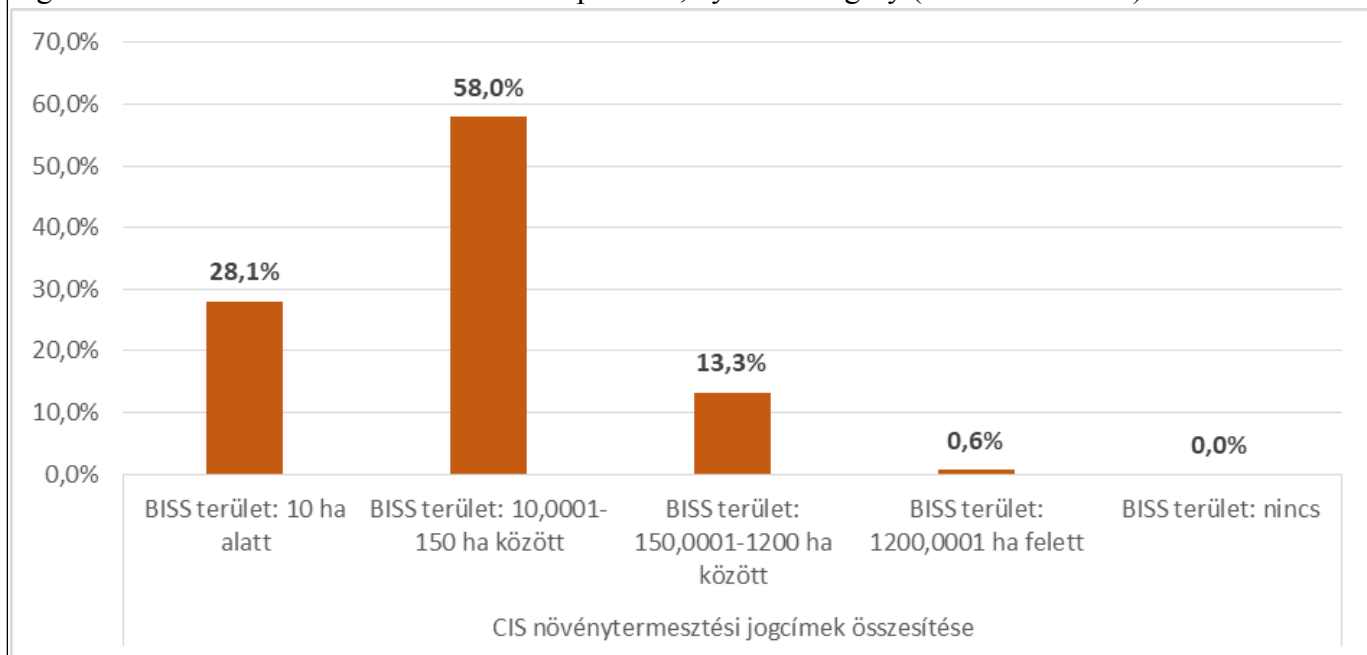
Source: Based on FADN data, AKI calculations

Figure 7: Breakdown of beneficiaries of coupled aid by size category (Livestock schemes)



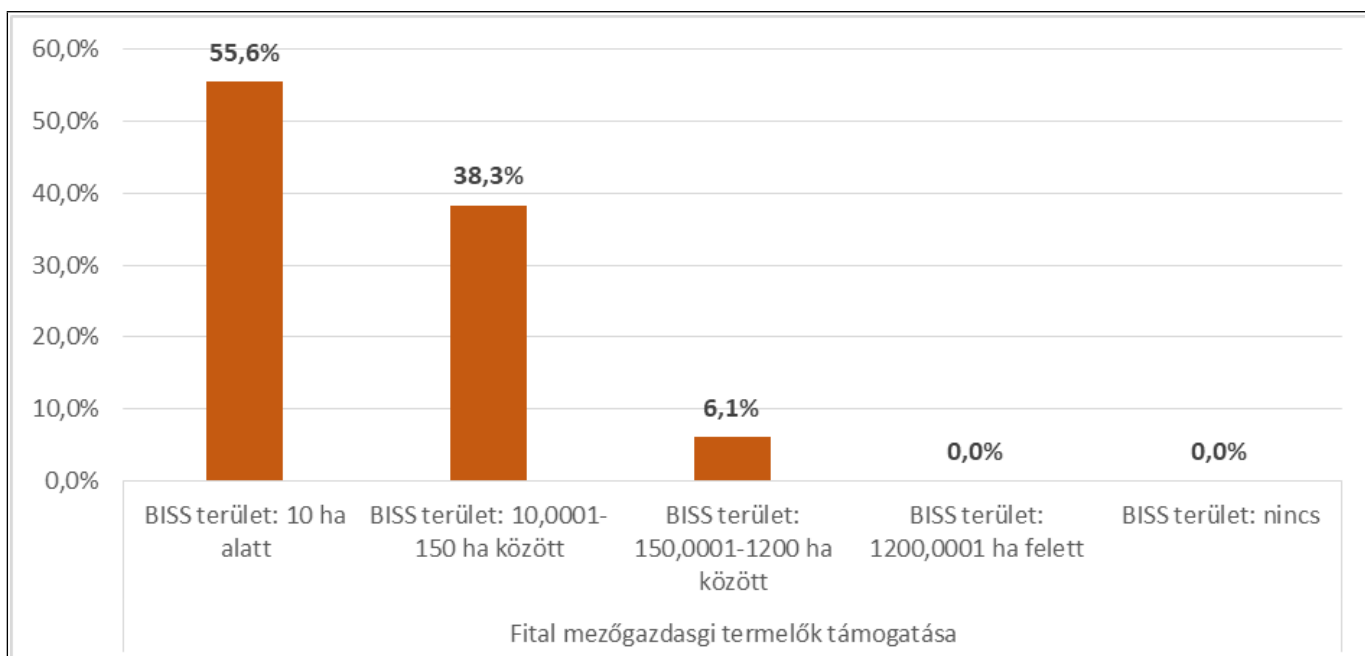
Source: Based on FADN data, AKI calculations

Figure 8: Breakdown of beneficiaries of coupled aid, by size category (Plant cultivation)



Source: Based on FADN data, AKI calculations

Figure 9: Beneficiaries of the complementary income support for young farmers, by size category



Source: Based on FADN data, AKI calculations

Importance of medium farms in Hungarian agriculture

- For decades, the Hungarian farm structure has shown a rather polarised picture, with a large number of self-sufficient and ancillary farms cultivating a small share of agricultural land, and there is a large category of farms with relatively few operators cultivating a significant part of the area. As a result of the policy choices made over the last decade, a medium-sized, goods-producing and family-run economy has emerged and continues to grow.
 - According to data from the Central Statistical Office, a significant part of the agricultural area (39.7 %) is used by medium-sized market-producing farms with between 1 and 150 hectares, which use almost three quarters of the vineyard and fruit area, 40 % of arable land and 55 % of grassland. This group accounted for around one third (31 %) of farmers with land in 2020.
 - Overall, the number of farms decreased by 31.3 % between 2010 and 2020 as a result of land concentration. At the same time, the number of farms between 5 and 150 hectares increased by 6.4 % (+ 4515 heads). During this period, the area cultivated by farms between 5 and 150 hectares increased by 17.3 %. In hectares, the growth of farms between 5 and 150 hectares was decisive (+ 287.9 thousand hectares), with these medium-sized farms cultivating around one third of the agricultural area in 2020.
- Not supporting the medium to medium-sized category of holdings would run counter to our objective of improving the competitiveness and efficiency of Hungarian agriculture, as it would significantly reduce net value added production.
- The risk of artificial splitting of farms would therefore be significantly increased due to the abolition of the unit value 2. The reduced specific value therefore plays an important role in mitigating the potential *threshold effect*.
- It is important to see that, in the context of the technological conditions of the 21st century and the conditions of growing international competition, a 150-hectare farm for arable crops cannot be considered large.
- In addition to being actively involved in the employment of the rural workforce, improving the quality of life in rural areas and contributing to achieving our environmental goals, small and medium-sized family farms have a key role to play in ensuring food supplies. The Russian-Ukrainian conflict is having a drastic impact on the global food supply chain, so maintaining the quality of production and supporting it from EU and national sources is more important than ever.

Adequacy of the redistribution strategy

Under the New Delivery Model, Member States' visions presented in the Strategic Plans are necessarily different and Member States' commitments are difficult to compare. The reason for this is that there are different plant structures, different starting positions and therefore different needs arising from the analyses. We believe that the CAP, starting from 2023, will partially provide different responses to Member States' needs, yet use common tools. However, even in this situation, a strengthened set of indicators, which reflects the results of the Member States' models on the basis of a uniform methodology, can adequately support the comparison.

According to our preliminary calculations for indicator R.6 for a fairer distribution of resources, the proposed implementation method can clearly improve the fair distribution of direct payments. The estimated value of R.6 rises to above 112 %, compared to ~100 % in 2019. This demonstrates that the chosen implementation mode is appropriate to achieve the objective set at EU level.

R.6 showed a slow, steady rise in the current cycle and as a result of the current implementation model (see table below). By comparison, the planned implementation model from 2023 will lead to a significant leap from the first year. Given that other interventions having an impact on the value of indicator R.6 would not materially change, it can therefore be clearly concluded that capping and degression, as well as simplified support for small farmers, did not approach the redistributive effect that the model described in the strategic plan could bring. The sharp increase in R.6 is driven by a change in the redistribution model, which promotes a fairer distribution of direct aids.

<i>Year</i>	<i>R.6 (%)</i>
2015	97,7
2016	98,8
2017	99,6
2018	99,9
2019	100,3

Explanation of the non-application of degression and capping

Technical considerations

The focus on small and medium-sized farms already determined Hungary's decisions on the use of EU agricultural support funds in 2015-2022. As a result, Hungary applied the strictest withdrawal in the EU by removing in full the amount of the basic payment element (*SAPS*) in excess of EUR 176 thousand. This was complemented by a simplified scheme for smallfarmers, which, however, was only partially able to meet the hopes brought about by the imperfectness of the regulatory environment. At the same time, we saw simplification as a real and tangible tool. During the reform negotiations, the Hungarian position aimed to create a more ambitious system than the model presented, which would continue the measures of capping, degression and small farmers' support already known to producers, while at the same time making it more flexible on the regulatory side and significantly reinforcing small farmers' support from the source side.

Given that this path was not possible in the final form of the basic act, the focus has shifted towards a redistributive payment (CRISS), which, according to our analysis, not only replaces our efforts to a higher level by meeting the minimum expenditure rate set out in the Regulation, but also brings our ambition to a substantially higher level. This can also be clearly demonstrated by the value of indicator R.6, which could not increase above 100 % before 2023, while under the new conditions it could already reach 112 % in financial year 2024.

Based on the experience of the SWOT analyses (in particular SO1 and SO8), the needs assessment (in particular needs 1.1.3) and consultations with partners, there is a strong need to redistribute direct

payments in the opposite direction of the economy.

Our preliminary analyses found that, under the conditions laid down in Article 17 of Regulation (EU) 2021/2115, partial (degression) or total capping could only have been carried out in a manner adapted to the Hungarian land structure with the operation of an exceptional bureaucratic system. Another factor in the decision was that wage compensation would have created unequal conditions between the higher mechanised crop production and the more labour-intensive livestock sectors.

On the basis of the unit value of the basic payment (BISS) provided for in the plan, the total withdrawal of the part in excess of EUR 100 thousand would mean that, without compensation, it would enter from a holding size of ~630 hectares, which would make it impossible to manage a significant part of viable commodity production plants in Hungary. It is precisely the layer that has been strengthened as a result of the policy decisions taken over the last decade. In the case of an arable crop farm, this wage compensation would also not be meaningful.

However, in view of the previous ceiling of EUR 176 thousand, the largest farms (farms above 1 200 hectares) would be excluded from CRISS.

Simplification, practical aspects

Simplification was also taken into account when developing the proposed implementation model, along the following lines:

- The use of the Redistributive Payment Scheme (CRISS) simplifies the aid scheme both at the level of producers and at the level of the Paying Agency. CRISS replaces degression, capping and small farmers' support as a single intervention.
- It facilitates the implementation of CRISS by complementing the amount of the BISS and its eligibility criteria are almost identical to the BISS.
- The estimated product of reduction is uncertain, which could pose a risk both in Pillar I (if the abstract amount is redistributed to the BISS or CRISS envelope) and Pillar II (if the abstract resources were to be redeployed and targeted to increase the source of an intervention).
- For the smallest farms, uncertainty due to the inflexible rules of the small farmers scheme will be removed.
- In contrast to small farmers' support, small farms will also be able to make additional contributions to the basic agro-ecological programme under this scheme.

In summary, the redistribution implementation model presented in the plan was designed on the basis of policy and simplification aspects, making use of regulatory opportunities. At the same time, it is important to stress that it does not claim sacrifice in meeting the objective set at EU level (fairer allocation of resources), but rather represents substantial progress and an increased level of ambition. This is clearly confirmed by the planned development of indicator R.6.

Justifications on the derogation related to second subparagraph of Article 29(1) and Article 98

Hungary does not wish to make use of the possibility provided for in the second subparagraph of Article 29(1). We aim to achieve a fairer distribution of direct aids through the CRISS intervention, allocating 14 % of direct aids. Thus, we do not intend to derogate either in terms of intervention used or in terms of minimum spending rate.

3.5 Overview of the sector-related interventions

3.5.1 Fruit and Vegetables

The need for a strategic approach based on an analysis of the situation

The fruit and vegetables sector faces both the strong pressure from highly concentrated retail and discount chains, which play a significant role in setting market prices, and the harsh competition from third-country products that combine better quality with relatively low prices and have a rapidly growing market share. The players in the sector are typically micro, small and medium-sized enterprises and therefore have

relatively weak bargaining power vis-à-vis the much more concentrated food trade and the manufacturing industry.

The sector's export-import balance is still positive, but an increasing share of domestic consumption is imported. Nowadays, there are no longer only imports for the purpose of southern fruits or range, with a stronger supply of temperate fruit and vegetables, which have become a major competitor of our domestic supply. Fruit and vegetable producers also face increasing competition on domestic markets for solvent demand. Around half of the production is consumed fresh and the other products are processed by the domestic food industry.

On the upstream side, concentration vis-à-vis suppliers is further increased by sourcing associations that have been developed by food retail companies as horizontal strategic partners. By running these pools, participants coordinate their demand, thus further improving their bargaining power vis-à-vis suppliers. Large-scale supplies achieve a reduction in unit costs. The concentration of trade thus results in a weak bargaining power for the producers who supply it, so that a large proportion of producers in the fruit and vegetable sector are essential to concentrating supply. Producer organisations (POs) and their operational programmes (OPs) have been a key element of grouping the supply of fruit and vegetables in recent years.

Hungary's strategic approach to the fruit and vegetable sector

Based on international and domestic experience, POs are still the most effective in cooperating with highly concentrated retail and discount chains. The aim remains that producer organisations should as much as possible take over the organisation of the market, represent supply and demand and the interests of producers, thereby further improving their bargaining power on the market. In order to increase efficiency, it is necessary to further encourage the establishment of new producer organisations in certain areas, the integration of new producer members and the rational merger of smaller organisations. In order to increase the efficiency of production, further assistance is needed for the activities of operators in the sector.

The strengthening of producer organisations remains the first priority in the Hungarian fruit and vegetable production strategy, as they can increase the technical and technological standards of the sector and create sectoral advice. Based on the needs of producer organisations, market-oriented applied research and professional training could be strengthened. They help to strengthen the transparency of primary production, which is regrettably low, and to develop specific marketing in the sector. The strengthening of POs would not only support the development of an ever-growing fresh market, but would also increase the interest of the processing industry, which is currently majority foreign-owned in Hungarian products.

The key issue of market-oriented production development is the need to ensure consistency between technological and technological development, adaptation to climate change, education and research and expert advice, and to make the necessary resources available in the short and long term. The main objective is to ensure an adequate income for producers by improving the market value of products in line with consumer expectations.

Crisis management measures should be applied in the short term and communicated to non-organised producers in order to put an end to the emergence of insufficient quality and quantity of goods causing market disruption and, in the longer term, to create the conditions for modern production and production, as well as the development of specific product marketing in the targeted sector.

Hungary's environmental aspects are highly suitable for producing the best quality fruit and vegetables. The objective of reducing the burden on the environment while decoupling it from economic growth should be taken into account in the farming activity and in the activities of producer organisations. In agriculture, it is particularly important to stop pollution at source. The role of Producer Organisations

(POs) is also key in this area, as effective interventions should be defined for each of the above areas, so that the objective of reducing environmental pressures and decoupling it from economic growth is effectively implemented.

Contribution of CAP Strategic Plan interventions to the development goals of the sector

On the basis of the needs resulting from **the assessment of the situation, the measures taken under the operational programmes** to achieve the sectoral objectives are recognised producer organisations and associations of **recognised producer organisations in the fruit and vegetables sector**. The intervention follows the support for the operational fund for fruit and vegetables producer organisations used under the national strategy for sustainable operational programmes. The purpose of the intervention is to ensure that production is planned and adapted to demand, to concentrate supply, to increase the value and quality of commercial goods, and to promote and market the products produced by its members. And increasing the consumption of fruit and vegetables products, improving competitiveness through modernisation, stabilising production costs and producer prices. And the development of sustainable production methods, including increasing resilience to pests, diseases, climate change, contributing to climate change mitigation, promoting environmentally sound cultivation practices and production techniques, crisis and risk management and improving employment conditions.

The planned rate of support shall be 4.1 % of the value of marketed production of the reference period for producer organisations, 4.5 % for associations of producer organisations and 5 % for transnational producer organisations and associations. An additional 0.5 % may be used only for research and development of sustainable production methods, the promotion of environmentally sound techniques, the protection of the environment, climate change mitigation, the enhancement of the commercial value and quality of products, the promotion and marketing of products. Union support shall not exceed 50 % of the actual expenditure. However, the ceiling may be raised to 60 %, 80 % and 100 % respectively, provided that the conditions laid down in the Regulation are met. 15 % of the aid must be allocated to climate and environmental measures consisting of at least three activities and 2 % to research development. Expenditure for interventions of the types of intervention referred to in points (f), (g) and (h) of Article 47(2) of Regulation EU/2021/2115 shall not exceed one third of the total expenditure. In addition to EU support, given the low level of producer concentration, national financial assistance is granted up to 10 % of the value of marketed production, up to a maximum of 80 % of the contributions paid by the producer organisation or its members (interventions code: SC11_A03_FVA_47, SC12_A04_FVT_47, SC13_G01_FVO_47, SC14_B01_FVE_47, SC15_E10_FVP_47, SC16_E11_FVQ_47, SC17_E12_FVC_47, SC18_G02_FVL_47, SC19_I01_FVF_47, SC20_I02_FVV_47, SC21_I03_FVS_47, SC22_I04_FVR_47, SC23_I05_FVW_47, SC24_I06_FVG_47, SC25_I07_FVN_47, SC26_I08_FVH_47, SC27_I09_FVM_47, SC28_E01_FVI_47, SC29_I10FVC_47).

In view of the low level of organisation of the fruit and vegetable sector, in addition to sectoral interventions, the system of **coupled aid**, which is also available to non-organised producers and differs from sectoral interventions, is crucial for the operation of each path. 13 % of the national envelope could be used for this, and a further 2 % of the Hungarian envelope for protein crops was allowed to be allocated to producers in the form of coupled aid. The following coupled support interventions are planned for the product areas covered by the sectoral intervention: vegetables, industrial vegetables, industrial oil plants, extensive fruit, intense fruit. The interventions are planned to be maintained because it is of the utmost importance for fruit and vegetable producers and their families that coupled with the basic payment, coupled with the basic payment, constitute a genuine safety net ensuring an expected level of resilience in the event of income fluctuations resulting from these weather and market risks. The specific aid value for interventions has been adjusted to reflect changed market conditions (interventions code: DP06_E05_CISV_16, DP07_E06_CISI_16, DP08_E07_CISO_16, DP09_E08_CISE_16, DP10_E09_CISF_16).

Among the interventions under Pillar II, primarily **farm** sustainability development and the digital

transition of agriculture, as well as interventions to improve water efficiency, all provide opportunities to support **investments** that contribute to a more sustainable functioning of the fruit and vegetable sector, while increasing competitiveness. Many of these interventions are now well known and popular, so we plan to increase the level of ambition mainly through an increased budget and a growing number of beneficiaries (interventions code: RD01_E01_FRM_73, RD02_D01_FRM_73, RD12_W01_WTO_74, RD15_W04_COP_77).

All elements of AKIS measures (information service, advice, training, innovation and digitalisation) directly contribute to addressing the challenges of the fruit and vegetable sector. In addition to increasing the resources in the new period, we also plan to increase the level of ambition by involving experts and organisations implementing AKIS-type actions in the sectoral programmes more in the knowledge network than is currently the case. The AKIS Coordination Unit and the CAP Network (interventions code: RD02_D01_FRM_73 RD58_A01_TRA_78, RD59_A02_INF_78, RD60_A04_ADP_78, RD61_A05_EIP_77).

3.5.2 Apiculture products

Theneed for a strategic approach based on an analysis of the situation

Due to the natural conditions, the entire territory of Hungary is suitable for beekeeping. Bee density (12 colony/km²) is high in Europe. The volume of production varies from one vintage year, but almost every year there is more honey harvest than that consumed by the population, which means that significant quantities are exported, crucially to the Member States of the European Union, which require high food quality.

However, **the needs of the sector have changed compared to the period of successful apiculture programmes so far. Given the crucial importance of foreign markets for our apiculture products, it is particularly problematic in recent years that in the traditional EU export markets for Hungarian products, to which we export 80 % of our honey production, they are currently in competition with substantially cheaper or lower quality products from third countries.**

The sector has faced an unprecedented crisis with unprecedented speed, as our traditional EU honey markets are getting more and more from outside the EU to low-quality but low-quality honey. As a result, demand for high-quality Hungarian honey with higher production costs has been drastically reduced by large European honey processors, which are primarily profit-oriented.

The departure of honey processors is due to the fact that, as a result of repeated difficulties, the European consumer market has also shifted towards price sensitivity to the detriment of quality products.

In the context of competition on the honey market, the price advantage granted by bilateral agreements for non-EU products cannot be compensated by the production of high-quality EU products, by improving the level of processing and by increasing promotion and marketing activities.

The price of apiculture equipment has increased significantly over this period. In this context, the incentive to invest in the sector has been significantly reduced.

Given that it is increasingly difficult for full-time beekeepers to earn their livelihoods, some of them are slowly placed on the labour market and beekeeping, as an ancillary activity, contributes to their income. As a result of this sudden drop in investment, bee flocks are unsold, but in cases of beekeeping as an ancillary activity, there is no time to carefully treat bees. The latter is also the case for some of Hombian beekeepers. Lack of revenue, reduced time spent on the activity and lack of marketability of stocks lead to neglect of treatments.

Given that Hungary has one of the highest bee density in the EU, under these conditions there is an increased risk of an animal health epidemic for other apiaries. This obliges other beekeepers to make more frequent and increased use of rotating equipment, such as medicinal products, vehicles, application equipment, protective equipment, frames and wax exchange. Moreover, the prices of those current assets have doubled in recent years.

In summary: instead of investing in production and processing to promote quality and cost-effectiveness, the need for the sector, in the absence of an appropriate market, has shifted towards maintaining the health of the bee population as a key to the survival of the sector, seeking to overcome a difficult period which is likely to persist until the situation on the honey market is resolved.

Hungary's strategic approach to the apiculture sector

The beekeeping sector has typically been a secondary activity in previous decades. In the years prior to accession to the European Union (2004), there were 16-17 thousand beekeepers with around 850 thousand bee colonies. The specific yield was between 18 and 20 kg per bee colonies, with low live labour efficiency. The sector produced honey production in the range of 10 to 15 thousand tonnes, two thirds of which were exported.

Since accession to the European Union (2004), as part of Hungarian agriculture, the Hungarian apiculture sector has undergone significant changes, both in its form and in its content, due to its social and economic influence.

The number of beekeepers and bee colonies has increased significantly. The number of beekeepers decreased slightly after a peak of 22 thousand in 2017, and is still above 20 thousand. The number of bee colonies was similar and, after almost 1.3 million peaks in 2017, is currently between 1.1 and 1.2 million.

As the sector develops, the beekeepers' society has been divided. Intensive commodity-producing, full-time beekeepers have emerged, and beekeepers have been maintained as a secondary activity. The average number of bee colonies per beekeeper is between 50 and 60. The proportion of full-time professional beekeepers with at least 150 bee colonies is less than 7 %, while around a third of bee colonies are treated.

The average age of the beekeeper society is rather high, at the age of 45-50 years.

The apiculture sector has been in crisis in recent years, owing, on the one hand, to reduced yields due to climatic changes, but mainly to the anomalies on the honey market. In times of crisis, the deterioration of bee health is at risk and particular attention should therefore be paid to supporting efforts to maintain the health of bee colonies.

The vast majority of beekeepers are members of an association of beekeepers. There are around 110 beekeepers' associations with more than 13 thousand members. Beekeeper associations are grouped together by the Hungarian Apiculture Association, as the main representative body of beekeepers and an interbranch organisation.

Beekeepers' associations are democratic professional organisations organised on a territorial basis. On the basis of their financial means, OMME is a member organisation of OMME or a local organisation of OMME as a separate legal entity.

OMME and the Ministry of Agriculture will jointly seek appropriate solutions to professional challenges in the framework of a Strategic Cooperation Agreement.

Facilitating the functioning of organisational life contributes greatly to the exchange of practice-oriented knowledge in support of sectoral objectives. Sector-specific advisory and service systems enhance farmers' knowledge of the impact of agriculture on the environment, help to raise awareness of close-to-nature farming, promote the importance of biodiversity and ecosystem services.

It is important for the beekeeper society to develop and, where possible, standardise theoretical knowledge and technology. Bee density in bee pastures is also higher than the average, which poses a risk to bee

health. It is therefore of great importance to support the purchase of medicinal products, native pure-bred queen bees. Due to the current difficulties in the beekeeping sector, it is expected that some of the main beekeepers will be forced to look for a different occupation, while there is no realistic demand for the sale of a large number of bee colonies, which is leading to an increase in the number of bee colonies mistreated. This requires additional intervention for other herds in order to maintain the health of bee colonies.

Honey production around 10-15 thousand tonnes prior to accession to the European Union (2004) has increased hactically every year, but has increased significantly, with the average of good vintages being doubled. The negative record was reported with 14 thousand tonnes of honey production in 2020 and 2021, compared to 25 thousand tonnes of honey in 2022. The specific honey yield in 2020-2021 was only 11-12 kg per colony, compared to 21 kg in 2022. Our main honey varieties are sunflower (35-50 %), acacia (30-45 %, rapeseed (5-15 %), mixed flower honey (5 %) and other varietal honeys (2-10 %).

The marketing structure of Hungarian apiculture products is multi-channel. There is a substantial difference between the direct producer selling price of honey and the wholesale commercial purchase price in favour of direct sales. However, direct sales to consumers are only 30 %. The largest share of bulk sales to purchasers (64-66 %). Only 3-5 % are sold to retailers and shops for resale, while only 1 % is sold to confectionery users (honey bread, sweets).

Compared to the EU accession result, the volume of honey exported almost doubled in good vintages (20-22 thousand tonnes/year; 2018-22 thousand tonnes; 2019-21 thousand tonnes). However, in recent years, the honey market has been severely restricted on our traditional European markets due to cheap honey, often of poor quality, coming into the EU from countries outside the EU. Thus, only 12 thousand tonnes of honey were exported in 2022 and 4.5 thousand tonnes in the first half of 2023.

Despite deteriorating sales conditions, Hungary continues to seek to maintain beekeeping, given the role of the beekeeping sector in pollination, which is important for the safety of food production and the maintenance of biodiversity beyond the sector's ability to generate income. In line with the needs of the sector, maintaining the health condition of the bee population is of primary importance. It is also important to support knowledge transfer, marketing and modernisation, as well as quality development. Therefore, should the export market situation improve in the following years, a revision of the weighting of interventions according to changing needs may be warranted in line with the current trend.

Confident in our strengths, such as centuries-old beekeeping traditions, unique bee-grazing and diverse beekeeping technology, which have helped to overcome the problems of the sector in other difficult times, we are trying to overcome the danger of current market anomalies. Bearing in mind that beekeeping is a sensitive sector with high exposure to climatic and market conditions, we are determined to maintain the apiculture sector because of the contribution of GDP and its ecological role in addition to its direct economic benefit. However, we have limited possibilities for Member States, with a pan-European solution to improve the situation. We do not expect any improvement in the short term, given that we have called for a tightening of the origin labelling of honey since our accession to the European Union. In 2017, the Commission adopted the 'Honey Report', which also considered this ambition to be necessary, in 2023, the results of the European Commission's honey inspection 'from capteries', which showed that almost 50 % of honey marketed in the EU did not comply with EU honey standards, was published. As a result, new rules for the classification of honey should be developed over several years. The development and introduction of this rule goes beyond the implementation period of the CAP Strategic Plan 2022-2027. Therefore, maintaining the health status of the bee population is now a priority, which is also an opportunity to save the apiculture sector and to provide opportunities for future development.

Contribution of CAP Strategic Plan contributions to the development goals of the sector

Based on the needs resulting from this assessment of the situation, three targeted interventions are planned in the financing of **Pillar I** of the CAP Strategic Plan to achieve the sectoral objectives in accordance with Article 55(1)(a), (b) and (f) of Regulation (EU) 2021/2115 of the European Parliament and of the Council.

The well-functioning measures of the national apiculture programme will be continued through the sectoral measures of the CAP, with priority being given to areas that have an impact on bee health. The focus is on the areas of awareness raising, modern technologies, food safety, bee health, efficient migration, quality genetic foundations, marketing and product development.

The **aim of Pillar I of the CAP Strategic Plan** is to operate professional organisations and a network of specialist advisers and service providers, which contributes to the coordinated operation of the sector, to the development of knowledge, to the dissemination of innovation and to the modernisation of the sector. International and regional professional events, study visits and training in beekeeping and other ways of disseminating knowledge (professional newspapers, films, publications, etc.) serve to enhance and share knowledge. Training and organisational support increase the resilience of the sector, which also contributes to food security. The bee health and environmental impact assessment reveals malpractice in agricultural technologies. An annual publication of the results of the monitoring is produced to enhance and share knowledge. In the new period, experts and organisations implementing **AKIS-type actions** of sectoral programmes will be more involved in the knowledge network than is currently the case. The AKIS Coordination Unit and the CAP Network (intervention code: SC02_A01_BE55).

Due to the crisis in the sector, interest in beekeeping training is expected to decrease, so knowledge transfer aid will play a lesser role in the coming period, so this has to be taken into account in resource planning.

The aim of the **apiculture marketing** intervention under Pillar I of the CAP Strategic Plan is to control market products, carry out promotion and marketing activities to increase consumer confidence, increase consumer awareness, market orientation and consumer awareness.

During a period of crisis when apiculture products are available for sale, marketing and promotion are much needed, but a smaller amount of resources is needed due to reduced supply and a reduction in the number of beekeeping.

The aim of the intervention is to **improve the competitiveness of the hive sector, to improve the health and genetic status of bee populations and to rationalise transhumance**, to continually innovate technology, to develop market-oriented activities in order to increase the efficiency and competitiveness of the activity and to support the purchase of medicinal, alternative and preventive measures against bee pests and agents and controlled breeding material in order to maintain the number and health of bee colonies, preserve the indigenous gene pool and maintain ecosystem services.

The current crisis in the beekeeping sector is expected to lead to an increase in the number of bee colonies mistreated and require additional intervention for the rest of the herds in order to maintain their health. On the basis of the above, we have taken into account in the planning of the CAP Strategic Plan and in the strategic design of the sector that the crisis in the sector is likely to reduce investment in apiculture equipment in the near future, while maintaining the health status of the bee population will generate significant additional costs. Addressing the epidemic threat has become a priority for the survival of the sector, which absorbs significant additional resources due to the need to increase the number of treatment sequences and to procure more efficient products. These resources will be provided by reducing the range of apiculture facilities supported within the intervention and the number of aids.

The increased effort to maintain the health of bee populations is a condition for achieving the SO6 objective, since if a large part of the bee population dies, it will lead to a significant loss of biodiversity in the areas concerned.

This intervention (intervention code: SC03_E02_BEI_55) has been designed to be complemented by Pillar II Innovation Cooperation (EIP) intervention (intervention code: RD61_A05_EIP_77) and investment support for small farms (intervention code: RD09a_B05_SML-73) and animal welfare support for the apiculture sector (intervention code: RD33_G15_AWB_70).

In order to avoid double funding, Pillar I and Pillar II support objectives are either different, or at the level of the call for proposals, the possibility of co-financing from other sources is excluded. The Paying

Agency monitors the relevant databases to detect the possibility of double funding. Apiculture sector interventions do not support the implementation of research programmes on apiculture products. Therefore, double funding of research programmes implemented with Pillar II innovation cooperation support is excluded. In the call for proposals under Pillar II for investment aid for small farms, the reason for excluding eligibility is the use of sectoral apiculture interventions for the same investment. The obligation to support animal welfare in the apiculture sector under Pillar II is fulfilled. The imposition of the obligation serves a different purpose than the improvement of bee health and genetic condition in the apiculture sector. The Pillar II requirement serves the short-term purpose of permeating the poor period of bee pasture in a given place in the population of individual beekeepers, while Pillar I intervention pursues a long-term objective of improving the bee health and genetic status of the entire bee population.

The **social function** of beekeeping is also reflected in strengthening the rural population retention capacity and supplying high-quality apiculture products. In all cases, apiculture measures must be in line with agricultural, forestry and rural development standards, taking into account biodiversity requirements, the need for broad pollination of arable crops and horticulture, and the appearance of honey and other apiculture products in the short supply chain (REL) and rural tourism (honey roads) (interventions code: RD49_R09_SCC_77, RD51_R11_TUC_77).

Furthermore, most of the green interventions in Pillar I and Pillar II help at least indirectly the situation of beekeeping and bees by reducing pesticide use and developing landscape features favourable to bees. Such planned reinforced level of ambition interventions mainly concern conditionality, the agro-ecological programme, AKG, Öko, Natura, non-productive investments facilitating land use change and their maintenance (interventions code: DP17_G01_ECOS_16, RD19_G01_AEC_70, RD20_G02_ORT_70; SC13_G01_FVO_47, RD21_G04_LCI_73, RD22_G05_LCP_70).

Aid financed by the EAGF is 50 % and EAFRD co-financing rate 43-57 %.

The 2023 budget differs from the budget for additional years in that the 2023 CAP envelope will finance the 2022 extended period of the apiculture programme previously financed by the EAGF. The amount of EUR 689200 planned to cover the support needs arising during this transitional period will be deducted from the 2023 CAP envelope, with a proportional reduction of the indicators.

Description of an established reliable method for determining the number of beehives ready for wintering in the territory of the Member States between 1 September and 31 December each year

Method to calculate the number of beehives

The number of beehives ready for wintering in the territory of the Member States between 1 September and 31 December shall be calculated each year according to an established reliable method laid down in the CAP Strategic Plans.

First method:

For the establishment of beekeeping, registration with the competent county veterinary authority (County Government Office) is required. In Hungary, Decree No 119/2007 on the national system for the registration of enclosures, holdings and certain data relating thereto. Decree (X. 18.) of the Minister for Agriculture and Rural Development regulates the register of beekeepers. Under Section 4(1)(g) of the Decree, all beekeeping, with the place where bees are permanently kept, must be notified to the keeper and registered in the National Database. The National Data Base is a public register maintained by the National Food Chain Safety Office as the state animal health and registration authority. Beekeepers are registered as bee-keepers at the request of the client, based on the data of the bee keeper (not necessarily the owner of the bees) and the location where the bees are kept. The number of bee colonies kept also has to be provided upon registration. Any change (increase, decrease, termination) shall be notified to the authority maintaining the register.

Second method:

Under the authority of the veterinary authority, Decree 70/2003 on the protection of bee flocks and the prevention and control of certain honeybee diseases (VI. On the basis of Decree No 27/1999 of the Minister for Agriculture and Rural Development – the bee health officers assisting the official veterinarian shall carry out a full inspection of all bee colonies during the mandatory autumn bee health inspection carried out on 30 September of each year. A report on the results of the inspection shall be drawn up as an official document signed by the bee health officer and the beekeeper, covering the number of bee colonies prepared for wintering in the apiary inspected and the type of beehive, summarising the number of beehives per type if several types of hives are used.

The data for the first and second methods are available at the veterinary authority. IN CASE 119/2007. The obligation to notify changes under Decree No 70/2003 of 18 October 2003 of the Minister for Agriculture and Rural Development (VI. (27) Decree of the Minister for Agriculture and Rural Development was placed at the time of monitoring. IN CASE 70/2003 (VI. The autumn bee health inspection laid down in Decree No 27/1999 of the Minister for Agriculture and Rural Development is a series of official inspections covering the entire domestic bee population, and the result is that the national data are very accurate.

The second of the two methods for the establishment of bee colonies is determined on the basis of the interlinked results, which are suitable for verifying the data given on the basis of the first method and, if necessary, the number of beehives. For the first method, the beekeeper carrying out the actual activity is the notifying client. There is nothing to prevent beekeepers from renting bee flocks or managing bees on the basis of an agreement, so the beekeeper is not always the same owner of the bee population and the beekeeper declaring the continuation of the activity. The latter is registered as a client in the national database as a person carrying out beekeeping activities. The national regulatory environment does not support the owner of the productive capital, but the actual holder of the agricultural activity.

3.5.3 Wine

1. Need for a strategic approach based on an analysis of the situation

Hungary is a traditional wine-producing country. Hungary is the 7th largest wine-producing country in the European Union. The result of the joint work of Hungarian viticulture and winegrowing and Hungarian grape and wine producers, i.e. the importance of Hungarian wine, goes far beyond itself: it is an identity-forming factor in Hungarian agriculture and an important national imager and creation force. Many of our rural areas are affected by some form of wine-growing and wine-making. The area under vines is around 65 thousand hectares, with a multiannual average of 3 million hectolitres of wine production. The sector provides livelihoods for around 100000 people. According to a 2017 market survey commissioned by the National Council of Wine Communities, around 22 % of the population aged 18 and over in Hungary (around 1.7 million people) consumes wine at least once a week and another 26 % (2 million people) at least once a month.

2. Hungary's strategic approach to the wine sector

Together with the Ministry of Agriculture, the National Council of Wine Communities has drawn up a strategy for the sector, setting out the following objectives. The National Council of Wine Communities is an inter-branch organisation and is also the largest professional organisation, bringing together almost all operators in the sector.

The condition, age, structure and varietal composition of the productive funds (plantations) and the modernisation of the wine processing capacity based on it are fundamental factors for the competitiveness of the Hungarian wine sector. The modernisation of obsolete infrastructure is still significant by operators, as demonstrated by the persistent need for support for the restructuring and conversion of vineyards, as

well as by the popularity of aid for the modernisation of major wine-growing holdings. Thanks to improvements in the last decade, the competitiveness of Hungarian wine products has increased, as can be seen in export data. However, without supporting information campaigns in the European Union or promotion activities outside the European Union, we cannot preserve, expand or increase our markets in value. There is a significant backlog in marketing and product communication, as domestic consumption is stagnating. It is necessary to increase the export price per litre of wine in order to improve the sector's ability to generate income and to provide an attractive way of living for the next generation of wine production and wine production.

Constantly evolving market needs call for innovation as a new intervention. In the context of innovation in the wine sector, we will provide support for the introduction of new technologies or processes that are not yet in use in Hungary, enabling operators in the sector to increase their efficiency through new markets and consumers and reduce their costs, thereby achieving a more sustainable and competitive operation. Innovation also has the potential to develop and market technological solutions that are environmentally sound and contribute to reducing the environmental impact of the sector. Changing consumer needs, increasing environmental awareness and decreasing consumption in the European Union also require Hungary to adopt innovation and facilitate the introduction of innovative solutions in the wine sector.

The use of **advisory services** to operators in the wine sector plays a key role in improving their economic competitiveness. Advice covers general information on legal obligations and compliance with complex legal obligations such as excise legislation or waste management. The advisory service provides an opportunity to present good practices, to develop and deliver solutions for a wide range of operators in the wine sector, which will make it easier and more efficient for operators in the wine sector to work on a daily basis.

The intervention **to promote wine tourism** is intended to increase the reputation of vineyards in Hungary and to develop wine tourism in wine-growing regions. Wine tourism is able to showcase the characteristics of making the wines, give them an insight into their landscape and highlight the importance of vineyards in the region. Wine tourism, through direct contact with the producer, contributes to the dissemination of knowledge and to the presentation of the cultured and moderate consumption of wine, and the communication of the relevant messages.

Improving market knowledge through intervention aims to increase the efficiency, resilience and competitiveness of the wine sector. Improving the performance of operators in the wine sector with regard to the efficient use of sustainable economic, social, environmental and climate resources makes a major contribution to improving their available market knowledge, access to current knowledge and regular information on current developments in the wine and wine markets.

3.CAP Strategic Plan interventions contribute to the development goals of the sector

On the basis of the above, it is necessary to continue to increase the operational and commercial efficiency of production and the creation of modern production capacities through the chosen interventions. In **Pillar I of the CAP Strategic Plan, the seven interventions chosen for the wine sector** can make a major contribution to the competitive growth of the Hungarian wine and wine sector, preserving jobs, improving the quality of life in rural areas by helping to add value from vineyards to innovation and marketing, adapting to market needs, improving marketing conditions and opportunities.

The provision of **information under Pillar I of the CAP in the Member States** has been used by Hungary as of 2020 under the National Support Programme for the wine sector. The conditions for support have made the use of the aid much more targeted from its initial application.

For the intervention, the following conditions have been set in order to achieve effectively the objectives presented:

- the role of using a uniform wine image has been given a key role;
- taking into account the needs of operators working in each wine region through the use of regional promotion plans.

This will make better use of the efficiency and synergistic effects of communication. The national information campaign contributes greatly to the competitive growth of the Hungarian wine sector. The

Government of Hungary pays particular attention to the preservation and creation of jobs. Preserving the population of rural areas and protecting and developing local employment opportunities therefore play an important role. In Hungary, tourism income and tourism flows are increasing. Wine is an important tourist attraction, so we need to improve the knowledge of wine consumers by providing information on the value of the different geographical indications and the responsible consumption of wine.

Eligible beneficiaries: The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

(intervention code: SC09_E08_WIN_58)

The **promotion of Pillar I of the CAP in third countries** has been implemented by Hungary as of 2012 under the National Support Programme for the wine sector. The conditions for support have made the use of the aid much more targeted than the first application of the intervention. For the intervention, the following conditions have been set in order to achieve effectively the objectives presented:

—the role of using a uniform wine image has been given a key role;

—taking into account the needs of operators working in each wine region through the use of regional promotion plans.

This will make better use of the efficiency and synergistic effects of communication. Promotion in third countries greatly contributes to the competitive growth of the Hungarian wine sector. Hungary needs to build new markets in third countries to reach new customers and increase the volume and value of exports outside the EU.

Eligible beneficiaries: The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

(intervention code: SC10_E09_WIP_58).

The **restructuring and conversion of vineyards under** Pillar I of the CAP has been implemented by Hungary as of 2008 under the National Support Programme for the wine sector. Restructuring aid is an important intervention contributing to the creation of competitive productive funds.

For the intervention, the following conditions have been set in order to achieve effectively the objectives presented:

—We consider it important to plant varieties that are most linked to the soil and climate conditions of the wine-growing region and to the wine-growing tradition and for which there is a long-term demand;

—our objectives include the implementation of restructuring aid in the best production sites and areas; therefore, preference is given to producers whose area is above average according to the vineyard register.

—preference will be given to producers who have a secure outlet, purchase contract or a producer organisation through which the long-term exploitation of vineyards from renovated vineyards is assured

The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

(intervention code: SC05_E04_WIR_58).

The intervention of the **green harvesting measure under** Pillar I of the CAP has been applied by Hungary in the National Support Programme for the wine sector as of 2019. In order to maintain a balance between supply and demand, certain market intervention instruments may be used. Green harvesting is an effective tool for immediate reduction of the supply side, which we intend to use in a given year when a crisis occurs. In the case of an intervention, the conditions for contributing to the objectives of the Plan can only be defined in the light of the scale and territorial impact of the crisis that has arisen.

The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

(intervention code: SC07_E06_WIG_58)

The **intervention of by-product distillation under Pillar I of the CAP** has been implemented by

Hungary in the National Support Programme for the wine sector from 2008. The by-product distillation intervention serves to control the extraction of by-products, thereby helping producers who use it. The by-product distillation intervention facilitates the cost-effective and environmentally sound extraction of wine by-products. During the design of the measure, the cost-effectiveness and safe disposal of by-products was carefully considered as regards the available means of extraction and their availability and availability.

For the intervention, the following conditions have been set in order to achieve effectively the objectives presented:

—the destruction of wine lees by distillation is compulsory above a certain holding size.

The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

(intervention code: SC07_E06_WIG_58).

The intervention of **Pillar I of the CAP in the wine sector** has been applied by Hungary as of 2010 under the National Support Programme for the wine sector. The wine sector requires targeted investment support, which is planned to provide long-term funding. In parallel with the renewal of areas planted with vines, the modernisation of wine-growing capacity should be encouraged. In order to achieve the right market results, it is necessary to develop all elements of the sector so that producers can respond to evolving consumer needs and use the latest technologies.

For the intervention, the following conditions have been set in order to achieve effectively the objectives presented:

—only the purchase of new machinery and equipment, which is not yet useful, is possible within the measure,

—the purchase of machinery and equipment related to the production, quality control and marketing of wine products is eligible.

The identified beneficiaries are the same as those referred to in Article 40 of EU Delegated Regulation 126/2022.

This intervention is complemented by **investment-type interventions from Pillar II of the CAP**, such as support for the sustainability and digital transition of farms, added value and water efficiency (intervention code RD01_E01_FRM_73, RD02_D01_FRM_73, RD03_E02_FON_73, RD04_E03_FOF_73, RD12_W01_WTO_74, RD15_W04_COP_77).

The intervention of **Pillar I of the CAP for innovation** in the wine sector has not yet been applied by Hungary. However, the reform of the CAP and the decrease in consumption have brought about changes in the wine sector to which the Hungarian wine sector also needs to adapt and find new innovative solutions to new expectations and challenges. The CAP reform amended Regulation (EU) No 1308/2013, which allowed the production and marketing of de-alcoholised and de-alcoholised wine products. Greater market demand for such products is an opportunity for operators to prepare and market such products.

Through this intervention, we want to support:

—the development of new technologies for the production of de-alcoholised and de-alcoholised wine products,

—research into the use of new environmentally friendly packaging in the wine sector;

—The development and deployment of new technological and IT (IT) solutions are not yet in use in Hungary.

Therefore, no aid may be granted as part of the intervention for machinery, equipment, technological and IT solutions eligible for the investment measure. Intervention code: SC04_A01_WIIN_58.

All elements of AKIS measures (information service, advice, training, innovation and digitalisation) can directly contribute to addressing the challenges of the wine sector. In addition to increasing the budget in the new period, we plan to increase the level of ambition by involving experts and organisations implementing the AKIS-like measures of sectoral programmes in the Knowledge Network more than is currently the case. The AKIS Coordination Unit and the CAP Network will play a major role in this work (intervention code: RD02_D01_FRM_73, RD58_A01_TRA_78, RD59_A02_INF_78,

3.5.4 Hops

The Hungarian Strategic Plan does not include any intervention targeted at supporting the hops sector, so the presentation of complementarity is not relevant in this case.

3.5.5 Olive oil and tables olive

The Hungarian Strategic Plan does not include any intervention targeted at supporting the hops sector, so the presentation of complementarity is not relevant in this case.

3.5.6 Beef and veal

The beef and veal sector receives aid from a number of schemes, which are intended to support the various parts of cattle rearing for meat production. These are presented below.

In general, the purpose of transitional national aid is to contribute to the achievement of SO1 objectives through the fulfilment of identified needs through complementarity. However, this complementarity is gradually weakened, given that the maximum size of sectoral envelopes is reduced from year to year.

1. Foie grip bulls

In the case of bulls, premiums come from two sources: EU-funded coupled subsidies and transitional national aids financed by national funds. While the EU leg is coupled to production, the transitional national aid scheme operates in a decoupled form, so that the number of beneficiaries does not overlap completely. This part will be improved by the amendment of the reference period. Of the two items, the EU budget is more certain (EUR 54.35) and the unit value of the transitional national aid varies depending on current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. However, this is significantly below the indicative EUR 101,07. The use of the approved financial envelope is not close to the approved maximum value, which has been below 80 % in recent years.

As indicated in the presentation of the foie gripped bull premium, it is of utmost importance for fattening farmers and their families that coupled coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

This is the basis for the decoupled transitional national aid for cattle extensification, the amount of which varies according to current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. At the same time, the complementary nature of this can be seen at sectoral level, as only a part of the cattle farms keeps their herds extensively.

2. Suckler cow premium

In the case of suckler cows for meat production, premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. Both schemes operate in a production-linked form, although the number of beneficiaries is not the same. This is because for the transitional national aid there is a cap on the number of eligible animals, which is capped at 117000 animals. Using the option provided for in the Strategic Plan Regulation, the ceiling on the number of eligible animals will be increased to the number of suckler cows receiving support under the Voluntary Coupled Support Scheme in 2018 (229215), which will significantly bring the number of beneficiaries in line with each other. Of the two items, the EU budget is more predictable (~EUR 140), the unit value of the transitional national aid varies according to current national budgetary possibilities and will be halved (to a level of

around EUR 30) as a result of this update.

As indicated in the presentation of the suckler cow premium, it is of particular importance for suckler cow farmers and their families that coupled payments for genuine production and improved targeted transitional national aid constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

This is the basis for the decoupled transitional national aid for cattle extensification, the amount of which varies according to current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. At the same time, the complementary nature of this can be seen at sectoral level, as only a part of the cattle farms keeps their herds extensively.

In summary, the Hungarian CAP Strategic Plan improves the situation in the beef and veal sector in a complex manner through several interventions. Targeted coupled sources of direct aid help to improve the income situation of those active in the sector and to promote sustainability. This will be gradually degressive but supplemented by the related transitional national aid schemes, partly coupled and partly decoupled. For the beef and veal sector, the aids presented are not combined with market intervention.

3.5.7 Milk and milk products

In the case of dairy cows, the premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. While the EU leg is coupled to production, the transitional national aid scheme operates in a decoupled form, so that the number of beneficiaries does not overlap completely. As a result of the review of the reference period, the overlap between the beneficiaries of the two schemes will be improved. Of the two items, the EU budget is more predictable (~EUR 317) and the unit value of the transitional national aid varies depending on current national budgetary possibilities. Comparison/complementarity is made difficult by the fact that coupled aid is paid on an animal basis and transitional national aid is paid per kilogram of milk calculated.

In general, the purpose of transitional national aid is to contribute to the achievement of the SO1 and partly SO8 objectives through the fulfilment of identified needs. However, this complementarity is gradually weakened, given that the maximum size of sectoral envelopes is reduced from year to year.

As indicated in the presentation of the dairy cow premium, it is of utmost importance for dairy farmers and their families that coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

The aim of the intervention is to maintain the economic, social and environmental services provided by the sector by maintaining the profitability of milk production and, indirectly, to supply the raw material for milk processing in Hungary within a reasonable transport distance.

It should also be pointed out that even before 2023, the support for dairy cow farms was supplemented by an animal welfare intervention in Pillar II, where additional payments may be requested in case of additional animal welfare commitments. This will continue under the CAP Strategic Plan.

In summary, the improvement of the situation in the milk sector in the Hungarian CAP Strategic Plan is therefore done in a complex manner through several interventions. Targeted coupled sources of direct support help improve the income situation of those active in the sector and promote sustainability. This is gradually degressive but complemented by the transitional national aid in decoupled form. Animal welfare measures will also help operators in the sector to address the identified needs in a complex manner. For the milk sector, the aids presented are not accompanied

by market intervention.

3.5.8 Sheep and goat

In the case of ewes, the premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. Both schemes operate in a form linked to production, so that the number of beneficiaries is virtually the same. Of the two items, EU funds account for the largest part (EUR 28.4) and the unit value of the transitional national aid is marginal, i.e. only EUR 0,05 per animal. It is worth mentioning that the specific value for ewes involved in milk production is lower (EUR 0.04), but producers of sheep's milk may apply for an additional payment in Pillar II in case of additional animal welfare commitments.

As indicated in the presentation of the ewe premium, it is of utmost importance for ewe farmers and their families that coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring the required level of resilience even in the event of fluctuations in income due to weather and market risks.

In general, the purpose of transitional national aid is to contribute to the achievement of the SO1 and partly SO8 objectives through the fulfilment of identified needs. However, this complementarity is gradually weakened, given that the maximum size of sectoral envelopes is reduced from year to year.

This is the basis for the additional transitional national aid scheme for animals kept in less-favoured areas in decoupled form, with a specific amount of EUR 4.83. However, the complementary nature of the aid can be seen at sectoral level, as it reaches only a limited number of ewe farmers.

The support under these three schemes is intended to contribute to the economic and environmental sustainability of the sector and, by requiring the use of registered farmers, to guarantee a quality product base.

In summary, the Hungarian CAP Strategic Plan improves the situation in the sheep sector in a complex way through several interventions. Targeted coupled sources of direct support help improve the income situation of those active in the sector and promote sustainability. This will be gradually degressive but complemented by transitional national aid. Animal welfare measures will also help operators in the sector to address the identified needs in a complex manner. For the sheep sector, the aids presented do not go hand in hand with market intervention.

3.5.9 Protein crops

Only coupled aid is available to growers of grain and coarse protein fodder, so complementarity is not relevant.

3.5.10 Sugar beet

Only coupled aid is available to sugar beet growers, so complementarity is not relevant.

3.5.11 Other sectors

Only coupled aid is available to rice growers, so complementarity is not relevant.

Complementarity is limited in the case of tobacco production, given that targeted support under the CAP Strategic Plan will only be channelled through transitional national aid. At the same time, the update of the reference period will provide an opportunity to improve the link between the holders of entitlements and the number of farmers who become active in tobacco production.

3.6 Overview of the interventions that contribute to ensure a coherent and integrated approach to risk management, where relevant

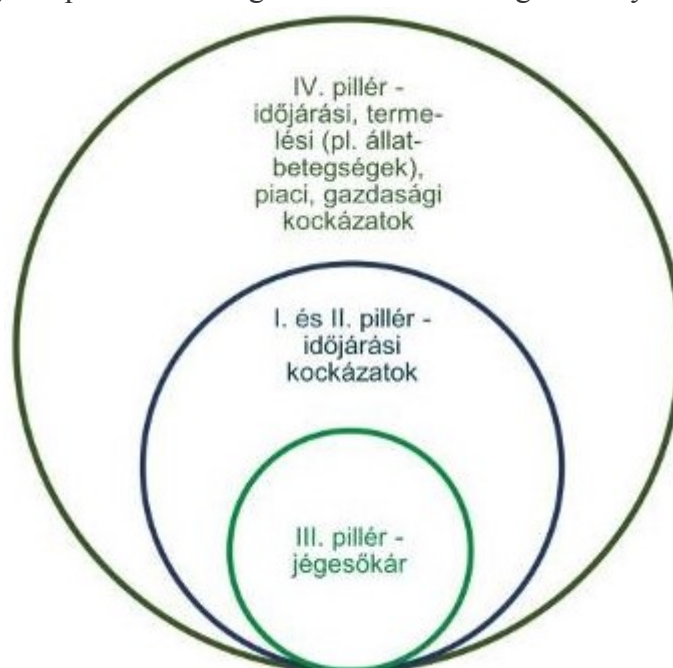
In Hungary, weather risks are managed under the risk management system introduced in 2012. The system, which initially started with 2 pillars (Agri-Scale Reduction Scheme, Insurance Premium Support), has been expanded to include four pillars in 2021:

- Pillar I: a nationally funded agricultural mitigation scheme notified to the European Commission;
- Pillar II: EU co-financed agricultural insurance premium subsidy (for crop insurance);
- Pillar III: the national ice mitigation system (JÉGER) developed from EU funds and operated from national sources;
- Pillar IV: agricultural crisis insurance scheme.

Pillar I is significantly affected by the 2023 amendment, as the system, previously financed by producer contributions and at least equivalent national budgetary resources, is now using EU funds by transforming it into a mutual fund in 2024. In order to ensure the long-term financial sustainability of the measure, we also see a need to mobilise EU funds in view of the increase in natural damage over the last few years. With the introduction of the new measure, it is possible to plan the amount of the compensation for damage with greater precision and to compensate for damage to producers to a greater extent than before.

Among the hazards, losses caused by hail, winter, spring and autumn frost, storms, droughts, agricultural floods and cloud breaks are also managed and mitigated by Pillar I and Pillar II, but the Agricultural Damage Mitigation/Agricultural Damage Mitigation Risk Management Fund also covers, in addition to all these threats, inland water damage (Figure 1). The above risk management tools are complemented by producer investment proposals announced in the Rural Development Programme to prevent climate and weather risks (rail, hail, spring frost).

Figure 1: Risks covered by the pillars of the agricultural risk management system



Source: Prepared by the AKI's Financial Research Department

Specific objective No 1 'Supporting viable farm income and resilience in the European Union in order to maintain food security' is linked to the main need 2 'Reduction of income fluctuations due to natural (weather) and market risks', which justifies the continuation of the intervention in 2023-2027. Out of the three main needs identified in relation to Specific Objective 1, the 2nd of the main needs identified in the context of Specific Objective 1. Reducing income fluctuations due to natural (weather) and market risks is the one for which risk management tools can have an impact on sub-needs.

One of the sub-needs under main requirement 2 is to *address 2.1 adverse climatic events and damage to farmers caused by climate change in agriculture (crop, livestock farming, horticulture)*. The three pillars of the risk management system are the protection of crop-growing sectors against weather risks and thus climate change, which has been identified as strength by SWOT analysis (*E.3. A well-functioning agricultural risk management system and its continuous improvement*). The increasing demand for risk management tools, thus underpinning the need, is reflected by the increasing volume of compensation for damage caused annually by agricultural damage compensation and the steady increase in the area covered by voluntary subsidised crop insurance, the number of producers benefiting from premium payments and the stock of premiums since its introduction in 2012. The first agricultural crisis insurance scheme (pillar IV) introduced in the EU as the first instrument to protect livestock sectors against weather risks (also) as a new instrument from 2021 onwards.

Offsetting and mitigating the impact of market risks to sub- needs is Gy.6. of the weaknesses identified in the SWOT analysis. *There is a lack of management of risks other than weather risks, a low share of animal insurance*, and an under-utilisation of derivative market risk management tools, which indicates that existing agricultural risk management tools do not protect against non-weather risks. The crisis insurance scheme introduced as of 2021 provides this possibility, the effects of which, as well as the management of the identified need, will, as a result of its operation, first become visible to the members of the scheme as of 2022. The increasing spread of crisis insurance is also the solution to Gy.2 as identified in the SWOT analysis. *Strong income fluctuations in several agricultural sectors (e.g. some fruit and vegetables, pig fattening, bull fattening, etc.) and the response to F.1. Climate change, the increasing incidence of weather extremes, the emergence of new pathogens, pests, the spread of zoonoses and the consequent increase in costs and reduced incomes.*

On the one hand, *the sub-requirement to encourage agricultural insurance (self-care)* takes the form of a premium on plant insurance, which may amount to up to 70 % of the premium paid. On the other hand, sub-demand 2.4 is also met through the agricultural crisis insurance, where a significantly higher amount is available to compensate for income fluctuations compared to farmers' contributions (which account for 30 % of total resources).

CAP supported risk management tools

Pillar II offers subsidised insurance for those who wish to mitigate their weather risks to agricultural production to a greater extent than the protection provided by the Agricultural Damage Mitigation Risk Management Fund. Under the subsidised insurance measure, with an aid intensity of up to 70 % (65 % up to 2019), producers may take out insurance in the form of three types of insurance ('A', 'B' and 'C'). Insurance A' is a package insurance which simultaneously protects against the eight risks mentioned above and which can be used for arable crops or plantations (in addition to stone fruit crops as of 2019). Business B and C are specific insurance, which can also be covered separately for all risks (from 2019 onwards). Insurance B is optional for vegetable and plantation crops, insurance C is only available for arable crops, excluding arable vegetables. Participation in Pillar II is voluntary, but closely linked to Pillar I, the farmer is entitled to half of the compensation due to him if he does not have an insurance policy for an event specific to that crop. The amount of compensation payable to an insured producer shall include the amount of compensation paid by the insurer.

The importance of subsidised crop insurance is that, with their introduction in 2012, several previously uninsured risks, such as drought, cloud breaks, spring frost, or agricultural floods, or a wider range of insurable crops, have become more covered.

The number of producers taking out subsidised insurance has been steadily increasing since the introduction of the scheme: while only 3 market insurers offered subsidised insurance in 2012, 4 market insurers and 7 non-profit mutuals already offered in 2021. The number of subsidised crop insurance increased from HUF 5 679 million in 2014 to more than HUF 14 000 million in 2020. In 2020, almost 21 thousand farmers made use of this risk management tool and the area covered by insurance exceeded

1 650 thousand hectares, which is more than 40 % of the area planted. To cover the growing needs, the available funding has been increased several times: HUF 5 billion from 2018, HUF 7 billion in 2020 and HUF 14.3 billion in 2022. The intervention will be financed from the Rural Development Programme envelope until the end of 2025 and from ST in subsequent years.

Hungary is one of the few EU Member States with a relatively large number of operators (13 insurance companies and insurance associations) on the agricultural insurance market.

The measure is also highly successful in the international context, as evidenced by the positive opinion of the European Court of Auditors in its report.

It is also true that subsidised insurance for the livestock sector is not available in Hungary. The reasons are twofold:

- a loss threshold of 20 % under EU conditions would result in a high level of compensation payments that market-based insurance companies would not undertake in the absence of a return;
- epidemics that cause very high losses in the Insurance Conditions for animal insurance typically do not qualify as insurance events (excluded)

However, animal welfare support can be found in the Hungarian CAP Strategic Plan (RD31_G12_AWC_70; RD32_G12_AWC_70; RD33_G15_ANB_70). The preventive health measures and treatments covered by the aid will lead to an improvement in the overall **health and hygiene** status of livestock. This **reduces the number** of cases, thereby reducing the need to give treatments, including antimicrobials, antibiotics. This also **reduces the risk of the development and spread of antimicrobial resistance**. In addition to these risk-mitigating solutions, we have set up a **specific intervention** aimed at **compensatory payments to combat antimicrobial resistance**. The aid scheme compensates for additional costs in food-producing livestock resulting from commitments to combat antimicrobial resistance that go beyond the requirements established at Union level.

The risk of outbreaks of various **epizootic diseases** in livestock holdings **can be reduced by the use of a number of technologies**. Hungary also plans to support this type of development of livestock holdings through the CAP Strategic Plan RD01e_E01_FRM_73 – Support for disease control investments in livestock holdings and by reducing tail docking in the pig sector.

The risk of loss of income in the livestock sector is managed by the **agricultural crisis insurance scheme** (RD17_I02_IST_76), which also compensates for the low level of animal insurance.

However, despite the above, animal insurance can be covered on a market basis by some insurance companies. These insurances are mainly for breeding animals of higher value.

Pillar IV, the agricultural crisis insurance scheme, goes beyond the other pillars in terms of the risks covered and mitigates income volatility, regardless of the reason for it. The crisis insurance scheme compensates not only for the effects of weather but also for all production, market and economic risks. Another important factor is that it is available to the agricultural sector as a whole, including livestock production, where risk management tools are less widespread under market conditions.

Members voluntarily joining the scheme shall be compensated by payment of the crisis insurance contribution for loss of income exceeding 30 per cent compared to the average of previous years, up to 69.9 per cent of the loss. The source of reimbursement is 30 per cent of contributions paid by members, 70 % EAFRD support. The crisis insurance scheme will be financed by the end of 2026 from VP funds and from ST funds for the years 2027 and 2028 for a planned envelope of 2-2 billion. The compensation for Pillar I and Pillar II of the risk management system shall be taken into account when determining the loss of income.

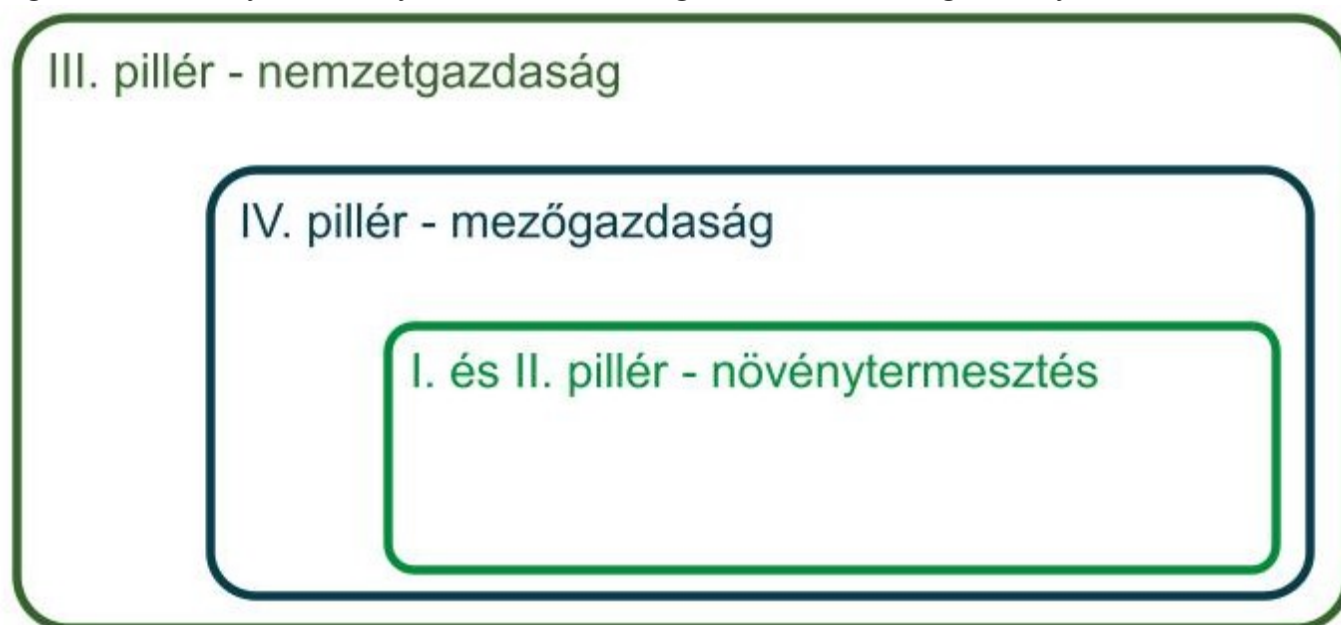
Non-CAP supported risk management tools

Members of the Agricultural Damage Mitigation Scheme/Agricultural Damage Mitigation Fund (Pillar I) may receive, in addition to payment of the compensation contribution paid, a compensation payment in the event of a reduction in yield of more than 30 per cent at crop level or a reduction in yield values

exceeding 15 per cent. The compensation shall be limited to 80 per cent of the reduction in yield value if the farmer has adequate crop insurance (in the absence thereof, only 40 per cent). The damage is covered by the funds available in the Agricultural Damage Reduction Risk Management Fund, which consists of producer payments, a national budget top-up at least equal to the amount of the producer's payment and EU funds. Participation in the Agricultural Damage Mitigation Risk Management Fund is compulsory above certain size limits (10 hectares of arable crops, 5 hectares of arable vegetables, 1 hectare of plantations). Voluntary accession is possible below the indicated area sizes. The number of participants in the risk pool has ranged from 72 to 78 thousand since the start of Pillar I in 2012, with the area covered in 2019 being 3 722 thousand hectares, 92.7 % of the area planted.

Pillar III of the MKR is the national Ice Damage Reduction System (JÉGER), which helps to protect against one of the most common hazards in Hungary. The system, launched in May 2018, was designed to cover the whole country with the installation of around 1000 soil generators. The investment was carried out under the Rural Development Programme and it covers the annual financing of the operation. Silver iodide evaporated from ground surface equipment reduces the size of the ice grains. The technology significantly reduces hail prices, the volume of which has been lower since the start of the system compared to the years prior to its introduction. Pillar III not only protects agriculture against hail damage, but reduces losses caused by the ice price across the national economy, regardless of sector (Figure 2).

Figure 2: Potentially affected by the benefits of the agricultural risk management system



Source: Prepared by the AKI's Financial Research Department

The agricultural risk management system operates under the continuous monitoring of the Ministry of Agriculture, which allows the legislative framework to be continuously amended in the light of operational experience.

Linked to risk management, support will be provided under rural development types of interventions for investments to mitigate or prevent adverse effects, such as those resulting from unpredictable weather conditions. They have a direct impact on people living in agriculture: they face a series of spring frosts, drought periods or extreme precipitation. To meet these challenges, farmers need to modernise their production systems and implement technological developments to mitigate or avoid adverse impacts. Under Articles 73 and 74, we provide opportunities for various weather risks (e.g.: frost, frost damage, damage to rainfall) and to develop facilities for water retention and disposal, and to improve improvement and efficiency in water use.

Risks beyond climatic conditions are presented as follows:

Risk: Strong income volatility, market risks

Intervention code	Intervention Name	Risk managed
DP01_E01_BISS_16	The basic income support for sustainability	Income uncertainty The basic income support for sustainability is the primary pillar of the direct support scheme to ensure farmers' income security.
DP02_E02_CRIS_16	Complementary redistributive income support for sustainability	Income uncertainty The aim of the redistributive payment is to provide additional support for the first hectares of small and medium-sized farms, recognising their difficulties and disadvantages due to their size and at the same time providing them with an expected level of income.
DP04_E03_CISB_16; DP05_E04_CISR_16; DP06_E05_CISV_16; DP07_E06_CISI_16; DP08_E07_CISO_16; DP09_E08_CISE_16; DP10_E09_CISF_16 DP16_E15_CISP_16 DP11_E10_CISS_16 DP12_E11_CISC_16 DP13_E12_CISM_16 DP14_E13_CISD_16 DP15_E14_CISG_16	Aid for sugar beet cultivation; aid for rice production; Aid for vegetable crop production; Aid for the production of industrial vegetable crops; Aid for the production of industrial oil crops; Aid for fruit production (Extensive); Aid for fruit production (Intensive); Support for the cultivation of protein feedgrains; Aid for the production of coarse protein crops, support for the rearing of sheep; Suckler cow premium; Foield bull premium; Aid for dairy cow farming;	Income uncertainty It is of utmost importance for the farmers and animal keepers concerned, as well as their families, that coupled payments targeted at real production, together with the basic payment, constitute a genuine safety net ensuring an expected level of resilience in the event of income fluctuations due to weather and market risks.
SC19_I01_FVF_47	mutual funds – fruit and vegetables;	Dealing with losses arising from market risks
SC20_I02_FVV_47; SC21_I03_FVS_47	investments making the management and joint storage of quantities placed on the market	Management of marketing risks

	more efficient; joint storage of products, including, where necessary, collective processing of products	
SC24_I06_FVG_47	green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise	Market risk management The purpose of the intervention is to reduce the volume of wine grapes that is much higher than the demand for wine grapes. the entry of grapes into the market, thereby preventing the formation of tensions in the harvest market
SC25_I07_FVN_47	non-harvesting – fruit and vegetables	Addressing market disturbances
SC27_I09_FVM_47	communication activities to raise awareness and inform consumers – fruit and vegetables	Management of marketing risks
RD17_I02_IST_76	Agricultural crisis insurance scheme	The crisis insurance scheme includes risks other than those arising from weather/climatic changes (e.g.: risks arising from changes in market prices; animal health and plant health risks).

Farmers are encouraged to reduce their exposure to climate risks through the following measures:

The increasing impact of climate change, coupled with a further increase in extreme weather events, is expected in the near future. In changing weather conditions, the role of control against various types of damage is appreciated, and also for reasons of food safety, it is important that crop farmers have the technologies and tools to mitigate their exposure to adverse weather effects. Hungary intends to support farmers through the CAP Strategic Plan intervention “**Farm sustainability development**” (RD01_E01_FRM_73) to **prevent damage to** farmers. On the basis of the intervention, farmers can be supported, inter alia, **for the purchase of technologies and equipment to control spring frost, rainfall, hail damage**.

We intend to address farmers’ exposure to weather risks through a number of other interventions. Rural development area and livestock support are all intended to counteract the negative effects of climate change. **Agro-environmental management payments** (RD19_G01_AEC_70) and **organic farming (RD20_G02_ORT_70) support** for climate adaptation already in place in the 2014-2020 period, as well as climate change mitigation measures, will be continued in the CAP Strategic Plan with strengthened conditionality and with the standards aligned with the Agri-ecological Programme (DP17_G01_ECOS_16). It also includes **support for environmentally beneficial investments**: Support for green investments on agricultural holdings, farm development to reduce ammonia emissions, on-farm support for green investments linked to the enhancement of agricultural products (RD03_E02_FON_73), support for green investments linked to the enhancement of agricultural products outside the farm (RD04_E03_FOF_73). In addition, agro-ecological non-productive investments and payments to encourage agro-ecological land use change to maintain them (RD21_G04_LCI_73, RD22_G05_LCP_70)

should also be highlighted.

These interventions aim to support the reduction of CO₂ and ammonia emissions, the reduction of energy use and the installation of renewable energy technologies on farms.

Among the optional requirements of the **agro-ecological programme**, winter soil cover, non-rotational tillage, use of soil conditioners, microbiological products, cover between plantations, crop diversification and maintenance of higher non-productive areas (e.g. fallow, nitrogen-fixing crops, secondary green manure crops) help preserve and improve soil potential, protect and improve soil structure and soil biodiversity, increase the capacity of soils to retain water, and protect against erosion (intervention code: DP17_G01_ECOS_16).

Maintaining **multiannual commitments in forest management for environmental or climate purposes** (intervention code: RD32_F02_FEC_70) with forest-environmental commitments going beyond the obligations set out by the forest authority in the forest plan (*transition to a continuous forest cover mode, continuous restructuring or improved renovation, reduction of intensively transmitted alien wood and shrub species, reconversion of cleansing, manual maintenance of forest stands, and management of nature-friendly materials*) will contribute to improving the natural status of existing forests also in Natura 2000 forest areas. Investments to **improve the climate and environmental performance of forests by transforming forest** structures and increasing mixing contribute to improving the natural status of existing forests also in Natura 2000 forest areas on the basis of a forest plan approved by the relevant forest section authority. (intervention code: RD38_F08_INN_73)

The target area for support for water retention facilities for investments on agricultural holdings improving water efficiency is intended to support the technical solutions necessary for collecting and storing rainwater, which causes more than tolerable damage from cultivated areas, before its subsequent use. Contributing to reducing yield volatility in agricultural production by draining and utilising surplus waters, achieving water damage control and ensuring water-efficient, sustainable management of water resources. (interventions Code: RD12_W01_WTO_74)

By **requiring the use of certified material**, coupled support can contribute to the EU's environmental and climate objectives. The aim of the standard is to ensure that farmers grow resistant varieties that can cope with the negative effects of climate change, thereby helping to adapt agriculture to climate change. The use of certified material has been laid down in five of the coupled crop titles. (interventions code: DP06_E05_CISV_16; DP07_E06_CISI_16; DP08_E07_CISO_16; DP15_E14_CISG_16; DP16_E15_CISP_16)

The Digital Transformation of the National Agricultural Ice Damage Reduction System supports the further development of the national ice mitigation system, which was established in 2018. The ice control system built at national level, based on the application of silver iodide into airspace, is also designed to support thermal safety and also strengthens adaptation to extreme climatic conditions. (intervention code: RD18_I03_JGR_73)

Within Hungary's complex **four-pillar agricultural risk management system**(MKR), subsidised agricultural insurance (Pillar II) and the agricultural crisis insurance scheme (Pillar IV of the MKR) also serve to increase farmers' self-care. Furthermore, the aforementioned interventions are also among the sectoral interventions of the Strategic Plan. (interventions code: RD16_I01_INS_76; RD17_I02_IST_76; SC26_I08_FVH_47; SC19_I01_FVF_47)

Hungary's **AKIS system** provides this assistance to support green transition and climate adaptation activities. Interventions in the **fields of training, advice and innovation to increase farmers' climate change and adaptation** skills (codes: RD58_A01_TRA_78, RD60_A04_ADP_78, RD61_A05_EIP_77) and their respective thematic priority areas. In addition, the **Green Support Unit** established **under the National CAP Network** (see section 4.4 of the Strategic Plan) oversees and coordinates these activities by providing training for trainers and advisers, which ensures that the most up-to-date information can be provided to farmers on knowledge-sharing platforms.

3.7 Interplay between national and regional interventions

3.7.1 Where relevant, a description of the interplay between national and regional interventions, including the distribution of financial allocations per intervention and per fund

Not relevant.

3.7.2 Where relevant, where elements of the CAP Strategic Plan are established at regional level, how does the interventions strategy ensure the coherence and the consistency of these elements with the elements of the CAP Strategic Plan established at national level

Not relevant.

3.8 Overview of how the CAP Strategic Plan contributes to the objective of improving animal welfare and reducing antimicrobial resistance set out in point (i) of Article 6(1), including the baseline conditions and the complementarity

The types of animal welfare interventions of the Strategic Plan aim at improving animal welfare conditions and encouraging measures to prevent animal health problems. Meeting the natural needs of farm animals, improving husbandry conditions, improving general hygiene conditions and preventing animal health problems are essential to ensure animal welfare.

In the 2014-2020 period, the dairy cattle sector and the dairy small ruminant sector (sheep and goat) received animal welfare support for rural development support. With the animal welfare support to be announced under the Strategic Plan, Hungary plans to introduce animal welfare measures for the apiculture, whole cattle and small ruminants and poultry sectors.

In the case of the CAP Strategic Plan, rural development support will also be granted to animal breeds that have previously received animal welfare support under national support. In order to avoid double funding, most animal species receive animal welfare support from rural development funds. It is important to stress that Hungary has opted for an 80 % top-up of national resources, so that all forms of support, including animal welfare aid, can benefit from higher support, thus providing greater environmental added value and making animal welfare a more popular form of support and a significant improvement.

The interventions aim at improving animal husbandry by providing support for the implementation of strict animal welfare, hygiene and feeding conditions and conditions for the benefit of the animals.

The rearing of farm animals has changed significantly in recent decades. These changes in breeding, rearing and feeding technology have an impact on the health and fitness of animals. Furthermore, in addition to the use of healthy food by consumers, sustainability and animal welfare have also come to the fore, but the extra costs of these are difficult to realise in finished products. It is therefore appropriate to support farmers who undertake to provide animals with stricter hygiene, feeding and husbandry conditions. The preventive health measures and treatments covered by the aid will lead to an improvement in the overall health and hygiene status of livestock. This reduces the number of cases, thereby reducing the need to provide treatments, including antimicrobials, antibiotics. This reduces the risk of developing antibiotic resistant pathogenic strains and spreading in domestic populations. AMR monitoring data shows that there is a significant incidence of resistant zoonotic and commensal pathogens in tissues derived from food-producing animals. The most commonly used antibiotic groups and pharmaceutical forms make it likely that a significant proportion of the antibiotic mass used today is used for preventive purposes and is intended to compensate for errors in husbandry technology, which is the most significant in the pig and poultry sectors. As of 28 January 2022, new Union legislation directly applicable in all Member States will be introduced. Regulations (EU) 2019/6 on veterinary medicinal products and (EU) 2019/4 of the European Parliament and of the Council on medicated feed give priority to AMR and include a number of

measures and strengthening measures to promote responsible use of antibiotics in animal health.

In line with international guidelines, a national veterinary action plan to reduce AMR was developed in April 2018, including a target of 128/2009. (X. 6.) FVM. The new domestic provisions introduced in August this year help reduce the use of antibiotics and promote prudent and responsible antibiotic use, taking into account the common protection of animal and public health, in line with national professional policy efforts.

Key changes:

- an antibiotic should only be prescribed by a veterinarian on prescription (not to be used) in sufficient quantity for treatment for up to seven days
- preventive use of so-called critically important active substances for human health is forbidden and may only be used for therapeutic purposes after a resistance test has been carried out
- As of January 2022, the use of antibiotics should be recorded in a medical treatment log with more data than at present, data will be started in Nébih's online system

Food chain inspection bodies, authorities contribute to the responsible antibiotic use through targeted inspections, review of antimicrobial authorisations, intensive contacts with professional organisations, relevant international tasks, and guidance and training.

We design our standards of animal welfare in accordance with the rules laid down in Decree No 32/1999 on animal protection rules for the keeping of farm animals in Hungary (Decree No 32/1999 on animal protection rules for the keeping of farm animals). (III. (Decree No 31 of the Minister for Agriculture and Rural Development) and beyond the requirements of European Union legislation (Council Directive 2008/119/EC, Council Directive 2008/120/EC, Council Directive 2008/98/58/EC).

In the case of animal welfare in beekeeping, we focus in particular on the requirement to leave honey, as this standard best enhances the capacity of bee colonies to provide ecosystem services by promoting the health, balanced development of bee colonies or their calcination, thereby increasing the ecosystem provision of healthy bee colonies and thus improving the quality of the honey produced.

In general, the benefits of compliance with animal welfare standards can be said to reduce the risk of developing diseases (deficiency diseases and infectious diseases) due to reduced stress, thus reducing the use of medicines and antibiotics, thus reducing the chances of developing antibiotic resistant pathogenic bacterial strains. In addition, decreasing production costs due to decreasing use of medicines and thus increasing the efficiency of the livestock sectors are expected. These effects are all the positive effects of compliance with animal welfare standards, which ultimately lead to a reduction in the negative externalities of the livestock sector, one of the most important sectors of domestic agricultural production.

When developing animal welfare interventions, we aim to develop commitments aimed at promoting more environmentally friendly and animal welfare-oriented livestock farming:

—The feed commitment is mostly a mineral supplement: in the case of sheep, selenium holiday ponds. The requirement is expected to prevent the build-up of shortage diseases and to avoid reproductive problems.

—In the rules on animal density, we require a space that goes beyond the mandatory standards, which is expected to reduce stress, prevent disease development and, as a consequence, reduce the use of responsible medicines and antibiotics.

—Preventive control is an important element of the regulations, which may consist of predicting species-specific diseases, ensuring hygiene and actual treatment. The commitment to prevent is also expected to reduce the use of medicines and antibiotics!

—The obligation to take care of care is a very important element of our animal welfare standards before causing stress or disease.

The general objective of the intervention 'Animal welfare premiums in the beef cattle sector'

(RD31_G14_AWC_70) to be introduced in 2023 is to improve the overall welfare of domestic meat-producing bovine herds by providing more care supervision, control of internal and external parasites, the use of mineral supplements, the provision of shank care and additional littering, and the provision of more living spaces and pasture. The preventive health measures, treatments and needs covered by the support will lead to an improvement in the general reproductive, health, hygiene and condition of beef cattle herds, while reducing the specific environmental burden on livestock farming (less use of medicines, more efficient production), which is in line with the objectives of the EU Green Deal, the Methane Strategy and the Farm to Fork Strategy.

3.9 Simplification and reducing the administrative burden

Hungary is committed to simplification and the reduction of administrative burdens. We have recently been active participants in EU initiatives in this direction. The implementation of the CAP is a difficult and complex task, while making life easier for farmers is a priority.

One of the most important tasks, together with the Hungarian State Treasury, is to continuously assist farmers in the multifaceted aid application system, to review applications immediately, and to simplify the application process and reduce the administrative burden from the submission of the application to the payment of the aid.

The Treasury is committed to improving the quality of applications, therefore thousands of checks carried out with alphanumeric and geospatial tools for the benefit of farmers are carried out on the submitted data and provides feedback on any errors or omissions detected. In many areas, it already indicates to the applicant that there is even a possibility of clerical errors.

To this end, inter alia, the following improvements, functionalities and data services have been introduced in recent years to reduce the burden on customers, which are currently facilitating the application process for producers:

1. Transfer of data between authorities: The clients are not charged with unnecessary data reporting by the Hungarian State Treasury, but the intermediary offices provide each other with the necessary data. In addition, the transfer of data should be fully automated. Example 9/2015 (Rules for the use of coupled direct aids) (III. Section 11(4) and 13(5) of Decree No 5/2015 of the Minister for Agriculture on certain issues relating to the use of the single area payment financed by the European Agricultural Guarantee Fund and the related transitional national aid (II. Section 14(1a) of the Decree of the Minister for Agriculture states: ‘Data on the absence of tuberculosis, brucellosis and leukosis of the flock in the holding shall be sent to the Treasury within sixty days of the request by the CGO, acting in its food chain safety and animal health powers, at the request of the farmer at the request of the farmer.’)

2. Prior checking: Since 2016, the Hungarian State Treasury has continuously applied the legal instrument of ex-ante verification of the Single Application with increasing content, in which it informs the economic operators by sending a letter to the client gateway if they find a potential problem, are likely to be affected by error. Producers can still improve their requests on the issues included in the notifications, thus avoiding future sanctions. In 2020, the ex-ante verification was extended by a further examination: using and analysing high-resolution satellite image time series produced by the Sentinel satellite family funded by the European Space Agency. This audit introduced some of the controls that will subsequently be used in the monitoring system on a pilot basis. Starting from autumn 2020, the State Treasury will collect and use automated image processing technology to identify the possible parcel boundaries and the crop of the parcels, which are available on average every 5 days from the country’s territory. This will enable them to provide information to farmers in the pre-check order if the analysis suggests that it is possible to:

- The farmer did not declare in reality the use of the crop present on the parcel in the application;
- The location and boundaries of the parcel were not correctly marked on the EC map.

3. ‘Mobile application’ In 2021, the Treasury developed a new mobile application for agricultural and rural development aid applicants. The app, known as the mobile GAZDA, benefits the parties involved in the application, speeds up and facilitates the administration.

The application aims to inform farmers in real time and through a more direct channel of communication about the opportunities and obligations of their support. The use of the application enhances the exchange of information and requests can be made more accurate, facilitating smoother processing of applications, earlier grant decisions and faster payments. In addition to a more dynamic administration, there may be fewer on-the-spot checks for farmers to make good use of the app.

Many functionalities are available to users. The application allows the Treasury to provide information to customers quickly and easily, as well as for enterprises to share data easily and quickly with the Treasury.

The application currently contains various client service functions (time booking, contact details, Q & A interface), customer registration (visiting data, requesting an official certificate), information for clients and submission of applications related to the single application (submission of duplicate and agrotechnologies, declaration of force majeure, view of area data).

4. LPIS browser: The LPIS browser website, a publicly available platform for the Agricultural Parcel Identification System (LPIS), was subject to a comprehensive overhaul at the beginning of 2021, with a new user interface (MePAR Portal) and its functionality. The revamped LPIS Portal allows farmers to follow changes in LPIS data more effectively, to access information on the LPIS cover linked to their parcels and to participate more effectively in the management of their parcels. In addition, the new design of the LPIS portal will pave the way for further development in order to directly serve the growing and multifaceted data needs.

Compared to the previously existing public LPIS browser website, users see a more modern interface with graphic features adapted to the challenges of the time. In addition to serving raw functionality, the design of the design included improving the user experience. A more transparent search function, which is easier to navigate, allows the user to find an area more quickly and to find a quicker answer.

In parallel with the spread of smartphones, we have kept in mind that websites are increasingly visited by users not only via computers or laptops, but increasingly via mobile devices, smartphones or tablets. The new website has also been designed for mobile-friendly use, so the new website can also be used on a mobile device in a transparent way.

The management of the map covers has become obvious and the possibility to choose the different aerial photographs available at the Treasury each year has been added. Measurements of length, area and radiation are available in a renewed form, also with clear handling. Using the new browser, you can easily identify coordinates in WGS and EOVI format. You are not available before, but it is a very useful feature to print the current map view. This tool gives users the possibility to extract a map with a professional appearance instead of using traditional “screen photo” tools.

5. Electronic communication: The Treasury is increasingly focusing on electronic communication, thereby supporting timely and accurate submissions and notifications. In addition to the measures of the single application and the Rural Development Programme, an increasing number of legal bases are used to submit applications, observations, data and documents via an electronic interface (ENTER). We have also been able to switch from paper-based correspondence to electronic communication of decisions and requests for information in an increasing number of cases. This will shorten the lead time for the procedural steps, and a comprehensive verification of the submitted data will take place as necessary at the moment of submission.

3.10 Conditionality

3.10.1 Main issue: Climate change (mitigation of and adaptation to)

3.10.1.1 GAEC 1: Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area

3.10.1.1.1 Summary of the farm obligation (e.g. prior authorisation system and reconversion obligation)

There is no obligation at farm level to maintain permanent grassland at national level compared to the reference ratio. This rate may not decrease by more than 5 % compared to the reference year 2018.

The re-establishment obligation shall be imposed on farmers who, on the basis of their single area payment application submitted in the two calendar years preceding the year of reduction of the ratio of permanent grassland no longer allowed, hold land which has been converted from land under permanent grassland or permanent pasture to land for other uses, broken.

Where afforestation has taken place on permanent grassland, there shall be no obligation to restore that area. As an exception, a Christmas tree plantation or energy tree plantation has been installed in the course of afforestation, since there is also an obligation to restore the plantation.

The level of the farmer's obligation to restore land shall be determined in proportion to the size of the land that has been broken down.

The Paying Agency (Hungarian State Treasury) shall establish, in a decision taken by 31 December of the current year, the obligation to restore the farmer and the deadline for the reinstatement obligation, which shall not be longer than the deadline for submitting the single application for the following year. The restoration obligation can be fulfilled not only by restoring the broken area, but also by converting other land into grassland, excluding forest land, or by converting existing temporary grassland into permanent grassland. If, on the other hand, the broken area is classified as environmentally sensitive permanent grassland, the re-establishment shall be carried out on the same area. The re-establishment shall be carried out on an agricultural area of at least 0.25 ha each. Areas reconverted to permanent grassland or established as permanent grassland shall be considered as permanent grassland from the first day of reconversion or establishment and shall be maintained for five years from the date of restoration or establishment. In the case of conversion of existing temporary grassland to permanent grassland, the maintenance obligation shall apply for a period of five years from the date of planting of temporary grassland.

The enterprise must declare in the following year's single application that the recovery obligation has been complied with. It shall indicate the areas of permanent grassland established for the previous year's reconversion obligation. In addition, in the case of conversion of temporary grassland into permanent grassland, the farmer must declare for how many years the area in question is considered to be temporary grassland retroactively.

If the farmer breaks or converts environmentally sensitive permanent grassland, he or she has an obligation to restore it. Farmers are formally notified of the re-establishment obligation by the territorially competent nature protection authority, ordering the restoration of the broken or modified grassland without delay. The notification shall give precise instructions on the reset method. Compliance with the restoration obligation is verified by the nature conservation authority through an on-the-spot check. The obligation can only be met if the area is fully restored, partial fulfilment is not acceptable.

GOVERNMENT DECREE NO 94/2015 (XII. The general rules of force majeure laid down in Decree No 31/1999 of the Minister for Agriculture shall not apply in the event of unauthorised hacking of environmentally sensitive permanent grassland.

3.10.1.1.2 Territorial scope (national, regional, farm-level, group-of-holdings)

national

3.10.1.1.3 Value of the reference ratio (including calculation method)

Ratio **14.41**

Explanation

The reference rate for Hungary is 14.41 % established on the basis of point 3.1(e)(i) of Annex I to Commission Implementing Regulation (EU) 2021/2289 and the method for calculating the reference ratio provided for in Article 48(1) of Commission Delegated Regulation (EU) 2022/126, read in conjunction with Article 1 of that Regulation.

Article 48(1) of Commission Delegated Regulation (EU) 2022/126 states that:

*(1) For the maintenance of permanent grassland in relation with GAEC standard 1 as listed in Annex III to Regulation (EU) 2021/2115, Member States shall ensure that the ratio of permanent grassland in relation to agricultural area does not decrease by more than 5 % **compared to a reference ratio to be established by each Member State in its CAP Strategic Plan by dividing areas of permanent grassland by the total agricultural area.** In order to establish the reference ratio referred to in the first subparagraph:*

‘permanent grassland’ means: permanent grassland declared in 2018 by farmers receiving direct payments in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 of the European Parliament and of the Council (16), determined as referred to in point (23) of Article 2(1) of Commission Delegated Regulation (EU) No 640/2014 (17) and adjusted, where necessary, by Member States to take into account the impact of a possible change, in particular as regards the impact of a change in the definition of grassland by Member States pursuant to Article 4(3), point (c), of Regulation (EU) 2021/2115;

‘total agricultural area’ means: the agricultural area declared in 2018 by farmers receiving direct payments in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013, determined as referred to in point (23) of the second subparagraph of Article 2(1) of Delegated Regulation (EU) No 640/2014 and adjusted where necessary by the Member States, in particular to take into account the impact of a possible change in the determination of agricultural area by Member States pursuant to Article 4(3) of Regulation (EU) 2021/2115.

Against this background, Hungary’s calculation methodology is as follows:

The permanent grassland (PP) declared in 2018 is divided by the total agricultural area (AA) declared in 2018. This division results in a reference percentage of 14.41 %.

Expressed by formulae: $709\,159.12\text{ ha} / 4\,921\,538.45\text{ ha} = 0.14409298$ i.e. 14.41 %.

This reference rate is taken as the basis for the 5 % tolerance laid down in the basic act.

3.10.1.1.4. Type of farmers concerned (all farmers that have permanent grasslands)

All producers eligible for area payments

3.10.1.1.5 Explanation of the contribution to achieve the main objective of the GAEC standard

Permanent grasslands help carbon sequestration, participate in the regulation of local climate systems, protect soils against erosion and contribute as habitats and landscapes to the protection of biodiversity and the preservation of habitats and landscapes.

3.10.1.2 GAEC 2: Protection of wetland and peatland

3.10.1.2.1 Summary of the on-farm practice

The maintenance of objects delimited as a striking area in the LPIS is mandatory.

Maintenance rules:

As a general rule, ploughing, draining water and preventing the establishment of dangerous weeds and invasive plants in the area covered by the cover must be prohibited. Once water has been drained or leaked, agricultural production may be carried out in the area.

Additional maintenance rule on arable land: ploughing and any tillage in areas protected under GAEC 2 on arable land shall be prohibited.

Additional maintenance rule on grassland: if a GAEC 2 protected area is delineated on grassland, it must not be converted into arable land.

In all cases, legal land use is a condition for eligibility.

3.10.1.2.2 Year of application of the GAEC

Please select year: **2025**

Justification

Hungary wishes to make use of the possibility offered in Annex III to Regulation (EU) 2021/2115 to apply GAEC 2 only from 2025. The justified reasons for the subsequent introduction are as follows.

Due to the geographical characteristics of Hungary, a significant part of the country's agricultural land is watered in some way or at least directly adjacent to such areas.

The proper management of such areas in the LPIS is a challenge for the Member State, as wetland environments vary not only between years, but also within the year, between areas that are still under temporary agricultural use and those that are continuously covered with natural vegetation and/or water typical of such habitats (some 31000 physical blocks are in such a volatile state and boundary).

The follow-up and management of this continuous change in the LPIS required the development of a specific methodology, the development of which was a year-long process. The essence of the methodology is to determine, on the basis of the time series of space uptake for the years of the LPIS renovation cycle, the areas which, due to their persistence and, more specifically, their inability to use agriculture, should be classified as 'SAPS ineligible'. On the basis of experience with the design and application of this methodology, we know that **the current process of reforming and developing the current CAP can only be done in an equally sound manner**. In order to be implemented, we therefore consider it necessary, first and foremost, to learn about the recommendations expected from the final results of the JRC SEPLA project and to integrate it systematically into our geospatial systems. As the launch of the 2023 CAP Strategic Plan requires a number of key improvements to the LPIS, for example to implement the Area Monitoring System (AMS), the final outcome of the JRC SEPLA project could not be expected.

The first phase of the development of the LPIS required by the CAP Strategic Plan includes a task to pave the way for the 2025 roll-out by reviewing, in accordance with the methodology currently applied in the LPIS, the striking areas with a volatile boundary previously identified for monitoring purposes and their immediate surroundings and buffer zones, and, as a result of the review, will continue to treat them in a single cover, which will be applied in the application and its verification.

In the next phase of LPIS development, as of spring 2023, other similar areas will be identified in addition to the areas already delimited in the first phase. Remote sensing (picture analysis) procedures are also used to fully identify wetlands. Finally, these areas will be delimited through a full visual interpretation review. The delineation will be based on a methodology developed taking into account the recommendations resulting from the final outcome of the JRC SEPLA project.

3.10.1.2.3 Territorial scope and area designated

Throughout the country, based on the relevant LPIS coverage.

Application of GAEC 2 from 2025:

The GAEC 2 LPIS delimitation methodology has been established, which is attached as an annex to the plan. As reflected in the demarcation methodology, the areas were included in the coverage according to three main aspects: a sufficient degree of connection with agricultural land, a higher than average carbon content, as well as the nature of the area's waterfall and its cover with intermittent water. The areas covered by the cover will be subject to strict maintenance rules as of 2025. If more precise data are available in the future, we will update and complete the current GAEC 2 cover.

3.10.1.2.4 Type of farmers concerned

All farmers eligible for area payments.

3.10.1.2.5 Explanation of the contribution to achieve the main objective of the GAEC standard

Conservation of high-carbon land (including peatlands) contributes to the proper management of carbon-rich soils, thereby facilitating carbon sequestration and combating climate change.

3.10.1.3 GAEC 3: Ban on burning arable stubble, except for plant health reasons

3.10.1.3.1 Summary of the on-farm practice

Ban on burning stubble: The burning of stubbles, reeds and plant residues is prohibited, except in the event of the appearance of a quarantine pest and ordered by official decision.

3.10.1.3.2 Territorial scope

Throughout the country

3.10.1.3.3 Type of farmers concerned

All producers eligible for area payments

3.10.1.3.4 Explanation of the contribution to achieve the main objective of the GAEC standard

A ban on burning stubble, reed and other plant residues helps to preserve soil organic matter and biological status and contributes to reducing air pollution.

3.10.2 Main issue: Water

3.10.2.1 GAEC 4: Establishment of buffer strips along water courses

3.10.2.1.1 Summary of the on-farm practice

Establishment of buffer strips along water courses:

Fertilisers, organic fertilisers and pesticides, plant and soil conditioning agents and microbiological preparations shall not be applied

— in a strip of 5 metres measured from the shoreline of other surface watercourses graphically marked in the LPIS, by reducing the protection distance to 3 metres if the agricultural field is not wider than 50 metres and has an area of less than 1 ha.

— in the case of dam-locked fish ponds, within a strip of 5 m from the coastline,

— in a 20 m strip measured from the shoreline of standing waters above 5000 square meters graphically marked in the LPIS,

In the case of livestock manure, the defined protection distances do not apply to manure that is dead by grazing animals if it occurs due to access to the drinking area.

3.10.2.1.2 Minimal width of buffer strips (in m)

3.10.2.1.3 Territorial scope, including water courses definition

Based on the relevant LPIS coverage throughout the country

The basis for the development of the buffer strips and the water body coverage included in GAEC4 was based on data from the National Directorate-General for Water Management (OVF) compliant with the Water Framework Directive (data for the vicinity of 2015).

The data of the OVF were revised in the design of the LPIS water body cover compared to the current ortho-photo, but the review should be understood only as data purification and possibly clarification of the boundaries and coastlines of water bodies, so it can be stated that the coverage of the **LPIS water body overlaps with the data of the OVF WFD.**

3.10.2.1.4 Type of farmers concerned

All producers eligible for area payments

3.10.2.1.5 Explanation of the contribution to achieve the main objective of the GAEC standard

Standards for buffer strips contribute to protection against water pollution

3.10.3 Main issue: soil(protection and quality)

3.10.3.1 GAEC 5: Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient

3.10.3.1.1 Summary of the on-farm practice

Tillage or other appropriate agronomic technology limiting the risk of soil degradation, taking into account the slope:

Site-specific minimum land management requirements for limiting erosion:

—The cultivation of crops with a slope of more than 12 %, including maize and sunflower, and the cultivation of winter swede rape at rows of more than 24 cm shall be prohibited, except in the case of direct sowing, contour cultivation and/or grassed or wooded buffer strips parallel to the strata or which prevent erosion from occurring;

—the preservation of terraces against erosion is mandatory in the case of vineyards.

3.10.3.1.2 Territorial scope (including erosion risks areas and the slope gradient)

Slopes (arable areas and permanent crops) with a slope greater than 12 % on the basis of the relevant LPIS coverage throughout the country.

Standard GAEC 5 covers 32.98 % of Hungary's agricultural area declared in the single application on the basis of 2021 data.

3.10.3.1.3 Type of farmers concerned

All producers eligible for area payments.

3.10.3.1.4 Explanation of the contribution to achieve the main objective of the GAEC standard

Anti-erosion measures help to avoid soil degradation and preserve soil resources.

3.10.3.2 GAEC 6: Minimum soil cover to avoid bare soils in period(s) that are most sensitive

3.10.3.2.1 Summary of the on-farm practice (including the period concerned)

Minimum soil cover in the most sensitive period(s) and areas:

Minimum soil cover on arable land shall be maintained at least until 15 July – 30 September:

— the presence of the main crop grown in the current year;

— after the summer and autumn harvests have been abandoned, by creating an autumn crop or secondary sowing, or by preserving the stubble or, at most, by carrying out shallow stubble and nursing or by a medium-deep relaxation without altering/mixing the soil, with a view to helping the autumn precipitate into a deeper soil layer.

In the case of plantations on a slope above 12 %, the soil cover of the spacing shall be ensured at least by mulching or sowing annual crops.

For each plantation, once the plantation has been grubbed up, if the farmer intends to replant, the soil cover shall be ensured in the area between the grubbing-up and the replanting.

On areas used for the production of underwater crops (rice, indirect rice), it is not mandatory to maintain a minimum soil cover in the year of set-aside if a crop under water is grown on the land in the year preceding the set-aside. The detailed technological description and arguments are attached as an annex to the Plan. This shows that in the year intended for set-aside, it is more important, from a soil protection point of view, to ventilate the soil more than the soil cover.

3.10.3.2.2 Territorial scope

The whole territory of the country. Under glasshouses and films, there is no obligation to cover the soil, as the growing equipment itself protects the soil surface.

3.10.3.2.3 Type of farmers concerned

All producers eligible for area payments.

3.10.3.2.4 Explanation of the contribution to achieve the main objective of the GAEC standard

Ensuring soil cover protects against erosion, helps to sequester carbon and prevent water loss, and, by growing mulching, helps to increase soil organic matter and improve soil structure and potential.

In Hungary, taking into account the annual precipitation distribution and the evolution of the intensity of (harmful) solar radiation, the period at the end of the summer represents the highest risk in terms of soil degradation. Soil cover is critical in this period of dry and intense radiation.

3.10.3.3 GAEC 7: Crop rotation in arable land except for crops grown under water

3.10.3.3.1 Summary of the on-farm practice for crop rotation

The crop conversion and crop diversification rules applicable in Hungary for the period 2023-2027 are as follows:

GAEC 7 requires farmers to change crop or crop diversification on their arable land.

I. Rules on crop conversion:

The main rule is the annual crop change in arable land.

A second sowing adequately sown between two main crops shall be considered as fulfilling the sowing change. A crop harvested for the reference year after the first crop declared in the single application has been harvested until sowing of the first crop of the following year or turned into the soil as a green manure crop shall be considered as such a second crop; where agronomically justified time shall be allowed for soil works, both after the first main crop has been replaced and before sowing of the second main crop. The second crop shall be a different crop from both main crops.

Under the flexibility provided for in Article 13 of the basic act, the farmer has the possibility to:

—does at least 33.33 % of arable land in the part of its holding not affected by the exceptions below or by hybrid maize production, but

—ensure that all arable land not covered by the exceptions below is switched within a maximum of three years, with different main crops at least once out of three years as in the other two years.

The following plants may not be sown even if the farmer makes use of the flexibility referred to above: potatoes, sunflower, swede rape, soya beans, sugar beet, oil pumpkins and melons.

Hybrid maize sown for seed production may be grown consecutively for a maximum of four years.

II. Crop diversification rules:

(a) a farmer with more than 10 hectares but no more than 30 hectares of arable land shall grow in the reference year at least two types of arable crops with a maximum of 75 % of the arable land on the largest area,

(b) a farmer with more than 30 hectares of arable land shall grow at least three types of crops with a maximum of 75 % of the arable land on the largest area, and the combined cultivation of the two largest areas shall not exceed 95 % of the arable land.

For the purpose of calculating the proportion of different crops, the period from 1 May to 30 September of the year of submission of the single application shall be taken into account.

III. Common rules:

Exceptions:

Holdings with less than 10 hectares of arable land.

Holdings where more than 75 % of the eligible agricultural area is permanent grassland and is used for the production of grasses or other herbaceous forage or for the production of crops flooded with water for a significant part of the year or the crop cycle, or a combination thereof.

Holdings where more than 75 % of the arable land is used for the production of grasses or other

herbaceous forage, as land lying fallow, for the production of leguminous crops or for several of those uses.

Area under perennial arable crops.

Arable crops grown under flooding (water).

Land left fallow.

Hungary shall apply the following **when defining the crop**:

‘[...] ‘crop’ means any of the following:

(a) any culture or mixture of different genera as defined in the botanical classification of crops (a mixture is considered to be a different culture from a previous or a subsequent culture or mixture if all its components are considered to be different cultures from the pre-cropment and the duplicate),

(b) a culture of any species belonging to the families of Brassicaceae, Solanaceae and Cucurbitaceae,

(C) land lying fallow,

(D) grasses or other forage plants.’

In addition, a second crop fulfils the obligation to change sowing if the agronomically justified time has been taken into account both after the first main crop has been abandoned and the second main crop has been planted, and the second crop belongs to a crop different from the previous and the next main crop, with plants of the species *Brassica napus* (feed rape), *Sinapis alba* (white mustard), *Raphanus sativus* (retek) being inseparable.

(IV) Derogations:

Derogation in claim year 2023:

Hungary makes use of the derogation provided for in Implementing Regulation (EU) 2022/1317 to exempt farmers from the obligation to switch sowing in 2023.

Potatoes, sunflowers, brassica, soya beans, sugar beets, oil pumpkins and melons may not be cultivated on its own in 2023.

Furthermore, the exemption does not affect the baseline requirement level of producers participating in the Agro-ecological Programme and the Agri-Environmental Management Programme.

Derogation in claim year 2024:

According to the 2024 simplification package of Regulations (EU) 2021/2115 and (EU) 2021/2116, Hungary already applies the following simplification option for claim year 2024 for GAEC 7:

Crop diversification is added to GAEC 7 as follows:

(a) a farmer with more than 10 hectares but no more than 30 hectares of arable land shall grow in the reference year at least two types of arable crops with a maximum of 75 % of the arable land on the largest area,

(b) a farmer with more than 30 hectares of arable land shall grow at least three types of crops with a maximum of 75 % of the arable land on the largest area, and the combined cultivation of the two largest areas shall not exceed 95 % of the arable land.

The types of plants exempted are the same as for crop conversion. For the purpose of calculating the proportion of different crops, the period from 1 May to 30 September of the year of submission of the single application shall be taken into account.

3.10.3.3.2 Summary of the farm practice for crop diversification

Hungary applies crop diversification under conditionality as of 2024 as an alternative practice equivalent to sowing in the context of the simplification package.

As there are common rules for the two practices, the detailed rules for crop diversification, together with the sowing change, are presented in chapter 3.10.3.3.1.

3.10.3.3.3 Territorial scope

Throughout the country

3.10.3.3.4 Type of farmers concerned

☐ All farmers who have at their disposal arable land (no exemption)

☒ Exemptions that apply

With a size of arable land up to 10 hectares (footnote 5 of annex III, point (1)(c))

Where more than 75% of the eligible agricultural area is permanent grassland (footnote of Annex III, point(1)(b))

Where more than 75% of arable land is used for the production of grasses or other herbaceous forage, is used for land laying fallow, cultivation of leguminous crops, or is subject to a combination of those uses (footnote of Annex III, point(1)(a))

3.10.3.3.5 Explanation of the contribution to achieve the main objective of the GAEC standard (notably if MS has chosen crop diversification)

Crop conversion requirements help to preserve the soil potential and reduce the use of plant protection products by establishing a correct crop sequence and greater diversity.

3.10.4 Main issue: Biodiversity and landscape (protection and quality)

3.10.4.1 GAEC 8: Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species

3.10.4.1.1 Summary of the in-farm practice

Standard of minimum share:

☒ At least 4% of arable land at farm level devoted to non-productive areas and features, including land lying fallow.

Share (%) of arable land devoted to non-productive areas and features : **4.0%**

☐ At least 3% of arable land at farm level devoted to non-productive areas and features, including land lying fallow when the farmer commits to at least 7% of arable land devoted to non-productive areas and features, including land lying fallow, under an enhanced eco-scheme in accordance with Article 31(5a).

☒ At least 7% of arable land at farm level devoted to non-productive areas and features, including land lying fallow, and catch crops and nitrogen fixing crops, cultivated without the use of plant protection products, of which 3% shall be non-productive areas and features, including land lying fallow. Member States should use the weighting factor of 0,3 for catch crops.

Share (%) of arable land devoted to non-productive areas and features and to catch crops or N-fixing crops : **7.0%**

List of features (Indicative list of features and non-productive areas eligible for calculating the minimum share)

☐ Buffer strips

☐ Cairns

☒ cultural features

Explanation

Kunhalom, goose well

Weighting factor: 1

Kunhalms and goggles that are delineated in the LPIS and protected in GAEC are acceptable. Kunhalms and goose wells shall be located on arable land. Kunhalms are polygonically indicated in the LPIS with their entire area. Each point-marked goggle well is delimited by an area corresponding to 25 m².

According to the GAEC requirements for the goose well, the farmer has to maintain the goose wells as assessed by the Hungarian State Treasury in 2010.

According to the GAEC standards for kunhalom, no agricultural soil work may be carried out in the area of kunhalom. Preparatory action to restore grassland land cover is an exception. In addition, during felling in the kunhalom area, disturbance of the farm is prohibited.

☐ Ditches

☒ Fiel margins, patches or parcels buffer strips

Explanation

Ecological boundary:

Weighting factor: 1,5

Minimum area: 0.01 ha

Land covered with woody and/or soft-shank vegetation, with a minimum average width of three, up to 20 metres, typically with a strip-like area, which is:

(a) on the arable land or directly adjacent to the arable land, inside the physical block affected by the arable land,

(b) an artificial element interrupted by a maximum of two metres in length, contact with arable land at least thirty metres long, and

(D) less than 30 % of the circumference of the whole element is in contact with a permanent grassland area.

In the case of ecological boundaries characterised by predominantly woody vegetation, a significant reduction in woody vegetation should be prevented. A significant reduction is the reduction of at least 20 per cent of space that the Territorial Monitoring System (TMR/AMS) will be objectively able to perceive when it becomes technologically suitable.

Erosion control band:

Weighting factor: 1,5

Area covered with woody or herbaceous vegetation parallel to the stratum line and specifically intended to prevent and mitigate water erosion.

Additional characteristics:

- an average width of not less than three and not more than 20 metres;
- at least thirty metres long;
- where the sides of the plate parallel to the slope are on average less than 30 metres apart, the erosion control band shall connect the two edges of the plate.

☒ Hedgerows individual or group of trees rows

Explanation

Lonely standing timber:

Weighting factor: 1,5

Solitary trees which are protected by the GAEC Decree and delimited in the LPIS are acceptable. These are isolated trees on arable land with a tree crown of at least 4 metres in diameter. According to GAEC, loneliness trees cannot be felled. Each single tree marked as spot is delimited by an area equivalent to 20 m².

Groups of trees and bushes

Weighting factor: 1,5

Groups of trees and bushes which are delimited in the LPIS and protected by the GAEC Decree are acceptable.

In the LPIS, groups of trees and bushes are defined that are smaller than 5000 square metres, typically with non-line ski dispersion and covered with plants with at least 50 % tree stalks, which are surrounded

by arable land in at least 20 % or 50 % in contact with grassland land cover.

The delimited groups of trees and bushes may in any case be placed on arable land. The groups of trees and bushes are displayed on the single application form, thus helping to designate EDF areas.

According to GAEC, all agricultural soil work is prohibited in the area of wood and bushes. This is an exception for preparatory action to restore reforestation or grassland cover.

☒ Land Lying fallow

Explanation

Weighting factor: 1

The minimum set-aside period of land lying fallow shall be from 1 January to 31 August, during which no plant protection product is used throughout the area. During the period of set-aside, the soil must be covered by crop cover or stubble residue. Mechanical weed control is permitted in order to maintain the state of culture in the fallow area.

For more than five years, the area accounted for as lying fallow under GAEC 8 shall continue to be considered as arable land.

Difference in application year 2023:

Hungary makes use of the derogation provided for in Implementing Regulation (EU) 2022/1317 to allow farmers to cultivate a food crop in an area intended to be left fallow and accounted for as such in 2023.

Maize and soybeans may not be cultivated in those areas in accordance with that Implementing Regulation. The list of crops eligible for food shall be published by the managing authority in national legislation.

Furthermore, the exemption is without prejudice to the baseline requirement level for farmers participating in the Agro-ecological Programme and the Agricultural Environmental Management Programme.

☒ Others

Explanation

Plant for the protection of erosion in arable land under non-productive investment:

Weighting factor: 2

An erosion control facility established in arable land as part of a non-productive investment delimited in the LPIS.

Non-cultivated buffer strip on arable land:

Weighting factor: 1,5

The buffer strips defined in the LPIS may be recognised. Buffer strips of 5 m from the shoreline of surface watercourses and 20 m along lakes are delineated in the LPIS.

No buffer is possible between the declared arable land and the buffer strip. Agricultural production is prohibited in the buffer strips to be accounted for, except for mechanical weed control to maintain the agricultural condition. Compliance with GAEC requirements on water buffer strips is mandatory. May not be transferred in accordance with GAEC requirements

- fertiliser in a 5 m strip measured from the shoreline of surface waters graphically marked in the LPIS;
- organic manure;
- pesticides;
- plant conditioning agent;
- soil conditioning agent.

- microbiological preparation

20 m from the shoreline of standing waters above 5 000 m² graphically marked in the LPIS,

5 m from the coastline in the case of dam-locked fish ponds,

In a strip of 5 metres from the shoreline of other surface watercourses graphically marked in the LPIS, by reducing the protective distance to 3 metres if the agricultural field is less than 50 metres and less than 1 hectare.

The protection distance for organic manure shall not apply to manure that is dead by grazing animals if this occurs due to the approach to the drinking site.

Ecologically important duplicate:

Weighting factor: 0,3

Eligible area under the LPIS planted by 1 October of the current year with a mixture of at least two species, used as green manure or winter cover, is present on the farmer's land for at least 60 days from sowing, during which period a plant protection product is prohibited, including the use of treated seed, and which is rotated before sowing the first crop in the following year. Only a second set of species listed in separate national legislation may be accepted as ecologically important.

Derogation for application year 2024:

Hungary makes use of the derogation provided for in Implementing Regulation (EU) 2024/587, according to which the weighting factor for the second crop taken into account as a non-productive area shall be 1 for the year 2024.

Area sown with nitrogen-fixing crops

Weighting factor: 1

In order to be accepted as nitrogen-fixing areas, an area eligible for aid in the LPIS shall be sown with a nitrogen-fixing crop or a mixture of nitrogen-fixing crops listed in the list below or a mixture of nitrogen-fixing crops and other non-nitrogen-fixing crops in which the proportion of seeds of the nitrogen-fixing crop exceeds 50 %.

In addition, in the case of annual crops, from sowing to harvest and, in the case of perennial crops, the use of plant protection products and treated seed for the part of the calendar year of the application during which the crop is on the area, the use of plant protection products and treated seed shall be prohibited unless the area sown with the perennial crop is accounted for in the year or years following sowing.

White-flowered haemorrhage (*Melilotus albus* Medik.)

Cornered peas (*Lathyrus sativus* L.)

Chickpeas (*Cicer arietinum* L.)

Common cork (*Securigera varia* (L.) Lassen)

Eastern goat clover (*Galega orientalis* L.)

Deer (*Lotus corniculatus* L.)

Lucerne (*Medicago sativa* L.)

Lucerne (*Medicago lupulina* L.)

Sárkerep lucerna (*Medicago wallcata* L.)

Lucerne (*Medicago x varia*)

Sainfoin (feed sacim) (*Onobrychis viciifolia* Scop.)

Fodder peas (*Lathyrus oleraceus* Lam.)

Purple (*Trifolium incarnatum* L.)

Red clover (*Trifolium pratense* L.)

White clover (*Trifolium repens* L.)

Pernahere (*Trifolium resupinatum* L.)

Alexandria test (*Trifolium alexandrinum* L.)

Korchhere (*Trifolium hybridum* L.)

Fenugreek (*Trigonella foenum-graecum* L.)

Horse beans (Pig beans) (*Vicia faba* L.)

Pannonian beans (*Vicia pannonica* Cr.)

Forage vetches (*Vicia sativa* L.)

Soya (*Glycine max* L.)

Vicia villosa Roth

Dried beans (common or seed beans) (*Phaseolus vulgaris* L.)

Lenses (principal lenses) (*Vicia lens* (L.) Coss. & GERM.)

Green peas (*Lathyrus oleraceus* Lam.)

Yellow peas (*Lathyrus oleraceus* Lam.)

Field peas (*Lathyrus oleraceus* Lam.)

Melilotus officinalis (L.) Lam.

Derogation for application year 2024:

Hungary makes use of the derogation provided for in Implementing Regulation (EU) 2024/587 to:

By way of derogation from the first requirement of GAEC 8 of GAEC standard 8 of the GAEC of land, Hungary decided that, for claim year 2024, farmers and other beneficiaries covered by that standard may fulfil the first requirement of that standard by dedicating at least 4 % of the arable land at farm level to:

— non-productive land and features, including land lying fallow, and/or

— nitrogen-fixing crops, and/or

— ecologically important duplicate.

Crop protection products should not be used in the cultivation of ecologically important secondary crops and nitrogen-fixing crops.

A correction coefficient of 1 is applied to ecologically important secondary crops.

Derogation from application year 2025:

Under the 2024 simplification package of Regulations (EU) 2021/2115 and (EU) 2021/2116, Hungary applies the following simplification option for GAEC 8 from claim year 2025:

The obligation to designate non-productive areas from the GAEC 8 standards system is removed by introducing such a requirement in the AÖP (eco-scheme), because any loss of income of the producer can be compensated for. The GAEC remains in 8 the obligation to preserve protected landscape features and the ban on cutting, pruning and mutilation of hedgerows and trees during the breeding and rearing period.

☒ Small ponds

Explanation

Small lake

Weighting factor: 1,5

An area with an area of at least 0.01 ha and not more than 0.5 ha, protected in GAEC, delimited in the LPIS, not used on a temporary basis, or bordered by open water surface and up to 10 metres wide coastal vegetation, or at least intermittently drained, but also permanently covered with vegetation typical of wetlands during dry periods, may be considered acceptable in terms of conditioning.

In the case of a small lake, a vegetation strip up to 10 metres wide along the coast of the small lake may be included in the eligible area.

According to GAEC requirements, ponds protected in GAEC must be preserved in accordance with the above parameters.

☒ Small wetlands

Explanation

Weighting factor: 2

Wetland recorded in the LPIS.

The demarcation of small wetlands in the LPIS is based on the farmer's drawing in the farmer's application and changes are carried out.

As it is necessary to distinguish between the 'small wetlands' eligible for GAEC 8 from the 'wetlands' under GAEC 2, the latter delimitation methodology has been designed accordingly and applied from 2025.

Irrespective of the above-mentioned methodology, wetland established under GAEC standard No 8 is eligible for non-productive investments.

☐ Stonewalls

☐ Streams

☒ Terraces

Explanation

Weighting factor: 2

Artificial terrain steps at least 1 metre high on arable land protected by the GAEC Decree and delimited in the LPIS.

GAEC conservation means that the preservation of such terraces is mandatory.

The terraces are presented in line during the application and can be counted in a conditioning list with a width of 2 metres. This means that each metre of terrace corresponds to 2 m². The minimum length of the terrace on the farmer's arable land is 10 metres.

List of features (for retention)

- **Small ponds**
- **Hedgerows individual or group of trees rows**
- **Terraces**
- **cultural features**

Ban on cutting hedges and trees during the bird breeding and rearing season (mandatory)

Grubbing-up ban: Trees, hedges and hedgerows may not be cut, engraved or otherwise mutilated during the breeding and rearing season between 1 March and 31 August.

Measures for avoiding invasive plant species

We consider soft and woody invasive plants as weeds. As described in section 4.1.1.2, we are struggling with the minimum conditions for eligible areas.

3.10.4.1.2 Territorial scope (applicable for the "minimum share" standard)

On the basis of the relevant LPIS coverage throughout the country.

3.10.4.1.3 Type of farmers concerned

☐ All farmers who have at their disposal arable land (no exemption)

☒ Exemptions that apply

☐ Non Applicable

With a size of arable land up to 10 hectares (footnote 5 of annex III, point (1)(c))

Where more than 75% of the eligible agricultural area is permanent grassland (footnote 5 of annex III, point (1)(b))

Where more than 75% of arable land is used for the production of grasses or other herbaceous forage, is used for land laying fallow, cultivation of leguminous crops, or is subject to a combination of those uses (footnote of Annex III, point(1)(a))

3.10.4.1.4 Explanation of the contribution to the main objective of the practice/standard

Non-productive landscape features and pesticide-free secondary crops for agro-ecological purposes, N-

fixing crops contribute to the protection of biodiversity, the conservation of habitats and landscapes and the protection of soils.

3.10.4.2 GAEC 9: Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natura 2000 sites

3.10.4.2.1 Summary of the on-farm practice

Conversion and ploughing of environmentally sensitive Natura 2000 grasslands is prohibited.

All Natura 2000 permanent grassland in Hungary is considered environmentally sensitive.

3.10.4.2.2 Territorial scope

Total indicative area of environmentally-sensitive permanent grasslands in Natura 2000 sites covered by the GAEC in ha: **448119.98**

3.10.4.2.3 Type of farmers concerned

All producers eligible for area payments.

3.10.4.2.4 Explanation of the contribution to achieve the main objective of the GAEC standard

Natura 2000 grasslands contribute to biodiversity protection, habitat and landscape conservation.

3.10.5 Additional GAEC (if applicable)

Code	Title	Description
-	Additional GAEC standard	Hungary does not apply additional GAEC standards.

4 Elements common to several interventions

4.1 Definition and minimum requirements

4.1.1 Agricultural activity

4.1.1.1 Definition of production

We hereby confirm that we continue to apply Article 4(1)(c)(i) of Regulation (EU) No 1307/2013 to the production of agricultural products.

4.1.1.2 Definition of maintenance of agricultural area

4.1.1.2.1 Maintenance criteria in arable land

Arable land shall be considered to be kept in good condition if there is no agricultural production during that reference year, or if there is no agricultural production during that year, excluding occasional cleaning mowing, but the presence of weeds, including hazardous weeds and reeds, and woody plants that are undesirable from the point of view of utilisation is no more than such that the arable land does not have a large, severe herbaceous or woody stalk or severe and permanent woody weeds.

Temporary grassland as arable land shall be eligible if there is no damage to temporary grassland resulting from inappropriate grazing (overgrazing) in which the grass scrub is shortly chewed and where at least 50 % of the soil surface becomes uncovered, and where there is no agricultural production in the current year, grassing species, including reeds, and forage crops are predominant on the temporary grassland and dominated by grassing grass species, including reeds, and forage crops, and there are no increases remaining from the previous growing season with propagation formulae.

The area in which agricultural production takes place, but with large-scale, severe herbaceous or woody weeds or large-scale, severe and permanent woody weeds, is not eligible for aid in the aid year under consideration. In the case of large, severe and permanent woody weeds, the area shall be reclassified as ineligible according to the Ministerial Decree on the Agricultural Parcel Identification System.

High, severe herbaceous weed: the spread of herbaceous weeds to any adjacent land, or where the field tested contains a flowering hazardous weed or a herbaceous weed of more than 50 % of the land area;

Large, severe woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the base crop and the area can be made suitable for agricultural cultivation during the growing season;

Severe, severe permanent woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the basic crop and the area cannot be made suitable for agricultural cultivation during the growing season;

Special rule for non-productive landscape features and other landscape features: On declared land objects marked as non-productive landscape features and other landscape features, the farmer shall prevent the establishment of invasive plants and dangerous weeds. The presence of invasive plants automatically corresponds to severe weeding.

Special rule for the presence of reeds and the water cover period in areas used for ecological restocking, small wetland type landscape features and paludiate areas defined under GAEC 2: After the time of the water cover or the soil's saturation with water to a degree that prevents mechanical work, maintenance rules must be complied with. The continuous presence of reeds is natural and allowed as long as it does not predominate in the area, thus not significantly hampering agricultural use.

4.1.1.2.2 Maintenance criteria in permanent crops

Permanent crops shall be considered to be in good condition if there is agricultural production during the

reference year or if there is no agricultural production in the reference year, excluding occasional cleaning mowing, but the presence of weeds, including hazardous weeds and reeds, and woody plants that are undesirable from the point of view of exploitation is limited to the extent that they do not have permanent, large-scale severe herbaceous or woody weeds or severe and permanent woody weeds.

In addition to the weed-free criterion, woody fruit and vineyards shall be considered to be kept in good condition if, based on the number of vines per hectare calculated on the basis of the plantation, the percentage of missing, dried or otherwise incapacitated plants does not exceed 30 %.

The area on which agricultural production takes place, but where large-scale, severe herbaceous or woody weeds are observed or severe and permanent woody weeds are observed, or the percentage of missing, dried or otherwise incapacitated animals per hectare, calculated on the basis of the crop rotation, is more than 30 % shall not be eligible for aid in the aid year under consideration.

In the case of large, severe and permanent woody weeds, the area shall be reclassified as ineligible according to the Ministerial Decree on the Agricultural Parcel Identification System.

Large, severe herbaceous weed: the spread of herbaceous weeds to any adjacent land, or where the field tested contains a flowering hazardous weed or a herbaceous weed of more than 50 % of the land area;

Large, severe woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the base crop and the area can be made suitable for agricultural cultivation during the growing season;

Large, severe permanent woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the basic crop and the area cannot be made suitable for agricultural cultivation during the growing season.

Special rule for the presence of reeds and the water cover period in areas used for ecological restocking, small wetland type landscape features and paludiate areas defined under GAEC 2: After the time of the water cover or the soil's saturation with water to a degree that prevents mechanical work, maintenance rules must be complied with. The continuous presence of reeds is natural and allowed as long as it does not predominate in the area, thus not significantly hampering agricultural use.

4.1.1.2.3 Maintenance criteria in permanent grassland

Permanent grassland shall be considered to be kept in good condition if it is not damaged by inappropriate grazing (overgrazing) in which the grass scrub is shortly chewed and where at least 50 % of the soil surface becomes uncovered, and where there is no agricultural production in the current year, grassing species, including reeds, and forage crops are predominant on the permanent grassland and dominated by grassing grass species, including reeds, and forage crops, and there are no growths remaining from the previous growing season whose propagating formulae have been lost.

Areas in which large-scale, severe herbaceous or woody weeds are observed or severe and permanent woody weeds are observed shall not be eligible for aid in the aid year under consideration. In the case of large, severe and permanent woody weeds, the area shall be reclassified as ineligible according to the Ministerial Decree on the Agricultural Parcel Identification System.

Large, severe herbaceous weed: the spread of herbaceous weeds to any adjacent land, or where the field tested contains a flowering hazardous weed or a herbaceous weed of more than 50 % of the land area;

Large, severe woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the base crop and the area can be made suitable for agricultural cultivation during the growing

season;

Large, severe permanent woody weeds: the spread of woody weeds to any adjacent land, or where, in the case of the field under review, there are more than 100 woody weeds per hectare, the area under the canopy of which does not contain grazable vegetation or the removal of the ligneous weeds cannot be carried out without damage to the basic crop and the area cannot be made suitable for agricultural cultivation during the growing season.

Special rule for the presence of reeds and the water cover period in areas used for ecological restocking, small wetland type landscape features and paludiate areas defined under GAEC 2: After the time of the water cover or the soil's saturation with water to a degree that prevents mechanical work, maintenance rules must be complied with. The continuous presence of reeds is natural and allowed as long as it does not predominate in the area, thus not significantly hampering agricultural use.

4.1.2 Agricultural area

4.1.2.1 Elements of agroforestry systems when it is established and/or maintained on the agricultural area

4.1.2.1.1 Elements of agroforestry systems in arable land

On arable land, the following uses are considered as agroforestry systems:

1. simultaneous intermediate cultivation of arable crops (including temporary grasses) and forestry or fruit tree species in the same area where the woody individuals are in parallel rows or in other regular geometrical arrangements and do not exceed 250 per hectare;
2. simultaneous intermediate cultivation of arable crops and short rotation coppice in the same area where ligneous individuals are in parallel rows or other regular geometrical arrangements and do not exceed 4000 per hectare. Detailed national rules on short rotation energy plantations must also be complied with in these agroforestry systems.

4.1.2.1.2 Elements of agroforestry systems in permanent crops

The following permanent crops are considered to be agroforestry systems if they are standalone objects and are not part of arable or grassland:

1. bars, wooden bars, groups of trees and bushes and other special tree plantations (excluding short rotation energy plantations and Christmas tree plantations) that meet the criteria for a landscape feature under GAEC 8 and are therefore eligible areas;
2. productive plantations planted with a mix of forest and fruit tree species.

4.1.2.1.3 Elements of agroforestry systems in permanent grassland

On grassland, the following uses are considered as agroforestry systems:

1. woody pastures, where the woody individuals are in parallel rows or in other regular geometrical arrangements and do not exceed 250 per hectare;
2. woody mowers, where the ligneous individuals are in parallel rows or in other regular geometrical arrangements and do not exceed 250 per hectare.

Woody individuals always mean forest tree species or fruit trees.

4.1.2.2 Arable land

4.1.2.2.1 Other comments relating to the definition of arable land

Arable land includes temporary grassland in addition to land cultivated for arable crops or available for arable crop production or land lying fallow. Temporary grassland: land used for the production, without sowing or by sowing, of grasses or other forage crops of species of the genus *Trifolium* and lucerne (*Medicago*) and their exclusive mixtures, planted less than five years from the date of planting and not due

to the obligation to restore permanent grassland.

4.1.2.3 Permanent crops

4.1.2.3.1 Definition of nurseries

Nurseries: areas of young ligneous (woody) plants grown in the open air for subsequent transplantation:

- graft nurseries and rootstocks,
- fruit nurseries,
- ornamental nurseries,
- commercial forestry nurseries, except those located within the forest area and meeting the plant's own needs,
- nurseries in which trees and shrubs (e.g. hedgerows, roses and other ornamental shrubs, ornamental conifers) intended for gardens, parks, roads and stuffing are grown, including in all cases rootstocks and seedlings.

4.1.2.3.2 Definition of Short Rotation Coppice

Short rotation coppice is defined as certain basic tree species and woody plantations for coppice with a maximum rotation of 5 years, consisting of specified basic tree species and their varieties authorised for forestry and energy purposes, with a planting density of at least 4.000 pieces per hectare, and energy cane species of the genus *Miscanthus*, Italian cane and silphium species as herbaceous energy crops.

List of authorised tree species:

1. White summer (*Populus alba*)
2. Black summer (*Populus nigra*)
3. Grey poplar (*Populus x canescens*)
4. *Populus tremula*
5. White lac (*Salix alba*)
6. Basket wafers (*Salix viminalis*)
7. *Alnus glutinosa*
8. High ash (*Fraxinus excelsior*)
9. Narrow-leaved ash (*Fraxinus angustifolia*)
10. Early maple (*Acer platanoides*)

Detailed national rules on the authorisation, planting and cultivation of short rotation energy plantations are in force.

4.1.2.3.3 Other comments relating to the definition of permanent crops

Permanent crops include, in addition to nurseries and short rotation coppice, the following crops: vineyards, orchards, other woody plantations, asparagus, woody shrub and semi-boot type, and perennial herbs, aromatics and herbs.

4.1.2.4 Permanent grassland

4.1.2.4.1 Definition of grasses and other herbaceous forage

Grass species (Graminaceae), legumes (Order Fabales) and other intestinal plants are grass crops. Stand-alone herds of species of the genus *Trifolium* and alfalfa (*Medicago*) or their exclusive mixtures shall not be considered as grassland.

List of grassroots and other forage species

1. Rye of English (*Lolium perenne*)
2. Meadow grass (*Poa pratensis*)
3. Red fescue (*Festuca rubra*)

4. Italian perry (*Lolium multiflorum*)
5. Hungarian rye rye (*Bromus inermis*)
6. Fescue (*Festuca arundinacea*),
7. Green lime grass (*Phalaris arundinacea*)
8. Purple (*Trifolium incarnatum* L.)
9. Red scrub (*Trifolium pratense* L.)
10. White clover (*Trifolium repens* L.)
11. Pershere (*Trifolium resupinatum* L.)
12. Alexandriai test (*Trifolium alexandrinum*)
13. Corn (*Trifolium hybridum*)
14. Clover of LÓDI (*Trifolium repens* L. var. *Giganteum*)
15. Clover of founs (*Trifolium resupinatum*)
16. Lucerne (*Medicago sativa* L.)
17. Hop lucerne (*Medicago lupulina*)
18. Sárkerep lucerne (*Medicago village*)
19. Alfalfa (*Medicago x. varia*)
20. Forage glucer (*Medicago sativa*)

4.1.2.4.2 Decision to use 'ploughing' criterion in relation to permanent grassland classification : **No**

4.1.2.4.3 Decision to use 'tilling' criterion in relation to permanent grassland classification : **No**

4.1.2.4.4 Decision to use 'reseeding with different types of grasses' criterion in relation to permanent grassland classification : **No**

4.1.2.4.5 Decision regarding the inclusion of other species such as trees and/or shrubs which produce animal feed, provided that grasses and other herbaceous forage remain predominant : **No**

4.1.2.4.6 Decision regarding the inclusion of other species, such as shrubs and/or trees, which could be grazed and/or which produce animal feed, where grasses and other herbaceous forage are traditionally not predominant or are absent in grazing areas

Decision regarding the inclusion of other species, such as shrubs and/or trees, which could be grazed and/or which produce animal feed, where grasses and other herbaceous forage are traditionally not predominant or are absent in grazing areas : **No**

a) In case of affirmative, applicable to all MS/region? : **No**

b) in case of negative reply to question a), applicable only to land which forms part of established local practices? : **No**

c) in case of negative reply to question a), not limited to or applicable to other areas than established local practices? : **No**

4.1.2.4.7 Other comments relating to the definition of permanent grassland

Not relevant.

4.1.2.5 Other comments relating to the definition of agricultural area in general

Not relevant.

4.1.3 Eligible hectare

4.1.3.1 Criteria how to establish the predominance of agricultural activity in case the land is also used for non-agricultural activities

In the case of areas temporarily used for non-agricultural purposes, the period of utilisation outside agricultural purposes shall be chosen in such a way as not to jeopardise the main agricultural activity and shall not exceed 60 days per year, other than land used for organic water restocking.

We confirm that this does not render the main agricultural activity impossible.

For areas temporarily used for non-agricultural purposes, the period of use outside agricultural purposes shall be chosen in such a way as not to jeopardise the main agricultural activity. In practice, this means that, after the expiry of a maximum of 60 days, the agricultural area must be suitable for carrying out the agricultural activity (production or maintenance in good condition) without substantial preparation or work.

According to the relevant national rule, the lawful land user is also obliged to notify the Paying Agency of the duration and nature of the non-agricultural activity.

A specific case of land temporarily used for non-agricultural purposes is water restocking for organic purposes. This means the temporary flooding of agricultural land for a maximum period of 180 days per year with a water permit, by means of gravity drainage from excess surface water (e.g. flooding) or free water (the quantity of water available in the area not tied to any other water rights permit) to ensure sustainable water resource management. During the remaining period of the year, the agricultural use of the land or its maintenance in a state suitable for agriculture is mandatory.

4.1.3.2 Criteria to ensure that the land is at the disposal of the farmer

The client shall be regarded as a lawful land user for the agricultural areas specified in his application until there is any doubt or if it is established, on the basis of the control procedure carried out by the agricultural and rural development support body, that the client qualifies as a lawful land user as described below.

We give producers a variety of options to prove their eligibility for land use. The details of the procedure are presented herewith:

A farmer holding a registration number with the Hungarian State Treasury may submit an application for direct aid in respect of land for which he qualifies as a lawful land user. The Treasury presumes legal land use for all producers.

The farmer must prove, in the manner laid down by law, that he is a lawful user of the land he applies for if there is any doubt in this regard (e.g. if there is a double claim or claim for the area, or if he submits an aid application for the first time as a new entrant).

Government Decree No 54/2023 on the arrangements for using agricultural subsidies from the Common Agricultural Policy and the national budget (IX. Section 61(4) of the Decree of the Minister for Agriculture sets out in detail how the producer can prove the existence of lawful land use. These are:

(4) In the following order, a beneficiary shall be deemed to be a lawful land user if, unless otherwise provided by law, for the last day of the deadline for submitting an application, in respect of the area claimed by the beneficiary:

(a) is registered as a land user in the land use register,

(b) he is registered as a representative of a primary farmer's family holding in the register of family holdings of primary producers or as a representative in the contract for the establishment of a family holding for primary producers,

(C) lease-purchase, half-lease, share-farming, favourable land use, recreational land use or sub-lease agreement, and an agreement on sharing or surplus use pursuant to Section 70 or Article 76 of Act CCXII of 2013 on certain provisions and transitional rules in connection with Act CXXII of 2013 on the circulation of agricultural and forestry land, the delegation contract referred to in Section 18(5) of Act LXXXVII of 2010 on the National Land Fund, including a contract concluded by the National Park Directorate, is entitled on the basis of a sample economic land use contract concluded with the body responsible for the management of the National Land Fund, and any person designated as the forced utilisation of land pursuant to Section 65 of Act CXXII of 2013 on the circulation of agricultural and forestry land shall be entitled, on the basis of a provisional court order, to use the land user or, in the case of areas with national defence use, or areas declared unnecessary for national defence purposes, on the basis of a contract;

(D) the legal successor of a budgetary entity registered as a trustee, usufruct or holder of a right of use under Section 5:159 of Act V of 2013 on the Civil Code, as well as a budgetary entity registered as a trustee,

(e) registered in the land register as owner or owner of cooperative land use,

(F) in the case referred to in Section 42(2)(c) of Act CXXII of 2013 on the circulation of agricultural and forestry land, the person who has a written agreement with the land user registered in the land use register;

(g) the co-owner of an area exceeding his share of ownership of land owned by an indivisible co-owner, if it has not been entered in the land-use register for reasons beyond his own fault and has a written agreement authorising the use of that portion of the land, and the use is supported by a management log which he keeps;

(H) a person who is not a co-owner of undivided co-ownership of land, if it is not entered in the land-use register for reasons beyond his or her own fault and has a written agreement authorising the use of that portion of the land, and the use is confirmed by the farming log he keeps,

a close relative of the legal land user referred to in points (a) to (h), or

(J) he holds an official certificate issued by the notary certifying that the area has been used.

In certain circumstances giving rise to doubt, the Hungarian State Treasury will automatically designate the areas/applications in question and in any case shall be designated for the examination of lawful land use:

- if a double or multiple claim is established during an on-the-spot check,
- if the information on the template provided in the application differs significantly from the situation found during the on-the-spot check,
- for parcels with unresolved over-declaration following data reconciliation.

In other circumstances of doubt, the legal land use is checked on a sample of the parcels concerned, selected on the basis of a risk analysis:

- in case of potential discrepancies detected during cross-checks with land use records,
- if non-compliance has been found by the legal land use test for a given plot in the previous year,
- if the client has not applied for aid earlier,
- if the client's request was submitted late,
- if there is a double or multiple claim on the basis of the application,
- if the table drawing overlaps with the drawing of another client.

The Paying Agency systematically, continuously and fully monitors the occurrence of the circumstances listed above for each parcel applied for and carries out, where appropriate, a legal land use inspection, following the logic described above.

The inspection is part of Decree No 54/2023 on the arrangements for the use of agricultural subsidies from the Common Agricultural Policy and the national budget for the designated parcel population. (IX. 13.) Cross-checks with the records specified in Section 61(4)(a)(b)(d) and (e) of the Decree of the Minister for Agriculture. If the legal use of the parcel has not yet been confirmed for the entire area of the parcel, the Paying Agency will be required to provide additional information from the client under Decree 54/2023 on the rules for the use of agricultural subsidies from the Common Agricultural Policy and the national budget. (IX. 13) They request the supporting documents listed in Section 61(4)(c) and (f)-(j) of the Decree of the Minister for Agriculture, on the basis of which the decision on the lawful use of land is taken.

4.1.3.3 Period during which an area has to comply with the definition of ‘eligible hectare’

For the whole grant period

4.1.3.4 Decision to include areas used for agricultural activity only every second year

: No

4.1.3.5 Decision regarding the inclusion of other landscape features (those not protected under GAEC), provided that they are not predominant and do not significantly hamper the performance of an agricultural activity due to the area they occupy

: Yes

All landscape features that can be accepted as eligible areas must be located on agricultural parcels.

Delimitation of woody-cow grasslands as special eligible areas

These special grasslands are typically cultivated in agriculture, but due to the presence of woody vegetation, they are cultivated differently from normal grassland cultivation, mostly by grazing. Due to the specific cultivation and characteristics of this type of grassland, it would be justified to be treated as a specific eligible element in the LPIS as a separate cover. Their different treatment and long-term maintenance within the eligible area can be ensured by reflecting their conservation, conditions and requirements in domestic legislation.

Sorting and review shall be carried out for areas with a maximum estimated 30 % woody vegetation. Areas estimated above 30 % should be included in the ineligible category.

Grassland areas containing woody vegetation but below the area limit of 30 % will be defined as a separate element of land cover, while grasslands currently containing more than 30 % of woody vegetation will be transferred to the ineligible category.

If the presence of woody vegetation is not affected by the presence of woody vegetation, additional areas of grassland that are contiguous with woody grassland shall be treated as a separate land cover element from grassland containing woody vegetation.

A lower area limit will also be applied in the design of special grassland land cover elements, which means that grasslands with scattered woody vegetation with a size of less than 300 square metres or 0.5 % of the surface area of the whole grassland area will not be targeted. This is because the area occupied by woody vegetation in such small areas from the grassland on the ground is typically negligible compared to the area of the whole grassland. National provisions on specific maintenance rules for agro-ecological areas should also be respected on grasslands with scattered woody vegetation.

Erosion control facility established as part of a non-productive investment:

An erosion control facility established on arable land, permanent crops or grassland as part of a non-productive investment delimited in the LPIS.

Ecological boundary:

minimum area: 0,01 ketar

Land covered by woody and/or soft vegetation, with a minimum average width of three, up to twenty metres, typically strip-like areas, which:

- (a) on the arable land or directly adjacent to the arable land, inside the physical block affected by the arable land,
- (b) situated on permanent crops or directly adjacent to permanent crops within the physical block affected by the permanent crop,
- (C) it is situated on grassland or directly adjacent to the grassland, within the physical block affected by the grassland,
- (D) an artificial element interrupted by a maximum length of two metres.

Where woody vegetation predominates in the ecological boundary zone, it must be prevented from declining significantly. A significant reduction is the reduction of at least 20 per cent of space that the Territorial Monitoring System (TMR/AMS) will be objectively able to perceive when it becomes technologically suitable.

Erosion control strip (within the agricultural parcel in question – arable land, permanent crops, grassland):

Area covered with woody or herbaceous vegetation parallel to the stratum line and specifically intended to prevent and mitigate water erosion.

Additional characteristics:

- an average width of not less than three and not more than 20 metres;
- at least thirty metres wide;
- where the sides of the plate parallel to the slope are on average less than 30 metres apart, the erosion control band shall connect the two edges of the plate.

Small wetland on grassland, arable land or permanent crops: Wetland recorded in the LPIS. Whether it is located on arable land, grassland or permanent crops, it forms part of the agricultural parcel throughout the small wetland area and may not account for more than 50 % of the parcel and must not significantly impede agricultural activity. It has permanent or temporary water cover or covers vegetation typical of wetlands. The boundary of the small wetland shall be marked within the field where the crop cultivated on the field ends.

Buffer strips on arable land, permanent crops and grassland:

The buffer strips defined in the LPIS may be recognised. Buffer strips of 5 m from the shoreline of surface watercourses and 20 m along lakes are delineated in the LPIS.

No buffer is possible between the declared arable land and the buffer strip. Agricultural production is prohibited in the buffer strips to be accounted for, except for mechanical weed control to maintain the agricultural condition. Compliance with GAEC requirements on water buffer strips is mandatory. May not be transferred in accordance with GAEC requirements

- fertiliser in a 5 m strip measured from the shoreline of surface waters graphically marked in the LPIS;
- organic manure;
- pesticides;
- plant conditioning agent;
- soil conditioning agent.
- microbiological preparation

20 m from the shoreline of standing waters above 5 000 m² graphically marked in the LPIS,

5 m from the coastline in the case of dam-locked fish ponds,

In a strip of 5 metres from the shoreline of other surface watercourses graphically marked in the LPIS, by reducing the protective distance to 3 metres if the agricultural field is less than 50 metres and less than

1 hectare.

The protection distance for organic manure shall not apply to manure that is dead by grazing animals if this occurs due to the approach to the drinking site.

4.1.3.6 Decision as regards permanent grassland with scattered ineligible features, to apply fixed reduction coefficients to determine the area considered eligible

: No

4.1.3.7 Decision to maintain the eligibility of previously eligible areas when they no longer meet the definition of ‘eligible hectare’ pursuant to paragraphs a) and b) of Article 4(4) of the SPR regulation as a result of using national schemes the conditions of which comply with the interventions covered by integrated system referred to in Art 63(2) of Regulation (EU) HzR allowing for the production of non-annex 1 products by way of paludiculture and which contribute to envi-clima related objectives of the SPR regulation

: No

4.1.4 Active farmer

4.1.4.1 Criteria to identify those who have minimum level of agricultural activity

The model for the implementation of the active farmer test in Hungary is presented below.

I. Description of the model

1. Natural persons are automatically regarded as active owners. JUSTIFICATION: If they are fully engaged in an agricultural activity, they fulfil the criterion of ‘main activity’. If this is not their main activity, i.e. they carry out agricultural activities in a secondary job, it is necessary to preserve the way of life in rural areas and to prevent rural depopulation, so that these natural persons are not excluded from receiving direct aid.
2. In the case of legal persons, those with at least 10 hectares of agricultural land are also automatically regarded as active farmers, given that it can already be considered as a major agricultural activity.
3. In the case of legal persons with less than 10 hectares of agricultural land, the active farmer would be the one registered in the Food Chain Inspection Information System (FELIR) as an organisation carrying out agricultural activities. Registered organisations have a ‘FELIR’ identifier. Such an identifier is held by all organisations whose activities include agricultural activity as their main or secondary activity. Anyone who carries out an activity as a farmer within the meaning of Article 4(2)(a) of the Strategic Plan Regulation is obliged to register with the FELIR on the basis of that national legislation.
4. In addition, four specific forms of operation would be highlighted and automatically considered as active owners: churches, municipalities, educational institutions and non-profit organisations linked to agriculture. (the “*positive list*”)
5. If, after the above steps, a legal person cannot be regarded as an active farmer, it may prove that its agricultural activity is not insignificant. It can do so by demonstrating that its agricultural turnover in the preceding year exceeds half of the annual net minimum wage in the preceding year.
ADDENDUM: Of course, area payments are included in agricultural turnover.
6. The negative list will not be used.

II. Brief description of the FELIR system

- FELIR = Food Chain Control Information System. This database contains public data in electronic form for operators in the food chain and the agricultural sector and their activities.
- FELIR is **operated by the National Food Chain Safety Office (NFCSO)**. The FELIR was established by a law (Act XLVI of 2008 on the food chain and its official supervision) and operates under Decree No 578/2020 on the operation of the food chain inspection information system. (XII. Government Decree No 14/2001.
- The FELIR contains, inter alia, data on the activity carried out by the client in respect of the client covered by the Act.
- The unique identifier of the FELIR database is the **FELIR identifier**. Actors appear in the database with their central public authenticated data, as evidenced by the FELIR identifier. The FELIR identifier therefore serves to provide electronic evidence of the State-authorized and registered activities of each actor centrally, by means of publicly authentic data. It works in the same way as TINs and tax numbers for tax law purposes, performs the same function only in the area of the agri-administration-food chain.
- **On the basis of the FELIR identifier, the authority can easily verify whether an undertaking it controls is operating lawfully and whether the product under investigation has been lawfully placed on the market.** It helps food chain operators, or even consumers, to make sure that they buy products from a registered operator.

Who is affected by FELIR registration?

The FELIR database is extensive as it covers actors in the food chain and in the agricultural sector, such as: primary producers, small farmers, animal keepers, growers, food producers, food distributors, caterers and mass caterers, winemakers, hunters, fishers, fishermen, foresters, timber dealers, veterinarians, plant doctors, feed distributors, animal medicine distributors, plant protection products distributors, seed producers, other agricultural operators.

- As a new actor, when a new activity is launched, the notification automatically generates the FELIR identifier.
- For clients who started their activities before the FELIR registration scheme, the NFCSO retroactively assigned a FELIR identifier.

A public FELIR search is available on the website of the NFCSO operating FELIR, where you can also see what activity someone has entered into the database.

FELIR Identifiable Activities

Annex 1 to the Government Decree contains inter alia (**non-exhaustive list**):

- distribution of animals kept for food production, breeding or experimental purposes;
- placing on the market of plants and plant products grown for food and feed production;
- production, storage and making available on the market of propagating material;
- activities as veterinarians, plant doctors and auxiliaries;
- production or placing on the market of products subject to authorisation under Act XCIII of 1993 and of EC fertilisers
- activity as a plant protection worker;
- plant protection services;
- aerial application of plant protection product;
- soil protection expert activities;
- application of slurry on land;
- use of non-hazardous waste on land;
- use of sewage, sewage sludge, sewage sludge compost on land;
- timber trade chain activity.

III. Justification for the positive list

- **Churches:** In the case of churches, agricultural production on owned agricultural land is not sold. The goods produced, on the one hand, cover the services of the church's staff and, on the other hand, are used for their social kitchens and other social activities operated by the church.
- **Municipalities:** Municipalities typically carry out agricultural production on their own agricultural land and are mostly not sold. The goods produced are used for their own care and for the supply of social kitchens and social services operated by the municipalities. They employ people in need as part of agricultural activity, which contributes to employment in rural areas.
- **Educational establishments:** In the case of educational establishments, direct aid is typically provided by those which provide training related to agriculture and therefore carry out production activities in their own territory, in their educational holdings, as part of practical training, for demonstration purposes.
- **Non-profit organisations linked to agriculture:** It covers specific forms of operation in which agricultural activities are also carried out by non-profit organisations (e.g. associations, foundations) which present and promote agriculture, such as traditional livestock farming, for educational, information, demonstration purposes.

Verification of FELIR data

Data on agricultural production in FELIR (i.e. the fact that the undertaking actually carries out an agricultural activity) – taking into account Act XLVI of 2008 on the food chain and its official supervision and the functioning of the food chain inspection information system 578/2020. (XII. The provisions of Government Decree No 14/2001 – the county government offices and the NFCSO, by virtue of their official powers, are subject to joint checks.

Following the audit, pursuant to Decree No 578/2020. (XII. On the basis of Sections 6 and 7 of the Government Decree, it is possible to suspend and revoke the FELIR identifier.

SECTION 6(1)

The NFCSO shall suspend the FELIR identifier if

- (a) the competent body shall record in the FELIR a measure taken by the authority to prohibit the activity, withdraw authorisation or remove it from the register, and the measure concerns all activities of the client,
- (b) on the basis of the client's notification, the determining body records the cessation of the client's activity in the FELIR and the notification concerns all activities of the client;
- (C) the client initiated the FELIR registration electronically, but did not initiate the authorisation procedure for the requested activity from the determining body within 6 months;
- (D) with regard to the client's activity, there is no data flow in the FELIR within one calendar year and, despite a request from the NFCSO, the client does not declare within 30 days the active status of its activities.

The suspension of the FELIR identifier may be lifted at the request of the client after proof of appropriate eligibility has been provided.

SECTION 7(1)

The NFCSO shall withdraw the FELIR identifier if, on the basis of a notification or data from a public register, it finds that it has a GELIR identifier.

- (a) a legal person has ceased to exist, or

(b) a natural person has died.

4.1.4.2 Decision to use a negative list of non-agricultural activities as a complementary tool

: No

4.1.4.3 Decision to set an amount of direct payments not higher than EUR 5 000 under which farmers shall in any event be considered as ‘active farmers’

: No

4.1.5 Young farmer

4.1.5.1 Maximum age limit

Maximum age limit: 40

4.1.5.2 Conditions for being ‘head of the holding’

Definition: Young farmer (natural person) or one or more legal persons under the effective and long-term control of the young farmer.

Effective and long-term control: the power of a young farmer who is a senior manager in the legal person to manage and to decide on benefits and financial risks granted to him by a majority of the voting rights;

Majority of voting rights: sum of votes in the legal person ensuring effective and long-term control of the young farmer, including

(a) the young farmer’s own vote;

(b) in addition to the vote under point (a)

(BA) the vote of a natural person or persons who are also senior officials in a legal person other than a cooperative, but who do not hold more votes each than the young farmer, and who are eligible for aid under the rules on access to the aid for farmers, or

(BB) in the case of cooperatives, the votes of members who are also senior officials and who are personally involved in agricultural production; and

(C) the vote of a natural person or persons who are also senior executives in the legal person, but who do not individually hold more votes in the young farmer and themselves exercise effective and long-term control over another legal person or persons that are eligible farmers.

4.1.5.3 Appropriate training and/or skills required

The list of relevant agricultural qualifications, vocational training and professional qualifications acceptable for young farmers, or their minimum conditions and frameworks, are laid down in the following national legislation:

- national Training Register 7/1993. (XII. Decree No 7/1993 of the Minister for Health on the National Training Register. (XII. Decree No 12/1996 of the Minister for Agriculture amending Decree No 12/1996 (XII. Decree No 29/1999 of the Minister for Agriculture

- national Training Register 7/1993. (XII. Decree No 2/2000 of 30 April 2000 of the Minister for Agriculture amending Decree No 2/2000 Regulation (I. 31.) of the OM

- 37/2003 on the National Training Register. (XII. OM Regulation (27)

- 37/2003 on the National Training Register. (XII. Decree No 28/2004 of the European Parliament and of the Council amending Decree No 28/2004 of the European Parliament and of the Council. (IX. Regulation (EC) No 30/1999 of the European Parliament and of the Council

- on the National Training Register and the procedures for enrolment and deletion in the National Training Register. (II. Decree No 17/1999 of the European Parliament and of the Council

- 150/2012 on the National Training Register and the procedures for enrolment and deletion in the National Training Register. (VII. 6th Government Decree
- on vocational training and professions in vocational secondary schools and vocational training schools, 18/1986. (VIII. Decree No 26/1999 of the Minister for Agriculture
- Decree 13/1969 on the implementation of Act VI of 1969 on vocational training of skilled workers (XII. Decree No 30/1999 of the Minister for Agriculture
- amending certain educational legislation 20/1994. (XI. Decree No 10 of the Minister for Agriculture and Rural Development
- on vocational worker training in vocational secondary schools, 14/1976. (XII. Government Decree No 24/1977 amending Joint Decree No 24/1977 of the MüM-OM (XII. Joint Decree of the MüM-OM
- 39/2012 on training and outcomes requirements for vocational education and training in higher education. (XI. Decree No 8/2013 of the Minister for Human Resources on the training and completion requirements for basic and master's degrees, as well as on the common requirements for teacher preparation and the training and output requirements for each teaching profession. Decree No 18/2016 of 30 January 2016 of the Minister for Human Resources amending Decree No 18/2016 of 30 January 2016 of the Minister for Human Resources (VIII. Decree No 139/2015 of the Minister for Human Resources on the list of qualifications and inclusion of new qualifications in higher education (VI. Government Decree No 9/1999
- Decree No 244/2020 on the rules governing the activities and records of specialised forestry staff and the management company and the further training of specialised forestry personnel. Government Decree No 273/2007 of 28 May 2013
- 12/2020 on the implementation of the Law on Vocational Education and Training (II. Government Decree No 7/2001
- 504/2013. (XII. Government Decree No 29/2001 on specific agricultural or forestry qualifications
- 65/2021. (XII. Decree of the Minister for Innovation and Technology on the list of higher education qualifications and the establishment of new courses
- 18/2016. (VIII. Decree No 8/2013 of the Minister for Human Resources on the training and completion requirements for vocational education and training in higher education, basic and master's degrees, as well as common requirements for teacher preparation and the training and output requirements for each teaching profession. (I. 30.) of the Minister for Human Resources;

In the case of VET and adult learning, the specific professions and their training output requirements and programme curricula are available at the Innovative Training Support Centre Zártkörűen Működő Részvénytársaság (IKK), at the following website: <https://akkreditalvizsgaztatas.ikk.hu/kkk-ptt>

In support of young farmers, only qualifications which are published and carried out in a manner that is verified and accredited by national legislation shall be taken into account. The relevant legislation specifies which training falls into which fields. There is legislation only on specific agricultural or forestry qualifications (504/2013. (XII. Government Decree No 29. In addition, horizontal legislation organises training by academic discipline for higher education qualifications, and by group of professions for secondary education. Thus, qualifications in the field of agriculture can be clearly identified in a pre-defined manner, as a result of the legislative process in the field of education.

The qualification requirement can be replaced by a minimum of 2 years of relevant agricultural traineeships.

4.1.5.4 Other comments relating to Young farmer definition

No further comments.

4.1.6 New farmer

4.1.6.1 Conditions for being ‘head of the holding’ for the first time

The Hungarian Strategic Plan does not contain any relevant intervention.

4.1.6.2 Appropriate training and skills required

The Hungarian Strategic Plan does not contain any relevant intervention.

4.1.7 Minimum requirements for receiving direct payments

4.1.7.1 Threshold

Threshold in ha: 1

Threshold in EUR: 100

4.1.7.2 Explanation

The minimum requirements for the use of direct aids (1 hectare or EUR 100) are designed in such a way that they do not narrow the range of potential beneficiaries to the detriment of small farms, by strengthening the targeting of the strategic plan. In line with the same principles, the minimum number of eligible animals for livestock entitlements for coupled aid has been set at 1 head, precisely in order to include the smallest operators in the aid scheme.

The limits set are designed in such a way that the implementation of the relevant aid schemes does not result in an excessive administrative burden, in line with Article 18 of Regulation (EU) 2021/2115 (*‘the management of related payments does not create an excessive administrative burden’*). The experience of the Paying Agency during the current budgetary period also shows that these limits did not lead to a disproportionate increase in area aid applications. If the thresholds were set at a lower level, the costs linked to the management of certain schemes would exceed the amount of aid paid. By definition, our aim is to avoid situations where costs outweigh the potential benefits, in order to preserve the cost-effectiveness of the EU-funded support system.

ADDITIONAL SUPPORT

1. EUR 100 threshold

The threshold of EUR 100 sets the minimum requirement for livestock farmers applying for headage-based direct payments who are unable to comply with the minimum requirement of 1 hectare. This corresponds to 3-4 ewes, 1 suckler cow or 2 foie gras in addition to the planned specific values.

However, the substantiation of the value of EUR 100 can be approached from a different perspective, namely from the cost of handling the application. This was based on the 2021 report on the estimation of Member States’ costs related to the management and control of CAP expenditure.

Calculation methodology:

Management and control costs per aid scheme/measure = (Budget of the institution/total number of persons) * Number of persons involved in the control of the aid scheme/measure

For the Paying Agency, this results in the following result for direct aids:

(EUR 172467479)/(5994 persons) x 63.6= EUR 1829985

As far as the bodies carrying out delegated tasks are concerned, this results in the following result:
 $(\text{EUR } 561189145)/(\text{50041 persons}) \times 343.8 = \text{EUR } 3855575$

Total:

$\text{EUR } 1829985 + \text{EUR } 3855575 = \text{EUR } 5685560$

By dividing this amount by the number of Single Applications for 2021 (EUR 5685560/165417), an average cost of EUR 34.37 for a Single Application is obtained.

The Paying Agency's calculations therefore indicate that a reduction of the minimum requirement of EUR 100 could already result in costs linked to the management of certain schemes exceeding the amount of aid paid. This would be contrary to the financial interests of the European Union, the principles of sound financial management.

2. Minimum area of 1 hectare

An area of 1 hectare represents the entry level of a self-sufficient farm. In a one-hectare area, a family can produce for self-sufficiency. Basic support (BISS), redistributive support (CRISS) and even young farmers may be eligible. If, for example, he is engaged in horticultural activities, he may be able to carry out a production activity to a degree which, in addition to supplying the family, allows for a minimum sale. However, in the case of arable and, in particular, grassland, self-sufficiency and traditional agricultural activity are unrealistic and economically unrealistic.

In Hungary, most of the farms compiled by the Central Statistical Office (CSO) produce for self-sufficiency and as ancillary activities, most of them do not use agricultural subsidies. Of the 241 thousand farms, 216 thousand farmland, of which 58.5 thousand have less than 1 hectare.

The experience of the Paying Agency in the current budgetary period demonstrates that the limits of 1 hectare/EUR 100 did not lead to a disproportionate increase in area aid applications. However, if the figure of 1 hectare were to be reduced, some of the above-mentioned 58.5 thousand farmers with an area of less than 1 hectare would be included in the direct payment scheme, so a significant increase in the number of applications would be expected. This would entail an additional administrative burden at the level of the Paying Agency, as a greater professional administration would be needed in the area of application management and on-the-spot checks. If the minimum size of 1 hectare were reduced by at least one application by half of the small-scale producers, the additional operating costs of at least EUR 1 million per year would have to be allocated to the Paying Agency, in addition to system development and other one-off costs, which would mean inefficient use of public resources.

4.1.8 Other definitions used in the CAP Plan

Title	Description
Endangered agricultural animal breed	decision No 188/2019 (VII. On the basis of the definition laid down in Section 2 of Government Decree No 30/2001, a non-protected native agricultural animal breed listed in a decree issued by the Minister, which has a unique genetic value and which plays a decisive role in domestic breeding at the same time; (a) which, as a result of its exclusion from production, has become necessary for the conservation of the gene pool, (b) which, as a result of a significant reduction in the number of members of staff, has become necessary for the conservation of the gene pool, (C) which is available in large numbers, but the variety's genotype and phenotype have been modified by intensive selection, changed rearing and feeding and crossings to such an extent that separate preservation and possibly reconstruction of the original type or types became necessary, or (D) which could no longer be found in the form recorded in the breeding book, making it necessary to reconstruct the variety
Protected native agricultural animal breed	decision No 188/2019 (VII. On the basis of the definition laid down in Section 2 of Government Decree No 30/2001, a type of animal listed in a decree issued by the Minister which forms part of the national heritage, the agricultural gene bank and the nature and landscape conservation; (a) which has been bred in the Carpathian Basin for at least 50 years in the natural geographical environment of Hungary, (b) which was previously bred in Hungary but the breed has ceased to be registered in the herd-book and the breed has been re-established as a result of varietal reconstruction, or (C) for which domestic breeding was resumed in the context of genetic rescue and varietal rescue
Standard output (SO)	standard value of gross production based on Commission Implementing Regulation 2020/1652. The SO is used for classifying farms according to the Union farm typology (in which the type of farming is defined by main production activities) and for determining economic farm size.
Animal keeper	Economic operator within the meaning of the Decree of the Minister for Agriculture and Rural Development on the national

	registration system for enclosures, holdings and certain data relating thereto
Breeds of agricultural animals undergoing varietal reconstruction	Breeds of agricultural livestock which have previously played a dominant role in domestic livestock production but which are no longer found in the herd-book register, or types linked to a particular breed whose use has been neglected and for which planned breeding work is currently being carried out to re-establish the breed
Forest reproductive material,	in Joined Cases 110/2003 and 110/2003 (X.21.c) FVM species and artificial hybrids thereof, seeds of varieties for the production of plants for forestry purposes, vegetative propagating material, and planting stock grown from them, which meet the certification requirements
Social cooperatives	cooperatives as defined in Sections 14-19 of Act X of 2006 on cooperatives.
Producer group (POG)	42/2015 on the recognition of producer groups (VII. 22) Section 1(1) of Decree No 150/2012 of the Minister for Agriculture on producer groups and producer organisations for fruit and vegetables. (XII. Producer groups as defined in Section 1(o) of Decree No 28/2000 of the Minister for Rural Development.
Producer organisation (PO)	organisation as defined in Article 152 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 and recognised under the conditions laid down in Articles 154 and 159 of the Council Regulation
Specific rules for farmers in rural development interventions	In the case of types of intervention for rural development, a farmer is a natural or legal person or a farming organisation without legal personality which carries out an activity as a farmer in the territory of Hungary. Each intervention may establish additional eligibility criteria
Regional perspective	On the basis of regional criteria, development in the municipalities and areas listed in the following legislation may receive additional points during the selection process (the legislation may also be partially applied in accordance with the objectives of each intervention): 1. 1403/2019 on the development package to reduce economic inequality between certain areas of Hungary (VII.

	Government Decree No 5/2001 Decision 2. Government Decree No 1404/2019 on the basis of the long-term programme of ‘Catching-up municipalities’ (VII. Government Decree No 5/2001 Decision 3. Decree No 1186/2020 of 1186/2020 on further measures to be taken to continue the ‘Catch-up municipalities’ and the economic recovery programme (IV. Government Decree No 28/1999 Decision 4. No290/2014 (XI.) on the classification of beneficiary districts Government Decree No 26/1999 5. Government Decree No 105/2015 on the classification of the beneficiary municipalities and the criteria for classification (IV. Government Decree No 23/1999 6. 1362/2016 on the tasks related to the Mura national programme and their financing. (VII. Government Decision No 13/1999 7. 1321/2016 on the tasks and financing of the Ós-Drava National Programme. (VII. Government Decision No 1 8. ActLXXVII of 2011 on World Heritage 9. 429/2020 on the definition of tourist areas (IX. Government Decree No 14/2001 10. Decree No 1057/2021 of 1057/2021 on the extension of the development programme necessary to reduce economic inequality between certain areas of Hungary and the long-term programme of ‘Catching-up municipalities’ (II. Government Decision No 19/1999 Specific regional aspect of intervention (e.g.: RD40_F07_INP_73 – Investments in competitive forestry (for-profit) and RD41_F08_INN_73 – Investments for the environmental sustainability of forestry (non-profit), “Area of the total forest management activity of the forest manager”)
Areas with special needs	In the context of the CAP Strategic Plan, Article 275/2004 on areas of conservation of European Community importance. The area of Natura 2000 grassland and forest areas designated under Government Decree LIII of 8 October 1996 and delimited in the LPIS and forest stands not designated as part of the Natura 2000 network, but designated under Act LIII of 1996 on nature protection and with naturalness indexes 1 to 4.
Institutional guarantee at preferential rates	As additional national financing, an institutional guarantee of the Agricultural-Enterprise Loan Guarantee Foundation at preferential rates may be used for market-based or publicly supported loan, loan, credit line contracts, financial institution guarantees, financial leasing and factoring transactions linked to investments supported under the CAP Strategic Plan. An institutional guarantee with a preferential premium constitutes State aid if, in the case of a guarantee with a budgetary counter-guarantee, the guarantee institution grants a premium discount and/or the guarantee is accompanied by a guarantee premium subsidy. Support may be granted under a measure under the CAP Strategic Plan Regulation, taking into account the aggregation rules.

ENAR	Uniform Registration and Identification System
TIR	Farming Information System
Non-productive investment	Investment that does not lead to a significant increase in the value or profitability of the holding
Plantation	Area where the planted crops form a permanent basis for cultivation and have a contiguous area equal to or greater than one year, 1 500 m ² in the case of fruit plantations and 500 m ² in the case of berries and vegetables
Bee families	Government Decree No 70/2003 on the protection of bee flocks and the prevention and control of certain honeybee diseases (VI. Section 1(2) of the Decree of the Minister for Agriculture and Rural Development defines bee colonies as follows: ‘Bee family: mother, adult bees and brood within the bee home, living together in an airspace.’
Forest manager	owner or legal user registered in the register of forest managers kept by the forestry authority.
Collective investment	project implemented by consortia, producer groups, producer organisations, farmers’ cooperatives and social cooperatives (unless otherwise provided for in the intervention).
Konzorcium	cooperation by several members for the joint implementation of the project.
Legal land user	natural or legal person entitled to use in relation to a specific utilised agricultural area

4.2 Element related to Direct Payments

4.2.2 Reduction of direct payments

4.2.2.1 Description of the reduction and/or capping of direct payments

Do you apply the reduction of payments? : No

Do you apply capping (i.e. 100% reduction)? : No

4.2.2.2 Subtraction of labour costs

Do you apply the subtraction of labour costs? : No

4.2.2.3 Estimated product of the reduction of direct payments and capping for each year

Claim year	2023	2024	2025	2026	2027	Explanations
Financial year	2024	2025	2026	2027	2028	
Total annual estimated product (EUR)	0	0	0	0	0	Not relevant as Hungary does not apply the reduction and capping of direct payments.
- use for redistributive payment (EUR)	0	0	0	0	0	Not relevant as Hungary does not apply the reduction and capping of direct payments.
- use for other Direct Payments interventions (EUR)	0	0	0	0	0	Not relevant as Hungary does not apply the reduction and capping of direct payments.
- transfer to EAFRD (EUR)	0	0	0	0	0	Not relevant as Hungary does not apply the reduction and capping of direct payments.

4.2.3 Application at the level of members of legal persons or groups/ at the level of group of affiliated legal entities (Article 110)

☐ Application of thresholds/limits set-up in the [SPR] or [HZR] at the level of members of legal persons or groups:

Article 17(4) of [SPR] Reduction of payments

Apply threshold : No

Article 29(6) first subparagraph of [SPR] CRIS

Apply threshold : No

Article 30(4) of [SPR] CISOYF

Apply threshold : No

Article 17(1) of [SPR] Financial discipline

Apply threshold : No

☐ Where thresholds/limits set-up by the MS, application of these thresholds/limits at the level of members of legal persons/groups:

Article 28 of [SPR] Payment for small farmers

Apply threshold : No

Article 31 of [SPR] Eco-Schemes

Apply threshold : No

Article 32-34 of [SPR] CIS

Apply threshold : No

Article 70 of [SPR] Environmental, climate and other management commitments

Apply threshold : **No**

Article 71 of [SPR] Natural and other area-specific constraints

Apply threshold : **No**

Article 72 of [SPR] Area-specific disadvantages resulting from certain mandatory requirements

Apply threshold : **No**

Article 73 of [SPR] Investments

Apply threshold : **No**

Article 75 of [SPR] Installation of young farmers and rural business start-up

Apply threshold : **No**

☐ **Application of thresholds/limits set-up in the [SPR] at the level of group of affiliated legal entities:**

Article 29(6) second subparagraph of [SPR] CRIS

Apply threshold : **No**

4.2.4 Contribution to risk management tools

Do you apply the option to condition up to 3% of direct payments to the fact that this amount is used for contribution to a risk management tool? : **No**

What is the percentage?

Main elements

4.3 Technical Assistance

4.3.1 Objectives

The Technical Assistance shall finance the following key tasks:

- Tasks and measures necessary for the effective management, delivery and implementation of support in the context of the CAP Strategic Plan
- Carry out monitoring and evaluation tasks. These activities shall help to obtain continuous information on the status of the implementation of the programme, its progress and the preparation of the necessary amendments, in order to achieve the programme's objectives in the most efficient way. In addition, these activities ensure that the monitoring and evaluation reporting obligations expected by the Commission are met.
- Costs related to the tasks and functioning of the enlarged CAP Network. These include: information flow, presentation of best practices, costs of national and international cooperation events, competitions and prizes, information publications, events, multimedia and community presentations, etc. within the CAP Strategic Plan and financed by other EU financial funds.
- Central preparatory functions for the preparation of Local Development Strategies (HFS): training, counselling, mentoring.
- The acquisition of specific ad hoc external expertise required for each of the above tasks or topics.

4.3.2 Scope and indicative planning of activities

The Managing Authority of the CAP Strategic Plan intends to provide specific resources under Technical Assistance for the following tasks:

- We intend to continue to contribute 4 % of the CAP Strategic Plan envelope to finance the objectives of the Technical Assistance.
- The objectives of technical assistance and the use of funds will be implemented and financed through the Managing Authority, the Paying Agency and Intermediate Bodies as institutions.
- We intend to maintain the funding rates between these institutions over the 2014-2022 period, with the prominence of organisational changes and specific tasks that may change in the course of implementation.
- The funds allocated to the CAP Networks should reach 0.9 % of the programme envelope included in the technical assistance funds allocated to the Managing Authority.
- The resources shall finance the following tasks:
 - - Strengthening the institutional system, including the enlargement of the CAP Network, and building up the evaluation capacity
 - The cost of carrying out evaluations, evaluation activities, expert reports, statistics, studies, analysis, management, monitoring, exchange of information and implementation of the programme, measures to improve evaluation methods and exchange of information on evaluation practices, costs of expert work related to the definition, collection, transformation and transmission of data for the purpose of designing the data required for evaluations, and the cost of communicating evaluation results.
 - The cost of conducting public procurement procedures.
 - Tasks and measures relating to the control system, technical and administrative assistance;
 - Installation, operation and interconnection of IT systems for management, monitoring, control and evaluation.
 - Cost of methodological and technological improvements.
 - Cost of buying data from external data sources.
 - IT developments, the cost of the possible interconnection of IT systems between the different institutions.
 - Cost of human resources capacity.
 - Trainings, workshops.
 - Other costs related to the implementation of the CAP Strategic Plan (exit to bilateral meetings).

Indicative allocation of the TS envelope per total public expenditure (EU + domestic co-financing):

Potential beneficiaries	RDP in proportion to TS envelope	CAP ST TS planned ratio
CAP Support Network (NAK)	23.07 %	20 % – 25 %
Paying Agency (PA)	16.03 %	20 % – 25 %
Intermediate organisational delegated tasks (CA)	21.07 %	23 % – 26 %
CAP ST MA performance of tasks	39.83 %	28 % – 35 %

The contracts concluded under the 2014-2022 VP TS envelope and still in force at the start of the CAP ST ensure continuity of implementation, with a maximum expiry date of 31.12.2025.

The demarcation with the 2014-2022 Rural Development Programme will be ensured by concluding a new contract under the CAP ST TS for the performance of the tasks that must also be provided for the implementation of the CAP ST and for which we have an existing contract only after its expiry.

Financing of the certification body's tasks:

Government Decision No 1742/2020 (XI.11) on the provision of resources for the performance of the certification body's tasks in relation to the Paying Agency with regard to the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development, as well as the resources necessary to carry out accreditation supervision and monitoring inspections as part of the competent authority's assistance, requires the provision of funds for the performance of the certification body's tasks from the central budget and authorises the Ministry performing the tasks to conclude contracts with a multiannual payment obligation.

4.3.3 Beneficiaries

- CAP ST MA – National Managing Authority
- Hungarian State Treasury – National Paying Agency
- County Government Offices – IB
- National CAP network
- organisation responsible for the operation of a public project evaluator system,
- body responsible for carrying out public tasks related to Community agricultural marketing activities (including promotion).

4.3.4 Rate

Indicate the percentage of total EAFRD contribution to the CAP Strategic Plan to be used to finance the actions of Technical Assistance. A single percentage over the period (up to 4%/up to 6% for BE, DK, EE, CY, LV, LT, LU, MT, NL, SI, SE) 4

4.4 CAP Network

4.4.1 Summary overview and objectives of the National CAP Network, including activities to support EIP and knowledge flows within the AKIS

Purpose of setting up the national CAP network

The aim of the CAP Network shall be to encourage the involvement of all stakeholders in the implementation of the CAP Strategic Plan, to assist the implementation of the CAP Strategic Plan in the transition to a performance-based delivery model and to encourage improvements in the quality of implementation of the CAP Strategic Plan. It is important that the actors of the CAP Network inform the public and potential beneficiaries about the CAP and funding opportunities. We prioritise the promotion of innovation in agriculture and rural development and the promotion of peer-to-peer learning, as well as the involvement and interaction of all stakeholders in the process of knowledge exchange and knowledge building.

The CAP Network provides specific innovation-oriented network activities that include and facilitate interaction between all stakeholders to increase knowledge flows within the AKIS and encourage the establishment of EIP Operational Groups, as well as participation in international knowledge flows, such as Horizon Europe (projects, missions and partnerships) and international EIP-AGRI activities. The CAP Network implements different activities for the whole CAP Strategic Plan (pillars I and II). It is essential that the CAP Network includes monitoring and evaluation and dissemination of the results of the CAP Strategic Plan.

Planned elements of the national CAP network

The CAP network is planned to provide support units in three complex and priority areas covering knowledge and innovation and digital competence development, rural and territorial development (including: Leader, smart village strategies, generational renewal) and to help meet climate and environmental requirements. The CAP Network as a whole is supervised by the AKIS coordination body of the Ministry of Agriculture.

AKIS Coordination Organisation

The department of the Ministry of Agriculture carries out professional and supervisory tasks, brings together not only certain elements of the national CAP network, but also the AKIS system, and ensures representation and active involvement in the professional network at home and internationally.

Innovation and Digital Support Unit

The main task of the support unit is to support the EIP and digital transformation interventions of the CAP Strategic Plan, as well as the implementation of DAS and the junction, and to facilitate the networking of R & I and digitalisation actors, maintaining the database of the Green Monitoring Network to support the implementation of the DAS.

Rural and Regional Development Support Unit

The main task of the support unit is to support the implementation of the CAP Strategic Plan LEADER and other rural development interventions, the smart village and generational renewal programme, and the networking of rural actors. Currently, the Hungarian National Rural Network.

Green Support Unit

The main task of the support unit is to support the green interventions of Pillars I and II of the CAP Strategic Plan and the implementation of related national programmes, as well as to promote the networking of green actors.

Hungary is able to put in place measures by the support unit that it can apply to eliminate the fragmented institutional structure of its domestic climate change monitoring system, including the creation of a good database, such as the standardisation of environmental knowledge bases.

Indicative funding and indicative timetable for the launch of the CAP network:

Timing and source: The above is also possible under the financial envelopes. Total financial envelope for Technical Assistance and the CAP Network: EUR 224657534 (incl. TPE+ top-up)

The AKIS Coordination Organisation will be established in the Ministry of Agriculture by 7 November 2023.

The legislative conditions of the CAP Network are created in 2022. Q4 to allow organisations to operate under the agreed CAP Strategic Plan as of 1 January 2023.

The legislation establishing the CAP network, which lists the members of the CAP network, has been completed. The CAP network consists of support units as defined in the CAP Strategic Plan, with whom discussions on their tasks started from summer 2022.

4.4.2 Structure, governance and operation of the National CAP Network

Innovation and Digitalisation Support Unit

In the future, the tasks of the Innovation and Digitalisation Support Unit will be set up by the Agricultural Economic Institute Nonprofit Kft. (Who) will be provided. As the background institution of the Ministry of Agriculture, the AKI is Hungary's knowledge centre with the most important agro-economic databases and policy experience and carrying out public and public tasks. Through its strategic research activities, the AKI has developed a wide-ranging domestic relationship, both in the form of cooperation with practical actors and contractual partnerships with the National Chamber of Agriculture, interbranch organisations, vocational schools and representatives of the banking sector. Over the past period, AKI has been involved in the implementation of a number of Horizon 2020 projects, the results of which are currently actively disseminated to domestic actors. Thanks to its participation in these projects, AKI's international relations have been significantly broadened. The AKI is a member of the winning consortium of the EU tender for the establishment of the EU CAP network, through which it has direct

and direct links with the EIP-AGRI Service Point.

The Innovation and Digitalisation Support Unit aims to familiarise the actors of the domestic agricultural economy, develop dialogue and regular knowledge transfer in order to create operational groups/cooperations, thus contributing to the development and adaptation of innovative solutions.

The role of the partnerships is to translate existing knowledge into innovative solutions and research results that can be put into practice by the various actors involved in agriculture, forestry, hunting, food, rural development, research and consultancy.

In the AKI, the Innovation and Digitalisation Support Unit enters into a seven-year framework contract with the Managing Authority. The definition of the tasks for a given year, together with the Ministry of Agriculture, AKIS coordination organisation, will be defined in the framework of annual work plans.

The Innovation and Digitalisation Support Unit plans to employ 5 innovation facilitators each year, along themes defined by the AKIS coordination organisation, who have the capacity to coordinate practitioners to set up a start-up collaboration, know the nature of interactive innovation projects and the necessary facilitation techniques. For the AKI in Horizon Europe projects (e.g.: YouCooperATE, Liaison, Sherpa project) provides the appropriate background to teach/transmit the necessary methodological background/techniques to the annually selected facilitators. AKI plans to employ a further 5 people in the developed innovation and digitalisation support unit, who will be involved in organising events, developing synergies, developing methodologies, producing content, developing a website and carrying out additional communication activities.

The Innovation and Digitalisation Support Unit of the CAP will provide an innovation support service through several activities. In line with the topics defined by the AKIS Coordination Board, based on a needs assessment among farmers, an innovation brokerage service will be developed to identify innovative bottom-up ideas. SWOT also pointed out that the success of innovation is largely influenced by the creation of an enabling environment, including an institutional system that can effectively support innovation, and an incentive scheme for innovative activities. This was confirmed by the 2021 RDP 'Innovation Impact' Thematic Evaluation, which recommended the setting up of a technical support body and the provision of an innovation service: provision of information on eligibility conditions, administrative assistance, professional support for innovation brokers, strengthening of results communication, managing and developing the website, mentoring EIP groups, assisting them in reaching out to other groups, raising awareness of good practices, taking part in projects at international level.

In addition, training materials for innovation brokers and facilitation will be developed for specialist consultants and regular training courses will be carried out to enable them to acquire the necessary competences to enable them to identify innovative bottom-up ideas. In developing the training methodology, the CAP Innovation and Digitalisation Network Support Unit, the participation of the Institute of Agricultural Economics in the ATTRACTIS project to develop the competences, tools and governance models of the Innovation Support Services (ISS) and Member States' AKIS, which will be launched in 2022, will provide significant added value.

As a result of the formal cooperation, regular information days/events are held on the themes, so that home actors and EIP Operational Groups can also be informed about Horizon Europe calls and opportunities offered by partnerships and the Soil Mission.

Formal cooperation will result in the launch of an information website and newsletter from the CAP innovation and digitalisation network, providing information on Horizon Europe's key events, project results and relevant news from the EIP Support Facility.

In addition, informal cooperation will be developed and strengthened by establishing day-to-day contacts between the Operational Groups and interested Hungarian actors, including specialist consultants and research institutes, in order to allow as many EIP Operational Groups and Hungarian AKIS actors as possible to participate in the work of the Horizon Europe consortium. The Institute of Agricultural Economics opens access to EIP Operational Groups through its own network, the BIOEAST network and

the NCP network.

Over the past period, Hungary has significantly increased its participation in Horizon Europe projects. For example, Hungary will double the number of delegates in domestic and international ecological RDI policy representations in 2022-2027, so that domestic ecological R & D interests can be effectively enforced in the European Union (e.g. BIOEAST, TP Organics, SCAR AKIS and SCAR AE). The Commission is also not unaware of the results of the BIOEAST initiative. The BIOEAST initiative, which has been operational since 2016 on the Hungarian proposal and brings together 11 countries in Central and Eastern Europe, aims to create dual, sustainability-based national strategies and to engage in strong and successful lobbying for access to EU research funds (<https://bioeast.eu/>).

The Ministry of Agriculture itself is involved in the Horizon Europe project for the purposes of AKIS, SCAR and BIOEAST, which will be the basis of the AKIS coordination unit, providing this knowledge and network in the implementation of the CAP ST.

Our EIP intervention also offers the possibility to involve up to 1 international partner in the group, but the costs incurred are eligible only on the territory of Hungary.

Furthermore, the tasks assigned to the CAP Network (Chapters 4.4 and 8) included helping to get involved in European knowledge-sharing and innovation systems, such as Horizon Europe or the European Innovation Partnership. By strengthening formal and informal domestic and international relations, our aim is to further increase the number of domestic producers, research organisations and EIP operational groups involved in the European Research Area and Horizon Europe calls. To this end, the Ministry of Agriculture's AKIS Coordination Unit and the Innovation and Digitalisation Support Unit of the CAP Network will conclude a formal agreement with the National Office for Research, Development and Innovation (NCP) of Horizon Europe, the Express Innovation Agency and the BIOEAST initiative. These contacts, which are now informal, have already been effective in helping to strengthen international research cooperation in our sector in recent years.

The task of the innovation and digitalisation support unit of the CAP Network is planned to be carried out by the Institute of Agricultural Economics Nkft. (Who) is [supplied by https://www.aki.gov.hu/en/societal-challenges-in-the-food-and-rural-economy/](https://www.aki.gov.hu/en/societal-challenges-in-the-food-and-rural-economy/).

We plan to increase the number and activity of domestic actors and EIP Operational Groups by holding regular AKIS and Horizon Europe information days/events, by launching an information website and a newsletter service to inform about Horizon Europe's key events, project results and receive relevant news from the EU EIP Support Facility.

Informal cooperation will also be developed and strengthened. The aim is to ensure day-to-day contacts between the new and established domestic and international EIP Operational Groups and other industry actors. For this purpose, AKI intends to use its own domestic and international network, the BIOEAST network and the NCP network. As it happened on 28 February 2022, TOPIC ID: Horizon-CL6-2022-FARM2FORK-02-04-two-stage, where AKI EIP Operational Group participates in the partnership together with the coordinator.

The functions of the Innovation and Digitalisation Support Unit can be understood in the following structure:

- encouraging cooperation and knowledge transfer
- contribution to the preparation of cooperation applications
- following the application, follow the progress of the Operational Groups
- communication and publication of the results of the cooperation
- achieving synergies

Other priorities of the Innovation and Digitalisation Support Unit include:

- evaluation of digitalisation efforts and DAS monitoring
- Performing NCP tasks, encouraging participation in innovation and digitalisation in the international arena, e.g. Horizon Europe, EDIH, etc.

Encouraging cooperation and transfer of knowledge across specific themes

Organise different types of online and face-to-face events for agricultural operators, including farmers, special advisers, researchers and other relevant actors in AKIS, based on a pre-established methodology, in order to achieve the coordination of practical problems and research practices and results according to pre-defined topics. Events allow actors to become familiar with each other and create further collaborations, either in the form of operational groups or in other interactive innovation cooperations.

The Support Unit shall contribute to the methodological development of the innovation content of the training courses (training of trainers) designed for special advisers registered by the NAK, so that specialist advisers can provide an innovation support service.

Contribution to the preparation of cooperation applications

The Innovation and Digitalisation Support Unit will develop an information service in relation to the EIP Operational Group grant call for proposals, which will be implemented online or through face-to-face events, in cooperation with the NAK and other units of the CAP network.

The Innovation and Digitalisation Support Unit will provide (in writing and in person) an opportunity for consultation (in writing and in person) for the operational groups set up on the call for proposals.

The Innovation and Digitalisation Support Unit, using methodological knowledge from the international project, provides training to developing operational groups to develop their own topic/ideal value offer, modelling the process and criteria for compiling interactive innovation projects.

Follow the progress of the Operational Groups following the application

The Innovation and Digitalisation Support Unit provides technical support to the MA by providing pre-qualification expertise on incoming EIP Operational Group applications. The pre-qualification procedure is developed by the National Research Development and Innovation Office (NKFIH) on the basis of novelty analysis, examination of the Intellectual Property Office (SZTNH) and analysis of the practical applicability of the innovation idea, using practical elements that can be derived from it. The Innovation and Digitalisation Support Unit will use the information that can be obtained from knowledge bases at EU level to pre-qualification (e.g.: EU FarmBook; EUREKA; The Sherpa project; EU Dashboard), to give a good image of the innovation idea.

The Innovation and Digitalisation Support Unit shall keep a record of the winning Operational Groups to ensure contact with them and further thematic knowledge transfer, either domestically or in the EU.

Another task is to display the winning Operational Groups on the website developed by the Innovation and Digitalisation Support Unit on social media platforms.

Communication and publication of the results of the cooperation

Follow the results of the winning Operational Groups, share them through an online interface/making them available to a wide range of domestic agricultural operators.

Organise/hold online or face-to-face events related to innovation outcomes along themes defined by the AKIS coordination organisation. The events will be organised in cooperation with the NAK and other units of the CAP network.

Achieving synergies

The main objective of the Innovation and Digitalisation Support Unit is to help economic operators find solutions to practical problems affecting the profession through partnerships, thus contributing to the achievement of the specific objectives of the CAP. Innovation performance can therefore be understood in a broad context, primarily domestically.

The Innovation and Digitalisation Support Unit will conclude a formal agreement with the National Agency for Research, Development and Innovation, which hosts the National Contact Point of Horizon Europe, Partnerships and Soil Mission, and Express Innovation Agency. This cooperation will be the basis for creating synergies between the CAP and Horizon Europe. And the development of synergies within the NKFIH, through the organisation of joint events and information days with the Horizon Europe Cluster 6

(NCP) unit, in order to provide operational groups with information on Horizon Europe calls linked to multi-actor and thematic networks.

The Innovation and Digitalisation Support Unit shares the main results of Horizon 2020 and Horizon Europe projects with domestic actors along the lines defined by the AKIS coordination organisation.

The Innovation and Digitalisation Support Unit will actively work with other units of the CAP network to develop an appropriate flow of knowledge between actors along defined topics, the results of the EIP Operational Groups reach relevant consultants, researchers and other practical actors. Cooperation with special advisers is also important because many practical problems can be identified through them. The development of synergies with the NAK's coordinating section of special advisers is one of the cornerstones of EIP cooperation.

The Innovation and Digitalisation Support Unit will work together:

- innovation cooperation in Hungary (e.g. the NAK TechLab incubation programme, which aims to find the most innovative solutions in Hungarian agri-food);
- the EIP-AGRI Service Point;
- with the BIOEAST initiative, which has developed an active agri-economic network based on cooperation between 11 (mostly neighbouring) Member States, including the possibility to set up cross-border operational groups.

Rural and regional development support unit

The purpose of the rural and regional development support unit is to bring together government, municipal and social organisations, professional bodies and organisations engaged in farming activities in agriculture, rural development and knowledge transfer in an information and cooperation network and to coordinate their activities in order to ensure the socio-economic development of the countryside, catch-up and the efficient use of support resources.

Functions supporting LEADER and rural networks:

- Under the LEADER measure, local action groups shall develop and implement a Local Development Strategy consistent with the objectives of the CAP Strategic Plan and the other operational programmes, in line with the local development objectives. With its role as a facilitator for LEADER and rural networks, the support unit provides support to Local Action Groups already active or in the process of being set up in the areas of the country, as well as businesses and civil society organisations in rural areas, which have a significant role in rural development activities.
- Priority tasks related to LEADER:
- Supporting the development of local development strategies (in line with smart village strategies)
- Supporting the implementation of local development strategies through competence development and mentoring
- Facilitating the networking of LAGs by ensuring appropriate channels of communication and contributing to the development of cooperation within and outside the border
- Networking of local action groups and other local development structures, exchange of best practices
- Creation and management of the LAG database
- Activities supporting the networking of local action groups under LEADER/CLLD or other local development structures, including transnational cooperation

Functionalities to help develop smart village strategies:

- Support cooperation in developing and implementing smart village strategies.
- Assistance is rural cooperation that seeks practical solutions to local economic, social and/or environmental challenges and strives to make the best possible use of digital technologies for the local population. Smart villages can also be connected to a rural centre that can bring elements of the system closer to people with a number of services.

The development of smart village strategies should be consistent with local development strategies.

Priority tasks related to smart village strategies:

- Supporting the development of smart village strategies
- Mentoring, training of trainers and special advisers
- Creating a creative, entrepreneurial-friendly, secure economic and self-governance environment, creating and operating 'smart' communication channels.
- Fostering knowledge sharing, involving the capacities of higher education institutions
- Encouraging the mapping of good practices identified in rural research

Functions supporting the implementation of small projects:

Encourage the implementation of short-term and low-budget small projects that provide quick and accessible resources for community activities in rural areas, relieving the Paying Agency's apparatus.

Priority actions for small projects

- Showcasing the diversity, identity and values of rural landscapes and regions
- Encourage workshops on a topical topic linking civil society organisations, academic workshops, especially people living in rural areas, and all stakeholders involved in rural development.
- Promotion of professional study visits and exchanges, support for scholarship programmes, traineeships and internships.
- Promote generational renewal projects.
- Entrepreneurship development, incubation programmes.
- Promotion of short supply chains.

Start-ups and generational renewal features:

- Initial screening of rural start-ups from the perspective of viability, development opportunities and entrepreneurial competences and motivation. Ensure competitive entrepreneurial knowledge and access to practical knowledge and experience for opportunity-oriented (potential) companies after screening. This could take the form of increasing entrepreneurial knowledge, developing an entrepreneurial culture, deepening the digital mindset of entrepreneurs and raising business awareness in the form of training, training and counselling.
- The creation of businesses built on a conscious basis and the development of existing businesses, which are able to use the grants directly available to them in an efficient manner on the basis of the knowledge acquired under this programme.
- Encouraging generational renewal.
- Mentoring generational renewal, facilitating farm transfers through coaching, knowledge transfer, showcasing good practices
- Encouraging intergenerational communication or improving or encouraging intergenerational communication: organisation of forums, events, training, good practices and examples of farm transfer, agricultural inheritance, business start-up
- Mentoring young farmers supported under the CAP Strategic Plan during the programming period, preparing young start-ups, nurturing talent

- Support for grassroots communities and organisations of young farmers
- Farm Traineeships Programme: pre-determined employment of young people who have recently completed agricultural training, on condition that a practical training plan is drawn up for the support period, which enhances the young farmer's practical knowledge of farming.
- Practical programmes: summer, autumn, spring exercises. Wider use of dual training. A credible and experiential presentation of modern machinery and working conditions will bring workers' needs closer to employers' expectations.
- Work experience exchanges at home and abroad: Organisation of professional study visits for farmers at home and abroad with the aim of embracing best farming practices, transferring experience and knowledge.
- Incubation and mentoring programme: young farmers are supported by the provision of vocational training, business planning, expert advice, the organisation of demonstration programmes, internships, full-scale agricultural business start-up and development services.
- Communication and career guidance programmes: Increasing the attractiveness of the sector through communication and career guidance programmes.
- Entrepreneurship programmes: Young farm managers have a higher than average share of secondary and tertiary graduates. However, due to their age characteristics, they are also characterised by a lack of market and management experience. Entrepreneurial skills development programmes can make an important contribution to the start-up and successful running of self-employed businesses.

Activities of the Hungarian National Rural Network so far:

Organisation of the MNVH

The Bureau, composed of 13 members, is responsible for the achievement of the MNVH's objectives. The Bureau, acting within its remit, draws up the MNVH Action Plan and the decisions necessary for the implementation of the Action Plan and monitors their implementation. Propose certain programmes to be financed from the budgetary resources of the HNVH. Report annually to the Head of the Managing Authority on the implementation of the Action Plan.

The Chair shall display the professionalism and unit of the Network and the Partners.

It represents the MNVH and chairs the meetings of the Presidency and the Council. Monitor the work of the Permanent Secretariat and guide the implementation of the Action Plan.

The proposing and supporting body of the MNVH is a Council composed of 20 members, which assists in setting priorities for the tasks it is required to carry out, in drawing up and monitoring the Action Plan, promoting the public and giving an opinion on the Action Plan and the report on its implementation. Provide advice to the Permanent Secretariat.

From 1 April 2020, the Permanent Secretariat (PST), as the operational body of the MNVH, has been designated by Herman Ottó Intézet Nonprofit Kft. It operates under the Directorate for Priority Programmes. In accordance with its tasks under the Decree, it prepares a proposal for an Action Plan and performs the secretarial functions of the Presidency and the Council and the related administration. Organises and participates in the development and maintenance of international relations. Its work shall be valid from 1 January 2017 in accordance with Government Decree No 11/2016 on the Hungarian National Rural Network. (IV.21) MvM Decree No 11/2020. (IV.3) Amended. According to this amendment, the tasks of the Permanent Secretariat are to be carried out through Herman Ottó Intézet Nonprofit Kft., from 1 April 2020.

The Head of the Secretariat manages the operational functioning of the Permanent Secretariat and the MNVH and its main task is to supervise the implementation of the Action Plan and Task Plan. Mediate between the Network and its Partners and provide a general replacement for the President. Establish the organisational structure and staff composition of the DPP, represent the MNVH in international relations, the European Network for Rural Development (ENRD) Coordination Committee and ensure the representation of the NRN in the LEADER sub-committee of the ECN Coordination Committee. It also represents the MNVH on the ELARD, EIP and ENRD and ERNA networks.

The area-responsible network is active and, as of 1 December 2021, there has been territorial responsibility in all counties. The provision of professional tasks and rural development information to colleagues is continuously and actively involved in the implementation of the MNVH Action Plan, both in their own county and at national level.

Due to the coronavirus emergency, the tasks of the Permanent Secretariat and the Territorial Officers had to be rescheduled. Territorial managers were able to attend fewer events in person, but were able to carry out their duties at home, as well as during online counselling and conferences. The MNVH was represented online in a number of events and promoted the open tendering opportunities and results of the Rural Development Programme.

As a result of the Rural Development Programme's applications, more and more investments have been made and good practices that can be collected and communicated in several areas of action are constantly increasing. Six good practices will be published in the ENRD collection in the near future. Our communication officer helped us to communicate the results of the RDP by transferring the news published on government websites to our own website. In addition, the territorial officials sent us articles and event reports, on the basis of which news appear on our website.

The MNVH shall endeavour to monitor the ERD's practice, to compare experiences abroad and domestic practices, and to convey the practices of the MNVH to the European networks. During the period in question, we had a partnership with the French and Georgian Rural Networks and worked with the Rural Development Network of Albania to prepare a V4 project. Between June and November 2021, our staff participated in technical study visits under the **ESPRIT** (Erasmus+) project, the main objective of which is to exchange innovative approaches and experiences in the provision of services to the rural population.

The MNVH is an active member of the European LEADER Association for Rural Development (ELARD). Cooperation with the International Association aims to improve the quality of life in rural areas and to support the quality of population maintenance through international experience and training. The MNVH's cooperation is becoming more active every year, with several training programmes taking part in several training programmes as an expert.

It is currently implementing projects related to the planned support units of the CAP in the **field of digital** competence development, with a Digital Area Development Officer with a Digital Area Development Officer and 1 expert in Digital Area Development.

The operation of the **Rural and Regional Development Support Unit** can also be based to a large extent on the current human resources of the Hungarian National Rural Network, almost all staff (rural development) agricultural engineers and more qualified practitioners among those responsible for the area. Our staff have extensive contacts at county and national level, and have close contact with the following actors:

105 Local Action Group's working organisation and membership (including local authorities, NGOs, businesses, church organisations, individuals)

Municipality and county municipalities

Civil society organisations

Farmers

Professional organisations with a county and national scope (municipal associations, parks, village care associations, etc.)

Small farmers, craftsmen, service providers

Green Support Unit

'Green' is used for environmental and climate actors and interventions aimed at protecting the environment and climate.

The purpose of the Green Support Unit is to assist farmers in the overall environmental and natural

aspects of agriculture and in particular in the measures of the green superstructure of the CAP by providing practical advice and offering support schemes tailored to the needs of the farm. To this end, it is necessary to set up a 'green advisory network' and to provide its advisors with up-to-date knowledge by building a central knowledge base and organising training courses.

The green support unit (central department of 5-10 people) will be operated by the National Chamber of Agriculture, building on existing capacities and expertise, well-designed and functioning (training) systems, bringing together green sector experts and networks, avoiding potential duplications in advance.

The Green Support Unit builds on existing network capacities, develops existing capacities through training and keeps the knowledge of professionals up to date with ongoing information and further training.

Similarly, the creation of a knowledge base (e.g. learning materials, videos, publications) and the organisation of related events and trainings will be carried out in cooperation between several organisations, exploiting existing expert capacities and using (extension and complete) existing professional materials.

Entities potentially cooperating in the operation of the Green Support Unit:

- National Chamber of Agriculture
- Forestry Sector Knowledge Centre Non-profit Kft.
- regional public nature conservation bodies (National Park Directorates)
- regional bodies in the field of game management (e.g. network of main hunters in the region, selected hunters, etc.)
- nature protection NGOs (e.g. Hungarian Association for Madartani and Nature Conservation)
- agricultural organisations (ÖHGT, MÁSZ, GOSZ, OMME, MOE, MJKSZ, etc.)
- selected territorial bodies in the field of forestry
- research institutes with expertise in environmental matters
- register consultants with expertise in environmental matters

In order to build the knowledge base and run the network, partner organisations conclude a cooperation agreement with the support unit to lay down a general framework. Specific tasks are defined in the framework of works contracts.

The work of the Green Network should be promoted through active communication. Informing producers about the contact details of the consultants, the organisation of events and publications, videos, etc., and the importance of the topic in general.

With a view to developing existing network capacities, the resulting knowledge content (including more detailed technical material) will be made available to all consultants currently active in the field of the environment, allowing them to participate in relevant training courses. Attention will also be paid to the experiences, comments and suggestions from consultants, which are shared with the intention of improving systems, and are synthesised and disseminated to policy makers and, where appropriate, research institutes.

The Green Support Unit will:

Carrying out expert activities

Technical support for the planning and implementation of the CAP Strategic Plan's domestic interventions for environmental and climate sustainability (SO4-SO6), including participation in the work of the CAP

Green sub-working group and other working groups on the subject (e.g. preparatory working groups), as well as bringing together actors involved in domestic implementation and coordinating the development of implementation systems. Preparing technical material, giving opinions, drafting proposals, conducting questionnaire surveys where necessary, in particular:

- interventions to reduce ammonia emissions from agriculture (storage, treatment, application of manure, correct nutrient management)
- carbon sequestration and greenhouse gas emission reduction practices (land use change, direct cropping, soil cover, reducing fertiliser use, increasing soil organic matter, etc.)
- development of livestock farms to reduce emissions (feeding, manure storage and treatment, flooring, insulation, air washing and other emission abatement techniques, BAT requirements, etc.)
- sustainable soil management and improvement (TCST)
- implementation of projects promoting a circular biomass economy
- renewable energy use and energy efficiency

It will also synthesise and disseminate to policy-makers the experiences, comments, suggestions and proposals from the network members, shared with the aim of improving the systems.

In addition, the implementation of the international integration of activities, thus liaising with relevant experts from other national CAP networks in the field, as well as with other foreign partners active in the field; involvement, where appropriate, in international environmental and climate sustainability projects supporting the implementation of the CAP Strategic Plan, either with own capacities or by facilitating the participation of other domestic network actors.

Participation in CAP network meetings.

Knowledge content development and related information activities

Developing knowledge content, collecting and synthesising information on:

- content of CAP Strategic Plan interventions targeting environmental and climate sustainability (including related calls), functioning of the support scheme
- content of EU directives, regulations, guides (Fit for 55, RED II, carbon farming, etc.) related to the CAP Strategic Plan, going beyond Land to Fork and Biodiversity strategies
- domestic and international (e.g. through Farmbook) environmentally sustainable farming practices, new (innovative, digital) technologies (including results from EIP-AGRI projects)

Displaying the knowledge content produced through existing channels to potential beneficiaries and experts and consultants involved in drawing on grants, adapting to the knowledge use habits of each target group. The information activity is planned in an awareness-raising and comprehensible manner, using the following tools:

- territorial, county, regional, national and international online/personal events
- publications
- videos (briefing and tutorial videos)
- other information content and activities (e.g. press release, NAKlap article, portal article, presentations)
- calculators

The overall (final) objective of information activities is to achieve farmers' awareness and to promote environmentally sustainable farming.

Transfer of knowledge to professionals

Implement knowledge transfer for specialist consultants, village administrators, trainers and other experts in order to have the right theoretical knowledge of the environment and practice of agriculture, as well as the potential of digitalisation. In doing so, they are able to provide advice that can be adapted to local farming practices and local environmental requirements to potential beneficiaries of the CAP Green superstructure (e.g. farmers, forest managers). It also aims to ensure that professionals involved in knowledge transfer are successful in raising farmers' awareness, developing environmental commitment and motivation, and encouraging environmentally sustainable farming.

Running a network of green experts and consultants

Mapping the domestic green pool of experts and consultants, making data available for contact with its members. Against this background, promoting a green pool of experts and networks, encouraging the circulation of knowledge between actors (experts, consultants, decision-makers, researchers), and starting to run the community. Develop close cooperation with the Innovation and Digitalisation Support Unit, including the networking of members of the EIP-AGRI Operational Groups relevant to the theme and channelling the results of the EIP-AGRI project.

The aim is also to promote the international integration of the network, including the development of domestic and foreign partnerships, which are relevant to the topic.

Support for monitoring of green interventions

Carry out studies to prepare green interventions of the CAP Strategic Plan (including related calls) and to assess the achievement of environmental and climate objectives. Carrying out surveys and surveys among (potentially) actors involved in green interventions.

Ultimately, define and finalise the monitoring tasks to be carried out in the context of the Strategic Plan.

The Green Support Unit shall involve relevant partner organisations in carrying out the tasks listed above and cooperate with other support units of the CAP network, thus avoiding potential duplications and facilitating possible synergies.

Common operating arrangements for support units in the CAP network

1. Management and planning

1.1: Operation of the network support facility

Support units must stop and organise their teams. The teams should be composed of experienced experts with diverse backgrounds and expertise in research and innovation, farming practice and advice in agriculture, forestry and rural areas. Teams shall include analysts, network animators, facilitators and communicators. The teams may be composed of permanent and non-permanent members.

1.2: Seven-year and annual work plan

The seven-year work plan is submitted by the support units at the beginning of the programming period and approved by the Managing Authority upon recommendation of the AKIS coordination organisation.

The support units shall submit the annual work plan by 31 December of each year preceding the reference year and shall be approved by the Managing Authority.

The work plan should cover the main and ancillary tasks.

2. Cooperation with other organisations

Support units should engage constructively with any other entity designated by the AKIS coordination organisation to provide network services.

The support units shall assist the Managing Authority in the network management of the CAP and actively contribute to the preparation and implementation of programmes related to network activities.

3. Networking activities

Support units are responsible for the preparation, provision, delivery and follow-up of face-to-face and/or online networking activities.

3.1: Knowledge building: training of trainers, training of special advisers,

3.2: Knowledge exchange: Networking events – working sessions and seminars.

4: Analytical and monitoring activities

Support units should carry out regular analysis and monitoring activities, which will be recorded in the seven-year work plan and reflected in the annual work plans. This work could focus on the analysis of the priority themes. Priority themes are defined by the AKIS coordination organisation.

4.1: Project portfolio analysis

Support units should collect, analyse and aggregate information on relevant projects in relation to milestones.

4.2: Research needs from practice

Support units collect and analyse practical needs for further research.

4.3: Identify innovation potential

(where relevant)

4.4. Monitoring tasks

Extraction and analysis of the data needed for the implementation and evaluation of the CAP Strategic Plan, e.g. reversing pollinator decline.

5: Cooperation with external experts

5.1: List of external experts

Support units draw up and maintain a list of external experts. These experts should have excellent knowledge in a specific area of activities in the priority themes.

5.2: List and network of national thematic experts

Support units shall establish and keep up-to-date a list of priority area experts.

5.3: Connect with foreign networks in specific thematic areas, bring in and encourage good practices abroad.

6: Networking with stakeholders – Information exchange activities

Support units proactively seek contacts with groups and actors carrying out work relevant to the priority areas. They shall facilitate regular consultation with relevant groups and actors and the exchange of information at EU level, including the dissemination of the results of its activities.

6.1: Mapping of stakeholders and preparation of a directory

6.2: Reply to questions, exchange of information

6.3: Participation in events

7: Communication and online network tools

Support units are responsible for the content and technical part of the communication on the priority themes. The units actively contribute to ensuring the visibility and accessibility of the CAP Network.

7.1: Provision of content for communication products

7.2: Production of monthly newsletter content

7.3: Media-related tasks, including audiovisual and social media

7.4: Providing content and animation to the CAP Network website

8: Record-keeping

Support units index and record all contract-related documents and information in their possession.

9: Participation in the work of the European CAP Network

10: Additional tasks

The AKIS coordination organisation may request the support units to carry out a number of additional tasks, which shall be specified in the annual work plan.

- Conferences (preparation, content, support)
- Organisation of cross-visits between projects
- Organising excursions, visits to innovative projects and actors in the framework of Focus Group meetings, workshops and seminars, or on its own.
- Partner search activity
- Organisation of ad-hoc expert meetings
- Mission to Member States, participation in events in different EU Member States
- Additional expert work
- Organisation of a competition and award ceremony for innovative projects/agrarian start-ups/smart village projects, etc.
- Provision of content for publications
- Green competence development
- Digital competence development

4.5 Overview of the coordination, demarcation and complementarities between the EAFRD and other Union funds active in rural areas

Below is the way in which OPs and other co-financed programmes develop rural areas in Hungary, adapt to Rural Vision 2040 action areas, link them, complement the CAP Strategic Plan measures, and how support schemes are delineated, avoiding the risk of double funding.

Two key elements of the coordination of aid policy programmes are the definition of delineations (to avoid double funding of potentially overlapping areas) and the conscious planning of possible synergies (strengthening effects) between interventions.

Demarcations can be at programme level, defined at call for proposals or project level. In particular, the CAP Strategic Plan favours calls for proposals and project-level delineations, so that inflexible conditions are not fixed at programme level and thus difficult to adapt to determine the eligibility of certain calls and projects, reducing the risk that target groups and development needs remain without funding due to inflexible rules.

In addition to delineation, the identification and conscious planning of synergies between interventions is another important development policy task. The aim of synergies is to maximise the impact of grants through coordination, i.e. to maximise the impact of a unit grant amount due to positive externalities between programmes.

KEHOP Plusz:

KEHOP Plus addresses, among others, water management and disaster risk reduction, environmental and nature protection, renewable energy economy, just transition to climate neutrality and circular economy transition.

Rural Vision 2040:

Like the other OPs, KEHOP Plus is adapting and reflecting on the areas of action identified in Rural Vision 2040. It plans major improvements and allocates nearly EUR 1.6 billion for adaptation to climate change, including investments in water management, water protection, investments based on the use of renewable energy, biodiversity conservation, nature protection and diversification of workers in rural areas.

KEHOP Plus – CAP Strategic Plan:

Based on the KEHOP Plus version officially submitted to the Committee on 22.7.2022, under SO2.4, 1. Water management and disaster risk reduction priority (planned envelope of around EUR 700 million)

and VAV interventions support several water-related developments that are directly adjacent (complementers and synergistic, expected without double funding problems) with interventions in the planned coastal water buffer zone or buffer zone (AÖP, AKG and conditionality) of the CAP Strategic Plan.

The KEHOP Plus and VAV interventions may support improvements to, inter alia, the following topics: revitalisation, restoration of areas close to water, dead branches and natural coastlines, investments in flood protection and flood drainage, channelling, extension and revitalisation of floodplains, river and floodplain connections, conversion of water banks to nature, development, conversion, dismantling, construction or replacement of existing artefacts and systems with green infrastructure elements, strengthening protection lines, building and relocating them in accordance with regulations.

Both programmes also include projects related to the use of biomass and waste water, where according to the Partnership Agreement, KEHOP Plus is an area-wide investment, while the CAP Strategic Plan provides specific waste water treatment technology for projects at municipal level. The solution of local waste water treatment can be a useful part of regional development.

For nature conservation-related investments, the CAP Strategic Plan focuses primarily on agricultural areas, while KEHOP Plus nature protection areas, where, for example, Natura 2000 sites could overlap but can be managed at project level.

In order to ensure that the interventions described above can operate from one another in terms of funding but are complementary and strengthened, it is necessary to adapt the content of future calls and projects in order to ensure a definition at call and project level and to promote complementarity.

With a focus on enhancing opportunities for synergy, it is envisaged that:

- Prioritisation of water storage-related investments and buffer areas for habitat developments in the voluntary CAP interventions supporting environmentally friendly land use, i.e. non-productive investments and in the selection criteria in the agri-environmental management (AKG) calls, considering including them as eligibility criteria for support.
- fertiliser management investments in the CAP Strategic Plan could be combined with KEHOP Plus biogas developments.
- in order to increase the effectiveness of climate change interventions, LAGs may be required to take into account the already completed in-situ climate plans in the LEADER HFS review.

Top Plus:

The programme supports the territorial development of Budapest, which is the less developed regions and developed regions of Hungary, with a particular focus on the development of the least developed and underdeveloped regions. In particular, it supports local government development and, in this context, its development includes ensuring regional and local conditions for economic recovery, job creation and expansion, population retention and family protection, such as local economic development and employment, local tourism, the development of municipal infrastructure, urban management and local public services.

Rural Vision 2040:

Rural Vision 2040 responds to the challenges of all four areas of action (stronger, connected, prosperous, resilient rural areas) by several elements of the operational programme, providing nearly EUR 4 billion in funds for the implementation of improvements. TOP Plus supports:

- integrated and inclusive local social, economic and environmental development, promoting culture, natural heritage, sustainable tourism and security;
- promote active inclusion, including by promoting equal opportunities, non-discrimination and active participation, and to improve employability, in particular for disadvantaged groups;
- development of regional and local transport infrastructure and related services linked to the local economy;
- promoting energy efficiency and reducing greenhouse gas emissions;
- improve equal access to inclusive and quality services in education and healthcare.

Top+ – CAP Strategic Plan:

The previous legislation, according to which municipalities above 10.000 inhabitants are supported by the TOP and municipalities with less than 10.000 inhabitants under the RDP, is currently not part of the regulation. Both the TOP Plus and the CAP Strategic Plan support rural areas. This provides an opportunity to co-ordinate the two sources in order to multiply each project's impact and ensure financing of developments along the entire value chain.

In order to make better use of synergies, we have a coordination mechanism between the two programmes, whereby the bodies responsible for implementing synergies at local level in the case of rural development interventions, the LEADER LFSs, must examine the Integrated Territorial Programme of the counties concerned and develop their own objectives in a complementary manner, with a view to achieving synergy.

The TOP+ specifies that the counties must be given the opportunity to consult LEADER LAGs in the county with a view to coordinating planned developments.

Delineation between the CAP Strategic Plan and the TOP Plus programme:

The demarcation between the CAP ST and the TOP is facilitated by the fact that, due to the delays in two programmes, in most cases TOP+ applications are published much earlier than the CAP calls, so it is rarely possible to open two calls at the same time or close to each other.

As a general principle of demarcation, the CAP MA requests the TOP MA to provide information on overlapping interventions (detailed below) before opening tenders to municipalities, giving priority to the identification of the municipality and the place of implementation. Furthermore, the CAP MA for municipalities in the case of overlapping interventions (detailed below) states in the call for proposals that it does not allow the same development in the same municipality. Thanks to these two measures, the CAP and TOP+ are delineated at programme level. In addition, as is currently the case, implementation in itself guarantees the avoidance of double funding, with IT and procedural safeguards.

Where overlaps are possible, demarcation between TOP+ and CAP ST is necessary:

Creation of local markets and fairs: TOP+ and the CAP also support municipal beneficiaries. In addition to the general delineation above, the applicant municipalities must declare whether they are applying only for the CAP ST or only for TOP+.

Local mass caterers: TOP+ and the CAP also support municipal beneficiaries. In addition to the general delineation above, the applicant municipalities must declare whether they are applying only for the CAP ST or only for TOP+.

Local, regional tourism attractiveness development: In the case of the CAP, the beneficiary of the intervention “RD11_B07_DVF_73 – Diversification of farmers’ activities” can only be a farmer, so the delineation from the TOP+ is clear on a beneficiary basis. In the case of CAP ST, the intervention “RD51_R11_TUC_77 – Rural development cooperation for active and eco-tourism in the region” is a pilot measure and specifically supports local tourism cooperation that develops tourism services based on local agricultural and food products and producers. In the case of the latter pilot, the CAP does not exclude municipalities wishing to participate in the cooperation, but in this case, in addition to the general definition above, the applicant authorities must declare that they will not use TOP+ funds for the same purpose and place of implementation.

Development of community spaces, sports and recreational spaces: For the development of public spaces, a functional delineation is used between the CAP and TOP+. For the CAP, the function is described in the description of intervention RD43_R02_LOC_73 – Rural infrastructure development in small municipalities, 1.2.1. for TOP+. Liveable municipalities are defined in a call for applications. Among municipal properties, the CAP supports administrative functions (e.g. cemetery, marry room) and TOP+ supports community, sport, leisure and cultural functions. In the case of sport and recreational functions, the CAP will announce in its call for proposals support for functions and activities for which the TOP+ MA undertakes to suspend the support of the activities.

Multifunctional community spaces, service centres – child protection and health function: There is no overlap, TOP+ supports the development of crèches, kindergartens, local primary health care and outpatient specialist care, as well as the development of schools in public education institutions, which are not supported by the CAP.

Energy modernisation of community facilities: Municipal beneficiaries are mainly supported by TOP+. If and when the CAP MA decides to publish this intervention, it will do so in consultation with the TOP+ MA (without jeopardising the allocation of funds and the fulfilment of the indicator commitments of the TOP+ MA) and, in addition to the general delineation above, the applicant municipalities must declare whether they are applying only for the CAP ST or only for TOP+. For this purpose, the CAP and the TOP+ MA commit to jointly assess the experience of launching the two programmes at the end of 2023 and, if necessary, amend the CAP ST accordingly.

Smart village: At the start of the CAP programme, the RD57 LEADER intervention supports the development of smart village strategies based on the ENRD (European Network for Rural Development) methodology for 54 municipalities. This activity does not overlap with the TOP+ programme. In the case of these 54 municipalities, the CAP MA shall consult the TOP+ MA on the financing of the implementation of smart village strategies and the alignment thereof in accordance with Article 1.2.1. Liveable municipalities for call for proposals. In the case of smart settlement functions, the CAP will announce in its call for proposals support for functions and activities for which the MA undertakes to suspend the support of the activities.

The Partnership Agreement also states that "Synergies will be partly driven by the alignment of the rules for calls, project selection rules to encourage inter-based projects, and common communication solutions. Develop these during the preparation of calls for proposals in joint fora between the relevant MAs and policy holders (e.g.: Call Preparatory Task Force, MB meetings) will be organised."

In addition to EAFRD interventions for rural development, the programmes under the Partnership Agreement are committed to contributing to the long-term vision for the EU's rural areas along the areas of action for 'stronger, connected, flexible and prosperous rural areas'.

EFOP Plus

The EFOP Plus priorities cover public education, health, social inclusion, social, family and youth, social innovation and support measures for the most deprived.

Rural Vision 2040

In particular, the EFOP Plus supports Rural Vision 2040 action areas under the themes 'Social Innovation, Social Resilience and Responsible Communities', with a budget of almost EUR 1.5 billion behind development.

EFOP Plus CAP Strategic Plan:

Under the social inclusion priority axis of the EFOP Plus, production workshops are planned to be supported, while funds are allocated to the development of social enterprises under the CAP Strategic Plan. Under the current plans, production workshops can be set up in any sector, including in relation to agricultural activities, and the measure includes non-profit companies and non-governmental organisations among the applicants for support, without any sector-specific limitation.

GINOP Plus

GINOP Plus, in line with relevant EU strategies, facilitates the technological change of Hungarian businesses, strengthens their digitalisation and innovation capabilities, and contributes to the training of workers in order to increase their productivity and added value.

Rural Vision 2040

EDIOP Plus invests more than EUR 3.5 billion, among others, in education training, labour market integration for people in less developed regions and the development of the SME sector, contributing to the goals of Rural Vision 2040 action areas to improve social resilience, diversify economic activities and facilitate access to services as an important part of rural development.

GINOP Plus – CAP Strategic Plan:

Under the Partnership Agreement, business development is supported by GINOP Plus. As of 2020, food businesses were excluded from traditional EDIOP business development grants, which can receive support from the VP in 2021-2022 and the CAP Strategic Plan in 2023-2027. At the same time, food businesses can continue to apply for their R & D and ESF-type grants under EDIOP Plus, as well as for

their food development activities.

DIMOP Plus

Through single service layers, DIMOP Plus contributes to digitalisation investments in specific policy tasks through a data-intensive approach and thus supports cross-cutting solutions that support the digital transformation process in a coherent way, with a sectoral objective.

Rural Vision 2040:

DIMOP Plus contributes to the delivery of sectoral policies through digitalisation investments, supporting a significant part of Rural Vision 2040's action dimensions (access to services, social innovation, digital connectivity, climate resilience, environmental resilience, social resilience) with a budget of almost EUR 1.2 billion. DIMOP Plus will significantly improve the availability of broadband networks out of more than EUR 200 million. As the accessibility problems are specific to rural areas, it is expected that most of the developments will be implemented.

DIMOP Plus – CAP Strategic Plan:

DIMOP Plus typically focuses on national-wide investments and plans to implement non-agricultural/rural development developments, yet more synergies can be identified between the two programmes.

- Government IT developments supported by DIMOP Plus also concern agricultural topics. The CAP Strategic Plan can provide agricultural and forestry data for digitalisation developments.

- Digitalisation of food and agriculture in the CAP Strategic Plan can be combined with DIMOP-funded Big Data and Artificial Intelligence developments.

- DIMOP Plus supports improvements in line with a smart village strategy financed by the CAP Strategic Plan.

- DIMOP Plus is developing broadband availability at national level, which can help to ensure access to gigabit and 5G networks for digitised farmers, which is necessary to operate more precision tools. This could be linked to the local Wi-Fi development activity of the CAP Strategic Plan.

- DIMOP Plus supports rural developments included in the CAP Strategic Plan by developing a public service application (e.g.: village, voluntary firefighting equipment development).

- Digital SME skills development under DIMOP Plus could be harnessed in combination with the digitalisation of agricultural and forestry businesses under the CAP Strategic Plan.

IKOP Plusz

IKOP Plus is responsible for improving the traffic situation in Hungary, which includes investments in railways, roads, bicycles and ports.

Rural Vision 2040

IKOP Plus's investments support the development of rural transport networks, contributing to the objective of 'transport connections and new mobility opportunities'.

IKOP Plus – CAP Strategic Plan

IKOP Plus will develop transport networks that also ensure rural accessibility, but there is no overlap in content between the two programmes in terms of investments.

VOP Plus

VOP Plus supports the effective and efficient use of cohesion funds available for Hungary. In particular, a pool of professionals with up-to-date knowledge, infrastructure conditions, IT, partnership, communication and publicity tasks contribute to the objectives of the Partnership Agreement.

VOP Plus – CAP Strategic Plan

Rural development will be examined in the programme evaluations financed under VOP Plus, as will the programme evaluations financed by Technical Assistance of the CAP Strategic Plan will look at the rural development impact of other development programmes. No other link between programmes can be identified.

Draft Recovery and Resilience Plan (HET/RRF) of Hungary – CAP Strategic Plan

The main objective of the HET Plan is to counter the economic and social impact of the coronavirus outbreak and to increase the resilience, sustainability and preparedness of the economy for the challenges

and opportunities of the green and digital transitions.

Component D of the HET plan addresses water supply in water-scarce areas, water retention, regional water transfer, protection of groundwater resources, balancing the uneven distribution of water resources in space and time. One of the objectives of the water management awareness reform in the draft WET is to encourage farmers to develop sustainable water management by raising awareness of the CAP Strategic Plan calls.

Component F of the HET Plan includes support for residential solar panel systems and the electricalisation of heating systems in combination with solar panel systems, targeting households with typically low creditworthiness and physical property suitable for the investment. The interventions supporting renewable energy included in the CAP Strategic Plan are mainly investment-oriented, so that additional support can be provided to farmers in rural areas with the help of the HET.

The HET plan, component C 1404/2019, establishing a **long-term programme for catching- up settlements**. (VII.) Government Decision No 105/2015 of 5 July 2015 on the classification of beneficiary municipalities and the criteria for classification. (IV. 23.) The Central Statistical Office decided to launch a long-term development programme, with the involvement of the municipalities in stages, selected on the basis of the lowest complex indicator drawn up by the Central Statistical Office (taking into account employment, education, housing, income, public safety and age structure) from the municipalities defined in Government Decree, in order to reduce social, economic and infrastructural disadvantages, increase local employment and increase rural population retention capacity.

There are 312 thousand people living in these municipalities under unfavourable income, housing and labour market conditions. In the years 2019-2021, part of the settlements designated for inclusion were gradually included in the implementation of needs-based, complex, integrated urban inclusion programmes based on a thorough diagnosis, aimed at improving the employability, competences, mobility, housing conditions (and the environmental status of their homes) and access to public services. Part of the so-called “reforms” is the pedagogical and professional development of community-oriented public education institutions, participation in work socialisation programmes, social work and community development based on continuous presence, the development of child protection tools, the organisation of mobilised health screenings, while investment elements include the construction and renovation of social housing and the increase of renewable energy capacities in the community. Along the lines of the municipalities affected by the interventions and the objectives set, the further expansion of activities will require RRF funds in addition to domestic funds and support from the Structural Funds for maintenance, as well as the integration of new public service elements into the domestic public service system.

The territorial focus of the Closing Municipalities programme is much narrower than the CAP interventions, since the 300 municipalities defined in the Government Decision constitute only about a tenth of the settlement network, and their need is supported by an established methodology. In these municipalities, they can effectively complement investment and activities with a strong social character in infrastructure, services and skills financed by domestic and RRF funds, and local economic and social development can be supported by rural development interventions supporting the infrastructure development of small rural municipalities (sewage, biomass-based energy, internet access, community, sport and recreational spaces, tourism, local markets and marketing aids, mass caterers, village and farm care services), social enterprises (e.g. social cooperatives, social farms) and other (e.g. short supply chain) cooperation interventions.

Connecting Europe Facility (CEF)

The Connecting Europe Facility (CEF) is a European Union financial fund set up in 2014 to invest in infrastructure for transport, energy, digital and telecommunications projects across the EU, aiming at better connectivity between EU Member States. Among the types of interventions under rural development, the instrument may typically be linked to investment-type aid.

However, it is important to underline that the CAP Strategic Plan typically involves the development of agricultural holdings, pure or mostly telecommunications infrastructure projects, such as CEF or DIMOP Plus, are not supported by Hungary here and the scale of the developments is much more focused on

farms. Among the interventions supporting infrastructure development, the instruments supporting municipal infrastructure, including the 'Okos Villa' programmes, may be linked to the CEF, but projects under the CAP Strategic Plan support in situ solutions, so that synergies can be achieved, so that local digital/telecommunication developments will be able to connect to a pan-European development.

An important objective in the CAP Strategic Plan is that small improvements are suitable for preparing beneficiaries to prepare for a higher level of development. In order to avoid double funding, the Managing Authority will pay particular attention to the design of the aid scheme.

Digital Europe Programme

The Digital Europe Programme is the European Union programme running from 2021 to 2027 and has as its main objective the uptake of digital technologies for businesses, citizens and public administrations. The programme therefore aims to bridge the gap between research on digital technologies and the market uptake of final products. It will benefit Europe's citizens and businesses, especially SMEs. Investment under the Digital Europe Programme supports the European Union's twin objectives of a green transition and digital transformation while strengthening the Union's resilience and digital sovereignty. The DEP provides project funding in five key areas, such as supercomputing, artificial intelligence, cybersecurity, advanced digital skills, ensuring widespread use of digital technologies in the economy and society.

The development of digital technologies to be funded by the CAP Strategic Plan specifically aims to develop digital competences in the agricultural and food sectors. With CAP funds, the aim is to strengthen the agro-vertic and the rural areas linked to it.

Also in rural areas, the aim is to fund projects that generally improve the quality of life of their inhabitants and help prevent depopulation, by implementing technological developments that people face similar conditions and quality of life in rural and urban settings.

The development of CAP-funded digital technologies aims to ensure access to basic agri-informatics services. Here too, CAP funds aim to trigger technological change, which can then be reinforced by other programmes such as the DEF. In applications supporting agri-digitalisation, we intend to apply as a selection principle the applicant's cooperation with the European Digital Innovation Hubs, in particular with the upcoming Agricultural EDIH. Such cooperation can further strengthen synergies and complementarities between development programmes. Potential overlaps can also be addressed at the level of calls for proposals.

Hungarian Village Programme (MFP)

The Hungarian Village Programme (MFP) supports the development of small towns and villages with a population of not more than 5000 inhabitants, accounting for more than 90 per cent of the urban network and about one third of the population, in the following areas: development of rural services and infrastructure, support for rural civic communities, improvement of housing conditions for people living in small settlements, development of a lower-ranking road network from domestic sources, and support for rural micro-enterprises with EU funds (GINOP Plusz-11.2-22).

Although in most calls of the Hungarian Village Programme an evaluation criterion linked to territorial handicaps is included (e.g. the place of implementation is located in the beneficiary district or municipality, in a disadvantaged region, in a free enterprise zone or in a municipality with less fiscal capacity), according to the payment data for the years 2019-2021, the increased support for municipalities and areas classified as rural or of lower status is not as prominent as in the allocation of funds for the 2014-2020 Rural Development Programme. Areas with a rural structure, which are lagging behind and practically unable to develop on their own, are more consciously targeted by CAP interventions. Looking at the use of funds so far, it can be concluded that the Hungarian Village Programme has mainly provided funds to municipalities that are less favoured by the VP, e.g. in more developed or less rural areas, which constitute the 'internal periphery'.

Overall, therefore, the different areas of intervention of the new CAP and the scope of activities eligible for support under the MFP are well separated and the CAP ST target system is already much more extensive and varied in nature. Overall, based on the experience of the 2014-2020 period, a weak substitute and stronger complementary, synergy effect between the two programmes can be assumed.

Programme of catching-up municipalities

The most prominent response to the fragility of rural areas in Hungary's Recovery and Resilience Plan is the 'Catching-up settlements' component, whose measures (reforms and investments) are consistent with the pillars of the EU Recovery and Resilience Facility for social and territorial cohesion, health, social, economic and institutional resilience, policies for future generations and the green transition.

Life programme

The LIFE programme is a financial instrument of the European Union dedicated to environmental, nature and climate objectives. Regulation (EU) 2021/783 on the renewed LIFE programme for the European Union financial period 2021-2027 entered into force on 17 May 2021. The total budget for the entire LIFE programme over the seven years is EUR 5.43 billion. Unlike the previous practice, the programme consists of four sub-programmes with a separate budget:

Nature and bio-diversity (EUR 2.143 billion),

Circular economy and quality of life (EUR 1,345 billion),

Climate change mitigation and adaptation (EUR 947 million);

Clean energy transition (EUR 997 million);

Applications will be evaluated by the European Climate, Infrastructure and Environment Executive Agency (CINEA).

The CAP Strategy Plan is most strongly linked to the four LIFE sub-programmes through support for adaptation to climate change, the 'Transition to organic farming (ÖKO)', the 'Agri-environmental management payment' (AKG). Unlike the Life programme, these grants, in addition to productive investments, provide farmers with additional resources to promote nature conservation, biodiversity, habitat protection, circular economy, climate change mitigation and adaptation, in particular on agricultural land. Although the Life programme and the CAP Strategic Plan may overlap between Natura 2000 areas, the two programmes have little chance of double funding in terms of their themes, focus and beneficiaries' composition. The possibility of double funding, if any, should be addressed by delineation at project level. Overall, the planned impacts in the programmes are expected to reinforce each other.

We plan to manage the linkage between the programmes in the following way

In the areas covered by this chapter, the relevant managing authorities shall establish cooperation by inviting the other party to the meetings of the Task Force for Tenders, thereby enabling the delineation to be established at project level and avoiding double funding. The calls concerned will give mutual preference to grant applicants who have also submitted a grant application for the co-call:

· Together with the second call, an information document presenting a short summary of both calls and the relationship between the two calls may be published on the application form. This document is limited to a substantive presentation of funding opportunities and links, and the detailed conditions will continue to be included in each call for proposals.

· Both calls may award extra points to a beneficiary who submits an application for the other call pending the evaluation, thus taking part in the use of synergistically matched funding opportunities.

The Managing Authorities undertake to inform each other of the co-applications submitted.

4.6 Financial instruments

4.6.1 Description of the financial instrument

Hungary does not use financial instruments for types of interventions of the type of rural development, so the financial instrument is not included in the plan.

4.7 Common elements for Rural Development types of interventions

4.7.1 List of non eligible investments

Purchase of land not built on costing more than 10 % of all the eligible expenditure on the operation concerned.

Investments in means of transport to be used for marketing or distribution by the producer organisation.

Investments in shares or capital of companies if the investment represents a financial investment.

construction of windbreaks and wind protection walls driveways and elevators

List of ineligible investments and categories of expenditure:

(a) the purchase of agricultural production rights;

(b) the purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, with the exception of the purchase of land for environmental purposes, the purchase of land to preserve soil with high carbon content and the purchase of land by young farmers using financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than:

restoring agricultural or forestry potential following natural disaster, adverse climatic events or catastrophic event;

(II) the protection of livestock from large carnivores and the use of animals in forestry instead of machinery;

(III) breeding of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or

(IV) the conservation of plant varieties threatened with genetic erosion under the commitments referred to in Article 70;

(e) interest on loans, except in respect of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, which are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and prevention measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation which do not comply with environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for afforestation and reforestation.

The first subparagraph, points (a), (b), (d) and (f), shall not apply where support is provided through financial instruments.

4.7.2 Definition of rural area and applicability

Definition of rural area:

A municipality in which, regardless of its administrative status (city/municipality), the population is less than 10 thousand inhabitants in the case of tanyás municipalities with a population above 10 thousand inhabitants is considered to be part of a rural area.

4.7.3 Additional elements common for Sectoral interventions, for rural development interventions, or common for both Sectoral and Rural Development interventions

— Investments in the development of existing irrigation installations or parts of existing irrigation systems shall only be eligible if the ex-ante assessment concludes that they will result in at least 10 % potential water savings for micro-irrigation based on the technical parameters of the existing installation or system, and at least 15 % for liners and reeling drums.

Where the investment concerns bodies of groundwater or surface water that have been identified as less than good in the relevant river basin management plan for reasons related to water quantity, the investment shall also comply with the following cumulative conditions:

- the project must ensure that, for irrigation installations or irrigation systems concerned by the project, actual water consumption is reduced by at least 50 % of the potential water savings identified by the ex-ante assessment of the project; and
- where the project concerns only part of the irrigated area of a holding, the total water consumption of the holding at farm level shall be reduced by at least 50 % correspondingly. The total water consumption of the holding shall include the quantities of water sold by the holding or transferred by any other means for irrigation.

None of the specified conditions shall apply to investments in existing irrigation installations which only concern energy efficiency, to investments in the creation of reservoirs or to investments in the use of visibly water which do not affect a body of groundwater or surface water.

The energy efficiency intervention is in line with the EU Directive on the promotion of the use of energy from renewable sources and its sustainability criteria.

Investments in energy efficiency implemented in a supported manner under the intervention, or new machinery, equipment and technologies procured in a subsidised manner, go beyond mandatory standards (where such standards exist) or normal practices.

4.7.4 Contribution rate(s) applicable to Rural Development interventions

National contribution rate(s)

Article	Applicable rate	Min Rate	Max Rate
155(2)(c) - Early retirement		20.00%	43.00%
91(2)(a) - Less developed regions	85.00%	20.00%	85.00%
91(2)(b) - Outermost regions and in the smaller Aegean islands		20.00%	80.00%
91(2)(c) - Transition regions within the meaning of Article 108(2), first subparagraph, point (b), of Regulation (EU) 2021/1060		20.00%	60.00%
91(2)(d) - Other regions	43.00%	20.00%	43.00%
91(3)(a) - Payments for natural or others area-specific constraints under Article 71		20.00%	65.00%
91(3)(b) - Payments under Article 70, payments under Article 72, support for non-productive investments referred to in Article 73, support for the projects of EIP operational groups under Article 77(1), point(a), and LEADER under Article 77(1), point(b)		20.00%	80.00%
91(3)(c) - Operations receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%
91(3)(b) - 72 - Payments under Article 72	50.00%	20.00%	80.00%
91(3)(b) - 73 - Support for non-productive investments referred to in Article 73	50.00%	20.00%	80.00%

91(3)(b) - 77(1)(a) - Support for the European Innovation Partnership under Article 77(1), point(a)	43.00%	20.00%	80.00%
91(3)(b) - 77(1)(b) - LEADER under Article 77(1), point(b)	50.00%	20.00%	80.00%
91(3)(c) - 70 - Operations, under Article 70, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 71 - Operations, under Article 71, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 72 - Operations, under Article 72, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 73-74 - Operations, under Articles 73-74, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 76 - Operations, under Article 76, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 77 - Operations, under Article 77, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%
91(3)(c) - 78 - Operations, under Article 78, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103		20.00%	100.00%

Regional contribution rate(s)

Region	Article	Applicable rate	Min Rate	Max Rate
HU12 - Pest	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU21 - Közép-Dunántúl	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU22 - Nyugat-Dunántúl	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU23 - Dél-Dunántúl	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU31 - Észak-Magyarország	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU32 - Észak-Alföld	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%
HU33 - Dél-Alföld	91(3)(c) - 75 - Operations, under Article 75, receiving funding from funds transferred to the EAFRD in accordance with Articles 17 and 103	85.00%	20.00%	100.00%

5 Direct payments, sectoral and rural development interventions specified in the strategy

Fund	Form of Intervention	Type of Intervention	Intervention Code (MS) - Name	Carry-over	Common Output Indicator	Gen. Renewal	Env.	ES rebate system	LEADER
EAGF	Decoupled Direct Payments	BISS(21)	DP01_E01_BISS_16 - The basic income support for sustainability		O.4				
EAGF	Decoupled Direct Payments	CRISS(29)	DP02_E02_CRIS_16 - Complementary redistributive income support for sustainability		O.7				
EAGF	Decoupled Direct Payments	CIS-YF(30)	DP03_B01_YFS_16 - Complementary income support for young farmers		O.6				
EAGF	Decoupled Direct Payments	Eco-scheme(31) / Art. 31(7)(a) - Additional payment to BIS	DP17_G01_ECOS_16 - Agro-ecological programme		O.8				
EAGF	Coupled Direct Payments	CIS(32)	DP04_E03_CISB_16 - Aid for sugar beet cultivation		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP05_E04_CISR_16 - Aid for rice production		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP06_E05_CISV_16 - Aid for vegetable crop production		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP07_E06_CISI_16 - Aid for industrial vegetable production		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP08_E07_CISO_16 - Aid for the production of industrial oil crops		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP09_E08_CISE_16 - Aid for fruit production (Extensive)		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP10_E09_CISF_16 - Aid for fruit production (Intensive)		O.10				

EAGF	Coupled Direct Payments	CIS(32)	DP11_E10_CISS_16 - Ewe premium		O.11				
EAGF	Coupled Direct Payments	CIS(32)	DP12_E11_CISC_16 - Suckler cow premium		O.11				
EAGF	Coupled Direct Payments	CIS(32)	DP13_E12_CISM_16 - Foieched bull support		O.11				
EAGF	Coupled Direct Payments	CIS(32)	DP14_E13_CISD_16 - Aid for the rearing of dairy cows		O.11				
EAGF	Coupled Direct Payments	CIS(32)	DP15_E14_CISG_16 - Aid for the production of grain protein feed crops		O.10				
EAGF	Coupled Direct Payments	CIS(32)	DP16_E15_CISP_16 - Aid for the production of coarse protein forage		O.10				
EAGF	Sectoral - Fruit and Vegetables	INVRE(47(1)(a))	SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	ADV11(47(1)(b))	SC11_A03_FVA_47 - Advisory services and technical assistance — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	TRAINCO(47(1)(c))	SC12_A04_FVT_47 - training, including coaching and exchange of best practices — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	ORGAN(47(1)(d))	SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit		O.35				
EAGF	Sectoral - Fruit and Vegetables	TRANS(47(1)(e))	SC14_B01_FVE_47 - increasing the sustainability and efficiency of transport and storage of products — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	PROMO(47(1)(f))	SC15_E10_FVP_47 - promotion, communication and marketing — fruit and vegetables		O.35				

EAGF	Sectoral - Fruit and Vegetables	QUAL(47(1)(g))	SC16_E11_FVQ_47 - use of EU and national quality schemes		O.35				
EAGF	Sectoral - Fruit and Vegetables	TRACE(47(1)(h))	SC17_E12_FVC_47 - application of traceability and certification schemes — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	CLIMA(47(1)(i))	SC18_G02_FVL_47 - climate change mitigation and adaptation measures — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	SETUP(47(2)(a))	SC19_I01_FVF_47 - mutual funds — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	INVVO(47(2)(b))	SC20_I02_FVV_47 - investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	STORE(47(2)(c))	SC21_I03_FVS_47 - joint storage of products, including, where necessary, the collective processing of products — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	ORCHA(47(2)(d))	SC22_I04_FVR_47 - replanting of orchards — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	WITHD(47(2)(f))	SC23_I05_FVW_47 - withdrawals for free distribution or other destinations — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	GREEN(47(2)(g))	SC24_I06_FVG_47 - green harvesting — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	NOHAR(47(2)(h))	SC25_I07_FVN_47 - non-harvesting — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	HARIN(47(2)(i))	SC26_I08_FVH_47 - harvest and production insurance — fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	COACH(47(2)(j))	SC29_I10_FVC_47 - personalised advice – fruit and vegetables		O.35				
EAGF	Sectoral - Fruit and Vegetables	COMM(47(2)(l))	SC27_I09_FVM_47 - communication activities to raise awareness and inform consumers — fruit and vegetables		O.35				
EAGF	Sectoral - Apiculture products	ADVIBES(55(1)(a))	SC02_A01_BEA_55 - Apiculture knowledge transfer and technical assistance		O.37				

EAGF	Sectoral - Apiculture products	INVAPI(55(1)(b))	SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector		O.37				
EAGF	Sectoral - Apiculture products	PROMOBEES(55(1)(f))	SC01_A02_BEM_55 - Beekeeping marketing		O.37				
EAGF	Sectoral - Wine	RESTRVINEY(58(1)(a))	SC05_E04_WIR_58 - Aid for restructuring and conversion of vineyards		O.36				
EAGF	Sectoral - Wine	INWINE(58(1)(b))	SC06_E05_WII_58 - Investments in tangible and intangible assets in the wine sector		O.36				
EAGF	Sectoral - Wine	GREENWINE(58(1)(c))	SC07_E06_WIG_58 - Support for green harvesting in the wine sector		O.36				
EAGF	Sectoral - Wine	INOVWINE(58(1)(e))	SC04_A01_WIIN_58 - INOVWINE – Innovative investments in the wine sector		O.36				
EAGF	Sectoral - Wine	ADVWINE(58(1)(f))	SC30a_A02_WIA_58 - Advisory services in the wine sector		O.36				
EAGF	Sectoral - Wine	DISTIL(58(1)(g))	SC08_E07_WID_58 - Distillation of wine by-products		O.36				
EAGF	Sectoral - Wine	INFOR(58(1)(h))	SC09_E08_WIN_58 - Promotion in the internal market in the wine sector		O.36				
EAGF	Sectoral - Wine	ACTREPUT(58(1)(i))	SC30b_E10_WIT_58 - Enhancing the reputation of EU vineyards by promoting wine tourism by recognised interbranch organisations		O.36				
EAGF	Sectoral - Wine	ACTMKTKNOW(58(1)(j))	SC30c_E11_WIM_58 - Improving market knowledge by recognised interbranch organisations in the wine sector		O.36				
EAGF	Sectoral - Wine	PROMOWINE(58(1)(k))	SC10_E09_WIP_58 - Promotion in the wine sector in third countries		O.36				
EAFRD	Rural Development	ENVCLIM(70)	RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)	It does fully	O.14	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)	No inclusion	O.14	No	Yes	Yes	No

EAFRD	Rural Development	ENVCLIM(70)	RD20_G02_ORT_70 - Support to organic farming	It does fully	O.17	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD20a_G02_ORT_70 - Support for organic farming	No inclusion	O.17	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD22_G05_LCP_70 - Payment to encourage agro-ecological land use change	No inclusion	O.14	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD24_G07_GAX_70 - Ex situ conservation and technical support of animal genetic resources	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD25_G08_GAI_70 - Conservation in situ of animal genetic resources	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD26_G09_GAV_70 - In vitro conservation of animal genetic resources	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD27_G10_GPX_70 - Ex situ conservation of plant genetic resources and micro-organisms	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD28_G11_GPI_70 - Conservation in situ of plant genetic resources	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD29_G12_AWC_70 - Animal welfare aid in the small ruminants sector	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD30_G13_AWC_70 - Animal welfare aid in the beef sector	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD31_G14_AWC_70 - Animal welfare aid in the beef cattle sector	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD32_G15_AWC_70 - Animal welfare aid in the poultry sector	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD33_G16_ANB_70 - Animal welfare aid in the apiculture sector	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD33b_G17_AMR_70 - Compensation payment for the fight against antimicrobial resistance	No inclusion	O.18	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD35_F02_FEC_70 - Forest multi-annual commitments (Multiannual Commitments)	It does partially	O.15	No	Yes	Yes	No

EAFRD	Rural Development	ENVCLIM(70)	RD36_F03_GEN_70 - Multi-annual commitments for forest genetics	No inclusion	O.19	No	Yes	Yes	No
EAFRD	Rural Development	ENVCLIM(70)	RD39_F06_AFM_70 - Maintenance of investments in afforestation and support for income replacement	It does partially	O.16	No	Yes	Yes	No
EAFRD	Rural Development	ASD(72)	RD23_G06_NAG_72 - Natura 2000 agricultural land compensation payments	No inclusion	O.13	No	Yes	Yes	No
EAFRD	Rural Development	ASD(72)	RD34_F01_NAF_72 - Natura 2000 compensation payments for forest areas	No inclusion	O.13	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD01a_E01_FRM_73 - Development of agricultural holdings	No inclusion	O.20	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD01b_E01_FRM_73 - Support for investments by young farmers	No inclusion	O.20	Yes	No		No
EAFRD	Rural Development	INVEST(73-74)	RD01c_E01_FRM_73 - Support for green investments in agricultural holdings	No inclusion	O.20	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD01d_E01_FRM_73 - Farm development to reduce ammonia emissions	No inclusion	O.20	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD01e_E01_FRM_73 - Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector	No inclusion	O.20	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD02_D01_FRM_73 - Supporting the digital transition of agricultural holdings	No inclusion	O.20	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD04a_E02_FON_73 - Adding value to agricultural products	No inclusion	O.24	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD04b_E03_FOF_73 - Support for green investments linked to adding value to agricultural products	No inclusion	O.24	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD09a_B05_SML_73 - Sustainable development of small farms	No inclusion	O.20	No	No		No

EAFRD	Rural Development	INVEST(73-74)	RD09b_R14_OGR_73 - Support for small enterprises in the ornamental horticulture sector	No inclusion	O.24	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD11_B07_DVF_73 - Diversification of activities of farmers	No inclusion	O.24	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD12_W01_WTO_73 - On-farm investment to improve irrigation and water efficiency	No inclusion	O.20	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD18_I03_JGR_73 - Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System	No inclusion	O.20	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD21_G04_LCI_73 - Non-productive investments in Agro-ecological	No inclusion	O.21	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD38_F05_AFI_73 - Support for investments in afforestation and creation of woodland	No inclusion	O.24	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD40_F07_INP_73 - Investments for competitive forestry (for-profit)	No inclusion	O.24	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD41_F08_INN_73 - Investments for the environmental sustainability of forestry (non-profit)	No inclusion	O.23	No	Yes	Yes	No
EAFRD	Rural Development	INVEST(73-74)	RD42_R01_RAN_73 - Rural infrastructure development in schools	No inclusion	O.22	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD42a_R01_RAN_73 - Rural infrastructure development in closed garden areas	No inclusion	O.22	No	No		No
EAFRD	Rural Development	INVEST(73-74)	RD43_R02_LOC_73 - Rural infrastructure development in small settlements	No inclusion	O.22	No	No		No
EAFRD	Rural Development	INSTAL(75)	RD05_B01_YFS_75 - Generational renewal with start-up support for young farmers	No inclusion	O.25	Yes	No		No
EAFRD	Rural Development	INSTAL(75)	RD06_B02_YFY_75 - Generational renewal with support for the economy	No inclusion	O.27	No	No		No

EAFRD	Rural Development	INSTAL(75)	RD08_B04_BIS_75 - Generational renewal by supporting start-up rural and young forest entrepreneurs	No inclusion	O.27	No	No		No
EAFRD	Rural Development	RISK(76)	RD14_I03_DMMF_76 - Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund	No inclusion	O.9	No	No		No
EAFRD	Rural Development	RISK(76)	RD16_I01_INS_76 - Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance	No inclusion	O.9	No	No		No
EAFRD	Rural Development	RISK(76)	RD17_I02_IST_76 - Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis insurance scheme	No inclusion	O.9	No	No		No
EAFRD	Rural Development	COOP(77)	RD07_B03_YFO_77 - Generational renewal, economic transfer cooperation	No inclusion	O.30	No	No		No
EAFRD	Rural Development	COOP(77)	RD15_W04_COP_77 - Supporting sustainable water management communities that improve water efficiency	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD37_F04_FRC_77 - Co-operative support for forest fire prevention and risk reduction	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD44_R03_POG_77 - Support to producer groups, producer organisations	No inclusion	O.28	No	No		No
EAFRD	Rural Development	COOP(77)	RD45_R04_GIS_77 - Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes	No inclusion	O.29	No	No		No
EAFRD	Rural Development	COOP(77)	RD46_R05_GIJ_77 - Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme	No inclusion	O.29	No	No		No

EAFRD	Rural Development	COOP(77)	RD47_R06_QSJ_77 - Support for adherence to quality assurance and management systems	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD48_R07_QSP_77 - Support for information and promotion activities for quality schemes	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD49_R09_SCC_77 - Rural Development Cooperation for the Development of Short Supply Lances	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD50_R10_SEC_77 - Rural development cooperation for the development of social enterprises	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD51_R11_TUC_77 - Rural development cooperation for active and eco-tourism development in the region	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD52_R12_BIC_77 - Rural development cooperation for the development of a biomass-based economy	No inclusion	O.32	No	No		No
EAFRD	Rural Development	COOP(77)	RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies	No inclusion	O.31	No	No		Yes
EAFRD	Rural Development	COOP(77)	RD61_A05_EIP_77 - European Innovation Partnership (EIP) cooperation	No inclusion	O.1	No	No		No
EAFRD	Rural Development	KNOW(78)	RD58_A01_TRA_78 - Training and demonstration programmes	No inclusion	O.33	No	No		No
EAFRD	Rural Development	KNOW(78)	RD60_A04_ADP_78 - Advisory services	No inclusion	O.33	No	No		No

5.1 Direct Payments Interventions

BISS(21) - Basic income support for sustainability

DP01_E01_BISS_16 - The basic income support for sustainability

Intervention Code (MS)	DP01_E01_BISS_16
Intervention Name	The basic income support for sustainability
Type of Intervention	BISS(21) - Basic income support for sustainability
Common Output Indicator	O.4. Number of hectares benefitting from for basic income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Description

Basic income support for sustainability is the primary pillar of a direct support scheme to ensure income security for farmers. An intervention in support of the SO1 specific objective, which does not include any specific targeting either from a territorial or from an activity point of view, is the status of active farmer which restricts the range of potential beneficiaries.

The intervention is announced with a single unit value, which represents the same amount per hectare for all producers. Territorial differentiation is not applied.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The basic payment shall be granted to active farmers who:

- Has an eligible area of at least one hectare;
- Submitted an aid application for the eligible land;
- As a land user on the last day of the deadline for submitting aid applications in respect of the area claimed;

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all producers. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Is this BIS intervention a Payments for small farmers? (Art. 28)

☐ Yes ☒ No

Territorialisation (Art. 22(2))

☐ Yes ☒ No

9 WTO compliance

Green Box

Paragraph 5 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 5 of Annex II.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP01_O04_U01_HA - Specific amount of basic income support for sustainability	Uniform		R.4; R.6; R.7

Explanation and Justification (including the flexibility)

DP01_O04_U01_HA - Specific amount of basic income support for sustainability

The aim of the basic payment is to provide farmers with a minimum basic income that can contribute to improving the quality of life in rural areas through income security and strengthening the rural population's capacity to retain it. The lack of agricultural income compared to the average of the national economy was also revealed by the SWOT analysis, so the identification of the needs clearly confirms the legitimacy of this support.

Methodology for determining the BISS framework and the specific value

The BISS annual envelope is EUR 735.4 million in the plan, representing 54.7 % of the direct support envelope after the transfer. BISS is thus the largest source of direct support.

The basic payment (BISS) is an intervention that contributes to the specific objective SO1 and is the primary pillar of the direct support scheme to provide farmers with income security. It aims to provide farmers with a minimum income that can contribute to improving the quality of life in rural areas through income security and strengthening the rural population's retention capacity.

The lack of agricultural income compared to the average of the national economy was also revealed by the SWOT analysis, so the identification of the needs clearly confirms the legitimacy of this support.

Relevant weaknesses of SO1 SWOT

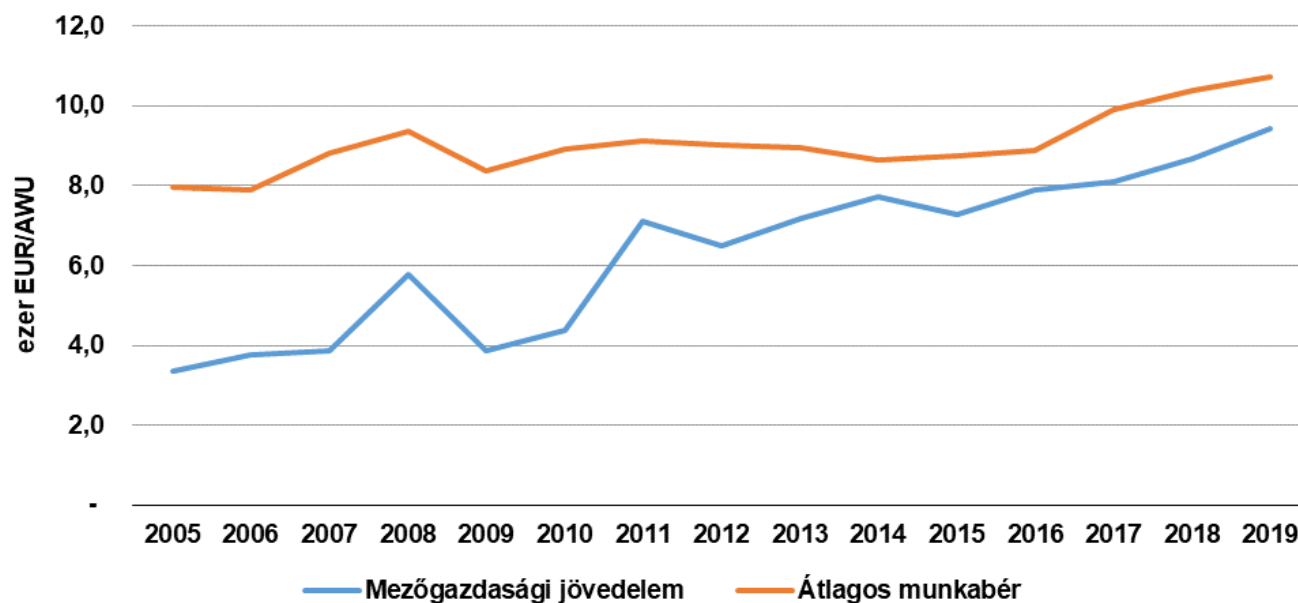
Gy.1. Lower than average agricultural income [SO1/1.1]

Gy.2. Strong income volatility in several agricultural sectors (e.g. certain fruit and vegetables, pig fattening, bull fattening, etc.) [SO1/1.1] [SO1/1.2] [SO1/2.3].

Gy.3. Strong dependence on direct subsidies for the profitability of agricultural enterprises, in particular small farms and certain sectors

Gy.4. High production costs and poor efficiency in the EU comparison

Figure 1: Evolution of agricultural labour income compared to average wage in Hungary

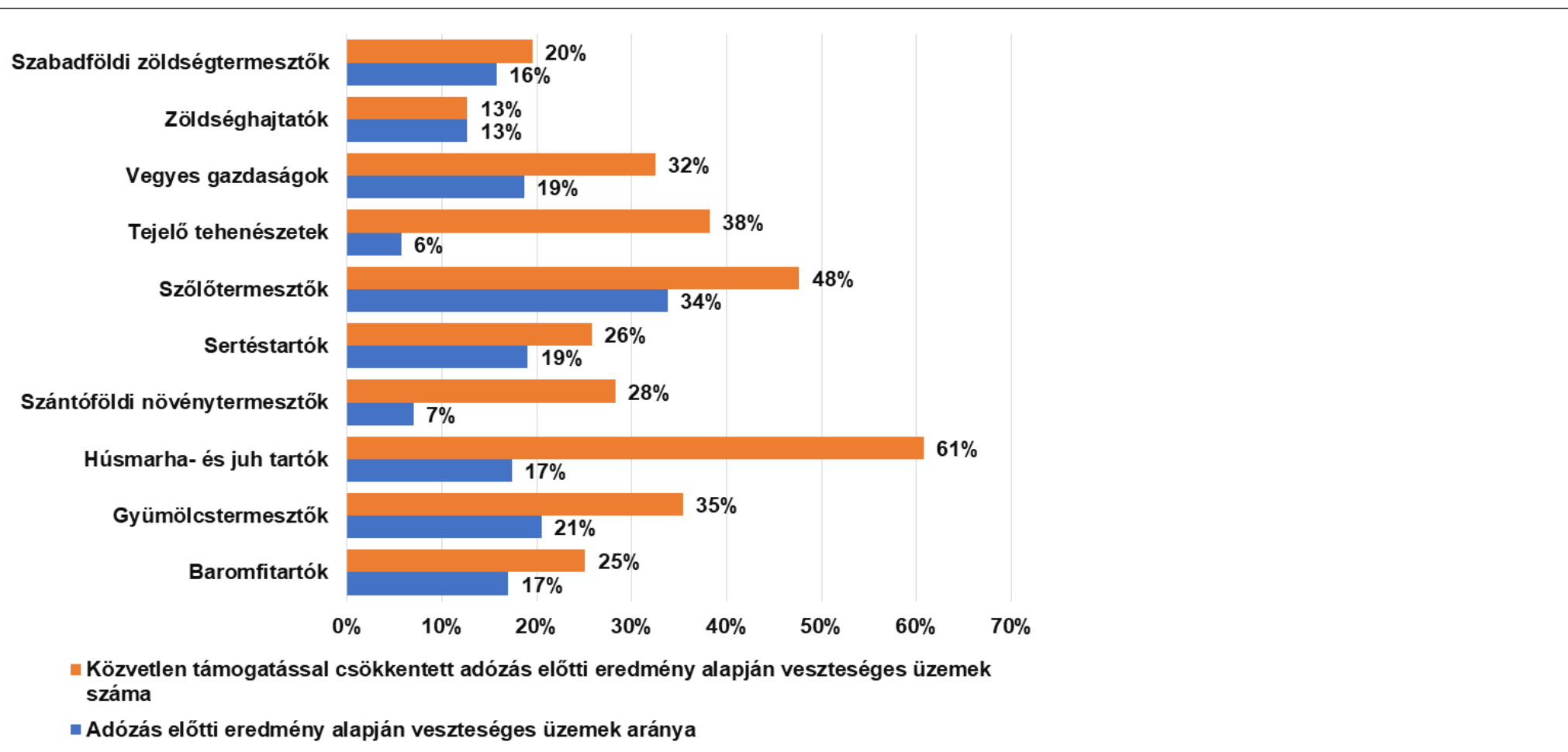


Source: AKI calculation based on Eurostat data

Figure1 shows that, in the 5-6 years following Hungary's accession to the EU, agricultural incomes have converged to average wages at the national level, but the gap has not narrowed further since 2014. This supports the need for a substantial part of the direct farmer's income support to continue to be paid to all farmers.

Figure 2 also shows the proportion of farms operating at a loss in the absence of direct subsidies per direction of production.

2.Proportion of loss of agricultural holdings in Hungary, production direction according to (2019)



Source: Calculations based on the database of a test run system

Identified needs

1.1.1	Predictable basic income for farmers
1.1.2	Provision of available loan financing
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture
1.2.3	Offsetting and mitigating market risks

1.1.3	
Improving the profitability of small farms	

In Hungary, the objective of determining the value of the BISS support is to increase the profitability of agricultural activity to an acceptable level. Based on the calculations made in the 2020 test run (FADN) database, net value added without BISS would be less than 15 % of the gross turnover excluding direct grants in 29 % of the testing facilities. These holdings use 21 % of agricultural land, have over 36 % of livestock and employ 23 % of the agricultural labour force expressed in annual work units. In addition to ~EUR 117/ha BISS, the share of such holdings (which are also loss-making on the basis of net value added) can be reduced to 7 %, their territorial share to 5 % and their share in livestock and agricultural labour to 4 % and 3 % respectively. This clearly shows the importance of BISS in the support system and thus in ensuring food supplies, which must be given greater priority than ever because of the Russian-Ukrainian conflict.

Analysis of the risk of loss of funds through variance

For the basic payment, outputs can be planned with high certainty (see table below), given that they overlap to a large extent with SAPS areas for 2015-2022. As of 2023, the definition of eligible hectare will be expanded, which is expected to result in a minimal increase in the eligible area.

	Approved area (ha)					
<u>Measure</u>	2015	2016	2017	2018	2019	2020
SAPS	4 832 920	4 819 322	4 875 131	4 905 681	4 917 305	4 929 510
Support for small farmers	109 579	82 725	59 554	45 990	38 773	34 143
Total*	4 942 498	4 902 047	4 934 685	4 951 671	4 956 078	4 963 652

*: As of 2023, this value corresponds to the potential BISS area

Indeed, the expansion of eligible areas alone does not require a 30 % variance. It is relevant for planning with existing financial flexibility for direct aids (*Article 101 of Regulation (EU) 2021/2115*). The high variance was therefore essentially intended to maximise the use of funds by acting as a safety net among the direct aid schemes. Therefore, planning uncertainty does not appear in the BISS, but it is all the more capable of providing a solution.

A wider variance could be useful in the following potential cases:

1. Under the *neweco-schemes* scheme, which is difficult to plan, there are far fewer producers than expected. In this case, either the unit value may be above the maximum and the learning period can make use of unused funds to be transferred to BISS (*Article 101 of Regulation (EU) 2021/2115*). In order to ensure that the additional resource does not increase the specific value of BISS above the maximum (also causing a risk of loss of funds), it is

necessary to set a sufficiently high maximum.

2. Otherwise, i.e. if eco -*schemes applied* for much more farmers than expected, the unit value would fall to the minimum or even below. If the aim is to recognise environmental and climate-beneficial practices and pledges, it may be necessary to reallocate additional resources. Otherwise, farmers' motivation to participate in the scheme may be reduced in the following years.

In addition to a specific value of EUR 157,94/ha, the minimum and maximum values of $\pm 15\%$ have been determined on the basis of these considerations.

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP01_O04_U01_HA - Specific amount of basic income support for sustainability	Planned unit amount	147.06	147.06	147.06	147.06	135.39	
	Minimum Amount for the Planned unit amount	125.00	125.00	125.00	125.00	115.08	
	Maximum Amount for the Planned unit amount (EUR)	169.12	169.12	169.12	169.12	155.70	
	O.4 (unit: Hectares)	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	
	Planned output * Planned unit amount	735,300,000.00	735,300,000.00	735,300,000.00	735,300,000.00	676,950,000.00	3,618,150,000.00
TOTAL							
	O.4 (unit: Hectares)	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	Sum: 25,000,000.00 Max: 5,000,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	735,300,015.55	735,300,015.55	735,300,015.55	735,300,015.55	676,950,000.37	3,618,150,062.57
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

CRISS(29) - Complementary redistributive income support for sustainability

DP02_E02_CRIS_16 - Complementary redistributive income support for sustainability

Intervention Code (MS)	DP02_E02_CRIS_16
Intervention Name	Complementary redistributive income support for sustainability
Type of Intervention	CRISS(29) - Complementary redistributive income support for sustainability
Common Output Indicator	O.7. Number of hectares benefitting from complementary redistributive income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Description

The aim of the redistributive aid is to provide additional support for the first hectares of small and medium-sized farms, recognising their difficulties and disadvantages due to their size and at the same time providing them with an expected level of income. This need is clearly identified among the needs arising from SWOT.

Policy decisions on the Hungarian model will result in a more targeted direct support scheme. A much stronger income shift towards small and medium-sized farms compared to 2015-2022 (14 % compared to 3 % in 2020). The reallocation of funds towards small and medium-sized farms, including a fairer distribution of direct payments from 2023, will be facilitated by applying the complementary redistributive income support for sustainability (CRISS) instead of the support for small farmers (former SFS) and degression/capping. We therefore expect the aid scheme to be simplified.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to the basic payment (BISS) is eligible for a redistributive payment, given that the payment is based on the amount of the basic payment. Accordingly, the eligibility criteria are the same as for the basic payment:

- Has an eligible area of at least one hectare;
- Submitted an aid application for the eligible land;
- As a land user on the last day of the deadline for submitting aid applications in respect of the area claimed;

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is introduced in two steps with two uniform specific values. 14 % of the direct support envelope is allocated to the intervention. Beneficiaries of the redistributive payment may receive aid of EUR 80 for their first 10 hectares and EUR 40 for their area between 10 and 150 hectares. In order to strengthen the redistributive effect, only farmers with an area of up to 1200 hectares are eligible for the payment. In the spirit of the capping rules applied in Hungary for the period 2015-2022, noting that Hungary waives the application of degression and capping from 2023, holdings above 1200 hectares will not receive redistributive support for their first hectares.

Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Do you apply the territorialisation for the CRISS?

☐ Yes ☒ No

Do you apply different amounts for different ranges of hectares? (Art. 29(3))

☒ Yes ☐ No

If yes, what are the ranges of hectares? (Art. 29(3))

Amounts	
40.00	10.00 ha to 150.00 ha
80.00	1.00 ha to 10.00 ha

What is the maximum number of hectares per farmer to which CRIS is paid? (Art. 29(3))

150.00

-Do you exclude farm holdings from CRIS on the basis of their physical size?

☒ Yes ☐ No

In the spirit of the capping rules applied in Hungary in 2015-2022, noting that Hungary waives the application of degression and capping from 2023, farms above 1 200 hectares do not receive any redistributive support for their first hectares either. This also improves the targeting of the intervention.

- Additional rules and/or explanations related to CRIS

9 *WTO compliance*

Green Box

Paragraph 5 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 5 of Annex II.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP02_O07_U01_HA - Complementary redistributive income support for sustainability specific amount 1	Uniform		R.4; R.6; R.7
DP02_O07_U02_HA - Specific amount of complementary redistributive income support for sustainability 2	Uniform		R.4; R.6; R.7

Explanation and Justification (including the flexibility)

DP02_O07_U01_HA - Complementary redistributive income support for sustainability specific amount 1

Band 1: 1-10 hectares

- The average farm size of the farms receiving direct support was ~30 hectares on the basis of the single applications in 2020.
- The Hungarian farm structure shows that there are more than 104000 small farmers with an area of 10 or less, covering some 416 000 hectares together, among the farms receiving direct support. They account for 62 % of farmers applying for direct payments and more than 8 % of the eligible area.
- This farm size is very sensitive, has low bargaining power and is therefore more exposed to market disturbances (e.g. price volatility) than to medium and large farms. Due to their specific situation, their differentiated treatment is justified, even in the context of redistributive aid.
- The 10 hectares are in line with GAEC 7. (crop rotation) and 8. (non-productive features) may be granted with a size limit of exemptions, which reinforces synergies between the different elements of the plan. This also justifies the fact that the first bracket targets the higher specific amount for the first 10 hectares rather than the average holding size.
- In order to mitigate the disproportionate shift in the level of support between categories (threshold effect), holdings between 10 and 1 200 hectares would also be eligible for increased specific support for their first 10 hectares.

Substantiation of the degree of variance:

The redistributive aid has not yet been applied by Hungary. Accordingly, there is insufficient experience either on the implementation side or on the producer side. At the same time, the application data of previous years, including the size of the agricultural area for which payments are made under the Single Area Payment Scheme (SAPS), provide a relatively accurate estimate of the expected beneficiaries.

The 30 % variance is relevant for planning with existing financial flexibility for direct aids (*Article 101 of Regulation (EU) 2021/2115*). According to the Commission's view, the high variance is essentially intended to facilitate the maximum absorption of funds, given that, regardless of the number of aid beneficiaries and the additional potential effects, as detailed below, the minimum spending rate of 10 % provided for in Article 98 (14 % for Hungary) can be met without the need to reallocate funds from other interventions during the year.

For CRISS, we identified the following as a risk factor:

- Changes affecting the number of eligible holdings which do not fall under the category of artificial creation of conditions (e.g. a retiring farmer divides his area between his three sons in equal instalments, which the young people then have individually, or starting from activities with completely different profiles). This will have a downward effect on the specific value.

- Rescheduling relating to the expiry of land lease contracts. Given that land lease contracts are private-law contracts, there is no information on the proportion of contracts with maturities and, consequently, we do not know in advance how much of the land is affected per year. As evidenced by the SWOT analysis on SO1, there is a significant number of leased land managers in Hungary, although it is a fact that the share of rented land typically increases in combination with farm size. (*See table below*). However, 50.5 % in the category between 5 and 150 hectares is already very high, taking into account that a significant part of the redistributive payment (the higher unit value out of the two proposed steps) goes to these hectares.

E.g.: The land lease agreement for an area of 150 hectares expires. In the absence of a simple contract extension, it is not possible to predict whether the area will increase the size of another farm from the next period or whether additional producers will receive leased land, resulting in 8-10 smaller farms. This can be considered as a significant planning risk at national level.

Share of rented agricultural land by holding size in Hungary, 2010-2020

Size class (ha)	2010 (%)	2013 (%)	2016 (%)	2020 (%)
&=1	0,1	0,1	0,1	0,1
1 <=5	22,2	18,7	17,5	19,6
5-<=150	52,3	53,4	51,6	50,5
150-<=1200	90,4	90,4	91,6	90,8
1200 <=	98,8	98,5	99,2	98,9

Source: Based on (2010), GSZÖ (2013, 2016) and AgricenZus (2020), AKI calculations

In addition to the two specific values indicated in the plan, the minimum and maximum values of ± 30 % have been established on the basis of such considerations. On the basis of the experience gained during the implementation of the plan, the band could be reduced, but, according to our knowledge, this guarantee is necessary for the smooth implementation of the scheme.

DP02_O07_U02_HA - Specific amount of complementary redistributive income support for sustainability 2

Band 2: 10-150 ha

- The purpose of the redistributive support is to reallocate funds to small and medium-sized farms in accordance with Article 29(2) of the Strategic Plan Regulation.
- The design of Lot 2 aims to:
 - o Mitigating the disproportionate shift in the level of aid between categories (*'threshold effect'*).
 - o The viable commodity-producing family farms are not disproportionately disadvantaged as a result of the compulsory transfer of resources and therefore this band aims to minimise losses. From 2023, the unit value of BISS, which replaces SAPS and greening, will decrease by around 30 %. This shortfall may

prove critical for a category of holdings that was not in any way affected by the achievement of the fairer resource allocation target between 2015 and 2022 (small farmers support or degression/capping).

- Hungary has made considerable efforts over the last decade to strengthen medium-sized family farms, so keeping these families in rural areas and helping them to manage them and livelihoods is our political priority. However, since the handicaps mentioned for small farms are less pronounced here, the unit premium is half the amount applied in the first stage.

Substantiation of the degree of variance:

The redistributive aid has not yet been applied by Hungary. Accordingly, there is insufficient experience either on the implementation side or on the producer side. At the same time, the application data of previous years, including the size of the agricultural area for which payments are made under the Single Area Payment Scheme (SAPS), provide a relatively accurate estimate of the expected beneficiaries.

The 30 % variance is relevant for planning with existing financial flexibility for direct aids (*Article 101 of Regulation (EU) 2021/2115*). According to the Commission's view, the high variance is essentially intended to facilitate the maximum absorption of funds, given that, regardless of the number of aid beneficiaries and the additional potential effects, as detailed below, the minimum spending rate of 10 % provided for in Article 98 (14 % for Hungary) can be met without the need to reallocate funds from other interventions during the year.

For CRISS, we identified the following as a risk factor:

- Changes affecting the number of eligible holdings which do not fall under the category of artificial creation of conditions (e.g. a retiring farmer divides his area between his three sons in equal instalments, which the young people then have individually, or starting from activities with completely different profiles). This will have a downward effect on the specific value.
- Rescheduling relating to the expiry of land lease contracts. Given that land lease contracts are private-law contracts, there is no information on the proportion of contracts with maturities and, consequently, we do not know in advance how much of the land is affected per year. As evidenced by the SWOT analysis on SO1, there is a significant number of leased land managers in Hungary, although it is a fact that the share of rented land typically increases in combination with farm size. (*See table below*). However, 50.5 % in the category between 5 and 150 hectares is already very high, taking into account that a significant part of the redistributive payment (the higher unit value out of the two proposed steps) goes to these hectares.

E.g.: The land lease agreement for an area of 150 hectares expires. In the absence of a simple contract extension, it is not possible to predict whether the area will increase the size of another farm from the next period or whether additional producers will receive leased land, resulting in 8-10 smaller farms. This can be considered as a significant planning risk at national level.

Share of rented agricultural land by holding size in Hungary, 2010-2020

Size class	2010	2013	2016	2020
(ha)	(%)	(%)	(%)	(%)
&=1	0,1	0,1	0,1	0,1
1 <=5	22,2	18,7	17,5	19,6

5-≤150	52,3	53,4	51,6	50,5
150-≤1200	90,4	90,4	91,6	90,8
1200 &≤	98,8	98,5	99,2	98,9

Source: Based on (2010), GSZÖ (2013, 2016) and Agricenrus (2020), AKI calculations

In addition to the two specific values indicated in the plan, the minimum and maximum values of $\pm 30\%$ have been established on the basis of such considerations. On the basis of the experience gained during the implementation of the plan, the band could be reduced, but, according to our knowledge, this guarantee is necessary for the smooth implementation of the scheme.

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP02_O07_U01_HA - Complementary redistributive income support for sustainability specific amount 1	Planned unit amount	79.99	79.99	79.99	79.99	73.82	
	Minimum Amount for the Planned unit amount	55.99	55.99	55.99	55.99	51.67	
	Maximum Amount for the Planned unit amount (EUR)	103.99	103.99	103.99	103.99	95.97	
	O.7 (unit: Hectares)	1,004,602.14	1,004,602.14	1,004,602.14	1,004,602.14	1,004,602.14	
	Planned output * Planned unit amount	80,358,125.18	80,358,125.18	80,358,125.18	80,358,125.18	74,159,729.97	395,592,230.69
DP02_O07_U02_HA - Specific amount of complementary redistributive income support for sustainability 2	Planned unit amount	40.00	40.00	40.00	40.00	36.91	
	Minimum Amount for the Planned unit amount	28.00	28.00	28.00	28.00	25.84	
	Maximum Amount for the Planned unit amount (EUR)	52.00	52.00	52.00	52.00	47.98	
	O.7 (unit: Hectares)	2,720,453.94	2,720,453.94	2,720,453.94	2,720,453.94	2,720,453.94	
	Planned output * Planned unit amount	108,818,157.60	108,818,157.60	108,818,157.60	108,818,157.60	100,411,954.93	535,684,585.33
TOTAL	O.7 (unit: Hectares)	3,725,056.08	3,725,056.08	3,725,056.08	3,725,056.08	3,725,056.08	Sum: 18,625,280.40 Max: 3,725,056.08
	Annual indicative financial allocation (Union Contribution in EUR)	189,176,282.80	189,176,282.80	189,176,282.80	189,176,282.80	174,571,684.92	931,276,816.12

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

CIS-YF(30) - Complementary income support for young farmers

DP03_B01_YFS_16 - Complementary income support for young farmers

Intervention Code (MS)	DP03_B01_YFS_16
Intervention Name	Complementary income support for young farmers
Type of Intervention	CIS-YF(30) - Complementary income support for young farmers
Common Output Indicator	O.6. Number of hectares benefitting from complementary income support for young farmers

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes
7.1.4	Easing access to credit for young farmers	2	Partially
7.2.2	Attracting young generations to farming	1	Yes
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of

this intervention are displayed in bold
R.36 Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown
R.37 New jobs supported in CAP projects
R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality
R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)
R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Description

Pillar I support for young farmers is intended to facilitate the setting-up of young farmers, given the high costs associated with setting up and the low creditworthiness of start-up farms. By broadening eligibility criteria, the intervention will have a stronger incentive for potential beneficiaries, thus improving the EU's objective of promoting generational renewal. In Pillar I, the financial resources, the specific amount of support and the territorial ceiling are also substantially increased, reflecting Hungary's greater commitment than hitherto.

Demographic background:

- Based on the data available since 2010, it can be concluded that the number of new entrants and, consequently, the number of farmers under the age of 40 is gradually decreasing, while this number has fallen to a historical low in 2019. New entrants (4193 companies and individuals) accounted for 2.5 % of the total number of applicants, while 1528 of these were under 40 years old, or less than 1 % of the total population.
- With regard to area data, it can be seen that there has been a significant decrease in the size of new entrants, representing 1.3 % of the total eligible area in 2019, compared to 0.4 % for start-up agricultural enterprises under the age of 40.
- However, the most important finding is that the “demographic reserve” seems to be exhausted, with a substantial decrease in the number of applicants and the area declared by 2020, which may continue in the coming years.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

A young farmer shall be entitled to the complementary income support if he is entitled to the basic payment, given that the payment is allocated to the amount of the basic payment. Accordingly, some of the eligibility criteria are identical to the eligibility criteria for the basic payment.

Specific eligibility criteria:

- On the last day of the period for submitting the single application without penalty, the applicant is at least 18 years old and no more than 40 years old, A young farmer as defined in Chapter 2;
- The aid can be claimed for a maximum period of 5 years;
- The aid may be claimed annually by a young farmer or by one or more legal persons under the effective and long-term control of the young farmer in the context of the single application;
- A farmer submitting an application for the first time for the basic payment shall declare that he started an agricultural activity at the earliest shortly before the application was submitted;
- The support area shall not exceed 300 hectares;
- Be qualified in agriculture or forestry, as laid down in the relevant national legislation. The qualification standard may be replaced by a minimum of 2 years of relevant agricultural professional experience;
- Young farmers who entered before 2023 but have not yet completed the 5 year period (‘young transitional farmers’) can continue to apply for the remaining years, but will already be entitled to the new specific amounts;

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all producers. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

The intervention gives support to young farmers for how many years? **5**

What are the conditions applied for the definition of newly setting-up?

The start of the agricultural activity shall be deemed to be the date on which the young farmer applying for the payment (in the case of a legal person at the earliest the young farmer exercising effective and long-term control in the legal person or any legal person under the effective and long-term control of the young farmer) has submitted an application for a basic payment for the first time.

First submission as the date on which the agricultural activity begins – Reason

1. The start-up of an agricultural activity which is not covered by direct aids may not be established or is subject to a high administrative burden.

According to the Hungarian plans, support for young farmers may also be granted to natural persons and legal persons. As the two groups of applicants have different legal backgrounds, the starting date of the agricultural activity can be monitored in different ways by administrative means.

·For **natural persons**, there is no need for an authorisation to carry out a minimum agricultural activity, there is no obligation to notify. Nor do you need to register with the Paying Agency until you submit an aid application. In the case of natural persons, it is therefore not possible to distinguish precisely when the applicant first carried out pet farm work in the context of ancillary or hobby activities and when this became a commercial activity. However, as soon as land use is linked to the activity, economic interests dictate the use of direct support schemes, in particular the basic payment, the redistributive payment and the young farmer's payment, in order to make his business effective. It is important that, unlike the system based on payment entitlements, the Hungarian BISS support is similar to the current SAPS system, so that all agricultural land may be eligible for aid and no entitlements are required. It is therefore legitimate to presume that those who have land at their disposal will also be eligible for the aid scheme.

·**In the case of legal persons**, business start-up can be administratively monitored and accurately documented (e.g. setting up a company), but public databases do not record when agricultural activity is carried out for the first time in the context of a commercial activity. The establishment of a firm does not, therefore, in itself mean when actual production will actually take place after its establishment, in particular if the company's objectives include both agricultural and non-agricultural activities.

2. Initial financial situation of young farmers

The main reason for joint efforts at EU level to promote generational renewal is the ageing farming community and the fact that farmers who start farming are at a significant disadvantage compared to their competitors. Young farmers start up with high start-up costs (access to land, start-up costs, purchase of machinery, buildings, heavier credit conditions). This is precisely why the Common Agricultural Policy helps them in the early stages of farming. When considered on an economic basis, it is therefore

unrealistic for a young farmer to start his activity without the basic payment (BISS), the redistributive payment (CRISS) and the young farmer's additional payment. This would simply be contrary to its economic interests and even an obligation to declare land use. According to the Hungarian plans submitted, for a small area of land up to EUR 370 per hectare can be used for these three easy-to-apply titles.

3. Arguments relating to “young farmers in transition”

We intend to make use of the possibility provided for in the second paragraph of Article 30(2) of the Strategic Plan Regulation, and producers applying for the young farmer's support before 2023 will continue to be eligible for the payment, now with the higher specific amount and up to a higher area. In order both to protect legal certainty and to reduce the administrative burden, it is logical to make the two groups of beneficiaries subject to the same conditions.

4. Amended proposal for eligibility for young farmers' start-up aid

The Paying Agency is able to verify, by means of a simple administrative check, whether or not the producer who submitted the application has made an application.

It is on the basis of the arguments and considerations presented here that it was decided to consider the first submission of the single application as the beginning of the substantive agricultural activity. However, while partially accepting the Commission's argument, we incorporate a declaration step in the application process in which the farmer is aware of his legal liability as to the starting date of his agricultural activity. This should exclude cases where a young farmer has already carried out a certain level of agricultural activity before submitting his first area-based direct aid application and, where appropriate, can no longer qualify as a start-up farm. It should be noted that, on the basis of the arguments described above, these cases are more theoretically likely.

That said, it can be assumed that young farmers who started their activity before 2023 entered the scheme at the latest in application year 2022.

It is important to note here that the requirement of ‘*newset up*’ is also included in the current system in the form of ‘*which is setup for the first time*’ (Article 50(2) of Regulation (EU) No 1307/2013), which, in our view, has a similar meaning. In this respect, the Commission has repeatedly explained that the submission of a single application should be considered as the start of the activity^[1]. It is also important to see that Article 30(3) of the Regulation envisages the granting of a five-year premium for the first submission of an application. Recital 61 states that ‘*That type of intervention should provide young farmers with additional income support after the initial setting-up. (...) Since it should only cover the initial period of the life of the business, such payment should be granted for a maximum duration after the submission of aid application and shortly after the initial setting-up.*’

In the case of Hungary, on the basis of the above, it is reasonable to assume that the ‘*initial setting up*’ and the first submission coincide, or that the time between them is in fact short. **To be confirmed, the producer shall make a legal declaration.** The legal declaration shall be accepted by the Paying Agency until the opposite fact becomes in its possession, e.g. after an administrative cross-check with existing databases has been carried out.

^[1] D(2014) 1677491, D(2014) 4122056

What form the support does take: **an annual decoupled payment per eligible hectare**

What is the amount of aid per hectare/lump-sum? **157**

Do you set a maximum in terms of number of ha? Y/N

☒ Yes ☐ No

If yes, what is the maximum number of ha? **300**

Other comments on thresholds?

Act CXXII of 2013 on the circulation of agricultural and forestry land has been in force in Hungary since 2013. Section 16(1) of Act CXXII states that *'the farmer and the person acquiring the land in the manner specified in Section 10(3) and (3a) may acquire ownership of the land up to a maximum of 300 hectares (land acquisition limit) by taking into account the size of the land already owned and in the usufruct.'*

The Hungarian legal environment therefore provided for a maximum holding of 300 hectares for all private farmers. In the period from 2015 onwards, the limit of 90 hectares, set by EU law, was below the size limit laid down in the Hungarian legislation. At the same time, Article 30(3) of Regulation (EU) 2021/2115 has resulted in substantial facilitation in the area of the establishment of a tenure border.

In the light of national considerations, during the planning preparation and the assessment of needs, it was clear that increasing the 90-hectare size limit would help young farmers. As a result, adapting to the domestic regulatory environment is an appropriate response to address needs and, as a result, young farmers can be assisted by targeted support for the maximum total land they can own.

Another argument in favour of introducing a limit of 300 hectares is that, in the absence of an area limit, planning would have become more difficult. A lower limit could have been an incentive to artificially split up holdings.

According to the preliminary calculations, an increase in the size limit could also substantially increase the size of the eligible area. The impact of the increase in the size limit can be illustrated on the basis of the latest available 2020 data. Based on the approved data, it can be seen that the eligible area (145 thousand hectares) would have increased by 13.5 % (19 500 ha), which would have benefited one in two legal persons.

When assessing the situation in the sector and identifying the needs, it was clear that a planned size of more than 90 hectares could lead to a more viable and socially and environmentally sustainable farming environment.

Do you apply a continuity with the previous scheme (Young Farmer Payment)?

Yes. Young farmers who entered before 2023 but have not yet completed the 5-year period ("young farmers in transition") may continue to apply for the aid in the remaining years, but will be eligible for the new, more favourable specific amount. The new, more favourable conditions include an increase of the area ceiling from 90 to 300 hectares. In addition, the minimum qualification requirement under the new conditions must of course also be met.

Other comments

No further comment.

9 WTO compliance

Green Box

Paragraph 5 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 5 of Annex II.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP03_O06_U01_HA - Specific amount of complementary income support for young farmers	Uniform		R.36; R.37; R.4; R.6; R.7

Explanation and Justification (including the flexibility)

DP03_O06_U01_HA - Specific amount of complementary income support for young farmers

The SWOT analysis, as well as the discussions with stakeholders, have made it clear that visible negative developments require a significant increase in efforts so far. Therefore, as of 2023, there will also be a substantial expansion for the dedicated resources, the specific amount or the territorial limit. The financial envelope of Pillar I is almost 1.5 times higher, the territorial limit is increased from 90 to 300 hectares and the specific amount is increased from EUR 67 to EUR 157,33.

The significant increase is justified by the high start-up costs for young farmers (access to land, start-up costs, more difficult credit conditions) when starting their agricultural activity.

The planning of the intervention is complicated by the uncertainty as to the overall demographic specificities of producers. It is possible to plan and estimate with good precision the proportion of farmers currently receiving support to participate in the measures in the coming years. At the same time, the number of entrants and the size of the area they cultivate as of 2023 is particularly difficult to estimate, taking into account the demographic effects.

While the measures listed in chapter 3.2 of the Strategic Plan offer a number of opportunities to achieve success in the context of social renewal, careful planning following reality has become necessary in order to avoid loss of resources, increase the effectiveness of the measure and achieve the CAP objectives. This makes it necessary to define a wide range for the specific aid amount.

In general, farm managers in the EU and Hungary tend to be predominantly men and relatively old. Only one in ten (9.5 %) managers were young farmers under 40 years old and they farmed 16.9 % of the area managed by individuals at EU level. The Hungarian ratios are slightly more favourable: 13.4 % of farmers were under 40 years old and they managed 23.1 % of the area cultivated by private individuals. (Eurostat, 2018^[1])

^[1] Eurostat (2018): Farmers and the agricultural labour force – statistics

Table 1: Age distribution of producers, 2016

	Under 40 years	Over 40	share of people under 40
Number of producers, pieces			
EU	256 850	2 717 950	9.5 %

HU	13 860	103 410	13.4 %
Utilised agricultural area, hectares			
EU	3 359 320	19 853 200	16.9 %
HU	141 920	615 430	23.1 %

Source: Based on Eurostat, 2018

On the basis of an analysis of the data of all farmers submitting the single application, the data available since 2010 show a gradual reduction in the number of new entrants on the one hand, and the number of farmers under 40 years of age on the other. As a result of the trend-like process, the number of new entrants fell to a historic low in 2019. New entrants accounted for 2.5 % of the total number of applicants (4193 companies and individuals in 2019), while only 1528 were younger than 40, representing less than 1 % of the total population. (Table 2).

Table 2: Distribution of new entrants 2010-2019

Year of EC administration	New entrants (company+individual)	Less than 40 years old (individual)	Total population	New entrants	Younger than 40 years
	producers, main		producers, thousands of persons	% of total	
2010	6 845	2 467	179,88	3.8 %	1.4 %
2011	7 406	2 867	187,59	3.9 %	1.5 %
2012	9 103	3 338	188,98	4.8 %	1.8 %
2013	10 862	4 096	177,03	6.1 %	2.3 %
2014	7 833	2 688	176,89	4.4 %	1.5 %
2015	10 214	4 223	173,8	5.9 %	2.4 %
2016	8 594	4 823	173,08	5.0 %	2.8 %
2017	6 592	3 516	172,03	3.8 %	2.0 %
2018	4 411	1 761	168,96	2.6 %	1.0 %
2019	4 193	1 528	166,32	2.5 %	0.9 %

Source: Ministry of Agriculture calculation based on data from the Hungarian State Treasury 2020

If we also look at the area data, during the period since 2010 there has been a significant decrease in the area of new entrants, which accounted for 1.3 % of the total eligible area in 2019, compared to 0.4 % for newcomers younger than 40 years old. (Table 3)

Table 3: Area of new entrants 2010-2019

Year of EC administration	New entrants (company+individual) area 1 000 ha	Less than 40 years old (individual)	Total population area million ha	New entrants % of total	Younger than 40 years
2010	90,9	26,0	4,97	1.8 %	0.5 %
2011	100,2	28,2	4,96	2.0 %	0.6 %
2012	118,0	33,0	4,96	2.4 %	0.7 %
2013	109,0	34,8	4,95	2.2 %	0.7 %
2014	155,4	25,4	4,94	3.1 %	0.5 %
2015	165,8	60,7	4,94	3.4 %	1.2 %
2016	116,8	55,1	4,91	2.4 %	1.1 %
2017	85,0	31,7	4,94	1.7 %	0.6 %
2018	56,0	17,5	4,95	1.1 %	0.4 %
2019	65,3	18,3	4,93	1.3 %	0.4 %

Source: Ministry of Agriculture calculation based on data from the Hungarian State Treasury 2020

As regards demographic data in the sector, it can be seen that the number of young farmers is also decreasing and is expected to decrease further as a result of a gradually decreasing trend. During the period, it can be observed that both the number of producers and the area claimed increased gradually, before decreasing significantly in 2020. After the introduction, the number of eligible producers increased, reaching almost 12 thousand in 2019, but already dropped to 9.5 thousand in 2020. It is important that at the start of the scheme, not only farmers starting in 2015 but also the years 2011-2015 were eligible, which explains the initial high number of participants. (Table 4)

Table 4: Application data for young farmers (2015-2020)

Application year	2015	2016	2017	2018	2019	2020
Number of applicants	7 690	10 724	12 558	12 366	14 845	12 114
Area claimed at the end of application, (ha)	165 909	201 604	220 750	212 196	295 136	228 977
Approved application number (number)	6 729	9 509	11 207	10 957	12 002	9 419
Size of approved	144 145	175 216	193 203	186 015	193 561	145 154

area, (ha)						

Source: Hungarian State Treasury, 2021

It has gradually increased since the imposition of the measure and subsequently decreased at the end of the investigation period.

In summary, producers who made use of the opportunity at the beginning of the period starting in 2015 are expected to moderately boost potential new entrants. As a result, taking into account the five-year eligibility limit, the “demographic reserve” appears to be exhausted. Following a substantial decline in 2020, this is expected to continue in the outer years. The increase of the specific aid amount and the holding limit is used to dampen this. The planning is therefore subject to uncertainty both in terms of expected outputs and the number of new entrants. In addition, minimum spending rates are set for generational renewal. Planning uncertainties, the risk of loss of funds and the fulfilment of the minimum expenditure ratio justify the ± 50 % deviation set out in the plan.

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP03_O06_U01_HA - Specific amount of complementary income support for young farmers	Planned unit amount	157.33	157.33	157.33	157.33	157.29	
	Minimum Amount for the Planned unit amount	78.67	78.67	78.67	78.67	78.65	
	Maximum Amount for the Planned unit amount (EUR)	236.00	236.00	236.00	236.00	235.94	
	O.6 (unit: Hectares)	118,800.00	118,800.00	118,800.00	118,800.00	118,800.00	
	Planned output * Planned unit amount	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,686,052.00	93,449,268.00
TOTAL	O.6 (unit: Hectares)	118,800.00	118,800.00	118,800.00	118,800.00	118,800.00	Sum: 594,000.00 Max: 118,800.00
	Annual indicative financial allocation (Union Contribution in EUR)	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,686,052.00	93,449,268.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,475,671.51	93,238,887.51

Eco-scheme(31) - Schemes for the climate, the environment and animal welfare

DP17_G01_ECOS_16 - Agro-ecological programme

Intervention Code (MS)	DP17_G01_ECOS_16
Intervention Name	Agro-ecological programme
Type of Intervention	Eco-scheme(31) - Schemes for the climate, the environment and animal welfare / Art. 31(7)(a) - Additional payment to BIS
Common Output Indicator	O.8. Number of hectares or of livestock units benefitting from eco-schemes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

CAP AREAS OF ACTION Code + Description

AOA-A climate change mitigation, including reduction of GHG emissions from agricultural practices, as well as maintenance of existing carbon stores and enhancement of carbon sequestration

AOA-D prevention of soil degradation, soil restoration, improvement of soil fertility and of nutrient management [and soil biota]

AOA-E protection of biodiversity, conservation or restoration of habitats or species, including maintenance and creation of landscape features or non-productive areas

AOA-F actions for a sustainable and reduced use of pesticides, particularly pesticides that present a risk for human health or environment

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
5.1.2	Reducing nutrient losses,	1	Yes

	preventing nutrient leaching		
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes
6.2.3	Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.12 Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation

R.14 Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)

R.19 Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)

R.20 Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission

R.21 Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies

R.22 Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management

R.23 Share of utilised agricultural area (UAA) under supported commitments to improve water balance

R.24 Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage

R.31 Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices

R.34 Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Description

Description of the intervention:

Under the basic agro-ecological scheme, farmers may receive a lump sum per hectare payment per year as a complementary payment to the basic income support pursuant to Article 31(7)(a) of Regulation (EU)

2021/2115 of the European Parliament and of the Council for voluntary good practices for climate and environmental purposes.

One of the reasons for the choice of the additional form of payment is that, because of its simplicity, a more transparent and comprehensible and predictable system, which is one of our priorities, can also be seen from the point of view of producers. In addition, the top-up approach, combined with a scoring system, can distinguish between the level of ambition of the pledges, while still being paid with a single unit value to producers.

Based on the positive experience of the so-called greening payment in the period 2014-2021 and the payment for agri-environmental management under the Rural Development Programme, we set out optional requirements that are already known, understandable and environmentally beneficial for farmers. The aim of this well-targeted intervention is to ensure that a relatively large number of farmers can benefit from an environmentally efficient support programme on a relatively large part of agricultural land. In order to ensure that the majority of farmers find the most favourable standard for them, we have formulated optional requirements as a method of exploitation. These standards can be considered as agricultural practices focusing on soil and water protection, biodiversity protection and climate change mitigation, in particular:

- soil protection against erosion;
- protection and improvement of soil structure;
- preserving and improving soil potential;
- protecting and improving soil biodiversity;
- increasing the water retention capacity of soils;
- protecting water quality by reducing alluvial and polluting loads from soil erosion and/or surface runoff;
- protecting water quality by reducing pesticide pollution from agricultural sources;
- sustainable use of water;
- maintaining and increasing the diversity of habitats linked to agricultural land, in particular with regard to habitats, thereby improving the situation of species in unfavourable conservation status and improving the landscape structure;
- reducing fertiliser use, thereby reducing ammonia emissions;
- increasing carbon sequestration of agricultural land;
- sustainable use of pesticides, integrated pest management.

In order to ensure that practices of good weight are implemented, the optional practices have been scored and indicated as a requirement that farmers have to score at least two points per method of exploitation. When selecting scoring values, we have taken into account the fact that possible combinations of individual specifications also have a sufficiently strong environmental benefit.

The support shall be granted on a per hectare basis as a complementary payment to the basic income support, provided that the conditions and best practices chosen are respected.

Description of commitments for eco-scheme

Requirements:

The management of agronomic operations and the provision of data to that effect from all farmers benefiting from support are the basic principles.

For all actual uses within the holding (arable, grassland, special permanent crops, other permanent crops, non-Natura 200 grasslands, Natura 2000 grasslands), a minimum of 2 points must be chosen from among

the agricultural good practices identified.

Where the arable land or non-Natura 2000 grassland of the holding is less than 5 ha or 1 ha in the case of other permanent crops, there is no obligation to make provision for a given type of use, but payment for the area concerned shall not be granted only if the farmer also opts for these areas below the threshold.*

There is no obligation to choose a practice for Natura 2000 sites and special permanent crops, but payment is only granted for the land use category if the farmer also commits to these areas.

Method of exploitation	Optional good practices	Point	Contribution to environmental objectives
Arable land	After summer or autumn-harvest crops, where crops other than autumn sown are followed, provide mulching with cover crops or by leaving the stubble in a cultural state until the start of preparatory work for the following year's spring culture, but at least by 28 February.	1	The practice increases the carbon sequestration capacity of soils by ensuring that the soil surface is covered for as long as possible, while soil cover protects soils from the adverse effects of erosion and helps to preserve soil moisture. Soil cover throughout the winter contributes to ensuring that active substances from plant protection products and nutrients are not drained into water bodies from agricultural land. This is particularly true for areas with varied terrain. As a result, the quality of water bodies is improved. Related specific objective: SO4 and SO5 Related R indicators: R12, R14, R19, R21, R23
	Crop diversification requirements for arable crops: (a) farmers on arable land of 10 hectares or less shall produce at least two different crops on arable land in a given year and, in the case of two crops, the crops grown on the largest area shall not cover more than 80 % of the arable land; (b) at least three half of those with more than 10 hectares of arable land shall be cultivated, in the case of three crops, the crops grown on the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land; (C) where there are more than 30 hectares of arable land, at least four half of the arable land shall be cultivated and, in the case of four crops, the crops grown on	1	The practice contributes to reducing extortion, improving the agricultural area's gross nutrient balance and reducing pesticide use by developing a crop structure with well-diversified crops with different needs. As the number of plant species grown on arable land increases, crop diversification contributes to a more mosaic landscape and thus also to its habitats. In addition to mosaic, crop diversification helps to increase the number and length of field margins. This has a positive impact on the population dynamics of wild species linked to agricultural habitats. Related specific objective: SO5 and SO6 Related R indicators: R 19, R 22, R 24 and R 31

	the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land, provided that the area under the smallest crop shall be 1 ha. (D) At least half of those with more than 300 ha of arable land shall be cultivated and, in the case of five crops, the crops grown on the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land, provided that the area under the smallest crop shall be equal to 1 ha. (e) At least six half of those with more than 1 000 hectares of arable land shall be cultivated and, in the case of six crops, the crops grown on the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land, provided that the area under the smallest crop shall be equal to 1 ha.		
	Maintaining an area of 10 % of arable land, non-productive landscape features and areas, or a combination thereof.(Possible overlap with the AEM requirements is avoided by allowing the same element to be accounted for under only one item.) Under this commitment, the combined share of ecological focus secondary crops and nitrogen-fixing crops grown without the use of plant protection products shall not exceed 5 % of arable land. Commitment basis is the arable land used by the farmer, excluding temporary grassland.	2	The practice contributes to maintaining and increasing the diversity of habitats, landscape features and areas associated with agricultural land, thereby helping to improve the situation of species in unfavourable conservation status. Furthermore, land lying fallow, small wetlands facilitates carbon sequestration, while ecological boundary strips and erosion buffer strips serve to protect soils against erosion. Landscape features that provide permanent plant cover on the edges of the plots or provide continuous soil cover contribute to ensuring that active substances derived from plant protection products and nutrients are not discharged from agricultural land into water bodies. As a result, the quality of water bodies is improved.

	Derogation for application year 2024: Hungary makes use of the derogation in Implementing Regulation (EU) 2024/587 to adapt the baseline requirement to the GAEC 8 derogation in the Agro-ecological Programme. Accordingly, to meet the 10 percentage points of the pledge, the combined share of ecological focus secondary crops and nitrogen fixing crops grown without the use of the plant protection product should not exceed 9 % of the arable land.		Related specific objectives: SO4, SO5 and SO6 Related R indicators: R 14, R 19, R 21, R 31, R 34
	Maintaining an area of 10 % of arable land, non-productive landscape features and areas, or a combination thereof.(Possible overlap with the AEM requirements is avoided by allowing the same element to be accounted for under only one item.) In order to meet 10 percentage points of this commitment, the combined share of ecological focus secondary crops and nitrogen-fixing crops grown without the use of plant protection products shall not exceed 9 % of the arable land under which the farmer uses arable land, excluding temporary grassland.	1	The practice contributes to maintaining and increasing the diversity of habitats, landscape features and areas associated with agricultural land, thereby helping to improve the situation of species in unfavourable conservation status. Furthermore, land lying fallow, small wetlands facilitates carbon sequestration, while ecological boundary strips and erosion buffer strips serve to protect soils against erosion. Landscape features that provide permanent plant cover on the edges of the plots or provide continuous soil cover contribute to ensuring that active substances derived from plant protection products and nutrients are not discharged from agricultural land into water bodies. As a result, the quality of water bodies is improved. Related specific objectives: SO4, SO5 and SO6 Related R indicators: R 14, R 19, R 21, R 31, R 34
	Where the total area of arable land on the holding exceeds 50 ha, the maximum size of arable land shall not exceed 30 hectares. Any overlap with the AKG ‘voluntary plate size limitation’ is avoided by preventing a customer who has opted for this specification in the AKG from choosing it in the AÖP.	1	The practice contributes to the development of a mosaic landscape, which has a positive impact on the biodiversity of agricultural habitats and the diversity of landscape structures. Related specific objectives: SO5 and SO6 Related R indicators: R 19, R 21, R 31
	In plant protection, the use of plant protection products	1	The practice has a positive impact on pollinating

	classified as either moderately hazardous or hazardous to bees is prohibited on the basis of the authorisation document. A regularly updated list of non-use agents is published by the MA for information purposes.		insects. Related specific objectives: SO5 and SO6 Related R indicators: R 24, R 31
	Immediate incorporation of urea fertiliser or application of an inhibitor during application.	1	In the case of urea, a significant reduction in emissions can be achieved by immediate incorporation or the application of inhibitor fertiliser, which contributes to the reduction of ammonia emissions. Related specific objectives: SO5 Related R indicator: R12; R 20
	The use of microbiological preparations on at least 50 % of arable land before sowing or by sowing, applied to the soil and added to the soil and then mixed into the soil.	2	The practice helps restore soil organic matter and improve soil potential and soil biodiversity, thereby contributing to reducing nutrient losses and improving the water retention capacity of soils. Healthier soils, in turn, contribute to the reduction of fertiliser and increased use of protective agents. Related specific objectives: SO5 Related R indicator: R 19, R 20, R 21, R 24
	Use of soil conditioning, plant conditioning, N-fixing or compost products on at least 50 % of arable land.	1	The practice helps restore soil organic matter and improve soil potential and soil biodiversity, thereby contributing to reducing nutrient losses and improving the water retention capacity of soils. Healthier soils, in turn, contribute to the reduction of fertiliser and increased use of protective agents. In particular, soil conditioners help to develop favourable soil conditions, adequate humus content and aeration. N fixation aids contribute to reducing ammonia emissions. Compost preparations consisting of organic, inorganic and mineral materials provide a rich source of nutrients that promote the healthy development and growth of plants. They also improve soil structure, increasing its water retention capacity and aeration, creating a more sustainable and healthy environment for plants in the long term. Related specific objectives: SO5 Related R indicator: R 19, R 20, R 21, R 24
	The use of a non-rotational cultivation method (minimum	2	The practice contributes to preserving the carbon stock of soils, thereby reducing greenhouse gas

	cultivation, zero-till, direct sowing) on at least 50 % of the arable land under cultivation, using a plant protection product restricted to at least 50 % of the arable land under cultivation, where the use of glyphosate-containing pesticides is permitted at most once a year only for weed control or, where it is not otherwise feasible due to weather and soil conditions, for the terminaling of crops grown as cover crops. A regularly updated list of prohibited pesticides is published by the MA.		emissions from arable land and halting or reversing the degradation of the soil structure, as well as improving humus content and water retention. Taking into account chemical control alternatives, there is no other active substance having an all-effect effect in Hungary. Only selective active substances, combined with at least 2 active substances, can produce at most a similar result at a much higher cost level and with a very high risk of development of resistance. The deliberate use once a year of glyphosate products with selective mode of action in soil-friendly cultivation allows for the effective and targeted removal of cover crops with minimal soil disturbance and loss of soil moisture. This is without prejudice to the ecological usefulness of the practice. A detailed justification is attached to the Plan among the other Member States' documents. Related specific objectives: SO4 and SO5 Related R indicators: R 12, R 14, R 19, R 21, R 23
Turf	Conservation of grasslands at farm level compared to previous year grasslands, with permanent grasslands to be maintained at parcel level, while the location of temporary grasslands may vary. Hacking or ploughing of grasslands is prohibited. Only optional on non-Natura 2000 grasslands	1	The conservation of grasslands at farm level increases both carbon sequestration on agricultural land and contributes to the preservation of biodiversity, given that a significant part of Hungary's grasslands are extensively cultivated. Furthermore, conserving the size of temporary grasslands is a step forward in sustainability. Related specific objectives: SO4 SO5 and SO6 Related R indicators: R 12, R 14, R 31
	The continuation of pastoral or intermittent grazing on at least 50 % of the grassland. The grazing of a section does not exceed 12 days. — Optional on all grasslands.	2	Pastoralism or batch grazing greatly influences the area's nutrient flows by altering the use of different pasture areas, thereby contributing to the composition of the vegetation making up the grass and the annual grass yield, thus contributing to the development and protection of biodiversity appropriate to the type of grassland. Regulated grazing can also contribute to the protection of certain species of flora and fauna that are important for nature conservation and to the reduction of certain unwanted species. Related specific objectives: SO6 Related R indicators: R12; R14; R19; R 31

	Mowing of extensive grasslands at least once a year. Optional only 1 on non-Natura 2000 grasslands.		The use of grasslands by mowing contributes to the development of an appropriate species mix and to the reduction of unwanted species. Related specific objectives: SO6 Related R indicators: R 31
	Using only alternating hake or rear-suspension or towed mowers without shanks when mowing grasslands. — Optional on all grasslands.	2	When using the alternating mower, the grass is simply inclined during mowing, the plants are not damaged above the mowing plane, but the cutting quality is good and the grass has a quicker shoot. When using suitably used rear-suspension or towed pads without stalk breakers, wildlife is also not damaged and can therefore be used as an alternative to an alternative to an alternating cake. Related specific objectives: SO6 Related R indicators: R 31
	On grasslands, a stubble height of at least 10 cm is mandatory after mowing. Optional for all types of grassland.	1	Mowing above 10 cm in grasslands significantly contributes to the protection of fauna. Related specific objectives: SO6 Related R indicators: R 31
	Grazing of at least 50 % of grasslands with native livestock breeds. The livestock density must be at least 0.2 livestock units per hectare. Optional for all types of grassland	1	The proposed practice has beneficial habitat effects due to the non-selective grazing practices of native breeds. Adapting local animal breeds to local environmental conditions is scientifically proven. Their adaptation to local environmental conditions has a mutual impact: these varieties are best suited to manage pasture areas properly. Habitat management and habitat restoration practices in Natura 2000 sites in Hungary (partially funded by several LIFE Natura projects) have shown that grazing with local animal breeds has yielded better biodiversity results, mainly due to:- The grazing of local breeds is less selective and is therefore more suitable to reduce weed species in pastures. — With appropriate grazing practices, native livestock breeds can usefully help to reduce invasive plant species (<i>Solidago canadensis</i>, <i>Amorpha fruticosa</i>). — Their adaptation to local environmental conditions makes them more resilient to extreme weather conditions caused by climate change (durable drought, high UV radiation, periodic flooding). In addition, due to the greater resistance of local breeds to diseases and pathogens, it can be assumed that the pressure on grasslands for

			antibiotics and other residues will be reduced. The use of these veterinary medicinal products causes widely documented environmental problems. The proposed practice does not fall under the current agri-environmental management (AKG) scheme, so there is no risk of double funding. Related specific objectives: SO6 Related R indicators: R12; R14; R19; R 31
	Grazing of at least 70 % of grasslands with native livestock breeds. The livestock density must be at least 0.2 livestock units per hectare. Optional for all types of grassland	2	The proposed practice has beneficial habitat effects due to the non-selective grazing practices of native breeds. Adapting local animal breeds to local environmental conditions is scientifically proven. Their adaptation to local environmental conditions has a mutual impact: these varieties are best suited to manage pasture areas properly. Habitat management and habitat restoration practices in Natura 2000 sites in Hungary (partially funded by several LIFE Natura projects) have shown that grazing with local animal breeds has yielded better biodiversity results, mainly due to: — The grazing of local breeds is less selective and is therefore more suitable for reducing weed species in pastures. — With appropriate grazing practices, native livestock breeds can usefully help to reduce invasive plant species (<i>Solidago canadensis</i>, <i>Amorpha fruticosa</i>). — Their adaptation to local environmental conditions makes them more resilient to extreme weather conditions caused by climate change (durable drought, high UV radiation, periodic flooding). In addition, due to the greater resistance of local breeds to diseases and pathogens, it can be assumed that the pressure on grasslands for antibiotics and other residues will be reduced. The use of these veterinary medicinal products causes widely documented environmental problems. The proposed practice does not fall under the current agri-environmental management (AKG) scheme, so there is no risk of double funding. Related specific objectives: SO6 Related R indicators: R12; R14; R19; R 31

Permanent crops	Use of micro-irrigation technologies in at least 50 % of the other permanent culture area	2	The practice contributes to the sustainable use of water resources. Related specific objectives: SO5 Related R indicators: R 23
	In plant protection, according to the authorisation document, the use of plant protection products classified as hazardous or hazardous to bees is prohibited. A regularly updated list of non-use agents is published by the MA for information purposes. Practice that can be used in both special and other permanent crops.	1	The practice has a positive impact on pollinating insects. Related specific objectives: SO5 and SO6 Related R indicators: R 24, R 31
	Use of authorised biological agents or pheromonic airspace saturation on at least 50 % of the other permanent crop area.	2	The practice also helps to reduce the use of chemical pesticides in permanent non-organic crops. Related specific objectives: SO5 and SO6 Related R indicators: R 21, R 24, R 31
	Use of microbiological preparations as soil grafting or flock treatment on at least 50 % of the other permanent crop area	2	The practice helps restore soil organic matter and improve soil potential and soil biodiversity, thereby contributing to reducing nutrient losses and improving the water retention capacity of soils. Healthier soils, in turn, contribute to the reduction of fertiliser and increased use of protective agents. Related specific objectives: SO5 Related R indicator: R 19, R 20, R 21, R 24
	Use of soil conditioning or plant conditioning or compost products on at least 50 % of the other permanent crop area.	1	The practice helps restore soil organic matter and improve soil potential and soil biodiversity, thereby contributing to reducing nutrient losses and improving the water retention capacity of soils. Healthier soils, in turn, contribute to the reduction of fertiliser and increased use of protective agents. In particular, soil conditioners help to develop favourable soil conditions, adequate humus content and aeration. N fixation aids contribute to reducing ammonia emissions. Compost preparations consisting of organic, inorganic and mineral materials provide a rich source of nutrients that promote the healthy development and growth of plants. They also improve soil structure, increasing

			its water retention capacity and aeration, creating a more sustainable and healthy environment for plants in the long term. Related specific objectives: SO5 Related R indicator: R 19, R 20, R 21, R 24
	Mulching of permanent crops in areas with a slope of less than 12 %, with the cultivation of one-year spacing crops. An optional practice in both special and other permanent crops.	1	Soil cover protects soils from the adverse effects of erosion and helps to preserve soil moisture. Related specific objective: SO4 and SO5 Related R indicators: R12, R14, R19
	Mulching of permanent crops by maintaining perennial crops or by grassing. An optional practice in both special and other permanent crops.	2	The practice increases the carbon sequestration capacity of soils by ensuring that the soil surface is covered for as long as possible, while soil cover protects soils from the adverse effects of erosion and helps to preserve soil moisture. Related specific objective: SO4 and SO5 Related R indicators: R12, R14, R19, R23
	Immediate incorporation of urea fertiliser or application of an inhibitor during application in other permanent crops.	1	In the case of urea, a significant reduction in emissions can be achieved by immediate incorporation or the application of inhibitor fertiliser, which contributes to the reduction of ammonia emissions. Related specific objectives: SO5 Related R indicators: R12; R 20

Where the arable land or non-Natura 2000 grassland of the holding is less than 5 ha or 1 ha in the case of other permanent crops, there is no obligation to make provision for a given type of use, but payment for the area concerned shall not be granted only if the farmer also opts for these areas below the threshold.*

*In the case of Natura 2000 grasslands, the Land Use Rules for the Maintenance of Natura 2000 grasslands are laid down in Government Decree 269/2007. Government Decree (X. 18.) lays down mandatory requirements for which compensatory aid may be claimed under Article 72 of the SPR. Given that the requirements set out therein may also be desirable for non-Natura 2000 grasslands, we would like to make them available among the optional good practices of the AÖP, with the proviso that these standards are not optional in Natura 2000 sites. Due to their mandatory use requirements, Natura 2000 grasslands are not reported in the overall economic concept of the AÖP, as is the case for areas with a size limit of 5 ha and 1 ha respectively, but payments for the affected areas are only granted if, despite the derogation, they choose the best practices available to them.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to a basic payment is eligible for aid under the agro-ecological scheme, since the payment is based on the amount of the basic payment pursuant to Article 31(7)(a) of the STR Regulation. Accordingly, some of the eligibility criteria are identical to the eligibility conditions for the basic payment, i.e.

- has at least one hectare of eligible area;
- has submitted an aid application for the eligible land;
- prove the status of land user in respect of the area applied for on the last day of the deadline for the submission of the aid application;

Specific eligibility criteria:

- For each actual use on the holding (arable, other grasslands, other permanent crops), a minimum of 2 points shall be chosen from among the agricultural good practices identified.
- Where the arable land or grassland of the holding is less than 5 ha or, in the case of permanent crops, 1 ha, for a given type of use, there is no obligation to make payments for the area concerned only if the farmer opts for these areas below the threshold.
- In the context of the Agro-ecological Programme, a category of ‘special’ permanent culture is defined in part different from the definition of permanent culture in the basic act. In particular, in the case of short rotation coppice or tree plantations established on agricultural land under EAGGF or EAFRD to provide raw material for industrial purposes consisting of fast-growing species, it is not mandatory to choose a practice. Special permanent crops are not included in the overall economic concept of the AÖP, as is the case for areas with a size of 5 ha and 1 ha respectively, but only if, despite the derogation, they choose the best practices available to them.

Link to agri-environmental management (AKG) payments:

The provisions of the agro-ecological scheme and agri-environmental payments are clearly designed in such a way that they differ from one standard to another. In the case of specifications where, due to their nature, the individual specifications are nevertheless linked, any overlap is avoided by preventing the customer who has chosen the standard in the AKG from choosing the corresponding good practice in the AÖP.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC05	Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC07	Crop rotation in arable land, except for crops growing under water
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species

GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natura 2000 sites
SMR01	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)
SMR08	Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants

List of relevant mandatory national standards

NJSZ - Section 35-42 of Act CXXIX of 2007 on the protection of agricultural land

The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows:

On arable land at risk of erosion, the user shall, in order to prevent water and wind erosion, grow crops for soil cover and use a cultivation method which facilitates the drainage of rainwaters into the soil by preserving soil structure, preventing and eliminating soil compaction and/or maintaining contoured cultivation;

The land user shall ensure that the soil organic matter is preserved by means of a crop change.

The land user shall ensure that the soil organic matter is preserved through the application of organic matter

The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows:

NJSZ - Sections 6(2), 7(1) and 8(1) 16(1), (4) 17(1) and (3) of Act LIII of 1996 on nature protection

The conservation of wild organisms, their populations and communities must be ensured in conjunction with the conservation of their habitats and that all activities must be carried out with the welfare of natural assets and areas in order to protect the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of environmentally sound methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses.

Link between GAEC, SMR and national standards with the eco-scheme (explain how the eco-scheme goes beyond the baseline, notably for SMR and national standards)

Method of exploitation	Optional good practices	Related reference legislation (SMR – statutory economic operator requirements and other binding requirements laid down in national legislation and GAEC requirements)	Relationship between the reference regulation and the AÖP requirements
Arable land	After summer or autumn-harvest crops, where crops other than autumn sown are followed, provide mulching with cover crops or by leaving the stubble in a cultural state until the start of preparatory work for the following year's spring culture, but at least by 28 February.	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42	None of the elements of the reference regulation requires soil cover during the winter season. GAEC 6 requires the most sensitive coverage in Hungary, covering the summer and early autumn periods.
		The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows:	
		On arable land at risk of erosion, the user shall, in order to prevent water and wind erosion, grow crops for soil cover and use a cultivation method which facilitates the drainage of rainwaters into the soil by preserving soil structure, preventing and eliminating soil compaction and/or maintaining contoured cultivation;	
		SMR 1 – b) mandatory requirements for the control of diffuse sources of pollution of phosphates	
		SMR 2 – protection of waters against pollution caused by nitrates from agricultural sources – Nitrate GHP	
		GAEC 5 – requirements for site-specific minimum land management for soil protection and limiting erosion	
		GAEC 6 – Minimum soil cover during sensitive periods	
Arable land	Crop diversification requirements for arable crops: (a) farmers on arable land of 10 hectares or	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42.	The reference regulation lays down rules for crop conversion or crop diversification in the framework of GAEC 7, which is complemented by the optional crop diversification practice of the AÖP. The latter is a much more ambitious crop diversification than under GAEC 7.
		The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the	

	less shall produce at least two different crops on arable land in a given year; in the case of two crops, the crops grown on the largest area shall not cover more than 80 % of the arable land;(b) those with more than 10 hectares of arable land shall be cultivated with at least three half of the arable land and, in the case of three crops, the crops grown on the largest area shall not cover more than 65 % of the arable land; and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land;(c) where there are more than 30 hectares of arable land, at least four half of the arable land shall be cultivated and, in the case of four	production area, as follows:	
		The land user shall ensure that the soil organic matter is preserved by means of a crop change. GAEC 7 – Sown-change rules	

	crops, the crops grown on the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land, provided that the area under the smallest crop shall be at least five half of those with more than 300 ha of arable land, and in the case of five crops, the crops grown on the largest area shall not cover more than 65 % of the arable land and the crops grown on the two largest areas taken together shall not exceed 80 % of the arable land, provided that the area under the smallest crop shall be equal to or greater than 1 ha of arable land.(e) In the case of five crops, the crop grown on the largest		

	area shall not cover more than 65 % of the arable land and, in the case of five crops, the crop grown on the two largest areas shall not exceed 80 % of the arable land, provided that the area of the smallest crop shall be equal to or greater than 1 ha.		
Arable land	Covering 10 % of arable land, maintaining non-productive landscape features and areas, or a combination thereof. (A possible overlap with the AKG requirements is avoided by allowing the same element to be accounted for under only one item.) Under this commitment, the combined share of ecologically important secondary crops and nitrogen-fixing crops grown without the	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection	GAEC 8 requires the maintenance of non-productive areas and landscape features to be 7 % of arable land, of which the land features and fallow areas must reach 3 %, which are exceeded in both cases by the AÖP standard. It is also optional for areas below 10 ha. As of 2025, GAEC8 no longer contains a non-production element or area obligation.
		The conservation of wild organisms, their populations and communities must be ensured in conjunction with the conservation of their habitats and that all activities must be carried out with the welfare of natural assets and areas in order to protect the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of environmentally sound methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses.	
		GAEC 2 – protection of wetlands	
		GAEC 8 – Protection of	

	use of plant protection products may not exceed 5 % of arable land. Commitment basis is the arable land used by the farmer, excluding temporary grassland. Derogation for application year 2024: Hungary makes use of the derogation in Implementing Regulation (EU) 2024/587 to adapt the baseline requirement to the GAEC 8 derogation in the Agro-ecological Programme. Accordingly, the 10 percentage points of the pledge should not exceed 9 % of arable land combined with secondary ecological focus crops and nitrogen-fixing crops grown without the use of plant protection	biodiversity: Maintenance of non-productive areas and landscape features	

	products.		
	In an area of 10 % of arable land, the maintenance of non-productive landscape features and areas, or a combination thereof.(Possible overlap with AEM requirements is avoided by allowing the same element to be accounted for under only one item.) In order to meet 10 percentage points of this commitment, the combined share of ecological focus secondary crops and nitrogen-fixing crops grown without the use of plant protection products shall not exceed 9 % of arable land used by a farmer under a commitment fund, excluding temporary grassland	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection The conservation of wild organisms, their populations and communities must be ensured in conjunction with the conservation of their habitats and that all activities must be carried out with the welfare of natural assets and areas in order to protect the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of environmentally sound methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. GAEC 2 – protection of wetlands. GAEC 8 – Protection of biodiversity: Maintenance of non-productive areas and landscape features.	From the GAEC 8 standard, the rule on the maintenance of non-productive areas and landscape features will be deleted from 2025. Therefore, this AÖP practice will be introduced for 1 point from 2025. It is also optional for areas below 10 ha.
Arable land	Where the total area of arable land on	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section	The reference rules do not provide for a limit on the size of the plate, and there are typically larger plots on arable land.

	the holding exceeds 50 ha, the maximum size of arable land shall not exceed 30 hectares. Any overlap with the AKG 'voluntary plate size limitation' is avoided by preventing a customer who has opted for this specification in the AKG from choosing it in the AÖP.	17(1) of Act LIII of 1996 on the conservation of nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses.	
Arable land	In plant protection, the use of plant protection products classified as either moderately hazardous or hazardous to bees is prohibited on the basis of the authorisation document. A regularly updated list of non-use agents is published by the MA for information purposes.	SMR 8 – National legislation on the sustainable use of plant protection products Minimum requirements for the maintenance of the agricultural area under Article 4(2) of the SPR Regulation	The reference rules allow the use of authorised plant protection products without further restrictions.
Arable land	Immediate incorporation	SMR 2 – protection of waters against pollution caused by	The reference rules only require applied fertilisers to be rotated in nitrate vulnerable

	of urea fertiliser or application of an inhibitor during application	nitrates from agricultural sources – Nitrate GHP: Fertiliser applied to the soil of an area with a slope of more than 12 % shall be applied to the soil within 4 hours of application, except for the operation of head fertilisation.	zones with a slope of more than 12 %, leaving a 4-hour time window. The AÖP standard covers all arable land and requires immediate incorporation and the use of inhibitors.
Arable land	The use of microbiological preparations on at least 50 % of arable land before sowing or by sowing, applied to the soil and added to the soil and then mixed into the soil.	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42. The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The land user shall ensure that the soil organic matter is preserved through the application of organic matter	The reference rules do not prescribe the use of these products anywhere, and the use of these products is not typical of general economic practice. Fertiliser use is typical.
Arable land	Use of soil conditioning, plant conditioning, N-fixing or compost products on at least 50 % of arable land.	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42. The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The land user shall ensure that the soil organic matter is preserved by applying organic matter.	The reference rules do not prescribe the use of these products anywhere, and the use of these products is not typical of general economic practice. Fertiliser use is typical.
Arable land	The use of a non-rotational cultivation method (minimum cultivation, zero-till, direct sowing) on at least 50 % of the arable land under cultivation, using a plant protection product restricted to at least 50 % of the arable land under	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42. The land user shall maintain soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The user shall ensure the maintenance of soil organic matter by using environmentally sound tillage methods. In arable land at risk of erosion, the land user shall cultivate crops for soil cover in order to prevent water and wind erosion and use a cultivation method which facilitates the introduction of rainwaters into the soil by	The reference rules do not prescribe any non-rotational cultivation method, and common farming practices are characterised by the use of rotational tillage methods.

	cultivation, where the use of glyphosate-containing pesticides is permitted at most once a year only for weed control or, where it is not otherwise feasible due to weather and soil conditions, for the terminaling of crops grown as cover crops. A regularly updated list of prohibited pesticides is published by the MA.	preserving soil structure, preventing and eliminating soil compaction and/or running contiguous cultivation; GAEC 5 – requirements for site-specific minimum land management for soil protection and limiting erosion	
Grasslands	Conservation of extensive grasslands at farm level compared to previous year grasslands, with permanent grasslands to be maintained at parcel level, while the location of temporary grasslands may vary. Hacking or ploughing of grasslands is prohibited. Can only be selected on non-Natura 2000 grasslands.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1) of Act LIII of 1996 on the conservation of nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic	The reference rules do not require the conservation of permanent grassland at economic or field level, but only for Natura 2000 sites are prohibited from breaking them. However, in these areas this requirement is not optional.

		features and nature of the landscapes, taking into account historically developed environmentally friendly uses.	
		GAEC 1 – Conservation of permanent grassland at Member State level	
		GAEC 9 – Natura 2000 grassland classified as sensitive grassland designated as permanent grassland is prohibited	In the absence of a reference rule, the preservation of temporary grasslands is an essential step forward in terms of sustainability.
		SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, the minimum land use requirements for their conservation.	
		Minimum requirements for the maintenance of the agricultural area under Article 4(2) of the SPR Regulation.	
		There is no reference rule for temporary grasslands.	
Grasslands	The continuation of pastoral or intermittent grazing on at least 50 % of the grassland. The grazing of a section does not exceed 12 days. Optional on all grasslands.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on the conservation of nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and	The reference regulation does not provide for the continuation of pastoral or batch grazing, but is less common.

		the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, the minimum land use requirements for their conservation.	
Grasslands	Mowing of grasslands at least once a year. Can only be selected on non-Natura 2000 grasslands.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on the conservation of nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values	Only in the case of Natura 2000 grasslands the reference regulation provides for the use of grasslands by mowing or grazing. Some grasslands are negligent and not utilised.

		that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, the minimum land use requirements for their conservation. Minimum requirements for the maintenance of the agricultural area under Article 4(2) of the SPR Regulation:	
Grasslands	Using only alternating hake or rear-suspension or towed mowers without shanks when mowing grasslands. Optional on all grasslands.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed	The reference regulation does not specify the type of pad to be used during mowing. In practice, drums that are harmful to grassland biota are used

		environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, the minimum land use requirements for their conservation.	
	On grasslands, a stubble height of at least 10 cm is mandatory after mowing Optional for all types of grassland.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of	The reference regulation does not contain any requirement for the stubble height to be left during mowing. Keeping a stubble of at least 10 cm is a significant improvement in nature conservation.

		NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grasslands, the minimum land use requirements for their conservation.	
	Grazing of at least 50 % of grasslands with native livestock breeds. The livestock density must be at least 0.2 livestock units per hectare. Optional for all types of grassland.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grassland, minimum land use requirements for their	The reference regulation does not require grazing with native animals. Native breeds are not predominant among the breeds grazed on grasslands.

		conservation	
	Grazing of at least 70 % of grasslands with native livestock breeds. The livestock density must be at least 0.2 livestock units per hectare. Optional for all types of grassland.	NJSZ – Section 6(2), Article 7(1), Section 8(1), Section 17(1), Section 17(1), Section 17(1) of Act LIII of 1996 on nature conservation shall ensure the conservation of wild organisms and their populations and communities together with the protection of their habitats, and that all activities must be carried out with respect to the conservation of the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses. SMRs 3 and 4 – 275/2004 on nature protection areas of European Community importance. Government Decree No 269/2007 of 8 October 2007 on land use rules for the maintenance of NATURA 2000 grasslands. The legal requirements cover the general protection of Natura 2000 sites (e.g. activities subject to authorisation) and, in the case of grassland, minimum land use requirements for their conservation	The reference regulation does not require grazing with native animals. Native breeds are not predominant among the breeds grazed on grasslands.
Permanent crops	Use of micro-irrigation technologies in at least 50 % of the other permanent	SMR 1 – (a) regulating the abstraction of fresh surface water and groundwater, as well as the storage of fresh surface waters, including recording or recording of abstractions and the	The reference rules do not require the use of myrry-irrigation technologies, but are less prevalent

	culture area.	requirement of prior authorisation for abstraction and storage. General water management rules, including, inter alia, waste water treatment and disposal, flooding, water management and agricultural water utilisation, such as irrigation, general rules on activities and facilities for the utilisation, protection and remediation of water. (IV. Contained in Government Decree No 29 of 29. Further rules on activities subject to authorisation under water law, including the use of water for irrigation purposes, are laid down in Government Decree No 72/1996 on the exercise of the powers of the water management authority. Government Decree (V. 22.)	
Permanent crops	In plant protection, according to the authorisation document, the use of plant protection products classified as hazardous or hazardous to bees is prohibited. A regularly updated list of non-use agents is published by the MA for information purposes.	SMR 8 – National legislation on the sustainable use of plant protection products	The reference rules allow the use of authorised plant protection products without further restrictions.
	An optional practice in both special and other permanent crops.		
		Minimum requirements for the maintenance of the agricultural area under Article	

		4(2) of the SPR Regulation:	
Permanent crops	Use of authorised biological agents or pheromonic airspace on at least 50 % of other permanent crops area.	SMR 8 – National regulations on the sustainable use of plant protection products.	The reference rules allow the use of authorised plant protection products without further restrictions. Conventional farming does not involve the use of biological agents authorised in organic farming
Permanent crops	Use of microbiological preparations as soil grafting or flock treatment on at least 50 % of the other permanent crop area	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42. The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The land user shall ensure that the soil organic matter is preserved by applying organic matter.	The reference rules do not prescribe the use of these products anywhere, and the use of these products is not typical of general economic practice. Fertiliser use is typical.
Permanent crops	Use of soil conditioning or plant conditioning or compost products on at least 50 % of the other permanent crop area.	NJSZ – Act CXXIX of 2007 on the protection of agricultural land, Sections 35-42. The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The land user shall ensure that the soil organic matter is preserved through the application of organic matter	The reference rules do not prescribe the use of these products anywhere, and the use of these products is not typical of general economic practice. Fertiliser use is typical
Permanent crops	Mulching of permanent crops in areas with a gradient of less than 12 % by growing one-year spacing crops.	NJSZ – Section 35-42 of Act CXXIX of 2007 on the protection of arable land The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the production area, as follows: The land user shall, in arable land at risk of erosion, grow crops for soil cover and use a cultivation method which facilitates the introduction of rainwaters into the soil by preserving the structure of the soil, preventing and eliminating soil compaction and/or maintaining contoured	None of the elements of the reference regulation provides for spacing of plantations. In practice, line spacing is not typical

		cultivation;	
	An optional practice in both special and other permanent crops.	SMR 1 – b) mandatory requirements for the control of diffuse sources of pollution of phosphates	
		SMR 2 – protection of waters against pollution caused by nitrates from agricultural sources – Nitrate GHP	
		GAEC 5 – requirements for site-specific minimum land management for soil protection and limiting erosion	
		GAEC 6 – Minimum soil cover during sensitive periods	
Permanent crops	Mulching of permanent crops by maintaining perennial crops or by grassing.	NJSZ – Section 35-42 of Act CXXIX of 2007 on the protection of agricultural land On arable land at risk of erosion, the user shall, in order to prevent water and wind erosion, grow crops for soil cover and use a cultivation method which facilitates the drainage of rainwaters into the soil by preserving soil structure, preventing and eliminating soil compaction and/or maintaining contoured cultivation;	None of the elements of the reference regulation provides for spacing of plantations. In practice, line spacing is not typical
	An optional practice in both special and other permanent crops.	SMR 1 – b) mandatory requirements for the control of diffuse sources of pollution of phosphates	
		SMR 2 – protection of waters against pollution caused by nitrates from agricultural sources – Nitrate GHP	
		GAEC 5 requirements for site-specific minimum land management for soil protection and limiting erosion	
		GAEC 6 – Minimum soil cover during sensitive periods	
Permanent crops	Immediate incorporation of urea fertiliser or application of	SMR 2 – protection of waters against pollution caused by nitrates from agricultural sources – Nitrate GHP: Fertiliser applied to the soil in	The reference rules only require applied fertilisers to be rotated in nitrate vulnerable zones with a slope of more than 12 %, leaving a 4-hour time window. The AÖP standard covers all arable land and requires

	an inhibitor during application in other permanent crops.	an area with a slope of more than 12 % must be worked into the soil within 4 hours of application, except for the operation of head fertilisation.	immediate incorporation or the use of inhibitors

7 Range and amounts of support

Description

The support is granted on a per hectare basis for the entire area of the holding, subject to compliance with the conditions and the best practices chosen.

The indicative specific aid amount is EUR 80.85 per hectare, determined on the basis of the financial envelope of the EYP (15 % of the total amount of direct aids after Member State transfers) and the expected estimated area of support (2.5 million ha), after assessing the following for each optional practice:

- the magnitude of additional costs and/or loss of profit in farming;
- the environmental benefits of choosing a given practice.

As an axiom, we noted that the expected environmental benefit and the additional costs and/or loss of profit involved are almost straight.

Based on literature data, practices with higher expected environmental benefits (2 points) are given a lower score (1 point). And as 2 points have to be collected for the farmer in all fields (arable, grassland, permanent crops), a similar effort or environmental benefit can be expected for the same uniform amount of aid.

The issue is explained in more detail in point 11.

8 Additional questions/information specific to the Type of Intervention

N/A

9 WTO compliance

Green Box

Paragraph 5 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The basic agro-ecological programme will be introduced as a top-up payment to the basic income support pursuant to Article 31(7)(a), so that the payment is fully decoupled from production.

In addition, compliance with the green box requirements is ensured by the fact that the aid applicant has to choose a standard for all types of use of the farm (arable, grassland, permanent crops).

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 5 of Annex II.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP17_O08_U01_HA - Basic Agro-ecological programme	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.34; R.4; R.6; R.7

Explanation and Justification (including the flexibility)

DP17_O08_U01_HA - Basic Agro-ecological programme

Mathematical approach:

The financial envelope of the AÖP, 15 % of the total Member State transfer, divided by an estimated area of 2.5 million hectares. The indicative specific amount thus calculated shall be EUR 80,85 per hectare.

The minimum specific amount (EUR 40.43/ha) can be obtained from an AÖP area of 5 million hectares. The maximum unit value (EUR 202,13/ha) is obtained if only 1 million hectares are claimed.

Proportionality:

It is important to record: Hungary intends to grant *eco-scheme* support in the form of a bonus under Article 31(7)(a) of the basic act for the entire farm area of the participating farmer (the so-called *whole farm approach*). On the basis of that provision, this is a payment which we grant as a supplement to the BISS basic payment, as **an incentive**. As in all previous programming cycles, a clear distinction must be made **between incentive** payments and **compensatory** subsidies.

In the light of the above, the following **principles** have been laid down when establishing the unit amount of *eco scheme* aid:

- 1.Incentivising support is intended to be of a non-compensatory type.
- 2.Incentivising aid, it is not possible to compensate for all costs and/or benefits incurred by each practice.
- 3.Any ‘overcompensation’ should be avoided.
- 4.We intend to pay the aid for the entire area (*whole farm*). Therefore, the optional practices necessary for all types of cultivation are announced. Practices will have different legal costs and benefits, which are further nuanced by different geographical and operational conditions.
- 5.For reasons of transparency and ease of implementation, a uniform unit amount will be applied.
- 6.The apparent contradiction between the uniform unit amount and the varying level of ambition of different practices is resolved by adding a score to the optional practices. Compliance with *the eco-scheme* will therefore depend not on the number of practices chosen, but on their total score for each cultivation method.
- 7.Statistical and literary data show that there is a growing interest in all the practices planned to be advertised in Hungary, regardless of past subsidies. It can therefore be concluded that *eco-scheme* support is sufficient if it covers between 30 % and 50 % of the presumed costs/benefits of the practices selected in the example. In other words: *eco-scheme* is not **intended to implement** the practice, but only the ‘last drop in the cup’, which ‘bills down’ in the desired direction of the producers who are currently still cumbersome. Those who already do so should be recognised and confirmed. But not reimbursement!

The indicative specific size of the aid amount is EUR 80.85 per hectare, determined on the basis of the financial envelope of the AÖP (15 % of the total amount of direct aids after transfer by the Member States) and the estimated estimated size of the area to be supported (2.5 million ha), after assessing the following for each optional practice:

- the magnitude of the additional costs and/or forgone profits incurred in farming;
- the environmental benefit of choosing a particular practice.

As an axiom, we have recorded that the expected environmental benefit and the additional and/or forgone benefits incurred are close to a straight line.

Based on literature data, practices with higher expected environmental benefits are higher (2 points), while practices with a more modest benefit are given a lower score (1 point). And given the need to collect between 2 points for each crop (arable, grass, permanent crop), a similar effort or environmental benefit can be expected for the same uniform amount of aid.

It is currently very difficult to estimate the effective cost levels of the practices chosen several years in advance. Soaring energy and input prices present as much uncertainty as ever more volatile and extreme crop prices.

The objective justification for the proportionality of the unit amount is based on the costs of each operation. The data was provided by the Institute for Agricultural Machinery in 2020. The publication is available at: [winerichagi_gepi_workk_koltsege_2020_ban_20_04.pdf\(gmgi.hu\)](http://winerichagi_gepi_workk_koltsege_2020_ban_20_04.pdf(gmgi.hu))

The optional practices may be grouped as follows in terms of additional costs incurred:

A.) A higher number of operations than the optimum calculated on the basis of microeconomic methods, multiple exits into the area. E.g.: crop diversification on ploughs; voluntary plaque size on intended use; use of cover crops or green manure crops between main crops; application and incorporation of microbiological preparations or soil conditioners; mowing of grasslands at least once. Additional costs incurred due to the higher operational number, assuming that a 100 kW power machine is used: EUR 100-310 on average.

(B.) The use of a substance, machine or technology that is more sophisticated than is widely used. For example, the use of an alternating pad instead of a rotary pad; material costs for microbiological preparations or soil conditioners; use of micro-irrigation in a permanent culture; application of a non-rotational tillage system on arable land. The additional costs incurred (either purchase or operating costs) range from EUR 150 to EUR 280 per hectare.

(C.) Self-limitation efficiency, crop volume or quality losses. Such as bee-friendly plant protection; the maintenance of permanent grasslands at parcel level; interlining of permanent crops. They can be calculated in a useful indirect way, which is missing. We can see extreme values per year, but in any case we must be based on an average value above EUR 150.

Practices that degrade the microeconomic optimal for other reasons. The values per hectare calculated by analogy with the three categories above exceed EUR 150 for each practice.

Flexibility:

The -15 % and + 25 % approaches for traditional direct support interventions (BISS, CIS, CIS-YF) do not provide sufficient certainty to the Member State for eco-scheme. The introduction of eco-scheme would also pose a serious implementation risk at a time when global commodity markets are fundamentally calm and predictable. It is impossible, objectively, to predict with what kind and success farmers will participate in an entirely new intervention, linked to a pillar II agri-environmental management programme.

At present, however, there is also a “concurrence” of all forms of aid of a voluntary nature of agri-environmental management, whereby they will enter less

(or even fluctuate between years) due to steeply rising crop prices.

For this reason, we want to apply -25 % and + 50 % flexibility to eco-scheme. If there is a lasting shift in the number of hectares of eco-scheme, the range of the unit amount of the eco-scheme may also be modified as part of the plan amendment.

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP17_O08_U01_HA - Basic Agro-ecological programme	Planned unit amount	80.85	80.85	80.85	80.85	74.60	
	Minimum Amount for the Planned unit amount	60.64	60.64	60.64	60.64	55.95	
	Maximum Amount for the Planned unit amount (EUR)	105.10	105.10	105.10	105.10	96.98	
	O.8 (unit: Hectares)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	
	Planned output * Planned unit amount	202,125,000.00	202,125,000.00	202,125,000.00	202,125,000.00	186,500,000.00	995,000,000.00
TOTAL	O.8 (unit: Hectares)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	Sum: 12,500,000.00 Max: 2,500,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	202,125,000.00	202,125,000.00	202,125,000.00	202,125,000.00	186,500,000.00	995,000,000.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

CIS(32) - Coupled income support

DP04_E03_CISB_16 - Aid for sugar beet cultivation

Intervention Code (MS)	DP04_E03_CISB_16
Intervention Name	Aid for sugar beet cultivation
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

It is of utmost importance for sugar beet growers and their families that coupled coupled payments, which

specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

Sugar beet production aid shall be granted to a farmer who is entitled to direct aid under the relevant national legislation.

Specific eligibility criteria:

- The aid for sugar beet production shall be granted to an active farmer who produces sugar beet, and
- use at least the minimum quantity of certified propagating material per hectare set out in the table in respect of the total area declared by it for the purpose of applying for coupled direct aid and certifies that the material has been acquired, and
- submit a copy of the beet delivery contract concluded with the sugar beet processor, either directly or through a sugar beet integrator, for the production of sugar beet during the reference year. This will address the uncertainty for producers resulting from the small number of sugar beet processors. Thus, Community funds will only be paid for the cultivation of sugar beet for which further processing is ensured.

The sugar beet processor is not expected to be a Hungarian processor, so this condition does not lead to discrimination.

Hungarian name	Latin name	Min. seed
		DB/ha*
Sugar beet	Beta vulgaris	100 000

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is the possibility to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value representing the same amount per hectare for all sugar beet growers and applicants. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

Targeted support for sugar beet cultivation in Hungary is justified by the fact that the income available to producers in the sector is low and the level of income available is unpredictable year-on-year.

This difficulty is caused by low and volatile yields, drastic increases in input prices, fluctuations in market prices and a low proportion of irrigated areas (**secondary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking or even disappearing.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain income in spite of fluctuations, contributing to increasing Hungary's sugar self-sufficiency and food security. In addition, the positive effects of, for example, the preservation of biodiversity or the reduction of energy dependency are maintained.

In order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include a supply contract for live sugar beet with the processor for sugar beet production (ensuring predictability). In addition, certified seed is being introduced to promote sustainable production. The aim is therefore to address the difficulties caused by fluctuations in yields and low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Sugar beet

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking or even disappearing. It is necessary to avoid this because of the wide variety of **environmental and social importance** of the sector.

- The sector supplies the only Hungarian sugar factory with raw material and by-products are used as feed, soil improvers and nutrients.
- Its role in preserving biodiversity is underlined by the positive effects of soya cultivation in crop rotation, also in terms of protein dependency, through its mutually beneficial effects.
- Magyar Cukor Zrt., through its biogas plant, covers part of the energy demand for sugar production using its by-product and self-generated renewable energy. Biogas produced and unused is purified and fed into the natural gas network in return for a green premium, thus contributing to a sustainable energy supply for the city of Kaposvár (such as the city's public transport) and to reducing dependence on energy imports.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for sugar beet cultivation that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management

plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP04_O10_U01_HA - Specific amount of aid for sugar beet production	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP04_O10_U01_HA - Specific amount of aid for sugar beet production

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role of coupled aid in sugar beet cultivation revenues and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for sugar beet cultivation. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, such as sugar beet cultivation.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is particularly important in ensuring that Hungary's food supply is guaranteed for sugar (even if part of the supply is covered by imports). The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for **the use of** yield categories is provided in the detailed background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep sugar beet production at levels and to prevent further shrinking. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the sugar beet aid, a minimum and a maximum value are fixed at a unit value of EUR 653,11/ha.

Variance of the specific value: $\pm 35\%$

When setting the minimum and maximum amounts of the unit payment, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved areas.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- The effect of changes in product areas has been filtered out using the detailed tables for comparability (*not relevant for sugar beet*).
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.

—The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: It is necessary to maintain a sufficiently secure net to manage the risk of single-channel sales. The production area of sugar beet in Hungary is very low, with the result that the loss of a few thousand hectares can trigger a significant increase in the unit value. The 2022 application shows the lowest area so far, which is likely to have an impact on high incomes for benchmark products (mainly maize) in the context of a drop in external sales.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP04_O10_U01_HA - Specific amount of aid for sugar beet production	Planned unit amount	653.11	653.11	653.11	653.11	602.60	
	Minimum Amount for the Planned unit amount	424.52	424.52	424.52	424.52	391.69	
	Maximum Amount for the Planned unit amount (EUR)	881.70	881.70	881.70	881.70	813.51	
	O.10 (unit: Hectares)	12,120.00	12,120.00	12,120.00	12,120.00	12,120.00	
	Planned output * Planned unit amount	7,915,693.20	7,915,693.20	7,915,693.20	7,915,693.20	7,303,512.00	38,966,284.80
TOTAL	O.10 (unit: Hectares)	12,120.00	12,120.00	12,120.00	12,120.00	12,120.00	Sum: 60,600.00 Max: 12,120.00
	Annual indicative financial allocation (Union Contribution in EUR)	7,915,693.20	7,915,693.20	7,915,693.20	7,915,693.20	7,303,512.00	38,966,284.80
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP05_E04_CISR_16 - Aid for rice production

Intervention Code (MS)	DP05_E04_CISR_16
Intervention Name	Aid for rice production
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For rice growers and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to weather and market

risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

Rice production aid shall be granted to an active farmer who is entitled to direct payments under the relevant national legislation.

Specific eligibility criteria:

- Cultivates rice falling within CN code 1006 10;
- Use at least the minimum quantity of certified propagating material per hectare set out in the table for the entire area declared by it for the purpose of applying for coupled direct aid, certifies that the propagating material has been purchased or is insured against damage relevant to the cultivation of the rice in respect of the area claimed;
- Discard rice by 31 May at the latest;
- A minimum yield of 2.5 t/ha is demonstrated to be achieved.

English title	Latin description	Min. plate count/ha*
Rice	Oryza sativa	270 000

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is the possibility to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for each rice grower and applicant. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The specific support for rice production in Hungary **is justified by** the fact that the income that can be realised for producers in the sector is negative without coupled aid and, even with subsidies, it falls short of the income generated by the cultivation of the main arable crops.

This difficulty is caused by low yields, drastic increases in input prices, low buying-in prices, import dependency or the need for specific technology to grow it, resulting in higher inputs than cereals (**secondary arguments**).

In the absence of coupled aid, the sector of in-situ settlements is likely to disappear.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
☒ to improve quality
☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain it despite its low income-generating capacity, contributing to increasing Hungary's rice self-sufficiency and food security. In addition, the ecosystem services provided by the sector are maintained. In order to maintain **the long-term improvement of the sector's situation**, the eligibility criteria include a minimum expected return. In addition, in order to promote sustainable production, the use of certified seed is foreseen as a new standard, with the option of using crop-relevant insurance as an alternative. Our aim is thus to address the difficulties arising from low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Rice

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector of in-situ settlements is likely to disappear. It is necessary to avoid this because the **environmental importance of the sector** is very diverse.

- It is important for security of supply to partially cover domestic needs.
- Rice production helps to preserve biodiversity and the landscape and preserves the natural environment, and is of particular importance for the protection of the Hungarian population of *Glareola pratincola* (*Glareola pratincola*).
- It uses areas of weakness that are less suited to other arable crops.
- The drainage network of rice yards is an important tool for the internal decontamination of the areas along the main drainage channel.
- High-quality rice research is carried out in the south-east of Hungary (Szarvas).
- In Jász-Nagykun-Szolnok County, in the northern part of the Nagykunság, the EU protected geographical indication (PGI) 'Nagykun rizs' is grown from varieties adapted to the region's soil and climate conditions.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for rice production that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Under domestic climatic conditions, rice can only be grown using flooding technology, which is mainly possible in the district of the irrigation systems of the Tisza valley and the Körös valley. At the same time, after the flooding period, the water is discharged in a practically cleaner form.

The drainage network of the demolished rice yards already installed is an important tool for the internal decontamination of the areas along the main drainage channel.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control

of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Overall, the ecosystem services provided by the sector, including the utilisation of weak areas or the cleanliness of water flowing back from the land, have overall greater environmental added value than the loss caused by evaporation during the flooding period of rice cultivation.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP05_O10_U01_HA - Specific amount of aid for rice production	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP05_O10_U01_HA - Specific amount of aid for rice production

Brief description of the determination of the specific value

The determination of unit values has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided sufficient basic data on the role played by coupled aid in the income of rice cultivation and what its absence would make for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for rice cultivation. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including rice cultivation.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of a given activity or the transition to other crops (e.g. Indian rice at a lower input). This is particularly important in ensuring that Hungary's food supply is guaranteed for rice (even if part of the supply is covered by imports). The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the output of rice cultivation at levels and to prevent further shrinking. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For rice aid, *a minimum and a maximum value are fixed at a unit value of EUR 728,44/ha.*

Variance of the specific value: $\pm 20\%$

When setting the minimum and maximum amounts of the unit payment, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved areas.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- The effect of changes in product areas has been filtered out using the detailed tables for comparability (*not relevant for sugar beet*).
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the

previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The width of the band may be justified in the light of historical data. It is also a question of the impact that certified seed use or insurance will have as a new expectation. The production area of the rice in Hungary is very small, so the loss of a few hundred hectares can trigger a significant increase in the unit value.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP05_O10_U01_HA - Specific amount of aid for rice production	Planned unit amount	728.44	728.44	728.44	728.44	672.03	
	Minimum Amount for the Planned unit amount	582.75	582.75	582.75	582.75	537.62	
	Maximum Amount for the Planned unit amount (EUR)	874.13	874.13	874.13	874.13	806.44	
	O.10 (unit: Hectares)	2,717.00	2,717.00	2,717.00	2,717.00	2,717.00	
	Planned output * Planned unit amount	1,979,171.48	1,979,171.48	1,979,171.48	1,979,171.48	1,825,905.51	9,742,591.43
TOTAL	O.10 (unit: Hectares)	2,717.00	2,717.00	2,717.00	2,717.00	2,717.00	Sum: 13,585.00 Max: 2,717.00
	Annual indicative financial allocation (Union Contribution in EUR)	1,979,171.48	1,979,171.48	1,979,171.48	1,979,171.48	1,825,905.51	9,742,591.43
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP06_E05_CISV_16 - Aid for vegetable crop production

Intervention Code (MS)	DP06_E05_CISV_16
Intervention Name	Aid for vegetable crop production
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

It is of the utmost importance for producers and their families to grow vegetable and herbs that coupled with a production-linked payment that specifically supports genuine production, together with the basic payment, there is a genuine safety net that ensures the required level of resilience in the event of income

fluctuations arising from these weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to a direct payment under the relevant national legislation shall be entitled to the aid for the production of vegetable crops.

Specific eligibility criteria:

- cultivate a vegetable plant as defined in the table below using field, greenhouse or film-rearing technology:

- until flowering begins, retain each of the vegetable plants specified in the Annex to be preserved until flowering begins, or

- the vegetable plants referred to in the Annex which are not to be preserved until the start of flowering shall be kept on the area for at least a further two weeks after the submission of the aid application or, in the case of an amendment of the eligible crop, the amendment of the aid application.

- in the case of planting or sowing in respect of the application for the current year, use at least the minimum quantity of propagating material per hectare specified in the table for the entire area declared by it for the purpose of applying for coupled direct aid and certify the purchase of the propagating material, or

- in the case of horseradish, asparagus, peppermint, tarpaulin, rosemary, vegetative propagation from its own stock, declare the use of the minimum cuttings or cubes per hectare set out in the table for the total area declared for coupled direct aid, and record the actual quantity used on the relevant entries in the farm log.

By requiring the use of certified material, coupled aid can contribute to the EU's environmental and climate objectives. The aim of the standard is to ensure that farmers grow resistant varieties that can cope with the negative effects of climate change, thereby promoting the climate-adaptation of agriculture.

Hungaria n	Latin	Field production	In case of hair	

Plant to be preserved until flowering starts
(yes/no)**

Hungaria n	Latin	Field production						In case of hair	Plant to be preserved until flowering starts (yes/no)**
		Minimum seed/ha*	1000 kernels in grams	Min. onions, garlic cloves/ha *	Min. cuttings, cabbage s or seedling s/ha*	Min. seedling/ ha*	Minim um tuber kg/hect are*	Min. seedling/ ha*	
Watermel ons, watermel ons grafted on pumpkins	Citrullu s lanatus	2 500	45	—	—	2 300	—	—	yes
Cantalou pe	Cucumi s melo	2 500	30	—	—	2 300	—	—	yes

Cauliflower	Brassica oleracea convar. botrytis	35 000	4	—	—	30 000	—	—	No
Broccoli	Brassica cretica convar. botrytis provar. italica	35 000	4	—	—	30 000	—	—	No
With sprouts	Brassica oleracea convar. gemmifera	35 000	4	—	—	30 000	—	—	No
Head cabbage	Brassica oleracea convar. capitata provar. capitata	30 000	4	—	—	27 000	—	—	No
Kale	Brassica oleracea convar. bullata	30 000	4	—	—	27 000	—	—	No
Red cabbage	Brassica oleracea convar. capitata var. rubra	30 000	4	—	—	27 000	—	—	No
Kohlrabi	Brassica oleracea convar. acephala var. gongyloides	50 000	4	—	—	45 000	—	—	No
Chinese cabbage	Brassica pekinensis	56 500	4	—	—	50 000	—	—	No
Celery	Apium graveolens	72 000	0,8	—	—	60 000	—	—	No
Leek	Allium porrum	350 000	4	260 000	—	—	—	—	No
Garlic (spring and autumn sowing)	Allium sativum	—	—	200 000	—	—	—	—	No
Red onions,	Allium cepa	800 000	4	600 000	—	—	—	—	No

purple onions, onions (spring and autumn sowing)	(Allium Fitulosum)								
Chives	Allium schoenoprasum	1 000 000	2	—	—	—	—		No
Lettuce	Lactuca sativa	56 500	1	—	—	50 000	—	40 000	No
Scarole	Cichorium endivia	56 500	2	—	—	50 000	—	40 000	No
Asparagus	Asparagus officinalis	17 000	20	—	15 000	—	—	—	No
Parsley	Petroselinum crispum	800 000	1,5	—	—	—	—	—	No
Rhubarb	Rheum rhabarbarum	12 000	10	—	—	10 000	—	—	No
Paradise	Lycopersicon esculentum	34 000	1,8	—	—	30 000	—	20 000	yes
Cucumbers	Cucumis sativus	30 000	30	—	—	27 000	—	11 000	yes
Aubergines (eggplants)	Solanum melongena	30 000	4	—	—	27 000	—	22 000	yes
Cooks, asparagus	Cucurbita pepo var. Fastigata	5 500	150	—	—	5 000	—	—	yes
Pumpkin	Cucurbita maxima var. maxima /Cucurbita moschata	5 500	340	—	—	5 000	—	—	yes
Brassicas	Cucurbita pepo	5 500	200	—	—	5 000	—	—	yes

	var. Fastigat a								
Stars/pati sone	Cucurbi ta pepo convar. patisson iana	15 000	100	—	—	8 000	—	—	yes
Courgette s	Cucurbi ta pepo convar. giromon tiina	30 000	120	—	—	25 000	—	—	yes
Peppers	Capsicu m annuum	48 000	11	—	—	44 000	—	22 000	yes
Seasonin g paprika	Capsicu m annuum var. longum	50 000	8	—	—	44 000	—	—	yes
Carrots	Daucus carota subsp. sativus	800 000	1,5	—	—	—	—	—	No
Beetroot	Beta vulgaris var. conditiv a	500 000	14	—	—	—	—	—	No
Scorzone ra/black salsifies	Scorzon era hispanic a	800 000	14	—	—	—	—	—	No
Radishes	Raphan us sativus var. sativus.	200 000	10	—	—	—	—	—	No
Horseradi sh	Armora cia rustican a	—	—	—	25 000	—	—	—	No
Parsnips	Pastinac a sativa	800 000	4	—	—	—	—	—	No
Rocket (Rucola)	Eruca sativa	1 875 000	0,8	—	—	850 000	—	—	No
Peppermi nt	Mentha piperita	—	—	—	55 000	—	—	—	No
Lemongr ass	Melissa officinal is	80 000	0,6	—	—	55 000	—	—	No

Basil	Ocimum basilicum	80 000	1,5	—	—	55 000	—	—	No
Thyme	Thymus vulgaris	80 000	0,25	—	—	55 000	—	—	No
Medical sage	Salvia officinalis	70 000	7,5	—	—	45 000	—	—	No
Rosemary	Rozmarinus officinalis	70 000	0,9	—	30 000	30 000	—	—	No
Tarragon	Artemisia dracuncululus	—	—	—	55 000	—	—	—	No
Majoranna	Origanum majorana	80 000	0,2	—	—	55 000	—	—	No
Common pitch grass	Origanum vulgare	65 000	0,1	—	—	45 000	—	—	No
Sorrel	Rumex rugosus	2 000 000	1	—	—	—	—	—	No
Spinach	Spinacia oleracea	850 000	10	—	—	—	—	—	No
Dried beans	Phaseolus vulgaris	250 000	500	—	—	—	—	—	yes
Beans, running beans	Phaseolus vulgaris	250 000	300	—	—	—	—	—	yes
Pop corn	Zea mays convar. microsperma	60 000	250	—	—	—	—	—	yes
Jerusalem artichokes	Helianthus tuberosus	—	—	—	—	—	500	—	yes

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is an option to adjust the mean values as necessary and not a derogation for beneficiaries from the set standard values.

**: Depending on which part of the vegetable plant is consumed, it is necessary to separate the vegetable plants. The aim is to ensure genuine production of goods in the case of crops subject to coupled aid. For some vegetables, a 2-week period is sufficient, as once they have been grown, the leaves of the plant are

consumed. (E.g.: spinach, salt) In contrast, in the case of the other group of vegetables, actual production can be ensured if preservation until flowering starts is the minimum condition, as the fruit is formed after flowering. (E.g. tomatoes, cucumbers)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all vegetable growers and applicants. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The main reason for targeted support for the cultivation of vegetable crops in **Hungary** is the fact that the production area is on a downward trend. In addition, the level of income available to producers in the sector varies significantly from year to year, sometimes unpredictable.

This difficulty is caused by volatile and low yields due to extreme weather conditions, drastic increases in input prices, fluctuations in producer prices, lack of homogeneous commodity bases, high entry barriers for herbs and higher production costs per hectare compared to benchmark crops for arable crops (maize, wheat, sunflower) (**secondary arguments**).

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

☐ to improve competitiveness

☒ to improve quality

☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain income in spite of fluctuations, contributing to the supply of healthy food to the population, including food security. In addition, the positive effects on, for example, the preservation of biodiversity or the rural workforce are maintained. Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers).

In order to promote sustainable production, in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include certified seed use and minimum numbers of seed (and thousands of seed weight), seedlings, onions, teats and cuttings per hectare for arable vegetable plants, herbs and, in the case of precipitation, seedling numbers. The aim is therefore to address the difficulties caused by fluctuations in yields and low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Fruit and vegetables

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled subsidies, the sector would be at risk of shrinking. It is necessary to avoid this because the **importance of the sector** is very diverse.

- Vegetables are a basic food that should be delivered to consumers or processors through the shortest possible supply chain (minimising the environmental burden), so local production is essential.
- It plays a key role in food security and health promotion.
- Farms applying for coupled support for vegetable crops tend to grow on less than 5 hectares. The diversity of cultivated species and the maintenance of smaller-scale species in production are important for the conservation of biodiversity.
- Due to its high annual labour consumption per hectare, the sector contributes to the employment and retention of the rural population.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for the aid for the production of vegetable crops that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and ‘head’ (i.e. how many of this unit corresponds to ‘1 head’?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP06_O10_U01_HA - Specific amount of aid for vegetable crops	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP06_O10_U01_HA - Specific amount of aid for vegetable crops

Brief description of the determination of the specific value

The determination of the unit value has been supported by experience gained in 2015-2022 and relative stability among supported cultures. This provided adequate basic data on the role of coupled aid in vegetable crop production income and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for vegetable production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including vegetable crop production.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is particularly important in ensuring that Hungary's food supply for fresh vegetables is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for the **use of yield** categories is provided in the background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, the planning of **stable outputs** clearly shows our intentions. This is to maintain the production of vegetable crops at levels and to prevent further shrinkage. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the aid for the production of vegetable crops, a minimum and a maximum value of EUR 292,80 per hectare are fixed.

Variance of the specific value: + 20 %/-25 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved areas.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- The impact of changes in product areas (e.g. loss of potatoes, reclassification of some crops from industrial vegetable envelopes (spine, brine, beans, pot

corn)) has been filtered out for the sake of comparability.

—Where we found extreme values at the beginning of the period, they were removed from the series.

—The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.

—The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: Historical data, market swings and extreme weather conditions make it necessary to leave a sufficient margin of manoeuvre. The vegetable envelope has been supplemented by some crops previously included in the industrial vegetable envelope (salt, spinach, beans, potting maize), which also justifies some caution in the financial planning of the envelope. The maximum tolerance level for deviation has been reduced, with confidence to stop the decline in the area.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP06_O10_U01_HA - Specific amount of aid for vegetable crops	Planned unit amount	241.23	241.23	292.80	292.80	270.19	
	Minimum Amount for the Planned unit amount	180.92	180.92	219.60	219.60	202.64	
	Maximum Amount for the Planned unit amount (EUR)	289.48	289.48	351.36	351.36	324.23	
	O.10 (unit: Hectares)	26,760.00	26,760.00	19,013.00	19,013.00	19,013.00	
	Planned output * Planned unit amount	6,455,314.80	6,455,314.80	5,567,006.40	5,567,006.40	5,137,122.47	29,181,764.87
TOTAL	O.10 (unit: Hectares)	26,760.00	26,760.00	19,013.00	19,013.00	19,013.00	Sum: 110,559.00 Max: 26,760.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,455,314.80	6,455,314.80	5,567,006.40	5,567,006.40	5,137,122.47	29,181,764.87
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP07_E06_CISI_16 - Aid for industrial vegetable production

Intervention Code (MS)	DP07_E06_CISI_16
Intervention Name	Aid for industrial vegetable production
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For producers of industrial vegetable crops and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations resulting from

these weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to a direct payment under the relevant national legislation shall be eligible for aid for industrial vegetable production.

Specific eligibility criteria:

- cultivate a plant as shown in the table below,
- use at least the minimum quantity of propagating material per hectare set out in the table for the entire area declared by it for the purposes of applying for coupled direct aid and certify the purchase of the propagating material, and
- the plant shall be kept under normal growth conditions until at least the beginning of flowering.

By requiring the use of certified material, coupled aid can contribute to the EU's environmental and climate objectives. The aim of the standard is to ensure that farmers grow resistant varieties that can cope with the negative effects of climate change, thereby promoting the climate-adaptation of agriculture.

English title	Latin denomination	Min. seed pieces/hectare*
Green peas (spring, autumn)	Pisum sativum	900 000
Sugar pea	P. sativum L. ssp. sativum convar. saccharatum	900 000
Sweetcorn	Zea mays convar. saccharata	55 000

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is an option to adjust the mean values as necessary and not a derogation for beneficiaries from the set standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for each producer and applicant producing vegetable crops for industrial processing. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The specific support for industrial vegetable production in Hungary is **justified by the fact** that the income that can be realised for producers in the sector is low and the level of income available varies significantly from year to year, and sometimes unpredictable.

This difficulty is caused by volatile yields due to extreme weather conditions, drastic increases in input prices, fluctuations in producer prices, lack of homogeneous commodity bases, higher production costs per hectare and higher production risk compared to benchmark crops in arable crops (maize, wheat, sunflower) (**secondary arguments**).

In the absence of coupled subsidies, the sector would be at risk of shrinking.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain income in spite of fluctuations, contributing to the supply of healthy food to the population, including food security. In addition, the positive effects on, for example, biodiversity, the supply of raw materials to the processing industry and the preservation of the rural workforce are maintained. Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers). Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers).

In order to promote sustainable production, in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include certified seed use and a minimum number of pieces of seed (and 1000 seed weight) per hectare. The aim is therefore to address the difficulties arising from fluctuations in yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Fruit and vegetables

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled subsidies, the sector would be at risk of shrinking. It is necessary to avoid this because the **importance of the sector is** very diverse.

- Green peas and sweet corn represent a significant share of the acquisition of *the processing industry (70-80 % of output and purchases of raw materials by the refrigeration and canning industry in Hungary)*. Supplying these businesses with feedstock increases food security. This should be delivered to processors through the shortest possible supply chain (minimising the environmental burden), so local product production is essential.
- It plays a key role in food security and health promotion.
- Almost half of the applicant holdings have an area of less than 5 hectares. Keeping smaller-scale species in production is important for the conservation of biodiversity.
- Due to its high annual labour consumption per hectare, the sector contributes to the employment and retention of the rural population.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for industrial vegetable crop production that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary

does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP07_O10_U01_HA - Specific amount of aid for industrial vegetable production	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP07_O10_U01_HA - Specific amount of aid for industrial vegetable production

Brief description of the determination of the specific value

The determination of the unit value has been supported by experience gained in 2015-2022 and relative stability among supported cultures. This has provided sufficient basic data on the role of coupled aid in the income of industrial vegetable crops and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for industrial vegetable production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, such as industrial vegetable production.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is particularly important in ensuring that Hungary's food supply for these products is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for the **use of yield** categories is provided in the background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, it should also be pointed out that the design of **stable outputs** clearly shows our intentions. This is to maintain the production of industrial vegetable crops at levels and prevent their shrinkage. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the aid for vegetable crops for industrial processing, **a minimum and a maximum value of EUR 376,14 per hectare are fixed.**

Variance of the specific value: $\pm 20\%$

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved areas.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- For the sake of comparability, the impact of changes in product areas has been filtered out using detailed data tables (the reclassification of certain crops

into the vegetable envelope (peno, brine, beans, potting maize)).

—Where we found extreme values at the beginning of the period, they were removed from the series.

—The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.

—The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The width of the band is justified in the light of historical data. Strong demand from the manufacturing industry and disciplined contractual relations allow for a relatively narrow range.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP07_O10_U01_HA - Specific amount of aid for industrial vegetable production	Planned unit amount	325.55	325.55	325.55	376.14	347.05	
	Minimum Amount for the Planned unit amount	260.44	260.44	260.44	300.91	277.66	
	Maximum Amount for the Planned unit amount (EUR)	390.66	390.66	390.66	451.37	416.45	
	O.10 (unit: Hectares)	47,980.00	47,980.00	47,980.00	41,527.00	41,527.00	
	Planned output * Planned unit amount	15,619,889.00	15,619,889.00	15,619,889.00	15,619,965.78	14,411,945.35	76,891,578.13
TOTAL	O.10 (unit: Hectares)	47,980.00	47,980.00	47,980.00	41,527.00	41,527.00	Sum: 226,994.00 Max: 47,980.00
	Annual indicative financial allocation (Union Contribution in EUR)	15,619,889.00	15,619,889.00	15,619,889.00	15,619,889.00	14,411,752.60	76,891,308.60
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP08_E07_CISO_16 - Aid for the production of industrial oil crops

Intervention Code (MS)	DP08_E07_CISO_16
Intervention Name	Aid for the production of industrial oil crops
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

It is of utmost importance for producers of industrial oil crops and their families that coupled with the basic payment, coupled with the basic payment, provide a real safety net ensuring an expected level of

resilience in the event of income fluctuations resulting from these weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to a direct payment under the relevant national legislation shall be eligible for aid for the production of industrial oil crops.

Specific eligibility criteria:

- cultivate the plant as shown in the table below,
- use at least the minimum quantity of propagating material per hectare set out in the table for the total area declared by it for the purposes of applying for coupled direct support, and attests that the material has been purchased, and
- keep the crop under normal growing conditions at least until the start of flowering.

By requiring the use of certified material, coupled support can contribute to the EU's environmental and climate objectives. The aim of the standard is to ensure that farmers grow resistant varieties that can cope with the negative effects of climate change, thereby helping to adapt agriculture to climate change.

English title	Latin name	Min. seed DB/ha	Thousand seeds weight grams	Min. seedlings db/ha
Oil pumpkin	Cucurbita pepo ssp.styrica	5500	200	5000

*: The values in the table are mean values, from which a tolerance of $\pm 20\%$ is allowed. This flexibility concerns the adjustment of the mean values where necessary, and not the fact that beneficiaries are allowed to deviate from the standard values in this way.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all producers and applicants of oil crops grown for industrial processing. No territorial differentiation is applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The specific support for the cultivation of industrial oil crops in Hungary is justified by the fact that the income available to producers in the sector is low and the level of income available fluctuates significantly from year to year.

This difficulty is caused by volatile yields due to extreme weather conditions, drastic increases in input prices, the need for special instruments that cannot be used in other crops, and higher production costs per hectare compared to benchmark crops for arable crops (maize, wheat, sunflower) (**secondary arguments**).

In the absence of coupled aid, due to the strong import pressure at the processing level, the sector would be at risk of shrinking or even disappearing.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the needs assessment drawn up on the basis of the consultation of the sectors **and the SWOT analysis, we aim to stabilise the sector's profitability and improve its resilience** in order to maintain income despite fluctuations, contributing to the survival of the liveable countryside, preserving biodiversity and supplying the processing industry with raw materials. Coupled support will also help bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers). Coupled support will also help bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers).

In order to promote sustainable production in order to maintain **the improvement of the sector's situation in the long term**, the eligibility criteria include the use of certified seed and minimum numbers of seedlings. By doing so, our aim is to help ensure the high quality and a more stable yield required by processors. In addition to stabilising income, direct aids play an important role in farmers' farming, as they create the necessary own resources and cover for the necessary improvements. The stabilisation of producer incomes also promotes modernisation and digitalisation, thus improving the efficiency of production.

What is (are) the sector(s) concerned?

Fruit and vegetables

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, due to the strong import pressure at the processing level, the sector would be at risk of shrinking or even disappearing. It is necessary to avoid this because the **importance of the sector is very diverse**.

- The sustainability of the functioning of the product chain will not be possible without stable supply to the manufacturing industry. The oil pumpkins must be delivered to processors through the shortest possible supply chain (minimising the environmental impact), so local production of products is essential.
- Almost half of the applicant holdings have an area of less than 5 hectares. Keeping smaller-scale species in production is important for the conservation of biodiversity.
- In addition to food and food supplements, oil pumpkin seeds are also used as a raw material for pharmaceutical products. This also means that the seeds to be processed must meet strict quality requirements.
- In practice, the processing of oil pumpkin seeds takes place in Hungary only on small scales, so it also plays a role in preserving the quality of life in the countryside and maintaining the population retention capacity of the countryside.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for industrial oil crop

production that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

The surplus check presented in chapter 3.3 does not apply to this item.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP08_O10_U01_HA - Specific amount of aid for vegetables for oil processing	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP08_O10_U01_HA - Specific amount of aid for vegetables for oil processing

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This has provided sufficient basic data on the role of coupled aid in the income of special vegetable crops and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for industrial oil crop production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, such as industrial oil crop production.

For the calculation of the unit values, we relied on data from industry situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is particularly important to ensure that Hungary's food supply is also ensured for this product. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for the **use of yield** categories is provided in the background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the output of industrial oil crops at levels and to prevent them from shrinking. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For industrial oilseeds aid, **a minimum and a maximum value of EUR 109,59 per hectare are fixed.**

Variance of the specific value: $\pm 30\%$

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

—We examined the extremes recorded during the period 2015-2021 for approved areas.

—The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.

—For the sake of comparability, the impact of changes in product areas has been filtered out using *the detailed data tables (not relevant for industrial oil crop cultivation)*.

—Where we found extreme values at the beginning of the period, they were removed from the series.

- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.
- These calculations were adjusted to reflect the risks identified, forecasts from sectors and expected market trends.
- The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: Historical data showed serious swings. In addition, the financial resources of the envelope are significantly reduced, which also justifies some caution in its planning.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP08_O10_U01_HA - Specific amount of aid for vegetables for oil processing	Planned unit amount	109.59	109.59	109.59	109.59	101.15	
	Minimum Amount for the Planned unit amount	76.71	76.71	76.71	76.71	70.81	
	Maximum Amount for the Planned unit amount (EUR)	142.47	142.47	142.47	142.47	131.50	
	O.10 (unit: Hectares)	6,757.00	6,757.00	6,757.00	6,757.00	6,757.00	
	Planned output * Planned unit amount	740,499.63	740,499.63	740,499.63	740,499.63	683,470.55	3,645,469.07
TOTAL	O.10 (unit: Hectares)	6,757.00	6,757.00	6,757.00	6,757.00	6,757.00	Sum: 33,785.00 Max: 6,757.00
	Annual indicative financial allocation (Union Contribution in EUR)	740,499.63	740,499.63	740,499.63	740,499.63	683,470.55	3,645,469.07
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP09_E08_CISE_16 - Aid for fruit production (Extensive)

Intervention Code (MS)	DP09_E08_CISE_16
Intervention Name	Aid for fruit production (Extensive)
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For extensive fruit producers and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to these weather and market

risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to direct payments under the relevant national legislation shall be eligible for aid for extensive fruit production.

Specific eligibility criteria:

who cultivates plants planted as shown in the table below,

whose homogeneous plantation for which aid is applied for is at least the minimum number per hectare at the time of planting as set out in the table,

on the last day of the deadline for the submission of the single application without penalty, it fulfils any two of the following conditions:

the plantation does not exceed the age specified in the table,

b. the existence of fixed, installed irrigation,

C. In the case of a plantation, at least 85 %, and

declare that the conditions set out in points (b) to (c) are met.

English title	Latin name	Min. vine/ha*	Max. age
Strawberries	<i>Fragaria × ananassa</i>	—	2 years
Currants	<i>Ribes rubrum</i>	3000	10 years
Other currants	<i>Ribes nigrum</i>	3000	10 years
Raspberries	<i>Rubus idaeus</i>	5000	10 years
Piszke, Piske regular graft	<i>Ribes uva-crispa</i>	3000	10 years
Blackberries	<i>Rubus idaeus</i>	1500	10 years
Spiked blackberries	<i>Rubus rusticanus</i> var. <i>inermis</i>	1500	10 years
Buckthorn	<i>Hippophae</i> (<i>Elaeagnus</i>) <i>rhamnoides</i>	800	15 years
Black elder	<i>Sambucus nigra</i>	500	15 years
Apples	<i>Malus domestica</i>	400	20 years
Pears	<i>Pyrus communis</i>	400	25 years
Quince	<i>Cydonia oblonga</i>	400	20 years
Peaches, Nektarine	<i>Prunus persica</i>	400	20 years
Apricots (apricots)	<i>Prunus armeniaca</i>	280	20 years
Sour cherries	<i>Prunus cerasus</i>	280	20 years
Cherry	<i>Prunus</i> subg. <i>Cerasus</i>	280	20 years
Plums	<i>Prunus</i> subgenus <i>Prunus</i>	400	20 years
Naplesa	<i>Mespilus germanica</i>	400	20 years
Walnuts	<i>Juglans regia</i>	100	50 years
Hazel	<i>Corylus avellana</i>	400	20 years
Almonds	<i>Prunus amygdalus</i>	400	20 years
Chestnuts	<i>Castanea sativa</i>	100	50 years
Blueberries	<i>Vaccinium corymbosum</i>	—	10 years
Blackberry	<i>Aronia melanocarpa</i>	1400	10 years
Rosehips	<i>Rosa canina</i>	1500	15 years
Kiwifruit	<i>Actinidia deliciosa</i>	—	25 years
Persimmon	<i>Diospyros kaki</i>	270	20 years
Common figs	<i>Ficus carica</i>	330	25 years
Meaty som	<i>Cornus mas</i>	400	25 years

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is the possibility to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all extensively producing and applying for fruit. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The main reason for targeted support for fruit production in Hungary **is** the fact that the production area is on a downward trend. The decrease is particularly striking for the most important key product (apples) and has been ongoing since 2015. In addition to apples, the area of fruit with significant production areas or traditions, such as plums, pears, peaches, nectarines, currants or raspberries, is on a declining trend. The number of fruit growers is also decreasing. In addition, the level of income that can be realised for producers in the sector varies significantly from year to year, sometimes unpredictable.

This difficulty is caused by volatile and low yields due to extreme weather conditions, drastic increases in input prices, fluctuations in producer prices, lack of homogeneous commodity bases, fluctuating quality and higher production costs per hectare compared to benchmark crops for arable crops (maize, wheat, sunflower) (**secondary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking, which would also have a negative impact on processing.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

☐ to improve competitiveness

☒ to improve quality

☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain income in spite of fluctuations, contributing to the supply of healthy food to the population, including food security. In addition, the positive effects on, for example, the preservation of biodiversity or the rural workforce are maintained. Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers).

In order to promote sustainable production in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include a minimum number of vines per hectare, the existence of a fixed irrigation system and a condition relating to the age of the plantation. The aim is

therefore to address the difficulties caused by fluctuations in yields and low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

Intensive orchards play a major role in the production of fruit intended for fresh consumption, whereas the output of extensive and more mechanised plantations is primarily a source of raw material for the processing industry, from short transport distances. This is precisely what justifies extensive and intensive fruit-growing envelopes with two separate unit costs, which makes it possible to increase the targeting of the aid.

What is (are) the sector(s) concerned?

Fruit and vegetables

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking, which would also have a negative impact on processing. It is necessary to avoid this because the **importance of the sector is** very diverse.

- Fruit is a basic food that should be delivered to consumers or processors through the shortest possible supply chain (minimising the environmental impact), so local production is essential.
- It plays a key role in food security and health promotion.
- Extensive plantations are mostly used for the production of raw materials in the manufacturing sector. The sustainability of the functioning of the product chain will not be possible without stable supply to the manufacturing industry.
- Farms applying for coupled support tend to farm less than 5 hectares. The diversity of cultivated species and the maintenance of smaller-scale species in production are important for the conservation of biodiversity.
- Due to the technological characteristics of fruit-growing, the sector also needs manual labour alongside mechanical work. Due to its high annual labour consumption per hectare, the sector thus contributes to the employment and retention of the rural population.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for extensive fruit production that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head?') for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP09_O10_U01_HA - Specific amount of aid for extensive fruit production	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP09_O10_U01_HA - Specific amount of aid for extensive fruit production

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role played by coupled aid in the income of extensive fruit production and what its absence would make for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for extensive fruit production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including extensive fruit cultivation.

For the calculation of the unit values, we relied on data from industry situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops. This is of particular importance in ensuring that Hungary's food supply for fruit is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for the **use of yield** categories is provided in the background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, the planning of **stable outputs** clearly shows our intentions. This is to maintain emissions from extensive fruit production or prevent it from shrinking. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

In the case of aid for extensive fruit production, a minimum and a maximum value of EUR 159,49 per hectare are fixed.

Variance of the specific value: + 20 %/-10 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

—We examined the extremes recorded during the period 2015-2021 for approved areas.

—The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.

- The impact of changes in product areas has been filtered out using the detailed tables for comparability (*not relevant for fruit production*).
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.
- These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.
- The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: According to the calculations, the risk of the envelope fluctuating is relatively low. At the same time, the bands have been differentiated. With the expectation of halting the reduction in the area, the maximum tolerance level for deviations is lower. At the same time, we see a need for more room for manoeuvre in the case of a minimum value, as the inclusion of new areas is unlikely.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP09_O10_U01_HA - Specific amount of aid for extensive fruit production	Planned unit amount	159.49	159.49	159.49	159.49	147.15	
	Minimum Amount for the Planned unit amount	143.54	143.54	143.54	143.54	132.44	
	Maximum Amount for the Planned unit amount (EUR)	191.39	191.39	191.39	191.39	176.58	
	O.10 (unit: Hectares)	38,017.00	38,017.00	38,017.00	38,017.00	38,017.00	
	Planned output * Planned unit amount	6,063,331.33	6,063,331.33	6,063,331.33	6,063,331.33	5,594,201.55	29,847,526.87
TOTAL	O.10 (unit: Hectares)	38,017.00	38,017.00	38,017.00	38,017.00	38,017.00	Sum: 190,085.00 Max: 38,017.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,063,331.33	6,063,331.33	6,063,331.33	6,063,331.33	5,594,201.55	29,847,526.87
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP10_E09_CISF_16 - Aid for fruit production (Intensive)

Intervention Code (MS)	DP10_E09_CISF_16
Intervention Name	Aid for fruit production (Intensive)
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For intensive fruit growers and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to these weather and market

risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to direct payments under the relevant national legislation shall be eligible for intensive fruit production aid.

Specific eligibility criteria:

- who cultivates plants planted according to the table below,
- whose homogeneous plantation for which aid is applied for is at least the minimum number per hectare at the time of planting, as set out in the table,
- on the last day of the deadline for submitting the single application without penalty any two of the following conditions:
 - o the plantation does not exceed the age specified in the table,
 - o the presence of fixed, planted irrigation,
 - o at least 85 % in the case of vineyards, and
- (d) declare that the conditions set out in points (b) to (c) are fulfilled.

English title	Latin name	Min. vine/ha*	Max. age
Strawberries	<i>Fragaria × ananassa</i>	40 000	2 years
Currants	<i>Ribes rubrum</i>	4700	10 years
Other currants	<i>Ribes nigrum</i>	4700	10 years
Raspberries	<i>Rubus idaeus</i>	9000	10 years
Piszke, Piske regular graft	<i>Ribes uva-crispa</i>	4700	10 years
Blackberries	<i>Rubus idaeus</i>	—	10 years
Spiked blackberries	<i>Rubus rusticanus</i> var. <i>inermis</i>	—	10 years
Buckthorn	<i>Hippophae</i> (<i>Elaeagnus</i>) <i>rhamnoides</i>	990	15 years
Black elder	<i>Sambucus nigra</i>	600	15 years
Apples	<i>Malus domestica</i>	1300	20 years
Pears	<i>Pyrus communis</i>	1000	25 years
Quince	<i>Cydonia oblonga</i>	500	20 years
Peaches, Nektarine	<i>Prunus persica</i>	660	20 years
Apricots (apricots)	<i>Prunus armeniaca</i>	400	20 years
Sour cherries	<i>Prunus cerasus</i>	660	20 years
Cherry	<i>Prunus</i> subg. <i>Cerasus</i>	660	20 years
Plums	<i>Prunus</i> subgenus <i>Prunus</i>	660	20 years
Naplesa	<i>Mespilus germanica</i>	—	20 years
Walnuts	<i>Juglans regia</i>	200	50 years
Hazel	<i>Corylus avellana</i>	410	20 years
Almonds	<i>Prunus amygdalus</i>	410	20 years
Chestnuts	<i>Castanea sativa</i>	200	50 years
Blueberries	<i>Vaccinium corymbosum</i>	2000	10 years
Blackberry	<i>Aronia melanocarpa</i>	—	10 years
Rosehips	<i>Rosa canina</i>	—	15 years
Kiwifruit	<i>Actinidia deliciosa</i>	400	25 years
Persimmon	<i>Diospyros kaki</i>	660	20 years
Common figs	<i>Ficus carica</i>	625	25 years
Meaty som	<i>Cornus mas</i>	800	25 years

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is the possibility to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all intensively producing and applying for fruit. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The main reason for targeted support for fruit production in Hungary **is** the fact that the production area is on a downward trend. The decrease is particularly striking for the most important key product (apples) and has been ongoing since 2015. In addition to apples, the area of fruit with significant production areas or traditions, such as plums, pears, peaches, nectarines, currants or raspberries, is on a declining trend. The number of fruit growers is also decreasing. In addition, the level of income that can be realised for producers in the sector varies significantly from year to year, sometimes unpredictable.

This difficulty is caused by volatile and low yields due to extreme weather conditions, drastic increases in input prices, fluctuations in producer prices, lack of homogeneous commodity bases, fluctuating quality, high barriers to entry and higher production costs per hectare compared to benchmark crops for arable crops (maize, wheat, sunflower) (**secondary arguments**).

In the absence of coupled subsidies, the sector would be at risk of shrinking.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

☐ to improve competitiveness

☒ to improve quality

☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment compiled on the basis of **the SWOT analysis, our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain income in spite of fluctuations, contributing to the supply of healthy food to the population, including food security. In addition, the positive effects on, for example, the preservation of biodiversity or the rural workforce are maintained. Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers). Coupled aid also helps to bridge the period during which the positive effects of further interventions in the sector start to work (e.g.: measures to improve the bargaining power of producers).

In order to promote sustainable production in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include a minimum number of vines per hectare, the existence of a fixed irrigation system and a condition relating to the age of the plantation. The aim is

therefore to address the difficulties caused by fluctuations in yields and low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

Intensive orchards play a major role in the production of fruit intended for fresh consumption, whereas the output of extensive and more mechanised plantations is primarily a source of raw material for the processing industry, from short transport distances. This is precisely what justifies extensive and intensive fruit-growing envelopes with two separate unit costs, which makes it possible to increase the targeting of the aid.

What is (are) the sector(s) concerned?

Fruit and vegetables

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled subsidies, the sector would be at risk of shrinking. It is necessary to avoid this because the **importance of the sector** is very diverse.

- Fruit is a basic food that should be delivered to consumers or processors through the shortest possible supply chain (minimising the environmental impact), so local production is essential.
- It plays a key role in food security and health promotion.
- Intensive plantations play a major role mainly in the production of fruit intended for fresh consumption.
- Farms applying for coupled support tend to farm less than 5 hectares. The diversity of cultivated species and the maintenance of smaller-scale species in production are important for the conservation of biodiversity.
- Due to the technological characteristics of fruit-growing, the sector also needs manual labour alongside mechanical work. Due to its high annual labour consumption per hectare, the sector thus contributes to the employment and retention of the rural population.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for intensive fruit production that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

Given the relevance of irrigated farming in this item, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP10_O10_U01_HA - Specific amount of aid for intensive fruit production	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP10_O10_U01_HA - Specific amount of aid for intensive fruit production

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role played by coupled aid in the income of intensive fruit production and what its absence would make for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for intensive fruit production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including intensive fruit production.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops. This is of particular importance in ensuring that Hungary's food supply for fruit is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

Support for the **use of yield** categories is provided in the background document. The proportion of farms with stable production in high yield categories is so low that it does not jeopardise targeting and does not mean massive support for producers who thrive without support. The purpose of using the categories of yields is to demonstrate that the difficulty is largely justified, but it is not possible to distinguish between categories of beneficiaries because of the variability in the classification per year.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the output of intensive fruit production at levels and to prevent it from shrinking. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum values of the specific value

In the case of aid for intensive fruit production, a minimum and a maximum value are fixed at a unit value of EUR373,48/ha.

Variance of the specific value: + 15 %/-25 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

—We examined the extremes recorded during the period 2015-2021 for approved areas.

—The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.

- The impact of changes in product areas has been filtered out using the detailed tables for comparability (*not relevant for fruit production*).
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.
- These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.
- The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: Historical data, as well as market swings and extreme weather conditions, make it necessary to define a sufficient margin of manoeuvre. However, this has been introduced in a differentiated manner. With the expectation of halting the reduction in the area, we have reduced the maximum tolerance level for deviations, while at the same time we see the need for greater room for manoeuvre for the minimum value.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP10_O10_U01_HA - Specific amount of aid for intensive fruit production	Planned unit amount	373.48	373.48	373.48	373.48	344.58	
	Minimum Amount for the Planned unit amount	280.11	280.11	280.11	280.11	258.44	
	Maximum Amount for the Planned unit amount (EUR)	429.50	429.50	429.50	429.50	396.27	
	O.10 (unit: Hectares)	17,816.00	17,816.00	17,816.00	17,816.00	17,816.00	
	Planned output * Planned unit amount	6,653,919.68	6,653,919.68	6,653,919.68	6,653,919.68	6,139,037.28	32,754,716.00
TOTAL	O.10 (unit: Hectares)	17,816.00	17,816.00	17,816.00	17,816.00	17,816.00	Sum: 89,080.00 Max: 17,816.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,653,919.68	6,653,919.68	6,653,919.68	6,653,919.68	6,139,037.28	32,754,716.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP11_E10_CISS_16 - Ewe premium

Intervention Code (MS)	DP11_E10_CISS_16
Intervention Name	Ewe premium
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.11. Number of heads benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

The aim of the aid is to promote the economic and environmental sustainability of the sector and to ensure a quality commodity base by requiring the use of registered fathers.

It is of the utmost importance for ewe farmers and their families that coupled payments and transitional national support to support genuine production together form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The ewe premium shall be granted to an active farmer who is entitled to direct payments under the relevant national legislation.

Specific eligibility criteria:

- All females of the ovine species which are at least one year on the last day of the retention period shall be eligible;
- Ensure the use of fathers in accordance with the provisions of the Government Decree on animal husbandry and use only a flock with a herd-book certificate or a certificate of origin to serve the female herd, thus providing the necessary funds for quality production.
- Ensure that livestock kept in his holding is permanently marked, continuously recorded and reported in accordance with the Juh ENAR Decree, and
- undertakes to keep the animals declared in the aid application for one hundred consecutive days starting on 1 April of the reference year. The transport of the requested animal to an exhibition shall not be considered as a breach of the retention obligation.
- Ensure compliance with the requirements and time limits laid down in Community law.
- Minimum number of eligible individuals: one. This is for two reasons. On the one hand, the minimum number of animals is consistently 1 animal in the case of animal-based schemes. On the other hand, by involving the smallest producers, the environmental added value can be increased by complying with conditionality. Thirdly, the exclusion of small producers would run counter to the spirit of the reform, given the aim of treating small farms differently.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention shall be announced with a single unit value representing the same amount per animal for each producer and applicant keeping ewes. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The specific support for ewe rearing in Hungary is justified **by** the fact that the income available to producers in the sector is low, resulting in a gradual decline in the herd. The decline in the herd between 2015 and 2020 was much higher than in other European countries with a significant sheep population. This difficulty is caused by the additional costs of complying with EU animal health and environmental standards, the lack of own pasture areas, the heterogeneous herd in terms of breeds, the low consumption per capita and the fact that the current unfavourable profitability conditions make the sector unattractive for the next generation. The sharp increase in input prices will only further reinforce this process. **(subsidiary arguments).**

In the absence of coupled aid, the sector would risk further shrinking or even disappearing.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment drawn up on the basis of the SWOT analysis, **our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain it in spite of the difficulties indicated, to prevent population decline, to make it more attractive to young farmers if profitability improves, and to contribute to the survival of the liveable countryside, to maintaining the ecological balance and to maintaining the landscape.

In order to promote sustainable production, in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include the requirement to use professional farmers. In doing so, our aim is to improve animal health and welfare, food safety and the production of a quality commodity base, thereby improving the market situation and the ability of producers to generate income. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. A more stable income can also help modernise, increase digitalisation and thus improve the efficiency of production.

What is (are) the sector(s) concerned?

Sheepmeat and goatmeat

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would risk further shrinking or even disappearing. It is necessary to avoid this because the sector's **environmental importance is paramount**.

- Most of the areas with sheep-farming traditions are economically underdeveloped, disadvantaged areas where unemployment is above average.
- Sheep and goat farming is a key factor in the use of fragmented pasture areas, in particular in the use of permanent pasture areas, in maintaining the ecological balance, in the preservation of the landscape, and in the sector's role in terms of landscape and environmental protection.
- Pasture-based sheep farming is essential to maintain some 1 million hectares of pastureland in a cultural state, to preserve the species richness of grassland farmers, to prevent the spread of undesired plants, which often also cause allergic grievances, and to prevent scrubbing.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary would undertake from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

The same applies to animal husbandry rules, since national legislation on the prevention of pollution from nitrates has been in force since 2006 and 2008 respectively. One of the basic measures of Directive 91/676/EEC is the construction of manure storage facilities. In Hungary, in accordance with Government Decree No 27/2006. (II. According to the Government Decree, the deadline for the implementation of manure storage sites in livestock farms in or qualifying as nitrate vulnerable zones expired on 31 December 2014. Similarly, the deadline for the establishment of slurry stores for livestock farms other than nitrate vulnerable zones or non-nitrate vulnerable zones expired on 31 December 2014, while the deadline for the establishment of livestock manure storage facilities expired on 22 December 2015. At present, therefore, only livestock farms with adequate manure storage capacity can operate in Hungary. Insulated manure suitable for the storage of at least 6 months of manure, complying with the technical requirements laid down, must be equipped with a storage facility for leak-proof manure. As regards

manure management (storage and installation), it can therefore also be stated that livestock farms currently active have been authorised to operate on the basis of strict manure management standards ensuring the preservation of water quality.

In addition, it can be concluded from the eligibility criteria and the amount of aid for sheep farming that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

In Hungary, significant sources of tender were available for the modernisation of livestock holdings, including sheep farms, during the 2015-2022 cycle. Protecting water from a quality point of view is a priority objective, so manure storage and deposition are also carried out in accordance with the requirements of the Nitrates Directive. As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Sheep farming is typically carried out in extensive form in Hungary, which requires a more moderate use of water. In the case of extensive rearing, livestock density standards prior to over-grazing of grasslands ensure that livestock farming does not cause deterioration in the quality of water bodies. The additional control presented in chapter 3.3 will not be introduced.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP11_O11_U01_HD - Specific amount of ewe premium	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP11_O11_U01_HD - Specific amount of ewe premium

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided sufficient basic data on the role played by coupled aid in the income from ewe rearing and what would be caused by its absence in production efficiency.

The findings of the SWOT analysis showed that coupled aid is a key element for ewe rearing. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including ewe rearing.

For the calculation of the unit values, we relied on data from industry situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of a given activity. This is particularly important in ensuring that Hungary's food supply for sheepmeat and sheep's milk is ensured. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the ewe rearing at a level and to prevent further shrinking. This also means that it does not encourage more intensive rearing of animals. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the ewe premium, *a minimum and a maximum value of EUR 35,26 per animal are fixed.*

Variance of the specific value: + 25 %/-15 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

—We examined the extremes recorded during the period 2015-2021 for approved animals.

—Data of the animals approved on the basis of the 2023 application submission, using which we updated the value of the excavation indicator following the observed trends.

—For the sake of comparability, the impact of changes in product areas has been filtered out using *the detailed data tables (not relevant for ewe rearing)*.

—Where we found extreme values at the beginning of the period, they were removed from the series.

—The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.

—The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The gradual decline in the stock justifies a differentiated approach for minimum and maximum levels. Therefore, a greater margin has been set for the maximum value.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

Presentation of potential market distorting effects in the EU single market

The balance of the EU single market is not negatively affected by live sheep exports. Domestic sheep meat consumption is low (ewes, goats, rabbits and other meat together account for only 0.2 kg/capita) and is significantly below the EU average. The sector's output is therefore mainly exported as live lambs, typically within the EU, but the sheep population is quite heterogeneous in terms of breed, which is detrimental to possible expansion of export links, as it makes it difficult to serve larger markets requiring homogeneous commodity bases. In addition, the slow, gradually decreasing trend of livestock is an important factor in estimating the impact of the single market. Finally, it should be pointed out that the aid is aimed at income stability and therefore, **in the case of export markets, coupled subsidies are unlikely to have a market-distorting effect.**

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP11_O11_U01_HD - Specific amount of ewe premium	Planned unit amount	28.42	28.42	35.26	35.26	32.53	
	Minimum Amount for the Planned unit amount	24.16	24.16	29.97	29.97	27.65	
	Maximum Amount for the Planned unit amount (EUR)	35.53	35.53	44.08	44.08	40.67	
	O.11 (unit: Head)	765,930.00	765,930.00	642,542.00	642,542.00	642,542.00	
	Planned output * Planned unit amount	21,767,730.60	21,767,730.60	22,656,030.92	22,656,030.92	20,901,891.26	109,749,414.30
TOTAL							
	O.11 (unit: Head)	765,930.00	765,930.00	642,542.00	642,542.00	642,542.00	Sum: 3,459,486.00 Max: 765,930.00
	Annual indicative financial allocation (Union Contribution in	21,767,730.60	21,767,730.60	22,656,030.92	22,656,030.92	20,901,891.26	109,749,414.30

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
	EUR)						
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP12_E11_CISC_16 - Suckler cow premium

Intervention Code (MS)	DP12_E11_CISC_16
Intervention Name	Suckler cow premium
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.11. Number of heads benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For coupled suckler cow farmers and their families, it is of the utmost importance that coupled coupled payments and transitional national support provide a real safety net that ensures an expected level of

resilience in the event of income fluctuations due to weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The suckler cow premium shall be granted to an active farmer who is entitled to direct payments under the relevant national legislation.

Specific eligibility criteria:

• Suckler cow:

cows belonging to a meat breed or born from a cross with a meat breed, belonging to a herd intended for rearing calves for meat production, or

female bovine animals or buffaloes over eight months of age, belonging to a meat breed or born from a cross with a meat breed;

as from the application year 2015, the claimed animal received only the suckler cow premium and only the suckler cow premium.

• On the day of submission of the aid application, suckler cows on the holding which do not belong to the breeds listed below and belong to a breed declared under code 99 as 'other dairy production' under code 88, Brown Swiss under code 03 or Borzderes under code 15, or Kostromai breed under code 15.

• Ensure that livestock in her holding is marked, continuously recorded and reported in accordance with the ENAR Regulation. Comply with the requirements and time limits laid down in Community law.

• Keep the livestock applied for from the date of submission of the aid application in a culture free from tuberculosis, brucellosis and leukosis.

• Ensure the use of fathers in accordance with the provisions of the Government Decree on animal husbandry and use in herd animals declared for aid, breeding bulls or deep-frozen semen, ova or embryos with a central registration number and eligible according to the table, and ensure that inseminations (coverings), free and three-like matings and embryo transplants corresponding to calvings between 1 January of the reference year and the end of the retention period are recorded in the central database.

• At least 30 % of the animals applied for have calving during the reference year and keep the calves born from the requested animal during the holding for at least one month from the date of birth on the same holding as their mother, and

• undertakes to keep the animals declared in the aid application on a continuous basis for a period of six months from the day following the date on which the aid application was submitted.

• The proportion of heifers in the farmer's holding for which the aid is granted may not exceed 40 % for the entire duration of the holding.

A calving rate of 30 % and a heifer rate of 40 % on the holding of a farmer for which the premium is based need not be respected in the case of eligible animals of less than three animals.

List of cattle breeds

1. Angler Rotvieh (Angeln)
2. Armoricaïne
3. Ayrshire
4. Black and White Friesian
5. Bretonne pie noire
6. British Friesian
7. Črno-Bela
8. Czarno-biała
9. Czerwono-biała
10. Deutsche Schwarzbunte
11. Dutch Black and White
12. Estonian Holstein
13. Estonian Native

14. Estonian Red
15. Française Frisonne pie noire (FFPN)
16. Fries-Hollands (FH)
17. Friesian-Holstein
18. Frisona española
19. Frisona Italiana
20. German Red and White
21. German Red
22. Groninger Blaarkop
23. Guernsey
24. Holstein Black and White
25. Holstein
26. Itäsuomenkarja
27. Jersey
28. Länsisuomenkarja
29. Lithuanian Red
30. Hungarian Holstein-Friz
31. Malkeborthorn
32. Pohjoissuomenkarja.
33. Red and White Friesian
34. Red Holstein
35. Reggiana
36. Rød dansk mælkerace (RMD)
37. Schwarzbunte Milchrasse (SMR)
38. Sortbroget dansk mælkerace (SDM)
39. Valdostana Nera
40. Zwartbonten van België/pie noire de Belgique

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention shall be announced with a single unit value representing the same amount per animal for each suckler cow producer and applicant. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

Targeted support for suckler cow farming in Hungary is justified by the **difficulty** that despite targeted support, the sector has been loss-making on average over recent years.

This difficulty is caused by drastic increases in input prices, additional costs of compliance with EU animal health and environmental standards, low purchase prices, a lack of own pasture areas, heterogeneity in terms of variety use and farm size, genetic bases that need to be improved, cost sensitivity due to lower and intermittent production value, and low per capita consumption. (**subsidiary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking due to the loss of predictability.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment drawn up on the basis of the SWOT analysis, **our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain it in spite of the difficulties indicated, to improve the quality of the population, to continue to attract young farmers and to contribute to the survival of the liveable countryside, the ecological balance and the preservation of the landscape.

In order to promote sustainable production, in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include the requirement for proper use of fathers and the restriction to beef breeds. The proper use of father animals and the restriction to meat breeds improve targeting, facilitate the production of a quality commodity base through the development of genetic funds, thereby improving the market situation and the ability of producers to generate income. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Beef and veal

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking due to the loss of predictability. It is necessary to avoid this because of the wide-ranging **importance of** the sector.

- Most of the rural areas with tradition of rearing cattle are economically underdeveloped, disadvantaged areas where unemployment is above average.
- Beef fattening is based on the rearing of suckler cows for meat production, which is the simplest extensive rearing activity within the family business.
- Farms benefiting from coupled support for meat-producing suckler cows tend to be small farms with a maximum of 20 animals.
- Cattle rearing for meat production is a key factor in the use of fragmented pasture areas, in particular in the use of permanent pasture areas, in maintaining the ecological balance, in preserving the landscape, and in the sector's role in protecting the landscape and the environment.
- Pasture-based cattle farming is essential to maintain some 1 million hectares of grassland in the cultural state, to preserve the species richness of grassland founders, to prevent the spread of unwanted plants, which often also cause allergic grievances, and to prevent scrubbing.
- Cattle rearing also plays a role in generational renewal, as many young people start their activities as beef keepers.
- Although beef is not the predominant source of domestic consumption, it is a basic food, so support is also important for food security.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary would undertake from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

The same applies to animal husbandry rules, since national legislation on the prevention of pollution from nitrates has been in force since 2006 and 2008 respectively. One of the basic measures of Directive 91/676/EEC is the construction of manure storage facilities. In Hungary, in accordance with Government Decree No 27/2006. (II. According to the Government Decree, the deadline for the implementation of manure storage sites in livestock farms in or qualifying as nitrate vulnerable zones expired on 31 December 2014. Similarly, the deadline for the establishment of slurry stores for livestock farms other than nitrate vulnerable zones or non-nitrate vulnerable zones expired on 31 December 2014, while the deadline for the establishment of livestock manure storage facilities expired on 22 December 2015. At present, therefore, only livestock farms with adequate manure storage capacity can operate in Hungary. Insulated manure suitable for the storage of at least 6 months of manure, complying with the technical requirements laid down, must be equipped with a storage facility for leak-proof manure. As regards manure management (storage and installation), it can therefore also be stated that livestock farms currently active have been authorised to operate on the basis of strict manure management standards ensuring the preservation of water quality.

In addition, it can be concluded from the eligibility criteria and the amount of aid for suckler cow premiums that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

In Hungary, significant sources of tender were available for the modernisation of livestock holdings, including cattle farms, during the 2015-2022 cycle. Protecting water from a quality point of view is a priority objective, so manure storage and deposition are also carried out in accordance with the requirements of the Nitrates Directive. As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Beefcattle tend to be in extensive form in Hungary, which requires a more moderate use of water. In the case of extensive rearing, livestock density standards prior to over-grazing of grasslands ensure that livestock farming does not cause deterioration in the quality of water bodies. The additional control presented in chapter 3.3 will not be introduced.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and ‘head’ (i.e. how many of this unit corresponds to ‘1 head’?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP12_O11_U01_HD - Specific amount of suckler cow premium	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP12_O11_U01_HD - Specific amount of suckler cow premium

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role of coupled subsidies in the income of suckler cow farming and what its absence would cause for operational success. The findings of the SWOT analysis showed that coupled aid is a key element for suckler cow farming. Therefore, based on addressing the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including suckler cow farming.

For the calculation of the unit values, we relied on data from industry situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of a given activity. This is of particular importance in ensuring that Hungary's food supply for beef is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep suckler cow rearing at a level or to prevent shrinking of suckler cows. This also means that it does not encourage more intensive rearing of animals. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the suckler cow premium, *a minimum and a maximum value of EUR 139,95 per animal are fixed.*

Variance of the specific value: + 25 %/-20 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved animals.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- For the sake of comparability, the impact of changes in product areas has been filtered out using *the detailed data tables (not relevant for suckler cow rearing)*.
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the

previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The minimum value is set at 20 %, which is justified on the basis of historical data. The differentiated approach is justified by the fact that stock growth is less likely than a decline. Therefore, a greater margin of manoeuvre has been established for the 50 % derogation.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP12_O11_U01_HD - Specific amount of suckler cow premium	Planned unit amount	139.95	139.95	139.95	139.95	129.13	
	Minimum Amount for the Planned unit amount	111.96	111.96	111.96	111.96	103.30	
	Maximum Amount for the Planned unit amount (EUR)	174.94	174.94	174.94	174.94	161.41	
	O.11 (unit: Head)	247,455.00	247,455.00	247,455.00	247,455.00	247,455.00	
	Planned output * Planned unit amount	34,631,327.25	34,631,327.25	34,631,327.25	34,631,327.25	31,953,864.15	170,479,173.15
TOTAL	O.11 (unit: Head)	247,455.00	247,455.00	247,455.00	247,455.00	247,455.00	Sum: 1,237,275.00 Max: 247,455.00
	Annual indicative financial allocation (Union Contribution in EUR)	34,631,327.25	34,631,327.25	34,631,327.25	34,631,327.25	31,953,864.15	170,479,173.15
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP13_E12_CISM_16 - Foieched bull support

Intervention Code (MS)	DP13_E12_CISM_16
Intervention Name	Foieched bull support
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.11. Number of heads benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

It is of the utmost importance for bull fattening farmers and their families that coupled coupled payments and transitional national support to support genuine production together form a real safety net that ensures

an expected level of resilience in the event of income fluctuations due to weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

An active farmer who is entitled to a direct payment under the relevant national legislation shall be eligible for a foie bull payment.

Specific eligibility criteria:

(1) The aid for fattening shall be eligible for male bovine animals or buffaloes aged nine months or more on the day of export under point (a), with the exception of separate slaughter due to clinical signs, as referred to in point (b), between 1 April of the previous year and 31 March of the current year have been slaughtered in a slaughterhouse, or live animals exported to a third country outside the European Union or transported to another Member State of the European Union from a holding, artificial insemination station, loading or collection centre type.

(2) An active farmer shall be entitled to the foie-farming premium if:

- on the basis of the national register laid down in the ENAR Decree, the bovine animal kept the male bovine animal from the holding for at least two months immediately before leaving the holding in accordance with paragraph (1),
- Ensure the use of fathers in accordance with the Book Decree and in the case of the conception of animals declared for the foie-farming premium
 - the use of dourage bulls or deep-frozen semen, ova or embryos with a central registration number (KPLSZ) or an equivalent foreign identifier can be demonstrated, or
 - in the case of free and three-style matings, the keeping in the holding of a father bearing a KPLSZ or an equivalent foreign identifier for the date of conception of the animals declared for the foie-keeping premium may be certified, and
 - ensure that inseminations, free and three-like matings and embryo transplants of livestock are registered in the national livestock database by 31 August of the reference year at the latest.
- ensure that bovine herds on their holding are marked and registered in accordance with the ENAR Regulation, and
- bovine animals are certified as having been slaughtered or exported in the slaughterhouse in accordance with the reporting obligation laid down in the ENAR Decree, and
- comply with the requirements and time limits laid down in Community law.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention shall be announced with a single unit value representing the same amount per animal for each producer and applicant holding foieged bulls. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

Targeted support for foie gras in Hungary is justified by the **difficulty** that the sector would be loss-making in the absence of targeted support.

This difficulty is caused by drastic increases in input prices, additional costs of compliance with EU

animal health and environmental standards, low purchase prices, a lack of own pasture areas, heterogeneity in terms of variety use and farm size, genetic bases that need to be improved, cost sensitivity due to lower and intermittent production value, and low per capita consumption. (**subsidiary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking due to the loss of predictability.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

☐ to improve competitiveness

☒ to improve quality

☒ to improve sustainability'

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

According to the consultation of the sectors and the needs assessment drawn up on the basis of the SWOT analysis, **our aim is to stabilise the sector's profitability and improve its resilience** in order to maintain it in spite of the difficulties indicated, to improve the quality of the population, to continue to attract young farmers and to contribute to the survival of the liveable countryside, the ecological balance and the preservation of the landscape.

In order to promote sustainable production in order to maintain **the long-term improvement of the sector's situation**, maintaining and increasing support will bring long-term benefits to the landscape and the environment (e.g.: biodiversity), it can improve rural employment in the long term, the retaining power of rural areas, the preservation of traditional, local and regional production, as well as the inclusion of younger generations in the meat sector with an ageing age. In order to maintain long-term effects, the eligibility criteria include the use of an appropriate father animal. **In addition, appropriate use of father animals is introduced in the eligibility conditions. This improves targeting, facilitating the production of quality commodity funds through the development of genetic funds, thereby improving the market position of producers and their ability to generate income.**

In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Beef and veal

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking due to the loss of predictability. It is necessary to avoid this because of the wide-ranging **importance of the sector**.

- Most of the rural areas with tradition of rearing cattle are economically underdeveloped, disadvantaged areas where unemployment is above average.
- Farms benefiting from coupled support for foie bulls tend to be small farms with a maximum of 10 animals.
- Cattle rearing for meat production is a key factor in the use of fragmented pasture areas, in particular in the use of permanent pasture areas, in maintaining the ecological balance, in preserving the landscape, and in the sector's role in protecting the landscape and the environment.
- Pasture-based cattle farming is essential to maintain some 1 million hectares of grassland in the cultural state, to preserve the species richness of grassland founders, to prevent the spread of unwanted plants, which often also cause allergic grievances, and to prevent scrubbing.
- Cattle rearing also plays a role in generational renewal, as many young people start their activities as beef keepers.
- Although beef is not the predominant source of domestic consumption, it is a basic food, so

support is also important for food security.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary would undertake from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

The same applies to animal husbandry rules, since national legislation on the prevention of pollution from nitrates has been in force since 2006 and 2008 respectively. One of the basic measures of Directive 91/676/EEC is the construction of manure storage facilities. In Hungary, in accordance with Government Decree No 27/2006. (II. According to the Government Decree, the deadline for the implementation of manure storage sites in livestock farms in or qualifying as nitrate vulnerable zones expired on 31 December 2014. Similarly, the deadline for the establishment of slurry stores for livestock farms other than nitrate vulnerable zones or non-nitrate vulnerable zones expired on 31 December 2014, while the deadline for the establishment of livestock manure storage facilities expired on 22 December 2015. At present, therefore, only livestock farms with adequate manure storage capacity can operate in Hungary. Insulated manure suitable for the storage of at least 6 months of manure, complying with the technical requirements laid down, must be equipped with a storage facility for leak-proof manure. As regards manure management (storage and installation), it can therefore also be stated that livestock farms currently active have been authorised to operate on the basis of strict manure management standards ensuring the preservation of water quality.

In addition, it can be concluded from the eligibility criteria and the amount of aid for the aid for foie gras that the unit payment is uniform for all producers and does not contain an incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

In Hungary, significant sources of tender were available for the modernisation of livestock holdings, including cattle farms, during the 2015-2022 cycle. Protecting water from a quality point of view is a priority objective, so manure storage and deposition are also carried out in accordance with the requirements of the Nitrates Directive. As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Beefcattle tend to be in extensive form in Hungary, which requires a more moderate use of water. In the case of extensive rearing, livestock density standards prior to over-grazing of grasslands ensure that livestock farming does not cause deterioration in the quality of water bodies. The additional control presented in chapter 3.3 will not be introduced.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and 'head' (i.e. how many of this unit corresponds to '1 head'?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP13_O11_U01_HD - Specific amount of fattened bull support	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP13_O11_U01_HD - Specific amount of fattened bull support

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided adequate basic data on the role played by coupled subsidies in the income of foie gras and what its absence would make for operational success.

The findings of the SWOT analysis showed that coupled aid is a key element for foie gras. Therefore, based on addressing the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including foie gras.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of a given activity. This is of particular importance in ensuring that Hungary's food supply for beef is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to maintain the emissions of foie gras or prevent the shrinking of foie gras. This also means that it does not encourage more intensive rearing of animals. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

*In the case of foie gras, a minimum value and a maximum value of **EUR 76,20 per animal** are fixed.*

Variance of the specific value: + 40 %/-25 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved animals.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- For the sake of comparability, we have filtered out the effect of changes in product areas using *the detailed data tables (not relevant for foie gras keeping)*.
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.
- These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation:

The maximum deviation is set at 40 %, which is justified on the basis of historical data. In addition, the potential of the sector that typically sells to the external market (outside the EU) is determined by current market developments (e.g. the situation of Turkish deliveries), which, based on the experience of the past period, may have a significant turnaround within a year. The differentiated approach is justified by the fact that stock growth is less likely than a decline.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

Presentation of potential market distorting effects in the EU single market

Domestic consumption of beef per capita is very low (0.9 kg/person) and significantly below the EU average. The Hungarian beef sector has significant exports of live animals. The table below, which lists the main partners, shows that, in terms of weight, the largest trading partners are EU Member States, but the total volume of exports is fragmented between the partners. **As a result, the EU internal market does not end up in a quantity of livestock capable of undermining the balance of the internal market.** It is also important to see that we have significant partners outside the EU, which also does not jeopardise the balance of the internal market.

Destination country	Net mass (kg)
Total	73 778 415
Austria	12 365 120
Croatia	11 167 981
Kosovo	10 688 944
Türkiye	5 928 511
Poland	5 780 139
Romania	4 192 052
Spain	3 730 112
Italy	3 498 290
Russia	2 883 196
Uzbekistan	1 934 468
Slovakia	1 534 872
Slovenia	1 247 172
Greece	1 067 112
United Arab Emirates	977 720

Albania	738 171
Azerbaijan	699 455
Serbia	692 815

Source: HCSO, 2021

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP13_O11_U01_HD - Specific amount of fattened bull support	Planned unit amount	54.35	54.35	54.35	76.20	70.31	
	Minimum Amount for the Planned unit amount	40.76	40.76	40.76	57.15	52.73	
	Maximum Amount for the Planned unit amount (EUR)	65.22	65.22	65.22	106.68	98.44	
	O.11 (unit: Head)	93,122.00	93,122.00	93,122.00	66,420.00	66,420.00	
	Planned output * Planned unit amount	5,061,180.70	5,061,180.70	5,061,180.70	5,061,204.00	4,669,990.20	24,914,736.30
TOTAL	O.11 (unit: Head)	93,122.00	93,122.00	93,122.00	66,420.00	66,420.00	Sum: 412,206.00 Max: 93,122.00
	Annual indicative financial allocation (Union Contribution in EUR)	5,061,180.70	5,061,180.70	5,061,180.70	5,061,180.70	4,670,068.30	24,914,791.10
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP14_E13_CISD_16 - Aid for the rearing of dairy cows

Intervention Code (MS)	DP14_E13_CISD_16
Intervention Name	Aid for the rearing of dairy cows
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.11. Number of heads benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

It is of utmost importance for dairy farmers and their families that coupled coupled payments to support genuine production combined with transitional national support provide a real safety net that ensures the

expected level of resilience in the event of income fluctuations due to weather and market risks.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The dairy cow premium shall be granted to an active farmer who is entitled to direct payments under the relevant national legislation.

Specific eligibility criteria:

(1) The dairy cow premium shall be granted to a farmer who:

rearing female bovine animals at least once, the age of which is not less than twenty-three months on 31 March of the year in which the aid application is submitted;

ensure that the livestock on his holding is marked and registered in accordance with the ENAR Regulation for bovine animals, and

keep the livestock applied for at the time of submission of the aid application in a culture free from tuberculosis, brucellosis and leukosis.

(2) Aid may be claimed in respect of dairy cows in accordance with point (a) of paragraph (1) which were found in the farmer's holding on 31 March of the reference year, but were not placed on the farmer's holding on 31 March of the reference year, and

- under official control of milk production, or
- dairy cows registered in the ENAR register using milk and dual-use breed codes, or
- Animals eligible for the dairy cow premium are eligible for the dairy cow premium as of the 2015 application year only and exclusively for dairy cows.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per animal for all producers of dairy cows and applicants. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

The specific support for dairy cows in Hungary is justified by **the** fact that, in the absence of targeted support, the sector is characterised by low income-generating capacity and income volatility.

This difficulty is caused by drastic increases in input prices, additional costs to comply with environmental, animal health and animal welfare standards, very low purchase prices in the EU, high cost, import pressure from processed products and the resulting strong competition, poor content of raw milk and high feed cost ratios in production costs. (**subsidiary arguments**).

In the absence of coupled subsidies, the sector would risk shrinking, self-sufficiency and thus reduced food security.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

Our aim is to stabilise the sector's profitability and improve its resilience, based on the consultation of the sectors and the SWOT analysis, in order to maintain it in spite of the difficulties indicated, to improve quality, to contribute to food security and to reduce the environmental impact by alleviating import pressures. *The planning of stable outputs also confirms that we are not waiting for an increase in production and that intensification is not encouraged by the aid.*

In order to promote sustainable production in order to maintain **the long-term improvement of the situation in the sector**, participation in official production control is one of the eligibility conditions. This ensures good quality of raw milk (food safety) and provides feedback to farmers on feed. In turn, the limitation to dairy breeds improves targeting, the production of a quality commodity base, thereby improving the market position of producers and their ability to generate income. It also ensures that EU funds are used to keep the animals most suitable for milk production.

In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Milk and milk products

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled subsidies, the sector would risk shrinking, self-sufficiency and thus reduced food security.

It is necessary to avoid this because of the wide-ranging **importance of** the sector.

- Milk is a basic food and therefore, in the long term, milk production contributes to maintaining food security through the supply of raw materials to the domestic dairy sector.
- It plays an important role in maintaining the triple-free status of bovine herds in Hungary (free status of tuberculosis, brucellosis and leukosis), thereby maintaining a favourable animal health, animal welfare and food safety situation.
- The role of milk in employment is significant, but has fallen drastically since EU accession. The decline in milk production would put at risk the livelihoods of almost 14 thousand people employed in the production of raw materials and in the dairy sector, causing serious social and social problems, especially in rural areas. Dairy cows can ensure long-term employment in rural areas, retaining the rural area and preserving the production of traditional, local and regional dairy products.
- Cattle rearing performs important ecological functions: maintaining grassland in a cultural state, contributing to maintaining the ecological balance, preserving the species richness of grassland founders, preventing the spread of unwanted crops, mostly causing allergic grievances, or scrubbing. Grazing also contributes to reducing high feed costs in international comparisons.
- An important by-product of milk production is valuable organic livestock manure, which is an important input for environmentally sound, sustainable crop production, but is barely recognised on the market, unlike fertilisers, it improves not only the fertility but also the structure of soils, so that greenhouse gas emissions can be reduced by professional storage and transfer to the soil.
- Strengthening domestic production and reducing supply chains is also important in order to reduce environmental pressures, and the aim is to cover as much of the consumption as possible with domestic products with a much lower ecological footprint.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary would undertake from 2023

onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

The same applies to animal husbandry rules, since national legislation on the prevention of pollution from nitrates has been in force since 2006 and 2008 respectively. One of the basic measures of Directive 91/676/EEC is the construction of manure storage facilities. In Hungary, in accordance with Government Decree No 27/2006. (II. According to the Government Decree, the deadline for the implementation of manure storage sites in livestock farms in or qualifying as nitrate vulnerable zones expired on 31 December 2014. Similarly, the deadline for the establishment of slurry stores for livestock farms other than nitrate vulnerable zones or non-nitrate vulnerable zones expired on 31 December 2014, while the deadline for the establishment of livestock manure storage facilities expired on 22 December 2015. At present, therefore, only livestock farms with adequate manure storage capacity can operate in Hungary. Insulated manure suitable for the storage of at least 6 months of manure, complying with the technical requirements laid down, must be equipped with a storage facility for leak-proof manure. As regards manure management (storage and installation), it can therefore also be stated that livestock farms currently active have been authorised to operate on the basis of strict manure management standards ensuring the preservation of water quality.

In addition, it can be concluded from the eligibility criteria and the amount of aid for dairy cows that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

In Hungary, significant sources of tender were available for the modernisation of livestock holdings, including dairy cattle, during the 2015-2022 cycle. Protecting water from a quality point of view is a priority objective, so manure storage and deposition are also carried out in accordance with the requirements of the Nitrates Directive. As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

In view of the relevance and priority of this item for the protection of water quality, the additional control described in section 3.3 will be introduced.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☐ Yes ☒ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

N/A

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and ‘head’ (i.e. how many of this unit corresponds to ‘1 head’?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP14_O11_U01_HD - Specific amount of dairy cow premium	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP14_O11_U01_HD - Specific amount of dairy cow premium

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This provided sufficient basic data on the role played by coupled aid in the dairy cows' income and what its absence would cause for farm success.

The findings of the SWOT analysis showed that coupled aid is a key element for dairy cows rearing. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, including dairy cows.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of a given activity. This is particularly important in ensuring that Hungary's food supply for milk and milk products is guaranteed. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to maintain the emissions of dairy cows or prevent them from shrinking. This also means that it does not encourage more intensive rearing of animals. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

*In the case of the dairy cow premium, a minimum and a maximum value of **EUR 316,99 per animal** are fixed.*

Variance of the specific value: ± 25 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the period 2015-2021 for approved animals.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- For the sake of comparability, the impact of changes in product areas has been filtered out using *the detailed data tables (not relevant for dairy cows)*.
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the previous period.

- These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.
- The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The band is set at 25 %, which is justified on the basis of historical data.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

Presentation of potential market distorting effects in the EU single market

The Hungarian milk and milk products sector has a rather mixed picture. In addition to producing close to the level of national self-sufficiency, it generates significant external trade flows, mainly within the EU. Regrettably, there is still a contradiction whereby part of the milk produced in Hungary leaves the country in the form of raw milk, while the market for processed products (cheese, yoghurt, dairy spreads) is a major source of imports from EU Member States.

The table below shows the main destination countries for raw milk exports. This shows that raw milk typically enters the internal market. In particular, Romania accounted for 47 % of raw milk in 2021. This may in itself raise the issue of the potential negative impact on the market balance, but at the same time Hungarian exports of raw milk do not distort the functioning of the internal market. Hungarian milk production accounts for between 1 % and 1.5 % of EU milk production. This alone is a very small proportion. Around 10-15 % of the raw milk delivered, representing about half of domestic production in terms of liquid milk production, is exported, which is virtually negligible for EU production. In addition, Romanian milk production is unable to supply raw materials to its processing industry and therefore needs to be imported. Accordingly, Hungarian exports in this case rather contribute to the security of food supply.

The pattern of exports is fragmented between partners and therefore does not represent a real threat to the balance of the internal market. The cheese is still worth mentioning in Hungarian exports, but it is typically not the EU but the markets in the Middle East.

Destination country	Volume of exports of raw milk (kg)	Breakdown
Total	277 621 423	100
Romania	131 179 352	47,3
Croatia	42 590 798	15,3
Italy	25 544 478	9,2
Germany	20 573 752	7,4
Bulgaria	12 105 902	4,4
Netherlands	11 817 711	4,3
Poland	10 577 437	3,8
Greece	8 038 680	2,9

Slovakia	6 850 990	2,5
Czechia	4 021 181	1,4
Slovenia	2 948 605	1,1
Bosnia and Herzegovina	1 238 761	0,4
Denmark	103 065	0,0
South Africa	30 450	0,0

Source: HCSO, 2021

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP14_O11_U01_HD - Specific amount of dairy cow premium	Planned unit amount	316.99	316.99	316.99	316.99	292.47	
	Minimum Amount for the Planned unit amount	237.74	237.74	237.74	237.74	219.35	
	Maximum Amount for the Planned unit amount (EUR)	396.24	396.24	396.24	396.24	365.59	
	O.11 (unit: Head)	215,383.00	215,383.00	215,383.00	215,383.00	215,383.00	
	Planned output * Planned unit amount	68,274,257.17	68,274,257.17	68,274,257.17	68,274,257.17	62,993,066.01	336,090,094.69
TOTAL	O.11 (unit: Head)	215,383.00	215,383.00	215,383.00	215,383.00	215,383.00	Sum: 1,076,915.00 Max: 215,383.00
	Annual indicative financial allocation (Union Contribution in EUR)	68,274,257.17	68,274,257.17	68,274,257.17	68,274,257.17	62,993,066.01	336,090,094.69
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP15_E14_CISG_16 - Aid for the production of grain protein feed crops

Intervention Code (MS)	DP15_E14_CISG_16
Intervention Name	Aid for the production of grain protein feed crops
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For producers of protein feed grains and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to weather

and market risks.

The intervention also aims to reduce protein dependency, thereby helping to partially meet the feed needs of livestock farmers.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The protein forage grain premium shall be granted to an active farmer who is entitled to direct payments under the relevant national legislation.

Specific eligibility criteria:

- cultivate a crop as shown in the table below,
- a minimum yield of 2 tonnes/ha for soya, field beans, sweet lupins, dry peas, chickpeas, field peas, field peas, and
- use at least the minimum quantity of propagating material per hectare specified in the table in respect of the total area declared by it for the purpose of applying for coupled direct aid, certifying that the propagating material has been acquired, or
- for the production of field peas, for the total area declared for coupled direct aid, the table declares the use of the minimum quantity of propagating material per hectare specified in the table and recorded on the relevant voucher of the farming logbook.

By requiring the use of certified material, coupled support can contribute to the EU's environmental and climate objectives. The purpose of the standard is to enable farmers to grow resistant varieties that can cope with the negative effects of climate change, thereby helping agriculture to adapt its climate.

Name in Hungarian	Name in Latin	Minimum seed (kg/hectare)*
Soybean	Glycine max	70
Field beans (Disa beans)	Vicia faba	170
Sweet white lupins (for fodder)	Lupinus subbus	100
Sweet yellow lupins (for fodder)	Lupinus luteus	100
Sweet blue lupins (for forage)	Lupinus angustifolius	100
Sweet white lupins	Lupinus subbus	100
Blue-flower sweet lupins	Lupinus angustifolius	100
Yellow-flowing sweet lupin	Lupinus luteus	100
Dry peas (yellow peas)	Pisum sativum ssp. sativum convar. sativum	100
Chickpeas	Cicer arietinum	80
Spring field peas	Pisum sativum	170
Winter pea	Pisum sativum	100
Field peas	Pisum arvense	100

*: The values in the table are mean values from which a tolerance of $\pm 20\%$ is allowed. This flexibility is the possibility to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed standard values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for each applicant and grower of protein feed grain. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

Targeted support for the production of protein grain crops in Hungary **is justified by** the fact that the income-generating capacity of soya and forage peas, without coupled aid, is well below benchmark crops (wheat, maize, sunflower, rapeseed). Profitability is rather volatile year-on-year.

This difficulty is caused by volatile yields due to extreme weather conditions, a drastic increase in input prices, a lack of a suitable machinery pool, and the lack of specialised knowledge to grow successfully by a significant number of farmers, an incomplete knowledge base and an inefficient transfer of knowledge (**secondary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking, which would further aggravate Hungary's and the EU's protein dependency.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

Our aim is to stabilise the sector's profitability and improve its resilience, based on the consultation of the sectors and the SWOT analysis, in order to maintain income in spite of fluctuations, contributing to alleviating the country's and the EU's import dependency and to food security through animal feed. In addition, positive effects on, for example, biodiversity or nitrogen resources in soils are maintained.

In order to promote sustainable production in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include certified seed use and minimum seed use and yields per hectare. The aim is therefore to address the difficulties arising from fluctuations in yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Protein crops

Mix between legumes and grasses

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking, which would further aggravate Hungary's and the EU's protein dependency. It is necessary to avoid this because the **importance of the sector is** very diverse.

- It reduces Hungary's and the EU's dependence on protein imports, thereby also allowing partly to replace the protein needs of the livestock sectors.
- It increases nitrogen in the soil, thereby directly contributing to the reduction of fertiliser use and nutrient losses.
- They are particularly important in crop diversification, increasing biodiversity, and their pre-plant value is high.

- Small livestock farms seeking self-sufficiency are one of the main sources of protein, and their production contributes to the viability of these farms in an environmentally sound manner by reducing feed costs.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for the aid for the production of protein fodder grain that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

The surplus check presented in chapter 3.3 does not apply to this item.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

EU WTO schedule limits on oilseeds (Blair

House Agreement): Does the intervention target any of the crop(s) covered by the agreement (i.e. soybean, rapeseed, sunflower seed)?

☒ Yes ☐ No

	Claim Year				
	2023	2024	2025	2026	2027
rapeseed/colza	0	0	0	0	0
sunflower (excluding confectionary sunflower seed)	0	0	0	0	0
soya beans	56,406	56,406	56,406	56,406	56,406

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☒ Yes ☐ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

50 %

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and ‘head’ (i.e. how many of this unit corresponds to ‘1 head’?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP15_O10_U01_HA - Specific amount of aid for the production of protein fodder grain	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP15_O10_U01_HA - Specific amount of aid for the production of protein fodder grain

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This has provided sufficient basic data on the role of coupled aid in the income of protein grain crops and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled support is a key element for protein grain production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, such as protein grain production.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is of particular importance in ensuring the supply of food and feed to Hungary. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the production of grain protein crops at levels and prevent their shrinkage. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

In the case of aid for the production of protein fodder grains, a minimum and a maximum value of EUR 232,87 per hectare are fixed.

Variance of the specific value: $\pm 30\%$

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

—We examined the extremes recorded during the period 2015-2021 for approved areas.

—The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.

—The impact of changes in product areas has been filtered out using detailed data tables for comparability purposes (not relevant for protein grain production).

—Where we found extreme values at the beginning of the period, they were removed from the series.

—The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.

—The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the

previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: The band is justified by historical data and serious swings in the soya market. However, the size of the financial envelope is slightly increasing and the combined effect of these two factors is still difficult to estimate.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP15_O10_U01_HA - Specific amount of aid for the production of protein fodder grain	Planned unit amount	232.87	232.87	232.87	232.87	214.87	
	Minimum Amount for the Planned unit amount	163.01	163.01	163.01	163.01	150.41	
	Maximum Amount for the Planned unit amount (EUR)	302.73	302.73	302.73	302.73	279.33	
	O.10 (unit: Hectares)	68,548.00	68,548.00	68,548.00	68,548.00	68,548.00	
	Planned output * Planned unit amount	15,962,772.76	15,962,772.76	15,962,772.76	15,962,772.76	14,728,908.76	78,579,999.80
TOTAL	O.10 (unit: Hectares)	68,548.00	68,548.00	68,548.00	68,548.00	68,548.00	Sum: 342,740.00 Max: 68,548.00
	Annual indicative financial allocation (Union Contribution in EUR)	15,962,772.76	15,962,772.76	15,962,772.76	15,962,772.76	14,728,908.76	78,579,999.80
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

DP16_E15_CISP_16 - Aid for the production of coarse protein forage

Intervention Code (MS)	DP16_E15_CISP_16
Intervention Name	Aid for the production of coarse protein forage
Type of Intervention	CIS(32) - Coupled income support
Common Output Indicator	O.10. Number of hectares benefitting from coupled income support

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
1.1.2	Provision of available loan financing	2	Partially
1.1.3.	Improving the profitability of small farms	2	Yes
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.6 Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

R.8 Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality

5 Specific design, requirements and eligibility conditions of the intervention

Description

For producers of coarse protein feed crops and their families, it is of the utmost importance that coupled payments, which specifically support genuine production, together with the basic payment, form a real safety net that ensures an expected level of resilience in the event of income fluctuations due to these

weather and market risks.

The intervention also aims to reduce protein dependency, thereby helping to partially meet the feed needs of ruminants.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary, the area and, when applicable, other relevant obligations

The aid for the production of coarse protein forage shall be an active farmer who is eligible for direct aid under the relevant national legislation.

Specific eligibility criteria:

- grow a plant according to the table below,
- use the minimum propagating material per hectare of the weight set out in the table below or, in the case of planting or overseeding in the autumn of the year preceding the year of the claim, or a quantity of propagating material providing a minimum number of sprouts, in respect of the total area declared by it for the purposes of applying for coupled direct aid, and provides evidence of the purchase of the propagating material,
- the crop suitable for multi-annual cultivation is present in at least 80 % of the field declared in the aid application as a coherent herd, and
- it shall also be ensured that the protein crop component does not fall below 50 % in the case of uses other than the minimum values laid down in the table for the cultivation of the female mixture, peas' sun-rising bird, peas maize and rye-spined vetch.

By requiring the use of certified material, coupled support can contribute to the EU's environmental and climate objectives. The aim of the standard is to ensure that farmers grow resistant varieties that can cope with the negative effects of climate change, thereby promoting the climate adaptation of agriculture.

English title	Latin name	Minimum seed kg/ha***	Minimum plate count per hectare***	Minimum seedlings number/hectare***
Lucerne, Lucerna fermented fodder, Lucerna green forage*	Medicago sativa	15	—	—
Hop lucerne*	Medicago lupulina	15	—	—
Sárkerep lucerne*	Medicago village	15	—	—
Tarcan-flowered lucerne*	Medicago x. varia	15	—	—
Lucerne* (for seed)	Medicago sativa	8	—	—
Crimson clover	Trifolium incarnatum	10	—	—
White clover*	Trifolium repens	6	—	—
Korshere (Swedish here)*	Trifolium hybridum	6	—	—
Red clover*	Trifolium pratense	10	—	—
Alexandria clover	Trifolium alexandrinum	10	—	—
Female mixtures (mixtures of pannonian or coarse	Vicia pannonica/Vicia villosa + Triticum	wheat, rye, barley or triticale: 60,	—	—

vetches, rye, wheat, barley, triticale or purple clover)	aestivum/Secale cereale/Hordeum vulgare/x Triticosecale + Trifolium incarnatum	Szessös— vetches or Pannonian vetches: 80 and purple clover: 20		
Peas maize salad**	Pisum sativum + Zea mays conv. Vulgaris	—	peas: 600 000 maize (corn): 400 000	—
Peas's sunflower family	Pisum sativum + Helianthus annuus	120 kg peas + 25 kg sunflower	peas: 600 000 sunflower: 400 000	—
Deer kernel*	Lotus corniculatus	14	—	—
Feed balltimine	Onobrychis viciifolia	95 kg of peeled seed of unpeeled 145 kg	—	—
Common vetch (Spring vetches)	Vicia sativa L.	30	—	—
Oestrian vetch	Vicia villosa	30	—	—
Pannonian vetch	Vicia pannonica	30	—	—
Rye-sweed vetch	Secale cereale + Vicia villosa	60 kg of rye + 105 kg Szessös— vetch	rye: 2000000 coarse vetches: 3 000 000	—
Silfium*	Silphium perfoliatum	—	—	20 000
Eastern goat herd*	Galega orientalis	12	—	—
Pink snack	Rumex acetosella	40	—	—
Chickling vetch	Lathyrus sativus	160	100 000	

* Culture suitable for multiannual cultivation

** In determining the mass value of the mixture the value of Pisum sativum 117 g/000 seeds and 250 g/000 seeds for Zea mays conv. vulgaris shall be taken into account.

*** The values in the table are mean values with a tolerance of ± 20 %. This flexibility is the option to adjust the mean values where necessary, and not a possibility for beneficiaries to deviate from the fixed norm values.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Range and amounts of support

Description

The intervention is announced with a single unit value, which represents the same amount per hectare for all producers and applicants of coarse protein fodder. Territorial differentiation is not applied.

8 Additional questions/information specific to the Type of Intervention

Justification of the difficulty(ies) that the targeted sector(s)/production(s) or type(s) of farming therein undergo.

Targeted support for the production of fibre protein crops in Hungary **is justified by** the fact that the income-generating capacity of forage crops in Hungary, without coupled aid, is far below the benchmark crops (wheat, maize, sunflower, rapeseed). Profitability is rather volatile year-on-year.

This difficulty is caused by volatile and low yields due to extreme weather conditions, a drastic increase in input prices, the lack of a suitable machinery fleet and the fact that the positive externalities of leguminous coarse fodder production are not recognised by the market. (**subsidiary arguments**).

In the absence of coupled aid, the sector would be at risk of shrinking, which would further aggravate Hungary's and the EU's protein dependency. In addition, a decline in the area and its possible withdrawal from crop rotation would cause both economic and ecological losses.

What is the aim of the intervention with regard to the targeted sector(s)/production(s) or type(s) of farming therein?

- ☐ to improve competitiveness
- ☒ to improve quality
- ☒ to improve sustainability'

How will the intervention address the identified difficulty(ies) by this aim (i.e. explanation about the targeting)?

Our aim is to stabilise the sector's profitability and improve its resilience, based on the consultation of the sectors and the SWOT analysis, in order to maintain income in spite of fluctuations, contributing to alleviating the country's and the EU's import dependency and to food security through animal feed. In addition, positive effects on, for example, biodiversity or nitrogen resources in soils are maintained.

In order to promote sustainable production, in order to maintain **the long-term improvement of the situation in the sector**, the eligibility conditions include certified seed use and the requirement of a minimum number of propagating material per hectare or a minimum number of germinal products. The aim is thus to address the difficulties arising from fluctuations in yields and low yields. In addition to stabilising income, direct aid plays an important role in farmers' farming, as they generate the necessary own resources and cover for the necessary improvements. In addition, stabilising farmers' incomes promotes modernisation, digitalisation and thus improved production efficiency.

What is (are) the sector(s) concerned?

Protein crops

Mix between legumes and grasses

Justification of the importance of the targeted sector(s)/production(s) or type(s) of farming therein

In the absence of coupled aid, the sector would be at risk of shrinking, which would further aggravate Hungary's and the EU's protein dependency. In addition, a decline in the area and its possible withdrawal from crop rotation would cause both economic and ecological losses. It is necessary to avoid this because **the importance of the sector is** very diverse.

- It reduces Hungary's and the EU's dependence on protein imports, thereby also allowing partly to

replace the protein needs of the livestock sectors.

- Leguminous coarse fodder crops play a significant role in the use of land with weak income-producing potential, in crop diversification and in increasing biodiversity.
- Leguminous coarse fodder crops increase the soil's nitrogen stock, thereby contributing directly to the reduction of fertiliser use and nutrient losses, their deep, branched roots improve soil structure, and soil conservation effects on soils exposed to erosion.
- The cultivation of leguminous coarse fodder crops is the most environmentally friendly solution for the self-protein supply of protein to small cattle farms.

Explanation how the intervention is consistent with the Water Framework Directive (i.e. 2000/60/EC).

Compliance with the Water Framework Directive is considered to be ensured horizontally through the adequacy of the legislative environment. The licensing system described in detail in section 3.3 provides sufficient safeguards for the start of new activities. For farms already in operation, it is important to clarify: The water use licensing system presented is not an offer that Hungary undertakes from 2023 onwards. This is a description of a system that has been in place for many years and has evolved and strengthened since the entry into force of the Directive for water use for agricultural purposes.

In addition, it can be concluded from the eligibility criteria and the amount of aid for the aid for the production of rough protein fodder that the unit payment is uniform for all producers, without any incentive to achieve higher yields and thus does not encourage higher water use. Stable output planning also proves that Hungary does not aim at intensification of agricultural production.

Among the elements of conditionality applicable from 2023, the SMR 1 contains a specific basic requirement for the implementation of the Directive, which can thus be held accountable to producers through the system of checks and penalties for conditionality. Proper national implementation and control of the standard thus establishes a link between the authorisation procedures for water abstraction for irrigation and the payment of payments under the CAP.

This point of the Directive is also one of the mandatory basic measures of any river basin management plan.

As additional information, it can be noted that Section II. Through Pillar-funded investment facilities, we are planning to devote significant resources to the widest possible uptake of precision farming, promoting a more rational and sustainable use of natural resources (including water).

The surplus check presented in chapter 3.3 does not apply to this item.

This ensures that the scheme does not jeopardise the achievement of the objectives laid down in Hungary's river basin management plan.

EU WTO schedule limits on oilseeds (Blair

House Agreement): Does the intervention target any of the crop(s) covered by the agreement (i.e. soybean, rapeseed, sunflower seed)?

☐ Yes ☒ No

Is the intervention financed, partly or completely, from the protein crop top up (maximum 2% in total) in accordance with Art. 96(3) of SPR?

☒ Yes ☐ No

If the intervention targets a mix between legumes and grasses: please indicate the minimum percentage of legumes in the mix.

50 %

Coupled income support granted to silkworms is an animal based support, where the use of 'head' as the support's basic unit requires prior clarification of the followings:

please clarify the conversion rate between this unit and ‘head’ (i.e. how many of this unit corresponds to ‘1 head’?) for the purpose of e.g. indicators.

N/A

It is possible to give further clarification in comment (e.g. the weight of eggs that a box must contain)

9 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture (Blue Box)

The CIS interventions are amber box support and are therefore not relevant.

11 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
DP16_O10_U01_HA - Specific amount of aid for the production of coarse protein crops	Uniform		R.4; R.6; R.7; R.8

Explanation and Justification (including the flexibility)

DP16_O10_U01_HA - Specific amount of aid for the production of coarse protein crops

Brief description of the determination of the specific value

The determination of the unit value has been supported by the experience gained in 2015-2022 and relative stability among the supported sectors. This has provided sufficient basic data on the role of coupled aid in the income of protein grain crops and what its absence would cause for operational success.

The findings of the SWOT analysis showed that coupled support is a key element for protein grain production. Therefore, based on the needs identified in the needs assessment and addressing the difficulties indicated, Hungary opted for targeted support for the sensitive sectors identified in the submitted plan, such as protein grain production.

For the calculation of the unit value, we relied on data from sector situation analyses. The multi-annual statistical data sets have been used to determine the amount that is typically sufficient to minimise or, where appropriate, raise the profitability of a given activity to an expected level. Our aim is to prevent the cessation of activities or conversion to other crops (e.g. wheat with higher incomes, maize, oil crops). This is of particular importance in ensuring the supply of food and feed to Hungary. The suitability of the specific value may, of course, be changed from year to year due to external factors, which is why there is a need for a solid band to manage the swings.

In general, the planning of **stable outputs** clearly shows our intentions. This is to keep the production of grain protein crops at levels and prevent their shrinkage. This also means that it does not provide incentives for irrigation. This in turn contributes to responsible treatment of natural resources (including water and soil).

Minimum and maximum value of the specific value

For the aid for the production of coarse protein fodder, a minimum and a maximum value of EUR 64,17 per hectare are fixed.

Variance of the specific value: + 20 %/-30 %

When setting the minimum and maximum amounts of unit aid, the following methodology was followed:

- We examined the extremes recorded during the 2015-2021 period for approved areas and animals.
- The data for the submission of applications for 2022 are now available to help predict the expected evolution of trends.
- The impact of changes in product areas has been filtered out for comparability purposes using detailed data tables (*not relevant for fibre protein crops*).
- Where we found extreme values at the beginning of the period, they were removed from the series.
- The envelope sizes valid from 2023 onwards have been assigned to the fixed extremes to obtain the theoretical specific values for the extremes.
- The deviations of these extremes from the planned specific values are reflected in the specific bands (minimum and maximum values) modelled from the

previous period.

—These calculations were adjusted to reflect the risks identified, forecasts from the industry and expected market trends.

—The calculations show that a further reduction in the bands would already lead to a significant increase in financial risks.

Specific explanation: Historical data showed an increase in the area and therefore the maximum tolerance level for deviation has been reduced. At the same time, the financial envelope and the unit value are decreasing and the impact of these factors is still difficult to estimate.

(Information supporting each finding, more detailed reasoning can be found in the analysis of the situation in the sector.)

12 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar Year	2023	2024	2025	2026	2027	Total 2023 - 2027
DP16_O10_U01_HA - Specific amount of aid for the production of coarse protein crops	Planned unit amount	64.17	64.17	64.17	64.17	59.20	
	Minimum Amount for the Planned unit amount	44.92	44.92	44.92	44.92	41.44	
	Maximum Amount for the Planned unit amount (EUR)	77.00	77.00	77.00	77.00	71.04	
	O.10 (unit: Hectares)	171,190.00	171,190.00	171,190.00	171,190.00	171,190.00	
	Planned output * Planned unit amount	10,985,262.30	10,985,262.30	10,985,262.30	10,985,262.30	10,134,448.00	54,075,497.20
TOTAL	O.10 (unit: Hectares)	171,190.00	171,190.00	171,190.00	171,190.00	171,190.00	Sum: 855,950.00 Max: 171,190.00
	Annual indicative financial allocation (Union Contribution in EUR)	10,985,262.30	10,985,262.30	10,985,262.30	10,985,262.30	10,134,448.00	54,075,497.20
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	0.00	0.00	0.00	0.00	0.00	0.00

5.2 Sectoral Interventions

Fruit and Vegetables

Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC11_SC29_O35_A01_OP - Support to operational funds	Average		R.10; R.11

Description

SC11_SC29_O35_A01_OP - Support to operational funds

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are

disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

Planned Unit Amounts - financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC11_SC29_O35_A01_OP - Support to operational funds	Planned unit amount (Total Union expenditure in EUR)	168,101.00	270,834.59	288,394.81	293,787.24	297,572.50	
	O.35 (unit: Operational Programmes)	38.00	41.00	41.00	42.00	43.00	
	Annual indicative financial allocation (Total Union expenditure in EUR)	6,387,844.00	11,104,218.19	11,824,187.21	12,339,064.80	12,795,617.45	54,450,931.65

INVRE(47(1)(a)) - - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions

SC28_E01_FVI_47 - Investments, research and experimental and innovative production methods and other activities – fruit and vegetables

Intervention Code (MS)	SC28_E01_FVI_47
Intervention Name	Investments, research and experimental and innovative production methods and other activities – fruit and vegetables
Type of Intervention	INVRE(47(1)(a)) - investments in tangible and intangible assets, research and experimental and innovative production methods and other actions
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
CLIMA(46(f)) contributing to climate change mitigation and adaptation
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
EMPL(46(k)) improving the conditions of employment and ensuring compliance with the employer obligations as well as occupational health and safety requirements in accordance with Directives 89/391/EEC, 2009/104/EC and (EU) 2019/1152
PROD(46(a)) planning and organisation of production, adjusting production to demand, in particular with regard to quality and quantity, optimisation of production costs and returns on investments, stabilising producer prices
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.
REDE(46(d)) research into, and development of, sustainable production methods, including pest resilience, animal disease resistance and climate change resilience and mitigation, innovative practices and production techniques boosting economic competitiveness and bolstering market developments

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO3 Improve the farmer' position in the value chain
SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy
SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency
SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and

nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.2.1	Development of post harvest technology	2	Yes
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
2.4.1	Market research	3	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
3.1.3	Development of short supply chains (database, tool, infrastructure and competence development)	1	Yes
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially
6.5.1	Support for cooperation between agriculture, forestry, hunting and nature conservation	1	Partially
9.3.1	Product development and packaging development that	3	Yes

	meet consumers' expectations		
9.3.2	Use of innovative technological solutions in food production – packaging	2	Partially
9.3.3	Promoting compliance with the Packaging and Waste Framework Directive	2	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description	Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.1	Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance
R.10	Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables	Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.12	Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation
R.15	Supported investments in renewable energy production capacity, including bio-based (in MW)
R.16	Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials
R.19	Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)
R.23	Share of utilised agricultural area (UAA) under supported commitments to improve water balance
R.24	Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage
R.26	Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource
R.27	Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas
R.31	Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices
R.32	Share of farms benefitting from CAP investment support contributing to biodiversity
R.39	Number of rural businesses including bio-economy businesses developed with CAP support
R.9	Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Description

The implementation of investments, research and experimental and innovative production methods and other types of activities for sectoral objectives included in the operational programmes submitted by recognised producer organisations and adopted by the responsible authority.

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Specific Conditions

The type of intervention referred to in Article 47(a) may be implemented in addition to those listed in points (i) to (xiii) in the following areas:

- concentration of supply and placing on the market of products
- planning and organisation of production
- improving competitiveness in the medium and long term
- increasing the commercial value and quality of products

The maintenance period for investments under the OP is 5 years. Where the accounting depreciation period of the investment is shorter than five years, the maintenance period for small and medium-sized enterprises shall be 3 years.

Investments shall be made on the premises of the beneficiary or, where applicable, on the premises of producer members or subsidiaries of the beneficiary organisation that comply with the 90 % requirement referred to in Article 31(7) of this Regulation EU/126/2022.

Grants for investments, including leasing, may be granted in a single instalment or in annual instalments approved in the operational programme.

In the case of investments in tangible assets consisting of energy generation systems, the amount of energy produced does not exceed the amount of energy that can be used annually for the usual activities of the beneficiary.

For types of investment and other activities, the condition for the calculation of expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021

Investments referred to in Article 11 of Regulation (EU)/126/2022 shall be taken into account if they result in a reduction of at least 15 % during the accounting depreciation period of the investment compared to the previous situation in respect of any of the points (a) to (d) and (f) of Article 12(1):

result in a reduction of at least 7 % over the accounting depreciation period of the investment compared to the previous situation, where those investments bring more of the environmental benefits listed above.

Productive or non-productive investments in or outside the production area that contribute to climate change mitigation and adaptation may be taken into account.

Investments in the improvement of existing irrigation installations or parts of irrigation systems shall be eligible only if an ex ante assessment concludes that they will result in potential water savings of at least 10 % in terms of microirrigation and 15 % in terms of linear and reeling drum installations, based on the technical parameters of the existing installation or system.

Where the investment concerns bodies of groundwater or surface waters which have been classified as less than good in the relevant river basin management plan for reasons related to water quantity, the investment shall also comply with the following cumulative conditions:

- the project must ensure a reduction in actual water consumption of at least 50 % of the potential water savings identified by the ex-ante assessment of the project for the irrigation installations or irrigation systems concerned by the project; and
- where the project concerns only part of the irrigated area of the holding, the total water consumption of the holding at farm level shall be reduced accordingly by at least 50 %. The total water consumption of the holding shall be added to the quantity of water sold by the holding or otherwise transferred for irrigation

purposes.

None of the conditions set shall apply to investments in existing irrigation installations which only concern energy efficiency, nor to investments in the construction of reservoirs or to investments in the use of reclaimed water which do not affect a body of groundwater or surface water.

Investments related to points (e) (g) to (i) of Article 12(1) of Regulation (EU)/126/2022 and other interventions related to the objective listed in points (a) to (i) of Article 50 of Regulation (EU)/2115/2021 shall be eligible for expenditure under points (a) and (b) of Article 50(7) of Regulation (EU)/2115/2021 if they demonstrate to the satisfaction of the beneficiaries when submitting the operational programmes or amendments thereto, that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact, where applicable, cannot be quantified.

Eligible for support shall include additional costs and income foregone resulting from interventions targeting agri-environment-climate objectives. Interventions targeting agri-environment-climate objectives shall be reviewed when relevant mandatory standards, requirements or obligations are amended.

A product which has been damaged for phytosanitary reasons shall not be considered waste from the production process if the use of integrated pest management technology is not justified, unless there is no approved product for use within the framework of the integrated technology in that crop.

For types of research activities, condition for calculation for expenditure under Article 50(7)(c) of Regulation (EU) No 2115/2021

Applied research

proven cooperation with a research organisation

mandatory scientific publication, research report and certified dissemination to members of the Producer Organisation

Research for technological development/technological experiment/type experiment

mandatory research report and certified dissemination to members of the Producer Organisation

Market/marketing research:

Product and process developments for market diversification, market expansion

Market research to assess existing and potential market needs, development opportunities for current distribution channels, possibilities to develop new distribution channels

Market research affecting production structures

Consumer behaviour research

In addition to the costs listed in Annex III,

1. rental and open-end leasing of transport vehicles used for sales and distribution activities.
2. the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
3. costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
4. flat rate for staff and administrative costs linked to the management of the operational fund or to

the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(c)

Institution guarantee at preferential rates

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the

quantities thus allocated are only additional to the quantities normally purchased by such establishments; In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Investments can be made through purchase, construction, rental and leasing. In the case of rent, the grant will be calculated on the basis of unit costs or, for other cases, on the basis of the costs incurred.

Environmental actions on soil protection and nutrient management related to water and waste management, climate change mitigation, integrated pest management and maintenance of natural habitats and biodiversity

The expected reductions and, where applicable, the expected additional environmental benefits shall be demonstrated in advance through project descriptions or other technical documents; those project descriptions or other technical documents shall be presented by the producer organisation or association of producer organisations at the time of the application for approval of the proposed operational programme or amendment to that programme, indicating the technical documents or the results certified by an independent body or expert appointed by the Member State which could be achieved through the implementation of the investment.

In order to avoid double funding, farmers participating in an activity having the same content as agri-environment-climate payments implemented with support under the operational programme shall not be entitled to receive support for the same activity on the same parcel under agri-environment-climate payments.

For environmental measures that coincide with agri-environment-climate or organic farming commitments under rural development interventions, the support ceiling shall be set at the maximum amounts established for agri-environment-climate payments or organic farming payments. However, this does not apply to environmental protection activities which are not directly or indirectly linked to a particular parcel.

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

ADVI1(47(1)(b)) - - advisory services and technical assistance, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, climate change adaptation and mitigation, the conditions of employment, employer obligations and occupational health and safety

SC11_A03_FVA_47 - Advisory services and technical assistance — fruit and vegetables

Intervention Code (MS)	SC11_A03_FVA_47
Intervention Name	Advisory services and technical assistance — fruit and vegetables
Type of Intervention	ADVI1(47(1)(b)) - advisory services and technical assistance, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, climate change adaptation and mitigation, the conditions of employment, employer obligations and occupational health and safety
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
CLIMA(46(f)) contributing to climate change mitigation and adaptation
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
PROD(46(a)) planning and organisation of production, adjusting production to demand, in particular with regard to quality and quantity, optimisation of production costs and returns on investments, stabilising producer prices
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.
REDE(46(d)) research into, and development of, sustainable production methods, including pest resilience, animal disease resistance and climate change resilience and mitigation, innovative practices and production techniques boosting economic competitiveness and bolstering market developments

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of	Addressed in CSP

		the CAP Strategic Plan	
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.2.1	Development of post harvest technology	2	Yes
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
2.3.2	Diversification of business activities	2	Yes
2.4.1	Market research	3	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.1.7	Training of special advisers	1	Yes
CCO.4.5	Development of digital solutions for quality assurance, certification, traceability, marking	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of advisory services and technical assistance for sectoral objectives included in operational programmes submitted by recognised producer organisations and adopted by the responsible

authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

Detailed description of the rationale of the advisory plan, the methods and instruments chosen in relation to the objectives pursued

Summary of the content of the expert advice, justification of the action's contribution to the objectives of the operational programme

Number of participants in expert advice, number of occasions, duration of sessions

Other interventions related to the objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 may count towards expenditure under Article 50(7)(a) and (b) of Regulation (EU)/2115/2021 if the beneficiaries credibly demonstrate, at the time of submission of the operational programmes or their amendments, that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact cannot be quantified.

In addition to the costs listed in Annex III, are also eligible:

- the fees for the services used, which are carried out in the operational programme, are carried out within the framework of activities intended to achieve the objectives of the operational programme (for example, but not exhaustively: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, audit, preparation, etc.
- Flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the

objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

support for technology, technology development and farm management consultancy types on the basis of unit costs

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

TRAINCO(47(1)(c)) - - training including coaching and exchange of best practices, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, and climate change adaptation and mitigation, as well as the use of organised trading platforms and commodity exchanges on the spot and futures market

SC12_A04_FVT_47 - training, including coaching and exchange of best practices — fruit and vegetables

Intervention Code (MS)	SC12_A04_FVT_47
Intervention Name	training, including coaching and exchange of best practices — fruit and vegetables
Type of Intervention	TRAINCO(47(1)(c)) - training including coaching and exchange of best practices, in particular concerning sustainable pest and disease control techniques, sustainable use of plant protection and animal health products, and climate change adaptation and mitigation, as well as the use of organised trading platforms and commodity exchanges on the spot and futures market
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
CLIMA(46(f)) contributing to climate change mitigation and adaptation
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
CONS(46(i)) increasing consumption of the products of the fruit and vegetables sector, whether in a fresh or processed form
PROD(46(a)) planning and organisation of production, adjusting production to demand, in particular with regard to quality and quantity, optimisation of production costs and returns on investments, stabilising producer prices
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation	
SO3 Improve the farmer' position in the value chain	
XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP

2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.2.1	Development of post harvest technology	2	Yes
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
2.3.2	Diversification of business activities	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions pursuing sectoral objectives included in the operational programmes submitted by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in

the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

Specific requirements for intervention

Detailed description of the justification of the training plan, the methods and instruments chosen in relation to the objectives pursued

Summary of the content of the training, justification of the action's contribution to the objectives of the operational programme

Number of participants in training, number of occasions, duration of sessions

For each producer organisation, association of producer organisation, producer group or individual producer participating in personalised advice under the operational programme, a preliminary needs assessment shall be carried out in respect of the content, duration, expected results and documentation of the personalised advice.

The purpose of the personalised advice is to:

- facilitating the creation of new producer organisations, merging existing organisations or allowing individual producers to join an existing producer organisation, as well as advising producer groups that are about to be recognised as producer organisations in accordance with Regulation (EU) No 1308/2013;
- create networking opportunities for providers and recipients of advisory services.

Individualised advice to several producer organisations, associations of producer organisations, producer groups or individual producers may be provided at the same time only if justified on the basis of the results of the preliminary assessment of needs.

In the case of personalised advice, the operational programme shall describe the number of participating producer organisations, associations of producer organisations, producer groups or individual producers, the number of occasions, the total duration, the aggregate cost per type of costs and the methodology, planned content and sample of the preliminary assessment of needs.

In addition to the costs listed in Annex III, are also eligible:

- fees for the services used, which are carried out in the operational programme, shall be carried out within the framework of the activities intended to achieve the objectives of the operational programme
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- Flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a) unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a

maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

- Professional and vocational training courses with a longer average duration of 280 hours.
- Other training courses, training courses, 24-hour duration.
- Training courses of an administrative nature, 80 hours long.
- Training to implement targets, 8 hours

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

ORGAN(47(1)(d)) - - organic or integrated production

SC13_G01_FVO_47 - organic or integrated production — Vegetable fruit

Intervention Code (MS)	SC13_G01_FVO_47
Intervention Name	organic or integrated production — Vegetable fruit
Type of Intervention	ORGAN(47(1)(d)) - organic or integrated production
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
CLIMA(46(f)) contributing to climate change mitigation and adaptation
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO3 Improve the farmer' position in the value chain	
SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy	
SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes	
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
6.4.1	Developing up-to-date data	1	Partially

	collection and monitoring systems for measuring biodiversity		
9.4.1	Increase the share of organic products in the internal market and related processing capacities	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.29 Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of organic or integrated production actions pursuing sectoral objectives included in the operational programmes submitted by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

Condition for the calculation of expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021

Other interventions related to an objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 may count towards expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021 if the beneficiaries credibly demonstrate, at the time of submission of the operational programmes or their amendments, that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact cannot be quantified.

Eligible costs shall include additional costs and income foregone resulting from interventions targeting agri-environment-climate objectives.

Interventions targeting agri-environment-climate objectives shall be reviewed when the relevant mandatory standards, requirements or obligations are amended.

In addition to the costs listed in Annex III, are also eligible:

- the fees for the services used, which are carried out in the operational programme, are carried out within the framework of activities intended to achieve the objectives of the operational programme (for example, but not exhaustively: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, audit, preparation, etc.
- costs of meetings and training programmes in so far as they relate to the operational programme, including daily allowances, travel and accommodation costs, where appropriate, on a flat-rate or unit cost basis.
- Flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

lump sums; Article 44(1)(c)(2)(a)(i c)

Aid under the Agro-ecological Programme shall be eligible for aid for a given year under the Agro-ecological Programme on the basis of practices eligible for aid in respect of the area of fruit and vegetables concerned on its own.

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Support for the use of techniques to reduce or avoid the use of plant protection products used in organic or integrated production, on the basis of unit costs and costs, in the field of vegetable and fruit production.

Subject to compliance with the conditions laid down in the Agro-ecological Programme, practices under which a farmer is eligible for aid on his own for the land used for the production of fruit and vegetables, but the performance of which has not been taken into account for the holding of the farmer in question under the Agro-ecological Programme, shall be eligible for aid.

8 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

When determining the expenditure to be covered, the additional costs incurred and income foregone resulting from the implemented interventions related to agri-environment-climate objectives, shall be taken into account. Point 1 of Annex III of the regulation 126/2022 shall be applied.

TRANS(47(1)(e)) - - actions to increase the sustainability and efficiency of transport and of storage of products

SC14_B01_FVE_47 - increasing the sustainability and efficiency of transport and storage of products — fruit and vegetables

Intervention Code (MS)	SC14_B01_FVE_47
Intervention Name	increasing the sustainability and efficiency of transport and storage of products — fruit and vegetables
Type of Intervention	TRANS(47(1)(e)) - actions to increase the sustainability and efficiency of transport and of storage of products
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.2	Creation of modern generation capacities	2	Yes
2.2.1	Development of post harvest technology	2	Yes
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO,	1	Yes

	PG)		

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of activities of the type of sustainability and efficiency of transport and storage of products for sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Other interventions related to the objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 shall be eligible for expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021 if they demonstrate to the satisfaction of the beneficiaries at the time of submission of the operational programmes or amendments thereto that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact, where applicable, cannot be quantified.

Eligible costs shall include additional costs and income foregone resulting from interventions targeting agri-environment-climate objectives.

Interventions targeting agri-environment-climate objectives shall be reviewed when relevant mandatory standards, requirements or obligations are amended.

In addition to the costs listed in Annex III, eligible

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard

flat-rate or scales of unit costs basis.

- Flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in

Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments; In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Support for materials intended to reduce energy use in storage and increase the storage period of products on the basis of unit cost and cost reimbursement

Support for the additional costs arising from the application of logistics systems for transport leading to increased sustainability

No investment is eligible under the type of intervention

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

PROMO(47(1)(f)) - - promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification and consolidation of markets

SC15_E10_FVP_47 - promotion, communication and marketing — fruit and vegetables

Intervention Code (MS)	SC15_E10_FVP_47
Intervention Name	promotion, communication and marketing — fruit and vegetables
Type of Intervention	PROMO(47(1)(f)) - promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification and consolidation of markets
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
CONS(46(i)) increasing consumption of the products of the fruit and vegetables sector, whether in a fresh or processed form
MARKET(46(h)) promotion and marketing of the products

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO3 Improve the farmer' position in the value chain
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.2	Promotion of agri-food products	2	Yes
2.4.3	Raising awareness of healthy eating	1	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes
9.4.1	Increase the share of organic products in the internal market and related processing capacities	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Promotional communication and marketing activities shall pursue one of the following objectives:

1. increasing awareness of the merits of Union agricultural products and of the high standards applicable to their production methods in the Union;
2. increasing the competitiveness and consumption of Union agricultural products and certain processed products produced in the Union and raising their profile both inside and outside the Union for sectors other than wine;
3. increasing awareness about Union quality schemes both inside and outside the Union;
4. increasing the market share of Union agricultural products and certain processed products produced in the Union, specifically focusing on the markets in third countries that have the highest growth potential;
5. contributing, where relevant, to restore the normal market conditions in the Union market in the event of serious market disturbance, loss of consumer confidence or other specific problems;
6. increasing awareness of sustainable production;
7. increase consumer awareness of brands/trade marks in the fruit and vegetables sector marketed by producer organisations, associations of producer organisations, transnational producer

organisations and transnational associations of producer organisations

In addition to the costs listed in Annex III, eligible

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure

under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

QUAL(47(1)(g)) - - implementation of Union and national quality schemes

SC16_E11_FVQ_47 - use of EU and national quality schemes

Intervention Code (MS)	SC16_E11_FVQ_47
Intervention Name	use of EU and national quality schemes
Type of Intervention	QUAL(47(1)(g)) - implementation of Union and national quality schemes
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
COMP(46(c)) improvement of medium- and long-term-competitiveness, in particular through modernisation
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
MARKET(46(h)) promotion and marketing of the products
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation	
SO3 Improve the farmer' position in the value chain	
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.3.3	Increasing the market share of high added value products	1	Yes
2.4.2	Promotion of agri-food products	2	Yes
3.1.1	Promoting horizontal and vertical integration,	1	Yes

	coordination and cooperation		
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Other interventions related to the objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 shall be eligible for expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021 if the beneficiaries demonstrate to the satisfaction of the beneficiary when submitting the operational programmes or amendments thereto that the activities included in the operational programme contribute positively to the achievement of the objectives, even where their impact cannot be quantified.

Interventions targeting agri-environment-climate objectives shall be reviewed when relevant mandatory standards, requirements or obligations are amended.

In addition to the costs listed in Annex III

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.

- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)
unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in

particular because they lack the necessary means of subsistence;
free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;
In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

TRACE(47(1)(h)) - - implementation of traceability and certification systems, in particular the monitoring of the quality of products sold to final consumers

SC17_E12_FVC_47 - application of traceability and certification schemes — fruit and vegetables

Intervention Code (MS)	SC17_E12_FVC_47
Intervention Name	application of traceability and certification schemes — fruit and vegetables
Type of Intervention	TRACE(47(1)(h)) - implementation of traceability and certification systems, in particular the monitoring of the quality of products sold to final consumers
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BOOST(46(g)) boosting products' commercial value and quality, including improving product quality and developing products with a protected designation of origin or with a protected geographical indication or covered by Union or national quality schemes recognised by Member States
CONC(46(b)) concentration of supply and placing on the market of the products, including through direct marketing
PROD(46(a)) planning and organisation of production, adjusting production to demand, in particular with regard to quality and quantity, optimisation of production costs and returns on investments, stabilising producer prices
PROMO(46(e)) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment; (ii) pest and disease resilient production practices; (iii) animal health and welfare standards going beyond minimum requirements established under Union and national law; (iv) reduction of waste and environmentally sound use and management of by-products, including their re-usage and valorisation; (v) protection and enhancement of biodiversity and sustainable use of natural resources, in particular protection of water, soil and air.

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation	
SO3 Improve the farmer' position in the value chain	
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.2.1	Development of post harvest technology	2	Yes

2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of advisory services and technical assistance type activities for sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Other interventions related to the objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 shall be eligible for expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021 if they demonstrate to the satisfaction of the beneficiaries at the time of submission of the operational programmes or amendments thereto that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact, where applicable, cannot be quantified.

Eligible costs shall include additional costs and income foregone resulting from interventions targeting agri-environment-climate objectives.

Interventions targeting agri-environment-climate objectives shall be reviewed when relevant mandatory

standards, requirements or obligations are amended.

In addition to the costs listed in Annex III

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- Flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Costs of preparation, development and certification of environmental and human resources certification schemes for quality certification

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

CLIMA(47(1)(i)) - - actions to mitigate and to adapt to climate change

SC18_G02_FVL_47 - climate change mitigation and adaptation measures — fruit and vegetables

Intervention Code (MS)	SC18_G02_FVL_47
Intervention Name	climate change mitigation and adaptation measures — fruit and vegetables
Type of Intervention	CLIMA(47(1)(i)) - actions to mitigate and to adapt to climate change
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
CLIMA(46(f)) contributing to climate change mitigation and adaptation
PROD(46(a)) planning and organisation of production, adjusting production to demand, in particular with regard to quality and quantity, optimisation of production costs and returns on investments, stabilising producer prices
REDE(46(d)) research into, and development of, sustainable production methods, including pest resilience, animal disease resistance and climate change resilience and mitigation, innovative practices and production techniques boosting economic competitiveness and bolstering market developments

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.8	Improvement of cultivation technology	1	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes
4.6.1	Development of regional	1	Partially

	databases for climate change adaptation assessment.		
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.12 Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of climate change mitigation and adaptation activities for sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of recognition criteria and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Other interventions related to the objective listed in points (a) to (i) of Article 12(1) of Regulation (EU)/126/2022 shall be eligible for expenditure under Article 50(7)(b) of Regulation (EU)/2115/2021 if they demonstrate to the satisfaction of the beneficiaries at the time of submission of the operational programmes or amendments thereto that the activities included in the operational programme contribute positively to the achievement of the objectives, even if their impact, where applicable, cannot be quantified.

Eligible costs shall include additional costs and income foregone resulting from interventions targeting agri-environment-climate objectives.

Interventions targeting agri-environment-climate objectives shall be reviewed when relevant mandatory standards, requirements or obligations are amended.

In addition to the costs listed in Annex III, eligible

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for

example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.

- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)
unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:
market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

SETUP(47(2)(a)) - - setting up, filling and refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013, or under Article 67(7) of this Regulation

SC19_I01_FVF_47 - mutual funds — fruit and vegetables

Intervention Code (MS)	SC19_I01_FVF_47
Intervention Name	mutual funds — fruit and vegetables
Type of Intervention	SETUP(47(2)(a)) - setting up, filling and refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013, or under Article 67(7) of this Regulation
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions pursuing sectoral objectives included in the operational programmes submitted

by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of recognition criteria and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

a flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of an operational programme may be granted up to a maximum of 2 % of the approved operational fund.

In order to be eligible for Union financial assistance, it is recommended that the mutual fund concerned: the mutual fund has a transparent policy with regard to payments to and financial compensation from the fund;

has clear rules for determining liability for any debt arising;

Mutual fund is a scheme in place to insure affiliated farmers whereby compensation payments are made to affiliated farmers who have suffered economic losses as a result of adverse climatic events, animal or plant diseases, pest infestations or environmental incidents or for a severe drop in income.

Instead of a significant drop in income, the value of marketed production of the producer organisation or association of producer organisations concerned may be used as a basis for a significant drop in the income of all producer members or members of the association of producer organisations or part of the membership. To this end, the value of marketed production may be calculated on the basis of the sales prices of the producer organisation for each product. However, the drop in producers' incomes still needs to be taken into account.

Payments from mutual funds to members who do not suffer a significant drop in income due to adverse market conditions shall not be eligible for financial support.

Aid may be granted for the replenishment of mutual funds where the decline in the value of marketed production of the producer organisation exceeds 30 % on the basis of a three-year average based on the preceding five-year period excluding the highest and lowest entry;

‘Adverse market conditions’ – this should refer to an objectively existing situation in the market for a given product that leads to a drop of income of producer members.

Payments from the mutual fund to a producer member may be made if the drop in income for that producer exceeds 30 per cent of its average annual income calculated on the basis of a three-year average based on the preceding 3 years or the preceding five-year period excluding the highest and lowest entry. For the purposes of this paragraph, income shall mean the amount of receipts received by the producer member on the fruit and vegetables market, including any public support for fruit and vegetable products, less input costs. Payments made by the mutual fund to the producer member may compensate for less than 70 % of the loss of income in the year in which the producer member acquires the right to such support.

Types of expenditure covered by the mutual funds measure:

the administrative costs of setting up the mutual fund include, inter alia, management costs, registration

fees, staff costs and overheads; and
the financial contributions referred to in Article 51(1)(a) of the CAP Strategy Plan Regulation for the replenishment of mutual funds following compensation paid to producer members whose net income has fallen significantly as a result of adverse market conditions. The replenishment should be done through the operational fund. The financial contributions to replenish the mutual fund would become a dedicated part of the operational fund.

Re-insurance of mutual funds is not eligible for support under the European Agricultural Guarantee Fund.

Financial contributions to replenish mutual funds would cover the following items:

the amounts paid out from the mutual fund as financial compensation to producer members who experience a severe drop in their income as a result of adverse market conditions.

interest on commercial loans taken out under market conditions by the mutual fund for the purpose of providing financial compensation to farmers from the mutual fund, where the resources available in the mutual fund are insufficient to meet the compensation claims.

The loss of income compensated by the mutual fund shall not be taken into account in the application of the agricultural crisis insurance instrument and the income loss compensated by the agricultural crisis insurance instrument shall not be compensated by the mutual fund. The producer organisation or association of producer organisations shall not compensate their producer members for the withdrawal from the market of products for which it has already paid compensation for a significant drop in income. The products benefitting from mutual fund compensations may however be sold on the market or processed.

Where the mutual fund performs other functions, only the amounts specifically intended to compensate for a significant drop in income due to adverse market conditions should be ring-fenced and used as a basis for the calculation of the aid intensity.

Member States may allow producer members of producer organisations or members of associations of producer organisations to claim partial reimbursement of their contribution to the mutual fund after five years if the mutual fund has not been used to pay the compensation and the amounts collected have not been used

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary;

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the

scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Mutual fund is a scheme in place to insure affiliated farmers whereby compensation payments are made to affiliated farmers who have suffered economic losses as a result of adverse climatic events, animal or plant diseases, pest infestations or environmental incidents or for a severe drop in income.

Instead of a significant drop in income, the value of marketed production of the producer organisation or association of producer organisations concerned may be used as a basis for a significant drop in the income of all producer members or members of the association of producer organisations or part of the membership. To this end, the value of marketed production may be calculated on the basis of the sales prices of the producer organisation for each product. However, the drop in producers' incomes still needs to be taken into account.

Payments from mutual funds to members who do not suffer a significant drop in income due to adverse market conditions shall not be eligible for financial support.

Aid may be granted for the replenishment of mutual funds where the decline in the value of marketed production of the producer organisation exceeds 30 % on the basis of a three-year average based on the preceding five-year period excluding the highest and lowest entry;

'Adverse market conditions' – this should refer to an objectively existing situation in the market for a given product that leads to a drop of income of producer members.

Payments from the mutual fund to a producer member may be made if the drop in income for that producer exceeds 30 per cent of its average annual income calculated on the basis of a three-year average based on the preceding 3 years or the preceding five-year period excluding the highest and lowest entry. For the purposes of this paragraph, income shall mean the amount of receipts received by the producer

member on the fruit and vegetables market, including any public support for fruit and vegetable products, less input costs. Payments made by the mutual fund to the producer member may compensate for less than 70 % of the loss of income in the year in which the producer member acquires the right to such support.

Types of expenditure covered by the mutual funds measure:

the administrative costs of setting up the mutual fund include, inter alia, management costs, registration fees, staff costs and overheads; and

the financial contributions referred to in Article 51(1)(a) of the CAP Strategy Plan Regulation for the replenishment of mutual funds following compensation paid to producer members whose net income has fallen significantly as a result of adverse market conditions. The replenishment should be done through the operational fund. The financial contributions to replenish the mutual fund would become a dedicated part of the operational fund.

Re-insurance of mutual funds is not eligible for support under the European Agricultural Guarantee Fund.

Financial contributions to replenish mutual funds would cover the following items:

the amounts paid out from the mutual fund as financial compensation to producer members who experience a severe drop in their income as a result of adverse market conditions.

interest on commercial loans taken out under market conditions by the mutual fund for the purpose of providing financial compensation to farmers from the mutual fund, where the resources available in the mutual fund are insufficient to meet the compensation claims.

The loss of income compensated by the mutual fund shall not be taken into account in the application of the agricultural crisis insurance instrument and the income loss compensated by the agricultural crisis insurance instrument shall not be compensated by the mutual fund. The producer organisation or association of producer organisations shall not compensate their producer members for the withdrawal from the market of products for which it has already paid compensation for a significant drop in income. The products benefitting from mutual fund compensations may however be sold on the market or processed.

Where the mutual fund performs other functions, only the amounts specifically intended to compensate for a significant drop in income due to adverse market conditions should be ring-fenced and used as a basis for the calculation of the aid intensity.

Member States may allow producer members of producer organisations or members of associations of producer organisations to claim partial reimbursement of their contribution to the mutual fund after five years if the mutual fund has not been used to pay the compensation and the amounts collected have not been used

8 WTO compliance

Green Box

Paragraph 7 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 7 of Annex II.

INVVO(47(2)(b)) - - investments in tangible and intangible assets making the management of the volumes placed on the market more efficient including for collective storage

SC20_I02_FVV_47 - investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables

Intervention Code (MS)	SC20_I02_FVV_47
Intervention Name	investments to improve the management and joint storage of quantities placed on the market — fruit and vegetables
Type of Intervention	INVVO(47(2)(b)) - investments in tangible and intangible assets making the management of the volumes placed on the market more efficient including for collective storage
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.2.1	Development of post harvest technology	2	Yes
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes
2.3.3	Increasing the market share of high added value products	1	Yes
2.4.2	Promotion of agri-food products	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of the type of actions pursuing sectoral objectives included in the operational programmes submitted by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

The maintenance period for investments under the Operational Programme shall be 5 years. If the investment has a tax depreciation period of less than five years, the maintenance period shall be 3 years for small and medium-sized enterprises.

Grants may be provided for investments, including leasing, in a single instalment or in annual instalments approved in the operational programme.

In addition to the costs listed in Annex III, are also eligible:

- the fees for the services used, which are carried out in the operational programme, are carried out within the framework of activities intended to achieve the objectives of the operational programme (for example, but not exhaustively: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, audit, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- Flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a

maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

STORE(47(2)(c)) - - collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage

SC21_I03_FVS_47 - joint storage of products, including, where necessary, the collective processing of products — fruit and vegetables

Intervention Code (MS)	SC21_I03_FVS_47
Intervention Name	joint storage of products, including, where necessary, the collective processing of products — fruit and vegetables
Type of Intervention	STORE(47(2)(c)) - collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.2.2	Construction/refurbishment of crop storages, cold stores	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

The measure applies to apples, sour cherries, elderberries, plums, peppers, tomatoes, canned cucumbers, green peas and sweetcorn.

The maximum amount that can be financed with the operational fund shall not be higher than the sum of the cost of the physical storage, in the frozen or processed form where relevant, and the financial cost due to immobilising the value of the product at current market prices. This maximum amount shall not include the possible freezing or processing costs or the possible devaluation of the product.

The processed product must be placed in public storage for a period of half a year from the date of processing, but not more than one third of the product's date of minimum durability.

In addition to the costs listed in Annex III

- Public storage fees, including sealing and electronic storage
- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- Flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

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The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

ORCHA(47(2)(d)) - - replanting of orchards or olive groves where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change

SC22_I04_FVR_47 - replanting of orchards — fruit and vegetables

Intervention Code (MS)	SC22_I04_FVR_47
Intervention Name	replanting of orchards — fruit and vegetables
Type of Intervention	ORCHA(47(2)(d)) - replanting of orchards or olive groves where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and

quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

The maintenance period for investments under the OP is 5 years. Where the tax depreciation period of the investment is less than five years, the maintenance period shall be 3 years for small and medium-sized enterprises.

Grants for investments, including leasing, may be granted in a single instalment or in annual instalments approved in the operational programme.

In addition to the costs listed in Annex III, eligible

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- Flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)
unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in

Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

- transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);
- one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;
- the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;
- the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;
- producer organisations market less than 20 % of fruit and vegetable production in a Member State;
- the producer organisation operates in one of the outermost regions;
- the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);
- the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

- market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:
- free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;
- free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation. In the case of replanting for adaptation to climate change, the measure does not correspond to paragraph 8 of Annex 2 to the WTO Agreement.

WITHD(47(2)(f)) - - market withdrawal for free-distribution or other destinations, including where necessary processing to facilitate such withdrawal

SC23_I05_FVW_47 - withdrawals for free distribution or other destinations — fruit and vegetables

Intervention Code (MS)	SC23_I05_FVW_47
Intervention Name	withdrawals for free distribution or other destinations — fruit and vegetables
Type of Intervention	WITHD(47(2)(f)) - market withdrawal for free-distribution or other destinations, including where necessary processing to facilitate such withdrawal
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

The recipient of products withdrawn from the market may be the host organisation

- with regard to Article 52(6)(a)(i) of Regulation (EU) No 2115/2021 of the European Parliament and of the Council, a member of the European Food Banks Association, established on the basis of the Government Decree on the establishment and detailed rules of operation of the Charter Council;
- as regards Article 52(6)(a)(ii) of Regulation (EU) No 2115/2021 of the European Parliament and of the Council
- a prison listed in the Ministerial Decree on the designation of prisons,
- an educational institution registered under the National Public Education Act,
- a health institution holding an operating licence pursuant to the Government Decree on the general conditions for the exercise of health services and the operating authorisation procedure,
- service provider registered in accordance with the Government Decree on the official registration and control of social, child welfare and child protection service providers, institutions and networks.
- In the case of commingled animals for purposes other than free distribution, it may be a host organisation
- the enclosures registered in the National Database in accordance with the Ministerial Decree on the national registration system for enclosures, holdings and certain data relating thereto,
- zoo and circus menagerie registered and licensed under the Animal Protection and Welfare Act,
- is entitled to hunt registered in accordance with the Act on Wild Wildlife Conservation, Wildlife Management and Hunting.
- in the case of processing into non-food products, the withdrawn products shall not revert to the commercial food market. Alcohol derived from distillation may be used exclusively for industrial or energy purposes.

A flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme may be granted up to a maximum of 2 % of the approved operational fund.

6 Form and rate of support/amounts/calculation methods

Support may take the form of unit costs. Article 44(1)(b)(2)(a)(i), (c)

Expenditure on interventions of the types of interventions referred to in Article 47(2)(f), (g) and (h) of Regulation (EU)/2021/2115 shall not exceed one third of the expenditure.

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation

and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

GREEN(47(2)(g)) - - green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise

SC24_I06_FVG_47 - green harvesting — fruit and vegetables

Intervention Code (MS)	SC24_I06_FVG_47
Intervention Name	green harvesting — fruit and vegetables
Type of Intervention	GREEN(47(2)(g)) - green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions pursuing sectoral objectives included in the operational programmes submitted by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

List of products eligible for support under the measure:

1. Apples
2. Beans
3. Brussels sprouts
4. Courgettes
5. Table grapes
6. Cherries
7. Walnuts
8. Salad
9. Garlic
10. Apricot
11. Cabbage
12. Kohlrabi
13. Cauliflower
14. Pears
15. Almonds
16. Hazel
17. Peaches and nectarines
18. Tomatoes
19. Leek
20. Radishes
21. Carrots, turnips, celeriac
22. Asparagus
23. Spinach
24. Strawberries
25. Plums
26. Eggplant
27. Cucumbers
28. Onions
29. Celery
30. Green peas

31. Green peppers
32. Seasoning paprika
33. Melon

Possible period of green harvesting

Growth stages of mono- and dicotyledonous plants, BBCH Monograph (edited by Uwe Meier Julius Kühn-Institut (JKI) (Federal Research Centre for cultivated Plants) Quedlinburg 2018 DOI: ISBN 10.5073/20180906 – 074619: Based on 978-3-95547-071-5)

	Start of green harvesting	End of green harvesting
Pome Fruits	BBCH71	BBCH85
Stone Fruits	BBCH71	BBCH85
Currant	BBCH71	BBCH85
Strawberry	BBCH71	BBCH85
Bulb vegetables (onion, garlic, mustot)	BBCH41	BBCH47
Root and stem vegetables (Carrot, celeriac, kohlrabi, swede, chicory, radish)	BBCH41	BBCH47
Leaf vegetables – forming heads – (cabbage, chine cabbage, lettuce)	BBCH41	BBCH47
Leaf vegetables – not forming heads – (loosehead lettuce, spinach, kale)	BBCH41	BBCH47
Other brassica vegetables (brussels Sprout, cauliflower, broccoli)	BBCH41	BBCH47
Cucurbits (Cucumber, melon, pumpkin, water melon)	BBCH71	BBCH79
Solanaceous fruits (tomato, aubergine, peppers)	BBCH71	BBCH79
PEA	BBCH71	BBCH79
Maize (sweet corn)	BBCH71	BBCH79

The producer organisation shall submit the prior notification of its intention to apply the green harvesting measure using the form established by the Treasury and published in a notice on its website. The prior notification shall include data identifying the product and area covered by the measure and identifying the place and date of implementation of the measure. The complete notification must be sent to the Treasury prior to the green harvesting of the product in question.

Maximum amounts of aid available (EUR/ha)

Tomatoes 10 422,22
 Carrots 2 108,36
 Cabbages 864,27
 Sweet peppers 9 368,01
 Cauliflowers and broccoli 1 073,04
 Cucumbers and gherkins 3 993,12
 Apples 1 906,39

Pears 1 164,87
 Plums 1 224,61
 Berries 247,25
 Fresh table grapes 1 245,45
 Protected tomatoes* 50 862,52
 Sweet peppers protected* 21 595,40
 Cucumbers* 14 870,80
 Peaches 2 030,41
 Nectarines 1 308,95
 Cherries 1 114,81
 Melons 3 347,48
 * in heated housing

For products not covered here, the maximum amounts of aid that may be claimed will be determined by the Minister per hectare in the operational programme.

The non-harvesting measures that may be included in the operational programme are:

denaturing,

incorporation into soil (ploughing, ploughing, disposing, incineration of fruit in the declared area and other measures to carry out non-harvesting),

other measures duly justified by the producer organisation and approved by the Minister.

The measure is approved by the Minister if it does not have a harmful environmental impact or a phytosanitary risk.

Support under the green harvesting measure may be granted only if, in respect of the area declared, the Treasury also establishes full compliance with the rules relating to the application of the measure during the on-the-spot check.

Aid shall not be granted in the case of green harvesting if a significant part of the normal harvest has been carried out

a flat rate for staff and administrative costs linked to the management of the operational fund or the preparation, implementation and follow-up of an operational programme may be granted up to a maximum of 2 % of the approved operational fund.

6 Form and rate of support/amounts/calculation methods

Support may take the form of unit costs; Article 44(1)(b)(2)(a)(i), (c)

Expenditure on interventions of the types of interventions referred to in Article 47(2)(f), (g) and (h) of Regulation (EU)/2021/2115 shall not exceed one third of the expenditure.

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

NOHAR(47(2)(h)) - - non-harvesting consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease

SC25_I07_FVN_47 - non-harvesting — fruit and vegetables

Intervention Code (MS)	SC25_I07_FVN_47
Intervention Name	non-harvesting — fruit and vegetables
Type of Intervention	NOHAR(47(2)(h)) - non-harvesting consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union
SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions pursuing sectoral objectives included in the operational programmes submitted

by recognised producer organisations and adopted by the responsible authority

Obligations

Implementation and maintenance of the activities implemented in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training related to the fulfilment of the recognition criteria and the implementation of the operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by European Union and national legislation

Submission and implementation of an operational programme

15 % of the aid must be spent on climate and environmental measures with a minimum of three activities and 2 % for research development.

List of products eligible for support under the measure:

1. Apples
2. Beans
3. Brussels sprouts
4. Courgettes
5. Table grapes
6. Cherries
7. Walnuts
8. Garlic
9. Mushroom
10. Apricot
11. Cabbage
12. Kohlrabi
13. Cauliflower
14. Pears
15. Almonds
16. Hazel
17. Peaches and nectarines
18. Tomatoes
19. Leek
20. Radishes
21. Salad
22. Carrots, turnips, celeriac
23. Asparagus
24. Spinach
25. Strawberries
26. Plums
27. Eggplant
28. Cucumbers
29. Onions
30. Celery
31. Green peas

- 32. Green peppers
- 33. Seasoning paprika
- 34. Melon

The producer organisation shall submit the prior notification of its intention to apply the non-harvesting measure using the form established by the Treasury and published in a notice on its website. The prior notification shall include data identifying the product and area covered by the measure and identifying the place and date of implementation of the measure. The complete notification must be sent to the Treasury before the harvest period for the product in question.

Maximum amounts of aid available (EUR/ha)

Tomatoes 10 422,22
 Carrots 2 108,36
 Cabbages 864,27
 Sweet peppers 9 368,01
 Cauliflowers and broccoli 1 073,04
 Cucumbers and gherkins 3 993,12
 Mushrooms of the genus *Agaricus* 214 997,83
 Apples 1 906,39
 Pears 1 164,87
 Plums 1 224,61
 Berries 247,25
 Fresh table grapes 1 245,45
 Protected tomatoes* 50 862,52
 Sweet peppers protected* 21 595,40
 Cucumbers* 14 870,80
 Peaches 2 030,41
 Nectarines 1 308,95
 Cherries 1 114,81
 Melons 3347,48
 * in heated housing

For products not covered here, the maximum amounts of aid that may be claimed will be determined by the Minister per hectare in the operational programme.

The non-harvesting measures that may be included in the operational programme are:
 denaturing,

incorporation into soil (ploughing, ploughing, disposing, incineration of fruit in the declared area and other measures to carry out non-harvesting),

other measures duly justified by the producer organisation and approved by the Minister.

The measure is approved by the Minister if it does not have a harmful environmental impact or a phytosanitary risk.

Support under the non-harvesting measure may be granted only if, in respect of the area declared, the Treasury also establishes full compliance with the rules relating to the application of the measure during the on-the-spot check.

Aid shall not be granted if a substantial part of the commercial production has already been used.

a flat rate for staff and administrative costs linked to the management of the operational fund or the

preparation, implementation and follow-up of an operational programme may be granted up to a maximum of 2 % of the approved operational fund.

6 Form and rate of support/amounts/calculation methods

Support may take the form of unit costs. Article 44(1)(b)(2)(a)(i), (c)

Expenditure on interventions of the types of interventions referred to in Article 47(2)(f), (g) and (h) of Regulation (EU)/2021/2115 shall not exceed one third of the expenditure.

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the

quantities thus allocated are only additional to the quantities normally purchased by such establishments; In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

HARIN(47(2)(i)) - - harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations while ensuring that beneficiaries take necessary risk prevention measures

SC26_I08_FVH_47 - harvest and production insurance — fruit and vegetables

Intervention Code (MS)	SC26_I08_FVH_47
Intervention Name	harvest and production insurance — fruit and vegetables
Type of Intervention	HARIN(47(2)(i)) - harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations while ensuring that beneficiaries take necessary risk prevention measures
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Premiums for agricultural insurance may be included in the operational programme,

1. approved in advance by the Minister on the basis of the Act on the management of weather and other natural risks affecting agricultural production,
2. which complies with the general conditions of an agricultural insurance contract which may benefit from premium support, laid down by the Ministerial Decree on the conditions for receiving aid for agricultural insurance premiums, and
3. concluded by the producer organisation in its capacity as contracting party for the benefit of the producer members as insured persons.

The total public support shall not exceed 80 % of the cost of the insurance premiums paid for by producers for insurance against losses.

Harvest and production insurance interventions shall not cover insurance payments which compensate producers for more than 100 % of the income loss suffered, taking into account any compensation the producers obtain from other support or insurance schemes related to the insured risk.

Flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)
unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments;

In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

COACH(47(2)(j)) - - coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or under Article 67(7) of this Regulation, or to individual producers

SC29_I10_FVC_47 - personalised advice – fruit and vegetables

Intervention Code (MS)	SC29_I10_FVC_47
Intervention Name	personalised advice – fruit and vegetables
Type of Intervention	COACH(47(2)(j)) - coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or under Article 67(7) of this Regulation, or to individual producers
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP
R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of the activities serving the sectoral objectives included in the operational programs

submitted by a producer organisation, association of producer organisations, transnational producer organisation, transnational association of producer organisations and accepted by the responsible authority

Obligations

The implemented activities are the implementation and maintenance of the objectives defined in the operational programs

Preparation and submission of a report on the implementation of operational programs

Participation in mandatory training related to the Fulfillment of recognition conditions and the implementation of operational programs.

Eligibility conditions

Compliance with the conditions set by European Union and national legislation for recognition as a producer organisation

Submission and implementation of an operational programme

15 % of the support must be spent on climate and environmental protection measures consisting of at least three activities, and 2 % on research and development.

For each producer organisation, association of producer organisations, producer group or individual producer participating in the coaching provided by a producer organisation, association of producer organisations, transnational producer organisation, transnational association of producer organisations within the framework of the operational programme, a preliminary assessment must be prepared with regard to the content, duration, expected results and documentation of the coaching. The objective of coaching should be

- exchanging best practices related to crisis prevention and management interventions helping the beneficiary to benefit from experience with implementation of crisis prevention and risk management interventions;

- creating networking opportunities for coaching providers and recipients, for the use of marketing channels as a means of crisis prevention and management.

For several producer organisations, associations of producer organisations, producer groups or individual producers, coaching can only be given at the same time if it is justified based on the results of the preliminary needs assessment.

In the case of coaching, the operational program must show the number of participating producer organisations, associations of producer organisations, producer groups or individual producers, the number of Occasions of coaching, its total duration, and its total cost per cost type, and the methodology of the preliminary needs assessment must be attached, planned content and pattern.

Coaching interventions shall not be Outsourced

The followings can be accounted for in addition to the eligible costs listed in Annex III of the Commission Implementing Regulation (EU) 2022/126

- fees for the services used, which are realised in the framework of the activities envisaged at contributing to the objective of crisis prevention and risk management, aimed at avoiding and dealing with disturbances in the markets (for example, but not exhaustively: consulting services, specialist consulting services, expert activities, communication, etc.)

- the costs of meetings and training programs, if they are related to the operational programme, including per diems, as well as travel and accommodation costs, where applicable on a flat-rate or unit cost reimbursement basis.

- flat-rate staff and administrative costs related to the management of the operating fund or the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operating fund

6 Form and rate of support/amounts/calculation methods

Supporting can take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The EU financial support is the same as the amount of the financial contributions referred to in point (a) of Article 51(1) actually paid, and may not exceed 50 % of the actual expenses incurred.

The maximum level of EU financial support: 4.1 % of the value of the products marketed by the given producer organisation; 4.5 % of the value of the products marketed by the given association of producer organisations; 5 % of the value of the products marketed by the given transnational producer organisation or producer organisation association.

These limit values may be increased by 0.5 percentage points if the amount exceeding the relevant percentage value defined in the first subparagraph is used exclusively for one or more interventions related to the objectives referred to in points d, e, f, h, i) and j) of Article 46. In the case of associations of producer organisations, including transnational associations of producer organisations, these interventions can be carried out by the association on behalf of the members.

The upper limit of 50 % prescribed in paragraph (1) must be increased to 100 % in the following cases: actions related to personalised coaching provided to other producer organs recognised under Regulation 1308/2013EU – provided that the relevant producer organs operate in the regions referred to in Article 53 (2) of this regulation – or related to personalised coaching provided to individual producers related actions;

In the regions of the Member States where the degree of organisation of producers in the fruit and vegetable sector is significantly lower than the EU average, the Member States may provide producer organisations – recognised on the basis of Regulation (EU) 1308/2013 – with a national financial support of up to 80 % of the financial support referred to in Article 51(1)(a) of this Regulation and national financial support of up to 10 % of the value of the products marketed by any such producer organisation. The national financial support supplements the operating fund.

7 Additional information specific to the Type of Intervention

The intervention shall be implemented in accordance with the Article 13 of the regulation (EU) 2022/126.

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The support programme complies with the terms of the WTO green box, as it fully follows II. conditions referred to in point 2 of the annex. Within the framework of their operational programs, producers create services for agricultural producers who are members of the producer organisation.

COMM(47(2)(l)) - - communication actions aiming at raising awareness and informing consumers

SC27_I09_FVM_47 - communication activities to raise awareness and inform consumers — fruit and vegetables

Intervention Code (MS)	SC27_I09_FVM_47
Intervention Name	communication activities to raise awareness and inform consumers — fruit and vegetables
Type of Intervention	COMM(47(2)(l)) - communication actions aiming at raising awareness and informing consumers
Common Output Indicator	O.35. Number of supported operational programmes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
RISK(46(j)) crisis prevention and risk management, aimed at avoiding and dealing with crises in the markets of the relevant sector

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
2.4.2	Promotion of agri-food products	2	Yes
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.11/Fruit and Vegetables Share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

Implementation of actions addressing sectoral objectives submitted by recognised producer organisations and included in operational programmes adopted by the responsible authority

Responsibilities

Implementation and maintenance of the implemented activities in accordance with the objectives set out in the operational programmes

Preparation and submission of the report on the implementation of operational programmes

Participation in compulsory training relating to the fulfilment of the conditions for recognition and the implementation of operational programmes.

Eligibility criteria

Compliance with the conditions for recognition as a producer organisation laid down by the European Union and national legislation

Submission and implementation of operational programmes

15 % of the aid must be allocated to climate and environmental measures comprising at least three activities and 2 % to research development.

Promotional communication and marketing activities shall pursue one of the following objectives:

1. increasing awareness of the merits of Union agricultural products and of the high standards applicable to their production methods in the Union;
2. increasing the competitiveness and consumption of Union agricultural products and certain processed products produced in the Union and raising their profile both inside and outside the Union for sectors other than wine;
3. increasing awareness about Union quality schemes both inside and outside the Union;
4. increasing the market share of Union agricultural products and certain processed products produced in the Union, specifically focusing on the markets in third countries that have the highest growth potential;
5. contributing, where relevant, to restore the normal market conditions in the Union market in the event of serious market disturbance, loss of consumer confidence or other specific problems;
6. increasing awareness of sustainable production;
7. increase consumer awareness of brands/trade marks in the fruit and vegetables sector marketed by producer organisations, associations of producer organisations, transnational producer organisations and transnational associations of producer organisations

In addition to the costs listed in Annex III, eligible

- the fees for the services used, which are included in the operational programme, are implemented in the context of activities aimed at achieving the objectives of the operational programme (for example, but not exhaustive: consultancy services, consultancy services, expert activities, research and experimentation, marketing communication, promotion, quality assurance systems development, auditing, preparation, etc.
- costs of meetings and training programmes where they are related to the operational programme, including daily allowances, transport and accommodation costs, where applicable, on a standard flat-rate or scales of unit costs basis.
- The price difference resulting from the difference between the selling price of fruit and vegetables sold under the communication measure and the selling price of the product sold outside the measure, where the quantity covered by the measure exceeds by at least 25 % the quantity sold

prior to the measure.

- flat rate for staff and administrative costs linked to the management of the operational fund or to the preparation, implementation and monitoring of the operational programme, up to a maximum of 2 % of the approved operational fund

6 Form and rate of support/amounts/calculation methods

Support may take any of the following forms:

reimbursement of eligible costs actually incurred by a beneficiary; Article 44(1)(a)

unit costs; Article 44(1)(b)(2)(a)(i), (c)

The Union financial assistance shall be equal to the amount of the financial contributions referred to in Article 51(1), point (a), actually paid and limited to 50 % of the actual expenditure incurred.

The Union financial assistance shall be limited to: 4.1 % of the value of the marketed production of each producer organisation; 4.5 % of the value of marketed production of each association of producer organisations; 5 % of the value of marketed production of each transnational producer organisation or transnational association of producer organisations.

Those limits may be increased by 0,5 percentage points provided that the amount in excess of the relevant percentage set out in the first subparagraph is used solely for one or more interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (h), (i) and (j). In the case of associations of producer organisations, including transnational associations of producer organisations, those interventions may be implemented by the association on behalf of its members.

At the request of a producer organisation or of an association of producer organisations, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme if at least one of the following applies:

transnational producer organisations implement in two or more Member States interventions linked to the objectives referred to in Article 46, points (b), (e) and (f);

one or more producer organisations or associations of producer organisations are engaged in interventions operated on an interbranch basis;

the operational programme concerns only specific aid for the production of organic products within the scope of Regulation (EU) 2018/848;

the producer organisation or the association of producer organisations recognised under Regulation (EU) No 1308/2013 implements for the first time an operational programme;

producer organisations market less than 20 % of fruit and vegetable production in a Member State;

the producer organisation operates in one of the outermost regions;

the operational programme comprises the interventions linked to the objectives referred to in Article 46, points (d), (e), (f), (i) and (j);

the operational programme is for the first time implemented by a recognised producer organisation which is the result of a merger between two or more recognised producer organisations.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objective referred to in Article 46, point (d), if that expenditure covers at least 5 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 80 % for expenditure linked to the objectives referred to in Article 46, points (e) and (f), if that expenditure covers at least 20 % of the expenditure under the operational programme.

The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the following cases:

market withdrawals of fruit and vegetables which do not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;

free distribution to penal institutions, schools, public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and children's holiday camps, hospitals and old people's

homes designated by the Member States; Member States shall take all necessary steps to ensure that the quantities thus allocated are only additional to the quantities normally purchased by such establishments; In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80 % of the financial contributions referred to in Article 51(1), point (a), of this Regulation and up to 10 % of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund.

7 Additional information specific to the Type of Intervention

Not relevant

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II. Producers shall establish services under their operational programmes for farmers who are members of the producer organisation.

Apiculture products

ADVICEES(55(1)(a)) - - advisory services, technical assistance, training, information and exchange of best practices, including through networking, for beekeepers and beekeepers' organisations

SC02_A01_BEA_55 - Apiculture knowledge transfer and technical assistance

Intervention Code (MS)	SC02_A01_BEA_55
Intervention Name	Apiculture knowledge transfer and technical assistance
Type of Intervention	ADVICEES(55(1)(a)) - advisory services, technical assistance, training, information and exchange of best practices, including through networking, for beekeepers and beekeepers' organisations
Common Output Indicator	O.37. Number of actions or units for beekeeping preservation or improvement

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes
XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.5.3	Ensuring stability of Pollination systems	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes
CCO.1.7	Training of special advisers	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description
Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

Organising and participating in international and regional professional events helps to modernise the sector, learn about and apply innovation through the latest knowledge gained there. Technical study visits, training courses in apiculture and other forms of dissemination of knowledge (e.g. professional newspapers, films, publications, websites) serve to increase and share knowledge. Support for the

activities of professional organisations (including costs of national coordination of training in beekeeping, rental of premises for training courses, fees for speakers and interpreters, accommodation, travel and meal costs, production, postage, advertising costs, regularisation costs) and support for the activities of specialist consultants and service networks (e.g. consultancy fees, service network service fees) will also contribute to the coordinated operation of the sector, the development of knowledge, the spread of innovation and the modernisation of the sector and its digitalisation. Training and organisational support increase the resilience of the sector, which also supports food security.

Service networks are established for bee health and environmental pressures, phenological and meteorological apiculture monitors.

Monitoring of bee health and environmental pressures will support e.g. the fee for the service, the cost of analysis and publication of the publication. The service covers both field crops and bee population testing. On the basis of the examination of samples of plants and bees, flaws in agricultural and apiculture techniques are detected (unreasonable environmental pressures using spraying or apiculture medicinal products, bee poisoning, bee health status, use of unauthorised substances, technological discipline).

An annual publication on the results of the observations (bee health status, technological assessments) is produced to increase and share knowledge, with a summary and recommendations, which provides useful information for both beekeepers and farmers, but also for the authority.

The activities of the phenological and meteorological beekeeping monitoring network help to plan migration times by monitoring the phenological status of individual bee pastures in different parts of the country on an accessible information interface. The service fee will be subsidised to facilitate the activity.

The intervention is a continuation of the well-functioning measures of the apiculture programme with measures for which the beneficiaries of the aid are apiculture organisations and service networks and support for the above objectives. Detailed internal rules shall be drawn up for the implementation of the intervention.

Experts and organisations implementing AKIS-type measures may be partially linked to the Knowledge Network and the CAP Network.

The requirement for the organisation and participation of events, dissemination of knowledge, training, study visits and support for participation may be linked to the minimum number of participants or, in the case of the organisation of member organisations, to the certification of the national apiculture organisation that its professional standards correspond to eligibility. Depending on the subject of the grant, the grant application may be submitted by the beneficiary on one or more occasions per implementation period, with the proviso that multiple submissions may not concern support for the same event or programme.

Eligible costs for the intervention:

- costs of training and training organisation;
- staff and administrative costs;
- rapporteurs' prizes;
- costs of production and distribution of literature and journals and specialised films;
- costs of professional events and study visits;
- costs of consultancy and services.

Specific conditions of the aid:

The support of the network of consultants and service providers shall be conditional on the submission of summary reports on the activities.

Proof of completion or proof of payment of certified costs is also a general aid requirement.

Ineligible costs of the intervention:

No aid may be requested for the purchase or translation of a professional journal, study, statistics and bee health literature drawn up by the coordinator, the coordinator's assistant, the beekeeping consultants or the senior consultant, or not published.

Beneficiaries of interventions:

- the national apiculture organisation and its member organisations;
 - service networks.

Interventions are the Strategic Plan Regulation. Achievement of the specific objective set out in point (f) of Article 6(1) (SO6) and the horizontal objective (xCO) referred to in paragraph 2. The provision of advisory services, technical assistance, training, information and exchange of best practices for beekeepers and beekeepers' organisations (Article 55(1)(a) of the Strategic Plan Decree) shall be used for the operation of the sector-specific advisory system and the transfer of knowledge and knowledge and knowledge, through the operation of the consultancy system, support for the activities of professional beekeepers' organisations, professional training and practical knowledge transfer. At the same time, organised knowledge transfer also supports generational renewal in agriculture (CCO). Improving farmers' knowledge of the results of environmental monitoring and monitoring will also increase knowledge on the effects of agriculture on the environment, which can strengthen the motivation of close-to-nature farming (biobeekeeping) (SO6).

The 2023 CAP envelope can also be used to cover support needs arising during the extended period of the 2022 apiculture year (01/08/2022 – 31.12.2022).

6 Form and rate of support/amounts/calculation methods

A grant of up to 100 % of the certified costs for each action (e.g. contractor fees or commission fees for organising events, production of information material, renting of venues) or a specific amount covering part of the costs (e.g. event newspaper production), other measures with a ceiling (e.g. translation costs of producing information material, or food, travel and accommodation costs for attending events).

The planned support envelope for 2023 (EU part of EUR 250000 and domestic part of EUR 250000) no longer includes the allocation for the extended apiculture year 2022. The EU part of the amount deducted for the extended apiculture year is EUR 500000 and the domestic part is EUR 500000. The planned support envelope for 2024 (EU part of EUR 634871, domestic part of EUR 634871) – and the allocation planned for 2025-2027 (EU part of EUR 627371/year, domestic part of EUR 627371/year) are based on the fact that part of the events and trainings were cancelled or online during the COVID outbreak and that online solutions are expected to continue to spread in the future.

In addition, experience and changes in needs in 2022-2023 have been taken into account, leading to a slight correction of the framework use, thus increasing the planned envelope by 3.3 % to continue supporting professional study visits, which, according to the previous plan, would have been phased out.

7 Additional information specific to the Type of Intervention

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8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The intervention shall comply with the following points in paragraph 2 of Annex 2 to the World Trade Organisation Agreement on Agriculture:

training services, including both general and vocational training facilities;

expansion and advisory services, including the provision of tools to facilitate the transmission of information and research results to producers and consumers;

The intervention is consistent with the general services contained in Annex 2 to the World Trade Organisation Agreement on Agriculture, such as training services, advisory services, inspection services, and the provision of tools for the transfer of information.

The intervention falls within the scope of public service programmes, does not affect trade or production, does not involve price support for producers and does not involve consumer transfers.
They do not involve direct payments to producers or distributors.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC02_O37_A01_BN - Unit aid to beneficiaries for knowledge transfer in apiculture and technical assistance	Average		
SC02_O37_A02_ON - Unit aid per application for apiculture knowledge transfer and technical assistance	Average		

Description

SC02_O37_A01_BN - Unit aid to beneficiaries for knowledge transfer in apiculture and technical assistance

The apiculture sector programme continues on the basis of the well-functioning national apiculture programme. Therefore, during the calculation of the unit amount, we took into account the available 1-year historical data collected by the Paying Agency for measures falling under this type of intervention in the domestic title decree, which entered into force in 2021, on the basis of the apiculture programme amended in 2021.

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Based on the experience of recent years, due to the anticipated temporary decrease in the number of events and cost savings, we use 64 beneficiaries in the first quarter of 2024 with a unit amount per EU grant of EUR 2500 per beneficiary, a unit amount of 270 applications for a further three quarters, a unit amount of EUR 1759 and a request of 380/year and 1651 for 2025-2027, based on the experience of recent years.

Due to the uncertainty of the increase in the cost of events, a difference of almost 20 % in the average unit amount is planned.

SC02_O37_A02_ON - Unit aid per application for apiculture knowledge transfer and technical assistance

The apiculture sector programme continues on the basis of the well-functioning national apiculture programme. Therefore, during the calculation of the unit amount, we took into account the available 1-year historical data collected by the Paying Agency for measures falling under this type of intervention in the domestic title decree, which entered into force in 2021, on the basis of the apiculture programme amended in 2021.

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Based on the experience of recent years and due to the foreseeable increase in the number and costs of events, we use 270 applications for a further three quarters of financial year 2024, a unit amount of EUR 1759 and a request of 380/year and 1651 for the years 2025 to 2027.

Due to the uncertainty of the increase in the cost of events, a difference of almost 20 % in the average unit amount is planned.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC02_O37_A01_BN - Unit aid to beneficiaries for knowledge transfer in apiculture and technical assistance	Planned unit amount (Total Union expenditure in EUR)	2,500.00	2,500.00	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	100.00	64.00	0.00	0.00	0.00	Sum: 164.00
							Max: 100.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	250,000.00	160,000.00	0.00	0.00	0.00	410,000.00
SC02_O37_A02_ON - Unit aid per application for	Planned unit amount (Total Union expenditure in EUR)	0.00	1,759.00	1,651.00	1,651.00	1,651.00	

apiculture knowledge transfer and technical assistance	O.37 (unit:)	0.00	270.00	380.00	380.00	380.00	Sum: 1,410.00 Max: 380.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	474,871.00	627,371.00	627,371.00	627,371.00	2,356,984.00
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	500,000.00	1,269,742.00	1,254,742.00	1,254,742.00	1,254,742.00	5,533,968.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	250,000.00	634,871.00	627,371.00	627,371.00	627,371.00	2,766,984.00
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00	

INVAPI(55(1)(b)) - - investments in tangible and intangible assets, as well as other actions

SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector

Intervention Code (MS)	SC03_E02_BEI_55
Intervention Name	Improving the competitiveness of the apiculture sector
Type of Intervention	INVAPI(55(1)(b)) - investments in tangible and intangible assets, as well as other actions
Common Output Indicator	O.37. Number of actions or units for beekeeping preservation or improvement

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes
6.5.3	Ensuring stability of Pollination systems	1	Yes
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.35 Share of beehives supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Description

The aim of the intervention is to facilitate the purchase of equipment necessary for the exercise of apiculture activities, the purchase of veterinary medicinal products and equipment necessary to preserve the number and health of bee colonies and the purchase of controlled breeding material, as well as tools to improve community contact between beekeeping organisations and their members (e.g. office technology, computer tools, photocopiers) and the purchase of glass moulds for the uniform appearance and quality of beekeeping products.

Aided tools for the pursuit of apiculture activities are those necessary for the extraction of honey and apiculture products (e.g. bee lees, lids, lidlers, honey filter vats, pollen collectors, pollen dryers), presentation (e.g. honey pumps, honey warmers, honey filling machines, pollen cleaners, pollen dryers) and storage (e.g. barrels). Furthermore, the range of equipment and auxiliary equipment (e.g., comb containers, refrigeration equipment, freezer chambers, compressors, high-pressure washing equipment, forklift trucks, lifting equipment, bee-containers, power supply equipment, grass casings, protection systems, hives balances) and the cost of renting vehicles are also supported.

In addition to the medicinal and veterinary medicinal products used in beekeeping that preserve the health of bee colonies, vehicles and occupational safety devices (e.g. protective clothing, gas masks, filters) for their application are supported.

The purchase of hygienic sleepers to assess the contamination of acacia is supported for alternative health protection, whereas preventive control supports e.g. the replacement of beehives, framework headings and queen bees by purchase, the purchase of ozone generators, the planting of trees for bee pastures, semi-tanks, shrubs and bushes. The latter can be planted on and around the apiculture site, thus helping colonies to weather the harsh period of natural bee pasture in the longer term.

The moulds for the uniform appearance and quality of apiculture products are prepared by the national apiculture organisation. These bottles can be purchased by beekeepers in order to ensure a uniform presentation of the apiculture products. Excise seals attached to shape glass guarantee quality and therefore help consumers to choose quality products.

The acquisition of the equipment necessary for the performance of apiculture activities contributes to the continuous innovation of technology, which leads to the efficiency of the activity and thus to increased competitiveness. The purchase of new equipment from an official manufacturer or distributor is eligible. The aid increases investment activity by improving capitalisation, which also contributes to the development of technology. In addition to competitiveness, this enhances market orientation.

The improvement of the health and genetic condition of the bee population serves to preserve the number, health and native genetic stock of bee colonies. This contributes to the protection of the ecosystem and the maintenance of ecosystem services.

The intervention is a continuation of the well-functioning measures of the apiculture programme with measures for which beekeepers are the beneficiaries of aid, and the aid serves the above objective.

Detailed internal rules shall be drawn up for the implementation of the intervention.

Some of the measures taken to enhance competitiveness may be linked to Pillar II innovation cooperation (EIP) interventions and support for small farms.

The improvement of the health and genetic condition of the bee population can be complemented by support for animal welfare under Pillar II in the apiculture sector. The funds under Pillar I and Pillar II are well delineated at the level of funding objectives or at the level of the call for proposals.

Only products holding an official authorisation and registered in an official register, as well as propagating material, shall be eligible for aid.

Beneficiaries:

investments in tangible and intangible assets:

- Apiculture equipment may be supported by a beekeeper or producer group who is a member of a national apiculture organisation, provided that the applicant has a bee colony according to the official register.
- Apiculture organisations are eligible for aid to support the activities of organisations. The national apiculture organisation is the holder of the support for moulds.
- combatting beehive invaders and diseases, in particular varroasis;
- An beekeeper who is a member of a national apiculture organisation is entitled to support protection,

provided that the applicant has a bee colony according to the official register.

restocking of bees in the Union, including bee breeding;

- An beekeeper who is a member of a national beekeeping organisation is entitled to support the restocking of bees if the applicant has a bee colony according to the official register.

rationalisation of transhumance;

- An beekeeper who is a member of a national beekeeping organisation is entitled to support the rationalisation of transhumance if the claimant has a bee colony according to official records.

Eligible costs for the intervention:

investments in tangible and intangible assets and other actions, including:

- new beekeeping tools, aids and equipment used in beekeeping practices,
- new apiculture equipment for the production, extraction, storage and presentation of honey and apiculture products
- new products, tools, machinery and equipment for spleen storage
- office and moulds
- procurement of hygienic sleepers for alternative defence
- cost of purchase of beehives, frame and comb exchange, ozone generator, bee pasture, bushes, etc., for preventive measures.

combatting beehive invaders and diseases, in particular varroasis;

- medicinal products, medicinal products and vehicles necessary for the professional veterinary treatment of bee colonies against pests and diseases with an authorised substance
- purchase of application equipment and equipment

restocking of bees in the Union, including bee breeding;

- the cost of the purchase of maternal crèche and maternal crèche.

rationalisation of transhumance;

- migration aids
- leasing, hire and meadow purchase of special towed vehicles used for transhumance
- rental of vehicles

Specific conditions of the aid:

Only devices, machinery and equipment for which an official marketing authorisation has been granted are eligible.

Aided apiculture equipment must be kept and operated for 5 years and 3 years for the subsidised office equipment.

The purchase of the same type of apiculture equipment within 5 years and the purchase of the same type of office equipment within 3 years is not allowed.

The aid is available in the case of membership of a national apiculture organisation.

Investments may be carried out outside the beneficiary's premises.

Equipment and vehicles intended to protect health are not eligible on their own, but only in the case of joint purchases of veterinary medicinal products.

Development of the environment for beehealth: for the purchase of bee pastures, shrubs, semi-srubs and bushes listed on the website of the national apiculture organisation, the purchase price is eligible for applicants who are members of the apiculture organisation(http://www.omme.hu/wp-content/uploads/2021/08/MMNP-fajlista_bővített.pdf).

This aid is separate from forestry aid.

The planting of bee pasture crops supported in this way is limited to a small area, so that there is no forestry or other economic benefit.

Ineligible costs of the intervention:

acquisition of self-produced assets and second-hand assets

products not authorised by the Hungarian authorities for bee colonies;

—propagation material from a herd which has not been registered by a Hungarian breed society or which is not naturalised.

The intervention serves the specific objectives set out in Article 6(1)(b)(d) and (f) of the Strategic Plan Regulation on the basis of Article 55(1)(b) of the Strategic Plan Regulation.

In order to increase the competitiveness of farms in the short and long term, thereby making them more market-oriented, the purchase of equipment necessary to carry out apiculture activities will help them to increase their competitiveness. The acquisition of new assets also leads to the development of technology which helps to increase added value (SO2).

Medicated, alternative and preventive measures against bee pests and pathogens serve to preserve the bee population, thus contributing to climate change mitigation, adaptation to climate change, halting and reversing biodiversity loss and enhancing ecosystem services. By supporting the purchase of controlled breeding material, the use of a climate-resilient and climate adaptive breed and genetic preservation (SO4, SO6) is achieved.

The 2023 CAP envelope can also be used to cover support needs arising during the extended period of the 2022 apiculture year (01/08/2022 – 31.12.2022).

6 Form and rate of support/amounts/calculation methods

Forms of support:

—reimbursement of expenses

—bank guarantee

—An institutional guarantee at a preferential fee may be used within the intervention to supplement the aid intensity, which constitutes a guarantee from the Agricultural Credit Guarantee Foundation for all investments.

The aid applied to the intervention will be cleared on the basis of the eligible costs actually incurred by the beneficiary under Article 44(1)(a) SPR, as certified by an invoice.

Grants of between 50 % and 100 % of the certified costs for each action, or a specific amount or cap to cover part of the costs.

The planned support envelope for 2023 (EU part of EUR 3204227/year, domestic part of EUR 3204227/year) because the amount allocated for the extended apiculture year 2022 is no longer included. The EU part of the amount deducted for the extended apiculture year is EUR 175000/year and the domestic part is EUR 175000/year. The EU part of the planned support envelope of EUR 7027422 for the financial year 2024 is EUR 3513711 and the domestic part is EUR 3513711. The planned support envelope of EUR 7036217 for 2025-2027 (EU part of EUR 3518108,5/year, domestic part of EUR 3518108,5/year)

The planned support framework is determined on the basis of the framework and use of the 2020-2021 funding period of the apiculture programme, taking into account the fact that the interest in new technological tools, the materials and tools used to control bee health and the purchase of queen bee can be considered to be lasting and a significant increase in prices is expected, as well as the possibility of support through preventive bee health measures.

7 Additional information specific to the Type of Intervention

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Attention! Interventions under Article 55(1)b subpoints (i) and (ii) according to Article 10 and Annex II are obliged to comply with WTO Green Box criteria. Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Support for equipment, equipment and aids necessary for the pursuit of apiculture activities complies with the following paragraphs of Annex 2 to the World Trade Organisation (WTO) Agreement on Agriculture:

Annex No 2: Domestic support – Basis for exemption from the reduction obligation

(1) Domestic support measures for which exemptions from reduction commitments are requested must comply with the basic requirement that they have no or at most minimal trade distorting effects or effects on production. Accordingly, any measure for which an exemption is requested must comply with the following essential criteria:

the aid in question must be provided through a public government programme (including loss of public revenue) which does not involve consumer credit transfers; and,

the aid in question shall not constitute price support to producers;

The pharmaceutical, alternative and preventive measures to preserve the health of bee colonies comply with the following paragraph 2 of Annex 2 to the World Trade Organisation (WTO) Agreement on Agriculture:

pest and disease control, including general and product-specific pest and disease control measures such as early warning systems, quarantine and eradication;

The equipment support has no impact on trade in beekeeping products or on production, does not involve price support for apiculture products to producers and does not involve consumer transfers or direct payments to producers or distributors.

The objective of the intervention to preserve the health of bee colonies is to protect against pests and diseases referred to in point 2(b) of Annex 2 to the WTO Agreement on Agriculture.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC03_O37_A01_BN - Unit aid per beneficiary for equipment development in the apiculture sector	Average		R.35
SC03_O37_A02_BN - Unit aid for the purchase of equipment to support the activities of apiculture organisations	Average		
SC03_O37_A03_BN - Unit aid per beneficiary for aid for the control of bee diseases and pests	Average		R.35
SC03_O37_A04_BN - Unit aid per beneficiary for the development of bee genetic stock	Average		R.35
SC03_O37_A05_BN - Unit aid per beneficiary for the purchase of equipment to facilitate migration	Average		R.35
SC03_O37_A06_ON - Unit aid per application for asset development in the apiculture sector	Average		R.35
SC03_O37_A07_ON - Unit aid per application for the purchase of equipment to support the activities of apiculture organisations	Average		
SC03_O37_A08_ON - Unit aid per application for aid for the control of bee diseases and pests	Average		R.35
SC03_O37_A09_ON - Unit aid per application for the development of bee genetic resources	Average		R.35
SC03_O37_A10_ON - Unit aid per application for the acquisition of equipment to facilitate migration	Average		R.35

Description

SC03_O37_A01_BN - Unit aid per beneficiary for equipment development in the apiculture sector

On the basis of the amendment of the apiculture programme in 2021, the Hungarian decree of title entered into force in 2021 for measures falling under this type of intervention, taking into account the available 1-year historical data collected by the paying agency, the average amount of EU aid per beekeeper actually making use of the aid in euros and, as of 2024, the average EU aid amount for beekeepers' applications. [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account the available data, the following outputs and unit amounts are planned.

Aid for the extraction and presentation of honey and apiculture products, as well as for the storage of combs and the modernisation of other tangible assets used in apiculture, is calculated with 274 beneficiaries in the first quarter of FY2024, a unit amount per EU aid of EUR 250 per beneficiary, a unit amount per additional three quarters of 300 applications, a unit amount of EUR 188.5, and an annual amount of 500 applications and 150 units for the years 2025 to 2027.

The budget planned to support the instruments, as well as the number of eligible applications, will be significantly reduced during the amendment of the CAP plan and the unit amount will be reduced.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

SC03_O37_A02_BN - Unit aid for the purchase of equipment to support the activities of apiculture organisations

On the basis of the apiculture programme amended in 2021, for measures falling under this type of intervention in the Hungarian Decree which entered into force in 2021, taking into account the available 1-year historical data collected by the paying agency, the average EU aid amount per bee-keeping organisation actually used is in euros and, as of 2024, the average EU aid amount for applications from beekeeping organisations. [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account the available data, the following outputs and unit amounts are planned.

We use 3 beneficiaries, a unit amount per beneficiary of EUR 600 per beneficiary in the first quarter of the 2024 financial year, 100 applications, a unit amount of EUR 241.5 per year and an annual amount of 250 units for the years 2025 to 2027 to support the purchase of equipment to support the activities of apiculture organisations.

The budget foreseen for the support of the instruments is limited, the number of eligible applications and the unit amount decreases significantly during the amendment of the CAP plan.

Due to the uncertainty of the increase in costs, a 20 % difference in the average unit amount is planned.

SC03_O37_A03_BN - Unit aid per beneficiary for aid for the control of bee diseases and pests

On the basis of the amendment of the apiculture programme in 2021, the Hungarian decree of title entered into force in 2021 for measures falling under this type of intervention, taking into account the available 1-year historical data collected by the paying agency, the average amount of EU aid per beekeeper actually making use of the aid in euros and, as of 2024, the average EU aid amount for beekeepers' applications. . [Pursuant to Article 44(2)(a) (i) SPR.]

We do not count for payments in the first quarter of FY2024, and in the subsequent periods we calculate the output of the claim. Taking into account available data and expected cost increases, the following outputs and unit amounts are planned.

Support for the control of bee diseases and pests is calculated on the basis of 12500 applications and a unit amount of EUR 235.5 per EU subsidy for financial year 2024, 8500 applications and EUR 338 per application for the financial year 2025-2027.

The budget planned to support products and equipment to maintain the health status of the bee population, as well as the unit amount, will increase significantly, keeping the number of eligible applications at the same level during the amendment of the CAP plan, with a significant increase in applications in 2024 and a subsequent normalisation of the number of applications in view of the publication of the new item regulation in 2024.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

SC03_O37_A04_BN - Unit aid per beneficiary for the development of bee genetic stock

On the basis of the amendment of the apiculture programme in 2021, the Hungarian decree of title entered into force in 2021 for measures falling under this type of intervention, taking into account the available 1-year historical data collected by the paying agency, the average amount of EU aid per beekeeper actually making use of the aid in euros and, as of 2024, the average EU aid amount for beekeepers' applications. [Pursuant to Article 44(2)(a) (i) SPR.]

We do not count for payments in the first quarter of FY2024, and in the subsequent periods we calculate the output of the claim. Taking into account the available data, the following outputs and unit amounts are planned.

To support the development of bee genetic resources, a unit amount of 2800 applications and an application of EUR 71.5 per EU subsidy for the financial year 2024-2027 is calculated. EUR 116 from 2025 onwards

The planned framework for support for genetic renewal, as well as the number of eligible applications during the amendment of the CAP plan, will be

significantly reduced and the unit amount will be reduced.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

SC03_O37_A05_BN - Unit aid per beneficiary for the purchase of equipment to facilitate migration

On the basis of the amendment of the apiculture programme in 2021, the Hungarian decree of title entered into force in 2021 for measures falling under this type of intervention, taking into account the available 1-year historical data collected by the paying agency, the average amount of EU aid per beekeeper actually making use of the aid in euros and, as of 2024, the average EU aid amount for beekeepers' applications. . [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account the available data, the following outputs and unit amounts are planned.

We use 150 beneficiaries, EUR 250/beneficiary per unit amount per EU grant in the first quarter of FY2024, 1000 applications for a further three quarters, a unit amount of EUR 185 per application and 1100 and 202 per year for the years 2025 to 2027 to support the acquisition of migration facilities.

The budget planned to support the instruments, as well as the number of eligible applications, will be significantly reduced during the amendment of the CAP plan and the unit amount will be reduced.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

SC03_O37_A06_ON - Unit aid per application for asset development in the apiculture sector

On the basis of the apiculture programme amended in 2021, the average EU aid amount in euros for measures falling under this type of intervention in the Hungarian Decree of title entered into force in 2021, taking into account the available 1-year historical data of the paying agency, at the request of the beekeepers who actually made use of the aid. [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account available data and expected cost increases, the following outputs and unit amounts are planned.

Support for the extraction and presentation of honey and apiculture products, as well as for the storage of combs and the modernisation of other tangible assets used in apiculture, is calculated for a further three quarters of the 2024 financial year with 300 applications, a unit amount of EUR 188.5 per year and 500 applications and 150 units per year for the years 2025 to 2027.

The budget planned to support the instruments, as well as the number of eligible applications, will be significantly reduced during the amendment of the CAP plan and the unit amount will be reduced.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

SC03_O37_A07_ON - Unit aid per application for the purchase of equipment to support the activities of apiculture organisations

On the basis of the apiculture programme amended in 2021, the average amount of EU aid in euros granted at the request of the apiculture organisations actually making use of this type of intervention is the average amount of EU aid in euros for measures falling under this type of intervention, which entered into force in 2021, taking into account the available 1-year historical data collected by the paying agency. [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account available data and expected cost increases, the following outputs and unit amounts are planned.

Support for the purchase of equipment to support the activities of apiculture organisations is calculated for the three additional quarters of 2024 with 100 applications, a unit amount of EUR 241.5 per year and 100 applications and 250 units per year for the years 2025 to 2027. The budget planned to support the instruments is limited, the number of eligible applications and the unit amount decrease significantly during the amendment of the CAP plan due to the change in output unit.

Due to the uncertainty of the increase in costs, a 20 % difference in the average unit amount is planned.

SC03_O37_A08_ON - Unit aid per application for aid for the control of bee diseases and pests

On the basis of the apiculture programme amended in 2021, the average EU aid amount in euros for measures falling under this type of intervention in the Hungarian Decree of title entered into force in 2021, taking into account the available 1-year historical data of the paying agency, at the request of the beekeepers who actually made use of the aid. [Pursuant to Article 44(2)(a) (i) SPR.]

We do not count for payments in the first quarter of FY2024, and in the subsequent periods we calculate the output of the claim. Taking into account available data and expected cost increases, the following outputs and unit amounts are planned.

Support for the control of bee diseases and pests is calculated on the basis of 12500 applications and EUR 235.5 per additional three quarters of financial year 2024, 8500 applications per year and EUR 338 per year in the financial year 2025-2027. The budget planned to support products and equipment to maintain the health status of the bee population, as well as the unit amount, will increase significantly, keeping the number of eligible applications at the same level during the amendment of the CAP plan, with a significant increase in applications in 2024 and a subsequent normalisation of the number of applications in view of the publication of the new item regulation in 2024.

A 20 % difference in the average unit amount is planned due to uncertainty about the level of cost increase

SC03_O37_A09_ON - Unit aid per application for the development of bee genetic resources

On the basis of the apiculture programme amended in 2021, the average EU aid amount in euros for measures falling under this type of intervention in the Hungarian Decree of title entered into force in 2021, taking into account the available 1-year historical data of the paying agency, at the request of the beekeepers who actually made use of the aid. [Pursuant to Article 44(2)(a) (i) SPR.]

We do not count for payments in the first quarter of FY2024, and in the subsequent periods we calculate the output of the claim. Taking into account available data and expected cost increases, the following outputs and unit amounts are planned.

The planned envelope to support genetic renewal, which proved to be oversized, was temporarily significantly reduced and the unit amount decreased during the amendment of the latter CAP plan. To support the development of bee genetic resources, a unit amount per year of EU aid of 2.800 applications and EUR 71,5 per year is calculated for financial year 2024. In the years 2025 to 2027, on the basis of the rebounding needs, it is necessary to revisit the support framework, to increase it and to increase the unit amount in order to preserve the aid intensity due to increased mother production costs. Thus, for the financial years 2025 to 2027, we calculate a unit amount per EU subsidy per application of 2800 applications and an application of EUR 116.

A 20 % difference in the average unit amount is planned due to uncertainty about the level of cost increase

SC03_O37_A10_ON - Unit aid per application for the acquisition of equipment to facilitate migration

On the basis of the apiculture programme amended in 2021, the average EU aid amount in euros for measures falling under this type of intervention in the Hungarian Decree of title entered into force in 2021, taking into account the available 1-year historical data of the paying agency, at the request of the beekeepers who actually made use of the aid. [Pursuant to Article 44(2)(a) (i) SPR.]

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Taking into account available data and

expected cost increases, the following outputs and unit amounts are planned.

We use 1000 applications, a unit amount of EUR 185 per year and 1100 applications and 202 unit amounts per year for the years 2025 to 2027 to support the acquisition of migration equipment in the additional three quarters of FY2024. The budget planned to support the instruments, as well as the number of eligible applications during the amendment of the CAP plan, will be significantly reduced and the unit amount decreases due to the change in output unit.

Due to the uncertainty of the level of cost increase, a 20 % difference in the average unit amount is planned.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC03_O37_A01_BN - Unit aid per beneficiary for equipment development in the apiculture sector	Planned unit amount (Total Union expenditure in EUR)	250.00	250.00	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	1,500.00	274.00	0.00	0.00	0.00	Sum: 1,774.00 Max: 1,500.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	375,000.00	68,500.00	0.00	0.00	0.00	443,500.00
SC03_O37_A02_BN - Unit aid for the purchase of equipment to support the activities of apiculture organisations	Planned unit amount (Total Union expenditure in EUR)	600.00	600.00	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	50.00	3.00	0.00	0.00	0.00	Sum: 53.00 Max: 50.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	30,000.00	1,800.00	0.00	0.00	0.00	31,800.00
SC03_O37_A03_BN - Unit aid per beneficiary for aid for the control of bee diseases and pests	Planned unit amount (Total Union expenditure in EUR)	224.59	224.59	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	8,000.00	0.00	0.00	0.00	0.00	Sum: 8,000.00 Max: 8,000.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	1,796,727.00	0.00	0.00	0.00	0.00	1,796,727.00
SC03_O37_A04_BN - Unit aid per beneficiary for the development of bee genetic stock	Planned unit amount (Total Union expenditure in EUR)	167.50	167.50	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	3,000.00	0.00	0.00	0.00	0.00	Sum: 3,000.00 Max: 3,000.00

	Annual indicative financial allocation (Total Union expenditure in EUR)	502,500.00	0.00	0.00	0.00	0.00	502,500.00
SC03_O37_A05_BN - Unit aid per beneficiary for the purchase of equipment to facilitate migration	Planned unit amount (Total Union expenditure in EUR)	250.00	250.00	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	2,000.00	150.00	0.00	0.00	0.00	Sum: 2,150.00 Max: 2,000.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	500,000.00	37,500.00	0.00	0.00	0.00	537,500.00
SC03_O37_A06_ON - Unit aid per application for asset development in the apiculture sector	Planned unit amount (Total Union expenditure in EUR)	0.00	188.50	150.00	150.00	150.00	
	O.37 (unit:)	0.00	300.00	500.00	500.00	500.00	Sum: 1,800.00 Max: 500.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	56,500.00	75,000.00	75,000.00	75,000.00	281,500.00
SC03_O37_A07_ON - Unit aid per application for the purchase of equipment to support the activities of apiculture organisations	Planned unit amount (Total Union expenditure in EUR)	0.00	241.50	250.00	250.00	250.00	
	O.37 (unit:)	0.00	100.00	100.00	100.00	100.00	Sum: 400.00 Max: 100.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	23,200.00	25,000.00	25,000.00	25,000.00	98,200.00
SC03_O37_A08_ON - Unit aid per application for aid for the control of bee diseases and pests	Planned unit amount (Total Union expenditure in EUR)	0.00	235.50	338.00	338.00	338.00	
	O.37 (unit:)	0.00	12,500.00	8,494.00	8,494.00	8,494.00	Sum: 37,982.00 Max: 12,500.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	2,940,961.00	2,870,858.50	2,870,858.50	2,870,858.50	11,553,536.50
SC03_O37_A09_ON - Unit aid per application for	Planned unit amount (Total Union expenditure in EUR)	0.00	71.50	116.00	116.00	116.00	

the development of bee genetic resources	O.37 (unit:)	0.00	2,800.00	2,800.00	2,800.00	2,800.00	Sum: 11,200.00 Max: 2,800.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	200,500.00	325,000.00	325,000.00	325,000.00	1,175,500.00
SC03_O37_A10_ON - Unit aid per application for the acquisition of equipment to facilitate migration	Planned unit amount (Total Union expenditure in EUR)	0.00	185.00	202.00	202.00	202.00	
	O.37 (unit:)	0.00	1,000.00	1,100.00	1,100.00	1,100.00	Sum: 4,300.00 Max: 1,100.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	184,750.00	222,250.00	222,250.00	222,250.00	851,500.00
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	6,408,454.00	7,027,422.00	7,036,217.00	7,036,217.00	7,036,217.00	34,544,527.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	3,204,227.00	3,513,711.00	3,518,108.50	3,518,108.50	3,518,108.50	17,272,263.50
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00	

PROMOBEES(55(1)(f)) - - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products

SC01_A02_BEM_55 - Beekeeping marketing

Intervention Code (MS)	SC01_A02_BEM_55
Intervention Name	Beekeeping marketing
Type of Intervention	PROMOBEES(55(1)(f)) - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products
Common Output Indicator	O.37. Number of actions or units for beekeeping preservation or improvement

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.1	Market research	3	Yes
2.4.2	Promotion of agri-food products	2	Yes
6.5.2	Providing information to the public on the importance of ecosystem services and biodiversity	2	Yes
CCO.1.10	Consumer education and awareness raising	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

Marketing and promotion activities linked to the events and on their own are primarily aimed at raising consumer awareness, increasing consumer confidence and understanding of the benefits of organic products. This activity includes e.g. beekeeping meetings, honey festivals, schools, honey tasting, distribution of promotional and information material, or the organisation of player competitions on

pollinators and the distribution of painters to children. The members of the Honey Knight Order are regular participants in these occasions, where their mere appearance is of considerable marketing value. Monitoring measures to improve the quality of apiculture products increase market orientation by monitoring honey marketed in Hungary, which differs from the mandatory analyses and official controls. The quality improvement measure is based on the continuous monitoring, sampling and evaluation of the apiculture organisation representing beekeepers, the results of which are accessible to anyone, thus helping to increase conscious consumption and produce quality. The aim of the measure is not to support laboratories, but the entire monitoring activity, which has an indirect impact on improving product quality due to the publication of the monitoring results.

The national coordination of the above activities, together with market monitoring, is carried out by the apiculture organisation with the involvement of an expert.

The costs of marketing and promotion activities, monitoring and coordination of apiculture products and market monitoring related to these activities are eligible.

The monitoring of commercial honey is subject to the publication of the results. Publication takes place in a professional journal and/or on the website of the national apiculture organisation, which may, where appropriate, encourage the distributor to develop and update the technology.

Continuation of the well-functioning measures of the apiculture programme with those for which the above objectives are supported. Detailed internal rules shall be drawn up for the implementation of the intervention.

It does not complement other interventions within the two pillars.

Beneficiary:

national apiculture organisation.

Eligible costs for the intervention:

monitoring, marketing and promotion costs, administrative costs, analysis and publication costs.

Ineligible costs: cost of testing by a non-accredited laboratory.

Interventions shall address the specific objectives set out in Article 6(1)(b) and (f) of the Strategic Plan Regulation and the horizontal objective referred to in paragraph 2. Market orientation and economic competitiveness are enhanced by promotion, communication and marketing (Article 55(1)(f) of the Strategic Plan Decree). Consumer awareness is also strengthened through awareness-raising (SO2, CCO). Adequate information for consumers also serves to raise awareness of the importance of biodiversity (SO6, CCO).

The 2023 CAP envelope can also be used to cover support needs arising during the extended period of the 2022 apiculture year (01/08/2022 – 31.12.2022).

6 Form and rate of support/amounts/calculation methods

A grant of up to 100 % of the certified costs for each action, or a specific amount covering part of the costs, with a ceiling for other actions.

The planned support envelope for 2023 (EU part of EUR 127800/year, domestic part of EUR 127800/year) because the amount allocated for the extended apiculture year 2022 is no longer included. The EU part of the amount deducted for the extended apiculture year is EUR 14200/year and the domestic part is EUR 14200/year.

Planned support framework 2024-2027 (2024. The EU's share is EUR 122645 and the domestic part is EUR 122645; 2025-2027 The EU part is EUR 125747,5 and the domestic part is EUR 125747,5) based on the fact and utilisation of the increased MMNP 2020-2021 funding period, taking into account the fact that some of the events and trainings were cancelled or online during the COVID outbreak and that online solutions are expected to continue to flourish in the future.

The planned support framework is determined on the basis of the co-financed actual data and utilisation of the increased MMNP 2020-2021 funding period, taking into account the decrease in activity during the

period considered due to the COVID outbreak, but the reinvigoration of marketing activities at the end of the outbreak. In addition, the experience and changes in needs of 2022-2023 have been taken into account, leading to a slight correction of the use of the framework, thus increasing the planned framework by 2.5 % to introduce support for the coordination of market monitoring activities.

7 Additional information specific to the Type of Intervention

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8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The intervention corresponds to the marketing and promotion services referred to in paragraph 2(f) of Annex 2 to the WTO Agreement on Agriculture.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC01_O37_A01_BN - Unit aid to beneficiaries of apiculture marketing measures	Average		
SC01_O37_A02_ON - Unit aid per application for apiculture marketing measures	Average		

Description

SC01_O37_A01_BN - Unit aid to beneficiaries of apiculture marketing measures

The amount of aid in euro per application based on the planned action number of the measures for marketing apiculture.

On the basis of the apiculture programme amended in 2021, some of the measures that fall under this type of intervention in the Hungarian legal title decree, which entered into force in 2021, are not eligible for support during the implementation of the CAP plan, while others have not been used due to the COVID-19 outbreak, so we do not have historical data for planning purposes for the national apiculture programme. We therefore reviewed the costs of the apiculture marketing activities previously carried out by apiculture associations, taking into account the increase in costs. Furthermore, Hungary plans to increase its marketing and promotion activities, which also requires the coordination of domestic and foreign marketing activities related to the Hungarian apiculture sector. Together with quality improvement measures that also serve marketing purposes, we obtained data on the average costs of these interventions to establish the unit amount.

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Based on the experience of recent years, despite maintaining the number of events at a level and the foreseeable increase in the costs of the CAP plan, we use 1 beneficiary, EUR 7100 per beneficiary per unit per EU grant in the first quarter of FY2024, an amount of 16 applications for the remaining three quarters, a unit amount of EUR 7040,5 per application and 19 annual requests and 6 618 unit amounts for the years 2025 to 2027 due to cost savings.

Due to the uncertainty of the increase in the cost of events, a 20 % difference in the average unit amount is planned.

SC01_O37_A02_ON - Unit aid per application for apiculture marketing measures

The amount of aid in euro per application based on the planned action number of the measures for marketing apiculture.

On the basis of the apiculture programme amended in 2021, some of the measures that fall under this type of intervention in the Hungarian legal title decree, which entered into force in 2021, are not eligible for support during the implementation of the CAP plan, while others have not been used due to the COVID-19 outbreak, so we do not have historical data for planning purposes for the national apiculture programme. We therefore reviewed the costs of the apiculture marketing activities previously carried out by apiculture associations, taking into account the increase in costs. Furthermore, Hungary plans to increase its marketing and promotion activities, which also requires the coordination of domestic and foreign marketing activities related to the Hungarian apiculture sector. Together with quality improvement measures that also serve marketing purposes, we obtained data on the average costs of these interventions to establish the unit amount.

In the first quarter of FY2024, a beneficiary output is calculated, with an application output in the subsequent periods. Based on the experience of recent years, and due to the foreseeable increase in the number and costs of events, we calculate 16 applications for a further three quarters of the 2024 financial year, a unit amount per application of EUR 7040,5 and an annual application of 19 years and 6618 for the years 2025 to 2027.

Due to the uncertainty of the increase in the cost of events, a 20 % difference in the average unit amount is planned.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC01_O37_A01_BN - Unit aid to beneficiaries of apiculture marketing measures	Planned unit amount (Total Union expenditure in EUR)	7,100.00	7,100.00	0.00	0.00	0.00	
	O.37 (unit: Beneficiaries)	18.00	1.00	0.00	0.00	0.00	Sum: 19.00 Max: 18.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	127,800.00	7,100.00	0.00	0.00	0.00	134,900.00
SC01_O37_A02_ON - Unit aid per application for apiculture marketing measures	Planned unit amount (Total Union expenditure in EUR)	0.00	7,040.50	6,618.00	6,618.00	6,618.00	
	O.37 (unit:)	0.00	16.00	19.00	19.00	19.00	Sum: 73.00 Max: 19.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	115,545.00	125,747.50	125,747.50	125,747.50	492,787.50
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	255,600.00	245,290.00	251,495.00	251,495.00	251,495.00	1,255,375.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	127,800.00	122,645.00	125,747.50	125,747.50	125,747.50	627,687.50
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00	

Wine

RESTRVINEY(58(1)(a)) - - restructuring and conversion of vineyards

SC05_E04_WIR_58 - Aid for restructuring and conversion of vineyards

Intervention Code (MS)	SC05_E04_WIR_58
Intervention Name	Aid for restructuring and conversion of vineyards
Type of Intervention	RESTRVINEY(58(1)(a)) - restructuring and conversion of vineyards
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
COMPWINE(57(a)) improving the economic sustainability and competitiveness of Union wine producers

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Description

In accordance with Article 58(1)(a)(i), (ii), (iii) and (iv) of the SPR Regulation, only the relocation, varietal conversion or grafting of vineyards with a replanting permit, the improvement of the techniques of cultivation of plantations and the replanting of vineyards following compulsory grubbing-up for health or phytosanitary reasons ordered by the competent authority of the Member State shall be possible under the intervention. No support will be provided for any other type of investment operation.

With a view to renovating and modernising plantations, the measure focuses on varieties that are most linked to the soil and climate characteristics and winegrowing traditions of the wine-growing regions and for which there is market demand in the long term. In addition, one of our aims is to involve the best places of production; therefore, priority is given to areas where the cadastre of the vineyard area is higher. Taking into account the above-mentioned criteria, plantations help to increase the operational and business efficiency of production.

Plant health problems with capital destruction in Hungary have increased over the last decade. Therefore, in the event of compulsory grubbing-up, which becomes essential in the course of protection, vine

growers should be able to plant the grubbed-up with aid in order to reduce their income as little as possible.

(a) Individual plans may only be approved if they are in possession of a valid replanting authorisation to carry out the activities.

(b) No individual plan for varietal conversion or transplantation may be submitted:

Where the operation has been started before the submission of the individual plan;

For which restructuring aid has been granted in the 10 wine years preceding the submission of the individual plan;

Whose eligible area is less than 0.12 ha.

(C) In the case of development of wine-growing techniques, it is not possible to submit an individual plan for an area:

Where the operation started before the submission of the individual plan;

Which have granted restructuring aid in the 10 wine years preceding the submission of the individual plan;

With an eligible area of less than 0.21 ha;

4. where the area indicated in the individual plan is not considered as a growing vineyard.

In the case of a measure under paragraph 1(iii) of the SPR Regulation, the rules on replanting or resettlement shall apply.

6 Form and rate of support/amounts/calculation methods

We wish to calculate the level of support on the basis of unit costs determined in accordance with Article 44(1)(b) of the SPR Regulation. The unit costs are established on the basis of a document certifying actual costs drawn up for an intervention under Article 44(2)(a)(i) and (ii) of the SPR Regulation. The aid is calculated on the basis of the costs accepted on the basis of the supporting document as follows:

The amount of the aid is the flat-rate costs and compensation as evidenced by the supporting documents

(a) up to 75 % where the area covered by the measure is located in a world heritage area and the world heritage area is located in a less developed region

(b) up to 60 % if the area concerned by the measure does not fulfil the condition set out in point (a), but complies with the restructuring plan of the geographical indication in which the area concerned by the measure is located,

(C) up to 50 % if the individual plan does not comply with any restructuring plan.

This measure contributes to the achievement of the objective set out in Article 60(4) of Regulation (EU) No 2115/2021 by planting vine varieties resistant to diseases. The planting of varieties resistant to diseases contributes to the achievement of the objective set out in Article 12(1), point (c), of Regulation (EU) 2022/126 by reducing the demand for chemicals for the cultivation of those vine varieties, thereby reducing the environmental burden. In the last 3 wine years, between 2019/2020 and 2021/2022, 480 hectares of inter-specific varieties have been planted under the vineyard restructuring and conversion measures. During this time, 270 winegrowers planted interspecific varieties. As of the 2023/2024 wine marketing year, we expect 40 hectares of inter-specific vine varieties to be planted per year. This means 75 winegrowers between 2024 and 2027. Taking into account the planned unit amount of RESTVINEY(58(1)a) EUR 546.800 is added, contributing to the target set out in Article 60(4) of Regulation (EU) 2021/2115.

7 Additional information specific to the Type of Intervention

All information on the intervention is given in point 6

8 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The objective of the aid is to eliminate structural handicaps that can be objectively demonstrated on the basis of paragraph 11(a), by providing that the condition of the aid is only an objectively ascertainable priority or eligibility criterion aimed at eliminating structural handicaps.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC05_O36_A01_HA - Relocation, varietal conversion, modernisation of the support system	Average		R.9

Description

SC05_O36_A01_HA - Relocation, varietal conversion, modernisation of the support system

The unit amount, determined on the basis of actual data for 2021 (ISAMM 00652 reports), shows the average amount of aid paid for the improvement of relocation, varietal conversion and cultivation techniques per hectare. Unit amounts have increased since 2018 and exceeded EUR 10200/ha in 2021. Taking into account inflation forecasts affecting input prices and expected wage growth, the unit amount is expected to increase by 30 %. In determining the maximum planned unit amount, we have taken into account that needs are expected to be shifted towards higher support-intensive investments, which could result in an expected increase in the unit amount. The unit amount per hectare and based on the individual plans submitted will be clarified on the basis of the aid application amount for the year in question. The method for establishing the unit costs determining the unit amount is set out in the supporting document prepared for the measure, which is prepared on the basis of Article 44(2)(a) of Regulation (EU) 2021/2115.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC05_O36_A01_HA - Relocation, varietal conversion, modernisation of the support system	Planned unit amount (Total Union expenditure in EUR)	0.00	13,670.00	13,670.00	13,670.00	13,670.00	
	O.36 (unit: Hectares)	0.00	1,299.93	1,299.93	1,299.93	1,299.93	Sum: 5,199.72 Max: 1,299.93
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	17,770,000.00	17,770,000.00	14,770,000.00	14,770,000.00	65,080,000.00

INVWINE(58(1)(b)) - - investments in tangible and intangible assets in wine-growing farming systems, excluding operations relevant to the type of intervention provided for in point (a), processing facilities and winery infrastructure, as well as marketing structures and tools

SC06_E05_WII_58 - Investments in tangible and intangible assets in the wine sector

Intervention Code (MS)	SC06_E05_WII_58
Intervention Name	Investments in tangible and intangible assets in the wine sector
Type of Intervention	INVWINE(58(1)(b)) - investments in tangible and intangible assets in wine-growing farming systems, excluding operations relevant to the type of intervention provided for in point (a), processing facilities and winery infrastructure, as well as marketing structures and tools
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
MARKETWINE(57(g)) increasing the marketability and competitiveness of Union grapevine products, in particular by developing innovative products, processes and technologies, and by adding value at any stage of the supply chain, including an element of knowledge transfer
PERFWINE(57(d)) improving the performance of Union wine enterprises and their adaptation to market demands, as well as increasing their long-term competitiveness in the production and marketing of grapevine products, including energy savings, global energy efficiency and sustainable processes

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation
SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)

R.16 Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Description

The wine and wine sector requires targeted investment support, which provides funds for the long term, in a pre-planned manner and under conditions known in advance, by creating new modern production capacities.

Winegrowers suffer from a shortage of labour, the efficiency of vine production and their competitiveness can be improved by increasing the mechanisation and modernisation of cultivation. It is therefore necessary to support the purchase of machinery for wine-growing.

In order to stop and reduce the growing wild damage in vineyards, we want to make it possible to set up wildlife fences and nets. This will also help winegrowers to make wine growers more profitable.

Improving the operational and business efficiency of production requires the use of modern energy-saving tools in wineries. Modern equipment and technological solutions make it possible to increase the level of processing.

Aid may only be granted for the purchase of new machinery and equipment, including computer software. All machinery must be purchased and installed before the aid is claimed. As the measures are limited to the purchase of new machinery, operations such as buildings, real estate or leasing are not eligible under the measure.

The objective of this measure is to improve the overall performance of the enterprise and to improve its adaptation to market needs and to increase its competitiveness, and applies to the production or marketing of grapevine products as referred to in Article 50(1) of Regulation (EU) No 1308/2013.

The aid may not exceed HUF 100 million for a single beneficiary in the case of wine-making machinery. In the case of machinery for viticulture, a maximum of HUF 10 million per applicant.

The eligible costs are based on supporting documents submitted by applicants. The eligible costs proposed are:

- Purchase of machinery and equipment for vine cultivation, including related computer software, Production or marketing of wineproducts: the purchase of new machinery and equipment, including computer software,
- Quality control: the purchase of new machinery and equipment, including computer software,
- Marketing of wine products: the purchase of new machinery and equipment, including computer software,
- Investments generally linked to the economy: purchase of new machinery and equipment, including computer software.

Only new non-used fences, nets, nets, fencing elements and their fixation equipment, as well as labour costs related to the establishment, shall be eligible for support.

In order to ensure that the proposed costs of products do not exceed normal market prices, applicants should provide detailed cost estimates attached to the application. Cost estimates must be based on several offers, which the applicant must attach to the application.

Eligibility criteria for applications for the purchase of machinery for viticulture:

Aid shall be granted for phytotechnical machines for vine cultivation, stock purification, truncation, foliage, pre-pruning and foliage.

-minimum farm size 4 ha (taking into account the size of the vineyards used by the applicant)

Selection criteria:

-the order of applicants for aid is determined by the ascending order of farm size and turnover.

We intend to enforce compliance with Article 12(1)(a) of Regulation (EU) No 126/2022 partly in this measure by supporting investments in renewable energy production. For energy saving investments, support shall only be granted to the extent set out in Article 11(3) of Regulation (EU) 2022/126.

6 Form and rate of support/amounts/calculation methods

The amount of aid calculated in accordance with Article 59(2)(a) and (b) of the SPR Regulation shall be the amount of the aid certified under Article 44(1)(a) of the SPR Regulation.

For wildlife protection equipment, we wish to calculate the level of support on the basis of unit costs established in accordance with Article 44(1)(b) of the SPR Regulation. The unit costs are established on the basis of a document certifying actual costs drawn up for an intervention under Article 44(2)(a)(i) and (ii) of the SPR Regulation.

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 6](#)

8 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The objective of the aid is to eliminate structural handicaps that can be objectively demonstrated on the basis of paragraph 11(a), by providing that the condition of the aid is only an objectively ascertainable priority or eligibility criterion aimed at eliminating structural handicaps.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC06_O36_A01_BN - Investment in the wine sector	Average		R.15; R.16; R.9

Description

SC06_O36_A01_BN - Investment in the wine sector

For the calculation of the unit amount, we took into account the actual figure of the average subsidy amount per beneficiary for 2021 (ISAMM 00652 reports) for winemaking machinery and equipment. In 2021, the average grant amount was almost EUR 30000. Taking into account inflation forecasts affecting input prices and expected wage growth, the unit amount is expected to increase by 35 %. In determining the planned unit amount, we have taken into account that needs are expected to be shifted towards higher support-intensive investments, which could result in an expected increase in the unit amount. The unit amounts will be clarified on the basis of the aid applications submitted on the basis of the aid claim for the year in question.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC06_O36_A01_BN - Investment in the wine sector	Planned unit amount (Total Union expenditure in EUR)	0.00	42,857.00	40,000.00	40,000.00	40,000.00	
	O.36 (unit: Beneficiaries)	0.00	175.00	175.00	175.00	175.00	Sum: 700.00 Max: 175.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	7,500,000.00	7,000,000.00	7,000,000.00	7,000,000.00	28,500,000.00

GREENWINE(58(1)(c)) - - green harvesting, which means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero and excluding non-harvesting comprising of leaving commercial grapes on the plants at the end of the normal production cycle

SC07_E06_WIG_58 - Support for green harvesting in the wine sector

Intervention Code (MS)	SC07_E06_WIG_58
Intervention Name	Support for green harvesting in the wine sector
Type of Intervention	GREENWINE(58(1)(c)) - green harvesting, which means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero and excluding non-harvesting comprising of leaving commercial grapes on the plants at the end of the normal production cycle
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
BALWINE(57(e)) contributing to restoring the balance of supply and demand in the Union wine market in order to prevent market crises

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Description

The area is eligible if: • The applicant has a non-zero harvest report on the declared area for at least one year in the previous two years • The notified vineyard is registered as a production plantation for the last two years, • Appropriate pruning, nursing and plant protection in the previous year in the case of the declared vineyard, • The same parcel is not eligible for aid in two consecutive harvest years. Applications may not be submitted if the eligible area is less than 0.2 ha. The following activity consists of green harvesting: total removal of grape bunches in their immature state, thus reducing the production of the area concerned to zero.

Support may be granted for the following operations:

- Harvest costs;
- Loss of income from the sale of the grapes.

The green harvesting measure can be carried out manually or by machine, so that the implementation of the measure has no additional environmental impact compared to the normal harvest of the vineyard.

We intend to determine the actual amount of aid as a flat-rate aid on the basis of the average of the quantities of grapes harvested in the three years preceding the year of application of the measure divided by the eligible area. In the context of green harvesting in vineyards, the fixed flat-rate amount relates to the direct removal of grape bunches from the plant and to the loss of income resulting from such removal. The application of the measure is subject to the condition that pruning according to the cultivation method has been carried out in the area covered by the aid, plant-care, plant protection and weed management work in accordance with the growing season. The measurement of the eligible area for each area covered by the measure and the ex post verification of the area covered by the measure will be checked.

6 Form and rate of support/amounts/calculation methods

On the basis of Article 44(1)(b) of the SPR Regulation, the amount of the costs covered by the supporting documents drawn up in accordance with Article 44(2)(a)(i) of the SPR Regulation, as referred to in Article 59(3) of the SPR Regulation, is the aid.

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 6](#)

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC07_O36_A01_HA - Area supported for green harvesting	Average		R.5

Description

SC07_O36_A01_HA - Area supported for green harvesting

The current value of the unit amounts has been calculated on the basis of the actual figures of the green harvesting measure applied in 2019 and 2020 (ISAMM 00652 reports), which will be clarified on the basis of the aid claims submitted if green harvesting is used. When planning the planned unit amount, account must be taken of the significant increase in the price of vines, which must be taken into account when determining the amount of aid. The method for establishing the unit costs determining the unit amount is set out in the supporting document prepared for the measure, which is prepared on the basis of Article 44(2)(a) of Regulation (EU) 2021/2115.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC07_O36_A01_HA - Area supported for green harvesting	Planned unit amount (Total Union expenditure in EUR)	0.00	2,000.00	2,000.00	2,000.00	2,000.00	
	O.36 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	Sum: 0.00
							Max: 0.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00

INOVWINE(58(1)(e)) - - tangible and intangible investments in innovation consisting of development of innovative products, including products from, and by-products of, wine making, innovative processes and technologies for the production of wine products and the digitalisation of those processes and technologies, as well as other investments adding value at any stage of the supply chain, including for knowledge exchange and contribution to adaptation to the climate change

SC04_A01_WIIN_58 - INOVWINE – Innovative investments in the wine sector

Intervention Code (MS)	SC04_A01_WIIN_58
Intervention Name	INOVWINE – Innovative investments in the wine sector
Type of Intervention	INOVWINE(58(1)(e)) - tangible and intangible investments in innovation consisting of development of innovative products, including products from, and by-products of, wine making, innovative processes and technologies for the production of wine products and the digitalisation of those processes and technologies, as well as other investments adding value at any stage of the supply chain, including for knowledge exchange and contribution to adaptation to the climate change
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
MARKETWINE(57(g)) increasing the marketability and competitiveness of Union grapevine products, in particular by developing innovative products, processes and technologies, and by adding value at any stage of the supply chain, including an element of knowledge transfer

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
CCO.1.3	Strengthening cooperation between producers and processors of researchers	1	Yes
CCO.3.3	Increasing the innovativeness of agricultural and food business operators	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

5 Specific design, requirements and eligibility conditions of the intervention

Description

Support for the development of a new wine-sector product, a new process or technology, a new packaging method or new production technique, or support adaptation in the case of technology not yet used in Hungary. At the operational level, which contributes to the efficiency of enterprises using the new technology or process and to the development of environmentally sound technologies.

Eligible measures

Through this intervention, we intend to support, inter alia:

the development of new technologies for the production of alcohol-reduced and de-alcoholised wine products,

research into the use of new environmentally friendly packaging in the wine sector,

the development and deployment of new technology and information technology (IT) solutions not yet in use in Hungary,

other innovative solutions.

As part of the intervention, no aid shall be granted for eligible machinery, equipment, technology and IT solutions under the investment measure – INVWINE(58(1)(b)).

Eligible: wine producers, universities, research institutes or consortia set up by them.

6 Form and rate of support/amounts/calculation methods

Reimbursement of eligible costs actually incurred by the beneficiary pursuant to Article 44(1)(a) of the SPR Regulation as follows:

50 % if the area concerned by the measure is located in a less developed region,

40 % if the area covered by the measure is located in a region other than the less developed regions.

7 Additional information specific to the Type of Intervention

All information on the intervention can be found under point 6.

8 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The objective of the aid shall be to remedy structural disadvantages objectively demonstrated on the basis of point (a) of paragraph 11, by stipulating that the condition of the aid can only be objectively established and be a priority or eligibility criterion aimed at remedying structural handicaps.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC04_O36_A01_BN - Innovative investments	Average		R.1

Description

SC04_O36_A01_BN - Innovative investments

Hungary has not yet implemented the wine innovation intervention, so we have no experience or historical data on this intervention. We expect three beneficiaries to benefit from the new funding opportunity in the coming years. Our estimate is based on discussions with wine producers.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC04_O36_A01_BN - Innovative investments	Planned unit amount (Total Union expenditure in EUR)	0.00	0.00	166,666.67	166,666.67	166,666.67	
	O.36 (unit: Beneficiaries)	0.00	0.00	3.00	3.00	3.00	Sum: 9.00
							Max: 3.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	0.00	500,000.00	500,000.00	500,000.00	1,500,000.00

ADVWINE(58(1)(f)) - - advisory services, in particular concerning the conditions of employment, employer obligations and occupational health and safety

SC30a_A02_WIA_58 - Advisory services in the wine sector

Intervention Code (MS)	SC30a_A02_WIA_58
Intervention Name	Advisory services in the wine sector
Type of Intervention	ADVWINE(58(1)(f)) - advisory services, in particular concerning the conditions of employment, employer obligations and occupational health and safety
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
IMPCONDWINE(57(c)) improving the conditions of employment, enforcing employer obligations and occupational health and safety in accordance with Directives 89/391/EEC, 2009/104/EC and (EU) 2019/1152

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
CCO.1.2	Raising farmers' knowledge	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

5 Specific design, requirements and eligibility conditions of the intervention

Description

In the wine sector, the provision of information to operators to comply with legal obligations (legislative changes) plays a key role in economic sustainability and increasing competitiveness.

The provision of advice to help meet the standards of employment conditions, employers' obligations, including rules on the employment of seasonal workers, types of employment contracts, rest periods and minimum wages, is of utmost importance in order to adapt to rapidly changing regulations. When preparing for compliance with occupational health and safety standards, risks can be reduced (e.g. harvest works, chemical use, risks of accidents and damage to health that may occur during cellar operations).

The advice covers general information related to legal obligations (e.g. employment conditions, simplified employment) and compliance with complex legal obligations such as excise legislation or waste management.

The advisory service provides an opportunity to present good practices, to develop and deliver solutions for a wide range of operators in the wine sector, which will make the daily work of operators in the wine sector easier and more efficient.

Advisory services may be aimed at:

- information to facilitate compliance with employment conditions, employer obligations and occupational health and safety requirements,
- to assist in compliance with general legislation,
- technical assistance for the fulfilment of administrative obligations,
- the transfer of knowledge of cultivation techniques,
- to facilitate business and business processes,
- to raise awareness of accounting rules.

The beneficiaries of the aid may be an interbranch organisation recognised in the wine sector.

The aid intensity is 50 % of the direct or eligible costs.

In view of the fact that the aid can only be used by a recognised interbranch organisation, of which only one is located in Hungary, it is not necessary to grant selection criteria.

6 Form and rate of support/amounts/calculation methods

Article 44(1)(a) of the SPR Regulation

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 5](#)

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid is intended to eliminate structural handicaps which can be objectively demonstrated under paragraph 11(a), by making the aid conditional only on objectively established priority or eligibility criteria designed to eliminate structural disadvantages.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC30a_O36_U01_BN - Consulting services	Uniform		

Description

SC30a_O36_U01_BN - Consulting services

We intend to provide advisory services to 2000 operators.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC30a_O36_U01_BN - Consulting services	Planned unit amount (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	
	O.36 (unit: Beneficiaries)	0.00	0.00	0.00	1.00	0.00	Sum: 1.00
							Max: 1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	2,000,000.00

DISTIL(58(1)(g)) - - distillation of by-products of wine making carried out in accordance with the restrictions laid down in Part II, Section D, of Annex VIII to Regulation (EU) No 1308/2013

SC08_E07_WID_58 - Distillation of wine by-products

Intervention Code (MS)	SC08_E07_WID_58
Intervention Name	Distillation of wine by-products
Type of Intervention	DISTIL(58(1)(g)) - distillation of by-products of wine making carried out in accordance with the restrictions laid down in Part II, Section D, of Annex VIII to Regulation (EU) No 1308/2013
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
COMPWINE(57(a)) improving the economic sustainability and competitiveness of Union wine producers
ENVWINE(57(h)) sustaining the use of wine making by-products for industrial and energy purposes in order to ensure the quality of Union wine while protecting the environment

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Description

Under the by-product distillation aid scheme, Hungary distils annually between 20000-32 000 tonnes of grape marc and 50000-150 000 hectolitres of wine lees through aid, helping to reduce the costs of withdrawal of the by-product of wine producers.

The beneficiary must be able to produce raw alcohol from by-products for industrial purposes. the beneficiary must have the technical and personnel conditions for receiving the by-products.

This aid shall be granted for the following operations:

- Delivery of the by-product to the distillery,
- Storage of the by-product,
- Distillation of the by-product.

All other operations are not supported.

6 Form and rate of support/amounts/calculation methods

Under Article 44(1)(b) of the SPR Regulation, the unit amount determined on the basis of Article 44(2)(a)(i) of the SPR Regulation.

We intend to partially enforce compliance with Article 12(1)(a) of Regulation (EU) No 126/2022 under this measure for an amount of EUR 1200000. In the context of subsidised distillation, most of the large-scale wine breast products can be withdrawn by means of controlled environmentally friendly technology and the use of renewable energy, with economical transport that is less onerous to the age. In the case of wine enterprises with large quantities of wine by-products, environmentally sound use of the by-products is practically excluded (e.g. return to soil in the absence of sufficient vineyards). Hungary does not have the capacity to compost a large quantity of wine by-products. Wine-growing enterprises are able to choose more environmentally appropriate cutting than handing over waste and coal water processing. By-products to be distilled are traced, so that the by-products do not end up uncontrolled in the surrounding area, in live water or in the sewage system.

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 6](#)

8 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC08_O36_A01_HL - Distillation of wine by-products	Average		R.39

Description

SC08_O36_A01_HL - Distillation of wine by-products

For the calculation of the unit amount, the average of the actual data for the years 2018-2021 (ISAMM 00652 reports) was taken into account for the aid for the distillation of grape marc and wine lees. When calculating the unit amount, we calculated the aid amount for distillation of EUR 1.1/hlf for grape marc and EUR 0.5/hlf for wine lees. When establishing the planned unit amount, the average unit amount of the aid paid for the distillation of grape marc and wine lees was determined on the basis of the actual figures for the reference period. For the maximum planned unit amount, we considered the possibility of distilling a higher percentage of marc, which could increase the value of the unit amount.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC08_O36_A01_HL - Distillation of wine by-products	Planned unit amount (Total Union expenditure in EUR)	0.00	0.85	0.85	0.85	0.85	
	O.36 (unit:)	0.00	1,411,764.70	1,411,764.70	1,411,764.70	1,411,764.70	Sum: 5,647,058.80 Max: 1,411,764.70
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	4,800,000.00

INFOR(58(1)(h)) - - information actions concerning Union wines carried out in Member States encouraging responsible consumption of wine or promoting Union quality schemes covering designations of origin and geographical indications

SC09_E08_WIN_58 - Promotion in the internal market in the wine sector

Intervention Code (MS)	SC09_E08_WIN_58
Intervention Name	Promotion in the internal market in the wine sector
Type of Intervention	INFOR(58(1)(h)) - information actions concerning Union wines carried out in Member States encouraging responsible consumption of wine or promoting Union quality schemes covering designations of origin and geographical indications
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
QUALWINE(57(i)) contributing to increasing consumer awareness about responsible consumption of wine and about Union quality schemes for wine

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.2	Promotion of agri-food products	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

The national information campaign contributes greatly to the competitive growth of the Hungarian wine sector. The Government of Hungary pays particular attention to the maintenance and creation of jobs. Preserving the rural population, protecting and developing local employment opportunities therefore play an important role.

Eligibility criteria:

—a clear description of the objectives pursued by the promotion activity on the basis of impact indicators reflecting its actual impact on the development of trade

—detailed description of how the objectives will be achieved by the selected sites, programme schedule and planned actions

—details that the applicant has sufficient human, technical and financial resources to ensure the effective implementation of the operation

—description of whether the applicant for aid possesses a sufficient quantity and quality of wine products

or how it can be provided during the implementation of the programme and in the following five years
In the case of the aid applicant, we will examine whether it has the necessary own contribution to the promotion programme to be implemented.

Selection criteria

—The applicant has not yet received promotion support or, if so, is targeting a new country or a new market in that country for which no promotion has been carried out

—Multi-country wine promotion programme

—The beneficiary association included in the wine promotion programme is also a member of a wine community organisation (or professional organisation)

—The wine promotion programme corresponds to the promotion plan or plans concerned

—Statement on the use of the graphic elements of the Hungarian wine image manual

—The actual implementation of the wine promotion programme would be carried out by an implementing body which had previously carried out an activity included in the wine powder programme

—The wine promotion programme contains a detailed description of the current market situation of the products covered by the promotion and the market situation to be achieved by the implementation of the programme

—High quality of the description of the current market situation of the products included in the wine promotion programme and of the market situation to be achieved by the implementation of the programme

—The submitter undertakes to submit an impact assessment assessing the impact and effectiveness of the programme, carried out by a body independent of the applicant and the implementing body

—The degree of reality of the quantified expected results of the wine promotion programme and the degree of consistency between these results and the costs set out in the wine promotion programme

6 Form and rate of support/amounts/calculation methods

Eligible costs actually incurred, certified and verified in accordance with Article 44(1)(a) of the SPR Regulation shall be the amount referred to in Article 59(7) SPR.

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 6](#)

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Under paragraph 2(f), it is intended to support marketing and advertising services, including a clear definition of the scope and timing of the eligible services.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC09_O36_A01_BN - Producers receiving aid for wine promotion in third-countries	Average		

Description

SC09_O36_A01_BN - Producers receiving aid for wine promotion in third-countries

The unit amount was determined on the basis of the actual data for 2021 (ISAMM 00652 reports). On this basis, the aid amount per beneficiary amounted to almost EUR 20000. Taking into account inflation forecasts, expected wage growth and expected fuel costs, we expect a 50 % unit increase. When setting the maximum planned unit amount, it is assumed that applicants will implement more complex promotional activities with a larger budget. The determination of the unit amount will be reviewed on the basis of the cost relationships and actual commitments for the period.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC09_O36_A01_BN - Producers receiving aid for wine promotion in third-countries	Planned unit amount (Total Union expenditure in EUR)	0.00	30,000.00	30,000.00	30,000.00	30,000.00	
	O.36 (unit: Beneficiaries)	0.00	25.00	25.00	25.00	25.00	Sum: 100.00 Max: 25.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	750,000.00	750,000.00	750,000.00	750,000.00	3,000,000.00

ACTREPUT(58(1)(i)) - - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at enhancing the reputation of Union vineyards by promoting wine tourism in production regions

SC30b_E10_WIT_58 - Enhancing the reputation of EU vineyards by promoting wine tourism by recognised interbranch organisations

Intervention Code (MS)	SC30b_E10_WIT_58
Intervention Name	Enhancing the reputation of EU vineyards by promoting wine tourism by recognised interbranch organisations
Type of Intervention	ACTREPUT(58(1)(i)) - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at enhancing the reputation of Union vineyards by promoting wine tourism in production regions
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
COMPWINE(57(a)) improving the economic sustainability and competitiveness of Union wine producers

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.2	Promotion of agri-food products	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

The EU wine sector has not only an economic but also a cultural heritage value. The reputation, history and wine-growing traditions of European vineyards are unique tourist attractions in the world. Promoting wine tourism is therefore important not only in terms of diversification, but also in terms of the identity of the regions, strengthening the market position of quality EU wines. Therefore, these services play a key role in economic sustainability and increasing competitiveness.

In order to improve the competitiveness of the grape and wine sector, it is necessary to increase the reputation of vineyards and to promote wine tourism in wine-growing regions. Wine tourism is an important factor in increasing the reputation and acceptance of wine-sector products with the characteristics of the production area and typical of a given region, which is able to demonstrate the characteristics of the production of these wine-sector products, the countryside and the importance of vineyards in the region. It is therefore important to inform consumers about the potential of wine tourism

by highlighting specific features and sending positive messages about it. The dissemination and dissemination of the opportunities and services associated with wine tourism, e.g. information boards, press products, online appearances or local, awareness-raising, will help to develop wine tourism and increase the region's reputation. Wine tourism, through direct contact with the producer, contributes to the dissemination of knowledge, to the consumer's knowledge, to the promotion of wine products and to the dissemination of relevant messages.

The activities of interbranch organisations help to increase competitiveness by increasing the choice of wine products more closely linked to regions, vineyards and vineyards by wine consumers with knowledge. The promotion of wine tourism facilitates direct sales, personal communication and experience in wine-growing and wine-making sites.

Supporting tourism based on cultural values fosters the sustainable development of EU wineries, contributes to a more conscious consumer attitude and promotes and publicises the lifestyles of winemakers. Wine tourism contributes to revitalising rural areas in a sustainable way, creating new income opportunities and increasing demand for wine.

Eligible activities:

- activities aimed at increasing the reputation of vineyards used by wine operators and contributing to the promotion of wine tourism.

The aid intensity is 50 % of the direct or eligible costs under Article 59(4) of the CAP ST Regulation.

In view of the fact that the aid can only be used by a recognised interbranch organisation, of which only one is located in Hungary, it is not necessary to grant selection criteria.

6 Form and rate of support/amounts/calculation methods

Article 44(1)(a) of the SPR Regulation

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 5](#)

8 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid is intended to eliminate structural handicaps which can be objectively demonstrated under paragraph 11(a), by making the aid conditional only on objectively established priority or eligibility criteria designed to eliminate structural disadvantages.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC30b_O36_U01_BN - Improving the economic sustainability and competitiveness of wine producers	Uniform		

Description

SC30b_O36_U01_BN - Improving the economic sustainability and competitiveness of wine producers

Support under the intervention can only be used by an interbranch organisation, so that the planned unit amount is equal to the annual indicative financial allocation.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC30b_O36_U01_BN - Improving the economic sustainability and competitiveness of wine producers	Planned unit amount (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	
	O.36 (unit: Beneficiaries)	0.00	0.00	0.00	1.00	0.00	Sum: 1.00
							Max: 1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	2,000,000.00

ACTMKTKNOW(58(1)(j)) - - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at improving market knowledge

SC30c_E11_WIM_58 - Improving market knowledge by recognised interbranch organisations in the wine sector

Intervention Code (MS)	SC30c_E11_WIM_58
Intervention Name	Improving market knowledge by recognised interbranch organisations in the wine sector
Type of Intervention	ACTMKTKNOW(58(1)(j)) - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at improving market knowledge
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
COMPWINE(57(a)) improving the economic sustainability and competitiveness of Union wine producers

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.1	Market research	3	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

The globalisation of the wine market, the rapid change in consumer habits and the emergence on export markets require new knowledge and strategies on the part of wineries. Small and medium-sized producers often struggle to respond to these challenges. A deeper understanding of market developments is an essential element for increasing economic sustainability and competitiveness in the wine sector. The aid is aimed at market monitoring and awareness-raising, which facilitates the transparency of the wine market and information-based decision-making.

The availability of data generated in the sector in an orderly manner after analysis and processing will contribute to improving the performance of operators in the wine sector in terms of the efficiency of sustainable economic, social, environmental and climate resources. Up-to-date market information and studies support their economic decisions to contribute to the competitiveness of operators in the wine sector.

The National Council of Wine Communities, as a recognised interbranch organisation in the sector, can make this information available to operators in the sector at events, electronic interfaces or presentations

organised specifically for this purpose.

Available data sources:

- domestic, European Union and international market data, market trends and changes thereto,
- country-specific analyses of changes in a country's market developments;
- data provided by industry during official procedures without personal data;
- the data that can be obtained from the mandatory data submissions of market participants,
- quantitative and qualitative market research on consumer habits and consumer needs.

On the basis of the results of the processing and analysis of available data, it will enable market participants to draw up and disseminate studies, forecasts of market developments and their expected changes.

These measures contribute to the stability of the wine market, enhance adaptability, increase competitiveness and facilitate market access.

Activities related to market information transfer:

- data collec.
- data analytics;
- preparation of a statement,
- transmission of statements and reports to producers, granting access to them.

Applications for aid shall be subject to the condition that they provide advice at least once a year, in a manner accessible to operators in the sector, with the content and form indicated in the aid application submitted by the interbranch organisation.

The aid intensity is 50 % of the direct or eligible costs under Article 59(4) of the CAP ST Regulation.

In view of the fact that the aid can only be used by a recognised interbranch organisation, of which only one is located in Hungary, it is not necessary to grant selection criteria.

6 Form and rate of support/amounts/calculation methods

Article 44(1)(a) of the SPR Regulation

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 5](#)

8 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid is intended to eliminate structural handicaps which can be objectively demonstrated under paragraph 11(a), by making the aid conditional only on objectively established priority or eligibility criteria designed to eliminate structural disadvantages.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC30c_O36_U01_BN - Improving market knowledge by recognised interbranch organisations	Uniform		

Description

SC30c_O36_U01_BN - Improving market knowledge by recognised interbranch organisations

We plan to distribute market knowledge to 1000 operators.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC30c_O36_U01_BN - Improving market knowledge by recognised interbranch organisations	Planned unit amount (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	
	O.36 (unit: Beneficiaries)	0.00	0.00	0.00	1.00	0.00	Sum: 1.00
							Max: 1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	0.00	0.00	1,000,000.00	1,000,000.00	2,000,000.00

PROMOWINE(58(1)(k)) - - promotion carried out in third countries

SC10_E09_WIP_58 - Promotion in the wine sector in third countries

Intervention Code (MS)	SC10_E09_WIP_58
Intervention Name	Promotion in the wine sector in third countries
Type of Intervention	PROMOWINE(58(1)(k)) - promotion carried out in third countries
Common Output Indicator	O.36. Number of actions or units supported in the wine sector

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

NUTS country 1 - **Hungary**

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SECTORAL OBJECTIVE Code + Description
THIRDWINE(57(j)) improving the competitiveness of Union grapevine products in third countries, including the opening and diversification of the wine markets

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.2	Promotion of agri-food products	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Description

Promotion in third countries contributes greatly to the competitive growth of the Hungarian wine sector. Hungary needs to build new markets in third countries to reach new consumers. In addition to new beneficiaries, former beneficiaries are also encouraged.

Eligibility criteria:

—clear presentation of the objectives pursued by the promotion activity on the basis of impact indicators reflecting the real impact of the promotion activity on the development of trade

—detailed description of how the selected sites, programme schedule and planned actions serve to achieve the targets

—describe in detail that the applicant for support has sufficient human, technical and financial resources to ensure the effective implementation of the operation

—a description of whether the applicant possesses wine products of sufficient quantity and quality or how it can ensure it during the implementation of the scheme and in the following five years

In the case of the applicant, we will examine whether he has the necessary own contribution to the promotion programme planned to be carried out.

Selection criteria

—The applicant has not yet received promotion aid or, if so, targets a new country or new market in a given country for which no promotion has been carried out

- Multi-country wine promotion programme
- Member of a wine community organisation (or professional organisation) of the beneficiary association included in the wine promotion programme
- The wine promotion programme complies with the promotion plan or plans concerned
- Declaration on the use of the visual elements of the Hungarian wine image manual
- The actual implementation of the wine promotion programme would be carried out by an implementing body which had previously carried out the activity covered by the wine powdering programme
- The wine promotion programme shall contain a detailed description of the current market situation of the products promoted and the market situation to be achieved by the implementation of the programme
- High quality description of the current market situation of the products included in the wine promotion programme and of the market situation to be achieved by the implementation of the programme
- The applicant undertakes to submit an impact assessment carried out by an organisation independent of the submitter and the implementing body, assessing the impact and effectiveness of the programme
- The degree of reality of the quantified expected results of the wine promotion programme and the degree of consistency between these results and the costs defined in the wine promotion programme

6 Form and rate of support/amounts/calculation methods

Eligible costs actually incurred, certified and verified in accordance with Article 44(1)(a) of the SPR Regulation shall be the amount referred to in Article 59(7) SPR.

7 Additional information specific to the Type of Intervention

[All information on the intervention is given in point 6](#)

8 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Under paragraph 2(f), it is intended to support marketing and advertising services, including a clear definition of the scope and timing of the eligible services.

9 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Planned Unit Amount	Region(s)	Result Indicator(s)
SC10_O36_A01_BN - Beneficiaries receiving support for wine promotion in external markets	Average		

Description

SC10_O36_A01_BN - Beneficiaries receiving support for wine promotion in external markets

The unit amount was determined on the basis of the actual data for 2021 (ISAMM 00652 reports). On this basis, the aid amount per beneficiary exceeded EUR 150000. Taking into account inflation forecasts, expected wage growth and expected fuel costs, we expect a 33 % unit increase. When setting the maximum planned unit amount, it is assumed that applicants will implement more complex promotional activities with a larger budget. The determination of the unit amount will be reviewed on the basis of the cost relationships and actual commitments for the period.

10 Planned Unit Amounts - Financial table with output

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	Total 2023 - 2027
SC10_O36_A01_BN - Beneficiaries receiving support for wine promotion in external markets	Planned unit amount (Total Union expenditure in EUR)	0.00	187,500.00	187,500.00	187,500.00	187,500.00	
	O.36 (unit: Beneficiaries)	0.00	4.00	4.00	4.00	4.00	Sum: 16.00 Max: 4.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	0.00	750,000.00	750,000.00	750,000.00	750,000.00	3,000,000.00

5.3 Rural Development Interventions

ENVCLIM(70) - Environmental, climate-related and other management commitments

RD19_G01_AEC_70 - Agricultural environmental management payments (AKG)

Intervention Code (MS)	RD19_G01_AEC_70
Intervention Name	Agricultural environmental management payments (AKG)
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO4	Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy
SO5	Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency
SO6	Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes
SO9	Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
5.1.1	Developing soil and nutrient management at farm level	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes

5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially
9.2.1	Promote the use of a rational, predictive targeted pesticide	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description	Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.12 Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation	
R.14 Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)	
R.19 Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)	
R.20 Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission	
R.21 Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies	
R.22 Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management	
R.23 Share of utilised agricultural area (UAA) under supported commitments to improve water balance	
R.24 Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage	
R.31 Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices	
R.33 Share of total Natura 2000 area under supported commitments	
R.34 Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees	

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objective of the intervention: —sustainable development of rural areas; —preserving and improving the state of the environment (soil and water) by developing a production structure appropriate to the conditions of the place of production, —avoiding and preventing agricultural environmental pressures, —strengthening agricultural practice based on the sustainable use of natural resources, —conservation of biodiversity, —by developing environmentally friendly farming and sustainable use of landscapes and landscape management, —improvement of agrobiodiversity, —improve livestock and crop production rates by encouraging extensive livestock farming, —promoting quality food production by promoting environmentally sound farming practices, —combating adverse climate change and adapting to climate change through an appropriate production

structure and land-use change.

Agri-environmental payments are a voluntary payment scheme whereby scheme participants undertake to carry out additional farming activities in order to achieve agri-environmental objectives. The aid is conditional on compliance with the activities undertaken for the duration of the commitment.

The intervention is based on specific, verifiable standards which, by their direct or indirect impact, achieve the objectives set by the intervention. The intervention is based on land use, for which the following 8 main categories are distinguished:

Horizontal:

1. Arable land (s)
2. Grassland (grass)
3. Plantation (u)
4. Cane (n)

Zonal:

5. AAU arable land
 - a. Football Protection Areas
 - b. Blue blood control areas
 - C. Inland bird protection areas
 - D. Mountain and hillside bird protection areas
6. MTÉ grassland
 - a. Football Protection Areas
 - b. Plain bird protection areas
 - C. Mountain and hillside bird protection areas
 - D. Nappal butterfly protection areas
7. Arable land for water protection:
 - a. Erosion-sensitive cropland
 - b. Inland water sensitive cropland
 - C. Fluice-sensitive cropland
8. Grasslands for water protection:
 - a. Inland water sensitive grassland

For each land use category, standards may fall into the following two categories:

a. **Basic agri-environmental management packages (mandatory):** *standards going beyond the other requirements listed in Article 70 of Regulation (EU) 2021/2115.*

These standards and/or combinations of standards shall be met by land use category (arable, grassland, plantation, reedy) or per area delimitation category (horizontal (A), zonal (ZA)) and the payment shall not be made per standard but as a single payment for all standards.

b. **Optional specifications (V):** *in addition to the basic package, provisions that address different environmental challenges (sown structure requirements, soil and water protection, biodiversity conservation, etc.) and from which beneficiaries are free to choose.*

By thematic group (on the basis of land use categories or demarcation) where the number of optional specifications allows a minimum of 2 standards to be chosen. The payment amount shall be determined per standard.

For operations under the type of intervention established pursuant to Article 70, where mandatory standards, requirements or obligations (benchmarks) are amended to bring them into line with the AÖP, the beneficiary may decide not to accept the adjustment/modification and the commitment in question shall cease to be valid and the farmer shall not be required to repay the aid already paid for the period of validity of the commitment.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Farmers are selected on the basis of a scoring system which gives preference to those who make greater environmental commitments to their areas. Each specification has a stand-alone numerical value expressing the environmental added value of the Regulation, which differs from one territorial category to another.

The environmental value of the chosen standards is included in the selection criteria, i.e. farms with a higher environmental impact are given priority when allocating funds.

The selection criteria include the following elements:

Priority should be given to proposals with higher environmental added value as a general selection criterion. In particular:

—the environmental added value of the specifications chosen;

—the environmental delimitation of the area covered;

to be taken into account.

Natura 2000 agri-environmental payments:

The land use requirements for Natura 2000 grasslands and the grassland management requirements of the AEM overlap in whole or in part. If the farmer wishes to benefit from both types of aid for the same area, he would be paid twice for the same requirements. In order to avoid overcompensation, compliance with the cost-related requirements in both places can only be compensated under one of the aid schemes, and therefore, in the case of Natura 2000 grassland payments, the AEM payments for the same area will be reduced by the aid sub-total for the ‘common’ standards.

The following cut-off categories are taken into account in the design at block level:

- Natura 2000
- ATAFF Areas
- Nitrate vulnerable zones
- Erosion-sensitive areas
- Inland Water Vulnerable Areas
- Drought vulnerable areas

Link to other interventions:

RD58_A01_TRA_78 – Support for training and demonstration facilities

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries: farmers;

Eligibility criteria

—The area covered by the aid shall be at least 1 ha for each crop and 2 ha if the ‘maintenance of traditional fruit orchards’ standard is chosen in the case of vineyards. The ‘maintenance of traditional fruit’ requirement is not optional in the case of vineyards.

—With the exception of the ‘maintenance of traditional fruit’ requirement in the case of vineyards, the age of the plantations imported into the aid may not exceed 26 years in the year of submission of the application, except for walnuts, chestnuts and grapes.

—The farmer is entitled to impose a local standard only in respect of areas defined at the physical block level, in the area indicated in the LPIS or as verifiable from the specified bodies, in respect of areas meeting the territorial criteria.

—Ensure that commitments other than support under Article 31 of Regulation (EU) 2021/2115 (Basic Agro-Ecological Programme) are implemented.

- At the same time, the continuous area covered by the commitment included in the agri-environmental management payment may not be included in the support for organic farming.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

—The beneficiary participates in compulsory training related to the grant. The aid applicant shall be exempted from the training obligation if it has already been completed within the 5 years preceding the date of submission of the aid application.

—Managing the management log.

The commitments, aid amounts per standard, land use (arable, grassland, plantation, reed) and area delimitation (horizontal, zonal) category for each thematic set of specifications are set out in the tables below. The following tables also show the identification of reference levels and usual farming practices beyond which the requirements of the sub-measure go beyond.

Abbreviations used for the legal identification of the reference level:

- GAEC: Good Agricultural and Environmental Conditions (GAEC)
- SMR 2: Statutory Management Requirements (SMR)
- GOM: Mandatory Code of Good Practice
- NJSZ: Other binding requirements laid down in national legislation

Horizontális szántó földhasználati kategória

Sor-szám	Az almentékedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
1.	Vízrel telítet talajon mindennemű gépi munkavégzés tilos.	A	2007. évi CXIX. Törvény 35. § 36. § (1) ab), 40. § (NJSZ)	Olvas művelési módot alkalmazni, elősegíti a csapadékvíz talajba jutását a meg kell akadályozni a káros vízborog vagy bevíz kialakulását.	Talajfelszín esetleges károsodása a szükséges mezőgazdasági munkák során.	az alapcsomag előírásai: 39
2.	Tilos szennyvíz, szennyvíztiszta, szennyvíztiszta tartalmú komposzt felhasználása.	A	2007. évi CXIX. Törvény 49. § (1) d), e) (NJSZ); 30/2001. (IV. 3.) Korm. Rendelet 4. § (2) (NJSZ) 90/2008. (VII. 18.) FVM rendelet 1. § (1) g), h), (NJSZ); 59/2008. (IV. 29.) FVM rendelet 6. § (3); (JFGK1, HMGY)	Hígtrágya, szennyvíz, szennyvíztiszta csak talajvédelmi célra engedély birtokában használható fel mezőgazdasági területen.	A felsorolt anyagok általánosított használata.	
3.	Az erózióérzékeny területeken dohány, cukorrépa, takarmányrépa, burgonya, csicsóka termesztése tilos.	A	50/2008. (IV. 24.) FVM rendelet 1. számú melléklet (5) (HMKÁ 5)	12%-nál nagyobb lejtésű területen az alábbi kultúrák termesztése tilos: dohány, cukorrépa, takarmányrépa, burgonya, csicsóka.	12 %-nál kisebb lejtésű erózióérzékeny területen a felsorolt növényeket termesztik.	
4.	Talajvizsgálaton alapuló tápanyag-gazdálkodási terv készítése talajszaktől bevonásával.	A	2007. évi CXIX. Törvény 42. § (NJSZ); 59/2008. (IV. 29.) FVM rendelet 6. § (1) (JFGK1, HMGY) 90/2008. (VII. 18.) FVM rendelet 2. § (3) (NJSZ)	A talaj tápanyag-szolgáltatását és a természet növények tápanyagigényét figyelembe véve, környezeti célú tápanyag-gazdálkodást kell folytatni. A műtréztérzékeny területen a tápanyag-gazdálkodás tervezése során a kijutandó tápanyagok mennyiségének meghatározásakor figyelembe kell venni a talaj tápanyag-ellátottságát, a természet növények a termőhely adottságához igazított termésszintjéhez tartozó tápanyagigényét. Egyszerűsített talajvédelmi tervet kell készíteni a mezőgazdasági területen során keletkező nem veszélyes hulladékok termőföldön történő felhasználásának engedélyezésekor.	Nem készült tervszerű tápanyag-szállítás, talajszaktől bevonása nem történik meg.	
5.	Kötelezettségvállalási időszak alatt legalább egy alkalommal szőlőgyeget növény termesztése, vagy állattartás kijuttatása.	A	2007. évi CXIX. Törvény 35. § 39. § (1) e), 42. § (NJSZ)	A talaj tápanyag-szolgáltatását és a természet növények tápanyagigényét figyelembe véve, környezeti célú tápanyag-gazdálkodást kell folytatni. A földhasználatának szerves anyagok kijuttatásával kell gondoskodni a talaj szervesanyag-tartalmának megőrzéséről.	5 éves gyakorisággal ritkábban alkalmaznak, illetve egyáltalán nem alkalmaznak szőlőgyeget, vagy állattartást. A műtrépa használat jellemző.	
6.	A talaj forgatása – beleértve a szervestrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.	A	2007. évi CXIX. Törvény 36. § (1) ac) (NJSZ)	A földhasználati erózióval veszélyeztetett területen a víz- és szél-erózió megakadályozása érdekében kötelező szántó művelési ágú földrészeleten szántóval művelni folytatni.	Az erózió veszélyének a megnevezése a gyakorlatban szubjektív, a helytelen művelési módok alkalmazása általában csak a terület vízszáfordítálatlan károsodását követően válik nyilvánvalóvá.	
7.	Szántóerő növényvédőszer hatóanyag alkalmazása.	A	2008. évi XLVI. Törvény 5. § (3) (JFGK4) 43/2010. (IV. 23.) FVM rendelet 1. § (3) (JFGK10)	A növényvédelmi tevékenység során tilos a gazdasági növényekre veszélyt nem jelentő szervesanyagok pusztítása, életük rombolása, elterjedését növényvédelmi eszközökkel való akadályozása. A növényvédelmi szempontból hasznos élő szervezetek (beleértve a méheket is) minden fejlődési alakját védeni kell. A felhasználott növényvédőszernek a védekezésnél elérni kívánt célnak leginkább megfelelőnek kell lenniük és a lehető legkevesebb mellékhatással kell járniuk az emberi egészségre, a nem célszervezetekre és a környezetre.	Engedélyezett növényvédőszer és hatóanyagok alkalmazása jellemző, bármilyen további korlátozás nélkül.	

8.	Akkredítált laboratóriumban bővíteni talajvizsgálat elvégzése talajtani szakértő bevonásával.	V	39/2008. (IV. 29.) FVM rendelet 6. § (7) (JFG 1, HMGY)	Nitrástereteken területen a kijuttatandó műtrágya hatóanyag mennyiségét talajvizsgálatokra alaposan kell meghatározni.	Nitrástereteken területen szőlőn talajvizsgálatok elvégzése jellemző. Nitrástereteken területen kívül nem végeznek talajvizsgálatokat, vagy 5 évvel ritkábban teszik azt meg. A bővíteni talajvizsgálat elvégzése nem gyakorlat.	9
9.	Közpérmű létesítés elvégzése a kötelezettségvállalási időszak alatt legalább egy alkalommal.	V	2007. évi CXIX. Törvény 35. §, 36. § (1) ab), 40. § (NJSZ)	Olyan művelési módot kell alkalmazni, amely a talaj szerkesztettségének megőrzésével, a talajtömörödés megakadályozásával, megszüntetésével elősegíti a csapadékvíz talajba jutását a talajtömörödésnek megelőzésével vagy megszüntetésével meg kell akadályozni a káros vízborítást vagy behívó kialakulását.	A szokásos gazdasági gyakorlat a közpérmű szántás jelenti. A talajlázítás nem része a szokásos gazdasági gyakorlatnak.	18
10.	Az alántérítésbe vont teljes területen - az élő szennyezőanyagok és vetőmag kivételével - a talaj maximális mérete 5 ha.	V	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni. A tájhasználat és a természeti értékek felhasználása során meg kell őrizni a táj természetes és természetközeli állapotát, továbbá gondoskodni kell a táj esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. Biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetközeli módszerek alkalmazását és a biológiai sokféleség védelmét.	Jellemzően nagy kiterjedésű szennyezőterületek alakultak ki. A szennyezőterületek háromnegyede 40 ha feletti kiterjedésű.	33
11.	Pillangós szálak takarmánynövények, azok fővető keveréke illetve zöldgáz vagy megfelelő betakarítás szarvasa során kaszálással területet kell hagyni 5-10% természetben, táblaként, kaszálásonként változó helyen, a talaj szelével érintkezően legalább 6 méter szélességben.	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	Jellemző gyakorlat a teljes terület egy menetben történő betakarítása.	15
12.	Pillangós szálak takarmánynövények, azok fővető keveréke, illetve zöldgáz vagy megfelelő kaszálása, szarvasa és szarvasa során madárbarát kaszálás (kiszórt kaszálás alkalmazása, vadriasztó lánc és eszközök alkalmazása, max. 5 km/h sebesség).	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	Nem gyakorlat a madárbarát kaszálási módok alkalmazása.	6
13.	Növényvédelmi előrejelzés alkalmazása.	V	2008. évi XLVI. Törvény 5. § (3) (JFGK4); 43/2010. (IV. 23.) FVM rendelet 1/A § (1), (3) (JFGK10);	A növényvédelmi tevékenységet a károsítókra célzottan, időben és időben okos módon és eszközzel kell végezni. A védekezésre vonatkozó döntést növényvédelmi előrejelzésre alapozva kell meghozni.	A gyakorlatban növényvédelmi előrejelzés nem ellenőrzés, egyénileg nem szakértői módon történik, illetve nem történik meg. A jogszabályi előírás összefoglalja, hogy az integrált növényvédelem irányelveinek megvalósításakor mire kell törekedni. Ugyanakkor nem kötelező érvényű, vagyis a gyakorlatban a növényvédelmi előrejelzés alkalmazása elmarad.	1

14.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós zöldugarméhlegelő szegély fenntartása a bevim terület körületeinek legalább 25 %-án, legalább 3 méter szélességben.	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Növényvédőszer-mentes szegélyek, zöldugar, vagy méhlegelő nem kerülnek kialakításra.	16
15.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós zöldugarméhlegelő szegély fenntartása a bevim terület körületeinek legalább 25 %-án, legalább 6 méter szélességben.	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Növényvédőszer-mentes szegélyek, zöldugar, vagy méhlegelő nem kerülnek kialakításra.	33
16.	A vetésszerkezetben legalább 15 % szűlőpiliságos takarmánynövény, valamint legalább 5 % zöldugar tartása.	V	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a táj természetes és természetközeli állapotát, továbbá gondoskodni kell a táj esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. A történelmi kialakított természetvédelmi hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságát, a természetközeli módszerek alkalmazását és a biológiai sokféleség védelmét.	Jellemzően aránytalan vetésszerkezet a kukorica/tápanyagforgó irányban.	87
17.	Kötelezettségvállalási időszak alatt további egy alkalommal zöldugarnövény termesztése, vagy állománygya kijuttatása.	V	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	39
18.	Kiszárolás ellenőrző (fennsárol) szaporítóanyag felhasználása szakmailag elvárható mennyiségben adott területre véve.	V	43/2010. (IV. 23.) FVM rendelet 1/A § (3) (JFGK10)	Reszisztens vagy tolerans növényfajta, fennsárolt vetőmagok és ellenőrző szaporítóanyagok használata	A jogszabályi előírás összefoglalja, hogy az integrált növényvédelem irányelveinek megvalósításakor mire kell törekedni. Ugyanakkor nem kötelező érvény, vagyis a gyakorlatban a szaporítóanyag ellenőrzése nem történik meg.	15
19.	Növényvédelmi és talajvédelmi szakirányú bevonása a gazdálkodásban.	V	43/2010. (IV. 23.) FVM rendelet 1/A § (3) (JFGK10)	A károsítók megfelelő módszerekkel és rendelkezésre álló eszközökkel folyamatosan figyelni kell. A megfelelő eszközök közé tartoznak a helyszínen végzett megfigyelések, tudományosan megalapozott előrejelzési és korai diagnosztikai rendszerek, továbbá szakirányú javaslatának felhasználása.	A jogszabályi előírás összefoglalja, hogy az integrált növényvédelem irányelveinek megvalósításakor mire kell törekedni. Ugyanakkor nem kötelező érvény, vagyis a gyakorlatban a szakirányú bevonása a gazdálkodásban nem történik meg.	4
20.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen képződő melléktermékek (különböző szalma- és számaradványok) visszaforgatása a talajba	V	2007. évi CXIX. Törvény 36. § (1) ab, 39. § (1) e (NJSZ)	Olyan művelési módot alkalmazni, amely a talaj szerkezettségének megóvásával, a talajtömörödés megakadályozásával, megakadályozásával elősegíti a csapadékvíz talajba jutását, a földhasználatnak szerves anyagok kijuttatásával kell gondoskodnia a talaj szervesanyag-tartalmának megőrzéséről	A szalma és számaradványok jellemzően elszállításra kerülnek, a tápanyagutánpótlás jellemzően műtrágyával történik	19

Horizontális gyep földhasználati kategória

Sor-szám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referenciaszint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat meghatározás	A támogatás mértéke euró/ha
21.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapsomag előírásai: 109
22.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási tartalom komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
23.	Tápanyag-utánpótlás csak a legelő állatok által elfoglalt területekből származhat, trágya kizárása tilos.	A	1996. évi LIII. törvény 16. § (4) (NJSZ)	Gyepgazdálkodás elősorban a gyepművelés igazodó lehetőségeivel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet.	Hozamfokozás szerves vagy műtrágyával megvalósítható.	
24.	A gyepterületeket legelvéssel, illetve kaszálással kell hasznosítani.	A	1996. évi LIII. törvény 16. § (4) (NJSZ); 10/2015. (III. 13.) FM rendelet 2. § b), c) (NJSZ)	Gyepgazdálkodás elősorban a gyepművelés igazodó lehetőségeivel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet. A gyepterület, a hasznosítás szempontjából nemkívánatos fás szarvas növényekről mentes kell legyen, rendszeres legelés hiányában tárgyév augusztus 31-ig legalább egyszer ismét kaszálást kell végezni.	A gyepterületek egy része gondozatlan.	
25.	A gyepterület öntözése tilos.	A	1996. évi LIII. törvény 16. § (4) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. sz. melléklet 2.1. (HMKÁ 2)	Gyepgazdálkodás elősorban a gyepművelés igazodó lehetőségeivel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet. Öntözési célú vízhasználat csak érvényes vízjogi üzemeltetési engedély alapján végezhető.	Hozamfokozás céljából öntözésre sor kerülhet.	
26.	Beltárolásos vízellátás levezetése tilos.	A	1996. évi LIII. törvény, 17. § (3) (NJSZ)	A termőföld hasznosítása, illetve a hasznosításra alkalmazott területek használatát, igénybevétele, meliorációs tervek készítése és végrehajtása, egyéb mezőgazdasági tevékenységek folytatása, valamint a vízgazdálkodás és a vízrendezés során a természetes és természetközeli állapot vízfelületeket, mocsárokat és más vízes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni.	Mezőgazdasági termelés számára kedvező területeken a beltárolás elvezetés megvalósítható.	
27.	Napnyugtától napkeletig a gépi munkavégzés tilos.	A	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését élőhelyük védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	Ejzarkai munkavégzés munkacsoport idején rendszeres.	
28.	Gyepterületen csak szarvasmarha, juh, kecske, szamár, ló, őszvér és bivaly legelhet.	A	1996. évi LIII. törvény 16. § (4) (NJSZ)	Gyepgazdálkodás elősorban a gyepművelés igazodó lehetőségeivel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet.	Egyéb hasznosításokat (lőfa) is a gyepre hajtatnak.	
29.	Állategység (legelőterület) megléte: min. 0,2 AE/ha.	A	1996. évi LIII. törvény 16. § (4) (NJSZ); 10/2015. (III. 13.) FM rendelet 2. § d) (NJSZ)	Gyepgazdálkodás elősorban a gyepművelés igazodó lehetőségeivel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet. Nem állhat fenn a gyepterület olyan helytelen legelési módokból eredő károsodása (túllegelés), amelyek során az állományalkotó fűfélék rövidke rágása és taposás következtében a gyep foltokban károsult és a talajfelszín fedetlenné válik.	A gyepterületek egy része gondozatlan.	

30.	A terület legalább 5, legfeljebb 10%-át kaszálásonként változó helyen kaszálásról kell hagyni.	V	1996. évi LIII. törvény 16. § (4) (NJSZ); 2 9/2007. (X. 18.) Korm. Rendelet 4. § (1) (JFGK1, 2, JFGK 3); 273/2004. (X. 8.) Korm. Rendelet (JFGK2, JFGK3)	Gyeggyászkodás elősorban a gyepűpuzhoz igazodó lehetőséssel, kaszálással, valamint a vegyi anyagok mérse- kelt, természetidejű használatával történhet. Natura 2000 gyepterületeken a terület legalább 5, legfeljebb 10%-át beletartva a természetvédelmi érdekből hatósági határozattal elrendelt eseti korlátozással érintett földterületeket is – kaszálásonként változó helyen kaszálásról kell hagyni.	Natura 2000 gyepterületeken kívül a takarmány egy menetben történő betakarítása jellemző.	41
31.	A terület legalább 10, legfeljebb 15%-át kaszálásonként változó helyen kaszálásról kell hagyni.	V	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	62
32.	Madárbarát kaszálás (kiszorító kaszálás alkalmazása, vadriasztó lánc és eszközök alkalmazása, max. 8 km/h sebesség).	V	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (1) (JFGK 2, JFGK, 3)	Gyeggyászkodás elősorban a gyepűpuzhoz igazodó lehetőséssel, kaszálással, valamint a vegyi anyagok mérse- kelt, természetidejű használatával történhet. A kaszálást a kaszáláshoz tartozó terület közepénjéből indulva vagy a táblával mellől, az on elő állatok zavartól mentesen kell elvégezni. A kaszálás során vadriasztó lánc használata kötelező. (Natura 2000 gyepterületeken)	Natura 2000 gyepterületeken kívül nem gyakorolt a madárbarát kaszálási módok alkalmazása.	12
33.	Kaszálási korlátozás időben: Kaszálás június 15. után végezhető.	V	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGK 2, JFGK, 3)	Gyeggyászkodás elősorban a gyepűpuzhoz igazodó lehetőséssel, kaszálással, valamint a vegyi anyagok mérse- kelt, természetidejű használatával történhet. Natura 2000 gyepterületeken a kaszálás tervezett időpontját a tevékenység megkezdése előtt a földhasználatnak legalább öt munkanappal írásban be kell jelentenie a művelési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepterületeken kívül az első kaszálásra általában május elején kerül sor.	21
34.	Legeltetési sűrűség min. 0,2 AE/ha, max. 1,5 AE/ha a gyepék túlleltetési tilalmának figyelembe vételével.	V	1996. évi LIII. törvény 16. § (4) (NJSZ); 10/2015. (III. 13.) FM rendelet 2. § d) (NJSZ)	Gyeggyászkodás elősorban a gyepűpuzhoz igazodó lehetőséssel, kaszálással, valamint a vegyi anyagok mérse- kelt, természetidejű használatával történhet. Nem állhat fenn a gyepterület olyan helytelen legeltetési módból eredő károsodása (túlleltetés), amelynek során az állományalkotó fűfélék rövidke rágása és taposás következtében a gyep foltokban károsult és a talajfelszín fedetlenné válik.	A gyepterületek egy része gondozatlan.	78

Horizontális ültetvény földhasználati kategória

Sor-szám	Az ültetkezés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat, meghatározás	A támogatás mértéke euró/ha
35.	Vízrel telten talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	Almatermészek: 727 Szőlő: 336 Egyéb gyümölcs: 382
36.	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
37.	Talajvizsgálaton alapuló tápanyag-gazdálkodási terv készítése talajtani szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
38.	Szökkenet növényvédőszer hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
39.	Gyepes talajfelület esetén kaszálás legalább évente egy alkalommal.	A	1996. évi LIII. törvény 7. § (1) (NJSZ)	A történelmileg kialakult természetvédelmi hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését.	A szökkeneteket nem fővenik, nem művelik.	
40.	Akkreditált laboratóriumban bővíteni talajvizsgálati elvégzése talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	15
41.	Levegőanalízis elvégzése.	V	2007. évi CXIX. törvény 42. § (NJSZ); 59/2008. (IV. 29.) FVM rendelet 6. § (1) (JFGK1, HMGV)	A talaj tápanyag-szolgáltatást és a természet növények tápanyagigényét figyelembe véve, környezeti kímélő tápanyag-gazdálkodást kell folytatni. A nitrátszennyezés területén a tápanyag-gazdálkodás tervezése során a kijuttatandó tápanyagok mennyiségének meghatározásakor figyelembe kell venni a talaj tápanyag-ellátottságát, a természet növények a termőhely adottságaihoz igazított természetjéhez tartozó tápanyagigényét.	Nem készült tervezett tápanyag-számlás.	21
42.	Előrejelzésen - beleértve a szexiferomon csapdák legalább 1 db/2 ha sűrűségű kihelyezését - alapuló növényvédelem alkalmazása.	V	2008. évi XLVI. törvény 5. § (3) (JFGK 4, JFGK 10); 43/2010. (IV. 23.) FVM rendelet 1/A § (1), (3) (JFGK 10)	A növényvédelmi tevékenységet a károsítókra célszerűen, térben és időben előzetesen és eszközökkel kell végezni. A védekezésre vonatkozó döntést növényvédelmi előrejelzésre alapozva kell meghozni. A károsítókat megfelelő módszerekkel és rendelkezésre álló eszközökkel folyamatosan figyelni kell. A megfelelő eszközök közt tartoznak a helyszínen végzett megfigyelések, tudományosan megalapozott előrejelzési és korai diagnosztikai rendszerek, továbbá szakirányú javaslatainak felhasználása.	A gyakorlatban növényvédelmi előrejelzés nem ellenőrzött, egyenlő nem szakértő módon történik, illetve nem történik meg. Nem alkalmaznak szexiferomon csapdákat. A jogszabályi előírás összefoglalja, hogy az integrált növényvédelem irányelveinek megvalósításakor mire kell törekedni. Ugyanakkor nem kötelező érvényű, vagyis a gyakorlatban a csapdák alkalmazása elmarad.	48
43.	Madarodók kihelyezése: 3 db/ha sűrűségben, kihelyezési útmutató alapján.	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előhelyük védelmével együtt kell biztosítani. A vadon élő szervezetek előhelyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	A szokásos gazdálkodási gyakorlatnak nem része a madarodók kihelyezése.	36

44.	1 ml/ha hatékony szelídítő bűvőhely kialakítása.	V	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előhelyük védelmével együtt kell biztosítani. A vadon élő szervezetek előhelyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	A szokásos gazdálkodói gyakorlatnak nem része hogy a ragadozó rovarok számára bűvőhelyeket alakítsanak ki.	24
45.	Hagyományos gyümölcsös fenntartása 30-150 db/ha, kőzetű állományúval (szőlőültetvény esetében ez az előírás nem alkalmazható).	V	1996. évi LIII. 7. § (1) (NJSZ)	A történelmileg kialakult természetvédelmi hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztése során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését.	A gazdálkodói gyakorlatban a hagyományos gyümölcsösök kivágásra, felújításra kerülnek, és ezeket ~~szőlőültetvény~~ illetve szuperintenzív ültetvények váltják fel.	179
46.	Növényvédelmi és talajvédelmi szakirányú bevonása a gazdálkodásba.	V	Id: 19. számú előírás	Id: 19. számú előírás	Id: 19. számú előírás	45

Horizontális nádas földhasználati kategória

Sor-szám	Az intézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szükséges gyakorlati megfigyelések	A támogatás mértéke euró/ha
47.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	Az alapos-mag előírásai: 105
48.	Tilos hígtrágya, szennyvíz, szennyvíztiszta, szennyvíztiszta tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
49.	A nád aratása, és egyéb tevékenység végzése (különösen: szállítás, kiürítés) kizárólag december 1. és február 28. között engedélyezett.	A	1996. évi LIII. Törvény 17. § (3) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 6.2 (HMKÁ 6)	A termőföld hasznosítása, illetve a hasznosításra alkalmas terület használatát, igénybevétele, meliorációs tervek készítése és végrehajtása, egyéb mezőgazdasági tevékenységek folytatása, valamint a vizsgálatok és a vizsgálatok során a természetes és természetközeli állapotú vízfolyásokat, nádasokat és más vízes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni. Tarto, nád, növényi maradvány valamint gyepek égetése tilos.	A nád aratása és szállítás a gyakorlatban december 1. és március 31. között történik.	
50.	A területen nádgazdálkodást kell végezni.	A	1996. évi LIII. Törvény 17. § (3) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 6.2 (HMKÁ 6)	A termőföld hasznosítása, illetve a hasznosításra alkalmas terület használatát, igénybevétele, meliorációs tervek készítése és végrehajtása, egyéb mezőgazdasági tevékenységek folytatása, valamint a vizsgálatok és a vizsgálatok során a természetes és természetközeli állapotú vízfolyásokat, nádasokat és más vízes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni. Tarto, nád, növényi maradvány valamint gyepek égetése tilos.	A nádas területek egy része elhanyagolt, gondozatlan.	
51.	A nád rizómájának megsejtése tilos.	A	1996. évi LIII. Törvény 17. § (3) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 6.2 (HMKÁ 6)	A természetes és természetközeli állapotú vízfolyásokat, nádasokat és más vízes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni. Tarto, nád, növényi maradvány valamint gyepek égetése tilos.	A szokásos gyakorlat elhagyásával az aratás során nem hagynak tartot.	
52.	A nádas terület 15-20 %-át 2 évente változó helyen aratással kell hagyni.	A	1996. évi LIII. Törvény 17. § (3) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 6.2 (HMKÁ 6)	A természetes és természetközeli állapotú vízfolyásokat, nádasokat és más vízes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni. Tarto, nád, növényi maradvány valamint gyepek égetése tilos.	Az adott területen lévő összes nád egy menetben történő betakarítása jellemző.	

Magas Természeti Értékű területi lehatárolás, szántó földhasználati kategória, tűzok-védelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
53.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapos-mag előírásai: 392
54.	Tilos kigazdálkodás, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
55.	Az erózióérzékeny területeken dolmány, cukorrépa, takarmányrepa, burgonya, cicsósóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
56.	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajszintű szaktörzsi bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
57.	Kötelezettségvállalási időszak alatt legalább egy alkalommal szőlőgyeprőléves termesztése, vagy szőlőgyeprőléves, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
58.	A talaj forgatása – beleértve a szervesanyag bontását is – csak a lejtő irányával merőlegesen történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
59.	Szaktörzsi szaktörzsi hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
60.	Tápanyagutánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.	ZA	59/2008. (IV. 29.) FVM rendelet 4. § (1) (JFGK1, HMGV)	Nitrátérzékeny területeken az évente mezőgazdasági területre szervesanyagával kijuttatott nitrogén hatóanyag mennyisége nem haladhatja meg a 170 kg/ha értéket.	Nitrátérzékeny területeken kívül sincsen korlátozva a kijuttatható hatóanyag mennyiség.	
61.	Tilos az öntözés.	ZA	2007. évi CXIX. Törvény 50. § (2) e) (NJSZ); 90/2008. (VII. 18.) FVM rendelet 1. § (1) (NJSZ); 50/2008. (IV. 24.) FVM rendelet 1. számú melléklet (2.1) (HMKÁ 2)	Öntözési célú vízhasználat csak érvényes vízjogi üzemeltetési engedély alapján talajvédelmi tervre alapon végezhető, a talajvédelmi hatóság engedélye nélkül tilos tevékenység.	A szükséges engedélyeztetés alapján öntözés történik, amely az alintézkedés ezen területi lehatárolásával nem kívánatos.	
62.	Március 1. és július 31. között napoyogtatás napkezdéig gépi munkavégzés tilos.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelemmel együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Elszakai munkavégzés munkavégzés idején rendszeres.	

63.	Fokozottan védett, földön fészkelő madarak fészkeinek, fészkeinek megalkotása esetén, az haladéktalanul jelezni kell az illetékes állami természetvédelmi szervnek. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Nincs bejelentési kötelezettség, nem alakítanak ki védőzónát madarak fészkei körül.
64.	Pillangós szalasz takarmányok, azok főves keveréke, illetve szőlőgáz vagy méhlegelő betakarítása, szarvasa során kaszálással területet kell hagyni 5-10% természetben, táblaként, kaszálásokkal valóhoz helyen, a tábla széleivel érintkezően legalább 6 méter szélességben.	ZA	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás
65.	Pillangós szalasz takarmányok, azok főves keveréke, illetve szőlőgáz vagy méhlegelő kaszálása, szarvasa és szarvasa során madárbarát kaszálás (kiszorító kaszálás alkalmazása, vadriasztó lenc és eszközök alkalmazása, max. 8 km/h sebesség).	ZA	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás
66.	A július 31-e előtt végzett kaszálás, szarvasa megkezdése előtt legalább 5 munkanappal írásban, elektronikus úton, illetve e-mail címen be kell jelezni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	A takarmány érettségi fokának megfelelő betakarítás jellemző, hatósági kontroll nélkül.
67.	Kaszálás, szarvasa szőlős legelői időpontja július 1. kivéve az évelő szalasz pillangós takarmányok telepítését követő első kaszálást, mely a nemzeti park, igazgatóság, város nyilatkozata alapján korábbi időpontban is elvégezhető.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	A takarmány érettségi fokának megfelelő betakarítás jellemző.
68.	A tábla szélein legalább 6 méter széles növényvédőszer-mentes táblaszegélyt kell hagyni.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Növényvédőszer-mentes szegélyek nem kerülnek kialakításra.
69.	Rovarölő szerek nem alkalmazhatók, kivéve a repce, a mustar, illetve az olajfák rovarirtását.	ZA	2008. évi XLVI. Törvény 5. § (6) (JFGK 4, JFGK 10) 43/2010. (IV. 23.) FVM rendelet 5. § (3) (JFGK 10)	Engedélyköteles terméket Magyarországon csak az élelmiszerlánc-felügyeleti szerv által kiadott engedély alapján lehet forgalomba hozni és felhasználni. A növényvédő szert a forgalmazás és a felhasználás szempontjából a Nemzeti Élelmiszerlánc-biztonsági Hivatal I., II. és III. forgalmi kategóriába kell sorolja.	Engedélyezett rovarölő szerek rendszeres alkalmazása jellemző.
70.	Rágcsálóirtó szerek és talajfertőtlenítő szerek alkalmazása tilos.	ZA	2008. évi XLVI. Törvény 5. § (6) (JFGK 4, JFGK 10) 43/2010. (IV. 23.) FVM rendelet 5. § (3) (JFGK 10)	Engedélyköteles terméket Magyarországon csak az élelmiszerlánc-felügyeleti szerv által kiadott engedély alapján lehet forgalomba hozni és felhasználni. A növényvédő szert a forgalmazás és a felhasználás szempontjából a Nemzeti Élelmiszerlánc-biztonsági Hivatal I., II. és III. forgalmi kategóriába kell sorolja.	Engedélyezett rágcsálóirtó szerek rendszeres alkalmazása jellemző.

71.	A tematikus előirányzatokhoz tartozó területen élő növényfajok (szilas pillangós takarmánynövények, azok fűves keveréke, zöldugor) termesztése, vagy a kitermesztő vetésszerkezet betartása fővetésű növények tekintetében: legalább 20% kalászos gabona, legalább 20% szilas pillangós takarmánynövény (évelő szilas pillangósok, vagy azok keveréke, illetve fűves keveréke), legalább 20% zöldugor, legalább 10 % ősi káposztarepce, legfeljebb 20% egyéb kultúra	ZA	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a táj természetes és természetközeli állapotát, továbbá gondoskodni kell a táj esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájterületek fennmaradásáról. A történelmileg kialakult természetközeli hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájterületeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetközeli módok alkalmazását és a biológiai sokféleség védelmét.	Jellemzően aránytalan vetésszerkezet a kukorica/napraforgó irányban.
72.	Repce esetén a teljes repceterületnek az illetékes állami természetvédelmi szerv által kijelölt legalább 5 legfeljebb 10 %-án a madarak téli táplálékának biztosítása érdekében téli holtakartás.	ZA	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a táj természetes és természetközeli állapotát, továbbá gondoskodni kell a táj esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájterületek fennmaradásáról. A történelmileg kialakult természetközeli hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájterületeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetközeli módok alkalmazását és a biológiai sokféleség védelmét.	A holtakartás nem jellemző, a holtakartás miatt a madarak tápláléka nem biztosított.
73.	A talajfelszín megőrzésével járó gépi munkavégzés április 15. és június 15. között nem végezhető, kivéve a betakarítás utáni tartóztatást.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek előlélyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	Jellemző a talajmunkák (pl. mechanikai gyomirtás) végzése a fészkelési időszakban.

74.	Evelő növénykultúrák, kalászos gabonák, és szőlőtermesztés során növényvédőszeresek és műtrágya kijuttatása április 15. és július 1. között nem megengedett.	ZA	2009. évi XLVI. Törvény 5. § (6) (JFGK 4, JFGK 10); 43/2010. (IV. 23.) FVM rendelet 5. § (3) (JFGK 10)	Engedélyköteles terméket Magyarországon csak az elemi-szerlánc-felügyeleti szerv által kiadott engedély alapján lehet forgalomba hozni és felhasználni. A növényvédő szer a forgalmazás és a felhasználás szempontjából a Nemzeti Élelmiszerlánc-biztonsági Hivatal I., II. és III. forgalmi kategóriába kell sorolnia.	A növényvédőszeresek és műtrágya kijuttatása ebben az időszakban nem korlátozott, ezért kijuttatásuk alapszabályban megengedett.	
75.	Beltér-időszakos vizális levezetése tilos, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlázható.	ZA	1996. évi LIII. törvény, 17. § (3) (NISZ)	A termőföld hasznosítása, illetve a hasznosításra alkalmas terület hasznosítása, igénybevétele, meliorációs tervek készítése és végrehajtása, egyéb mezőgazdasági tevékenységek folytatása, valamint a vizsgálatok és a vizsgálatok során a természetes és természetközeli állapotú vízfolyásokat, nádasokat és más vizes élőhelyeket, valamint a mezőgazdasági termelés számára kedvezőtlen termőhelyi adottságú területek természetes növényállományát meg kell őrizni.	Mezőgazdasági termelés számára kedvező területeken a beltér elvezetés megengedett.	
76.	Akkreditált laboratóriumban bővíteni talajvizsgálat elvégzése talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
77.	Az állattérkezésbe vont teljes területen - az évelő szarvasföldi kultúrák és vetett őszi kivezetéssel - a táblák maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33
78.	Kaszálás szarvasföldi időszak legkorábbi időpontja július 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	22
79.	Kaszálás szarvasföldi időszak legkorábbi időpontja augusztus 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	37
80.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
81.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőtermesztéshez szükséges fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
82.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőtermesztéshez szükséges fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
83.	Tápanyagutánpótlás során a kijuttatott N hatóanyag mennyisége nem haladhatja meg az 50 kg/ha/év értéket.	V	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	33
84.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen keletkező melléktermékek (különböző szalma- és szénmaradványok) visszaforgatása a talajba	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

**Magas Természeti Értékű területi lehatárolás, szántó földhasználati kategória, kék
vércse védelmi előírásokkal (Zonális)**

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
85.	Vízrel telített talajon mindenemű gépi művelésvégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapszám előírásaira: 369
86.	Tilos hígtrágya, szennyvíz, szennyvíztisztító, szennyvíztisztító tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
87.	Az erdőterületen domborzati, cukorrépa, takarmányvető, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
88.	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
89.	Kötelezettségvállalási időszak alatt legalább egy alkalommal zöldtrágyabevetés termesztése, vagy iszáltrágya, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
90.	A talaj forgatása – beleértve a szervesanyag beldolgozását is – csak a lejó irányú merőlegesén történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
91.	Székén szervesanyagok hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
92.	Tápanyag utánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.	ZA	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	
93.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
94.	Március 1. és július 31. között napnyugtától napkelteig gépi művelésvégzés tilos.	ZA	Id: 62. számú előírás	Id: 62. számú előírás	Id: 62. számú előírás	
95.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén, azt haladéktalanul jelenteni kell az illetékes állami természetvédelmi szervnek. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.	ZA	Id: 63. számú előírás	Id: 63. számú előírás	Id: 63. számú előírás	

96.	Pillangos szűles takarmánynövények, azok főves keveréke, valamint szőlőgáz kaszálás szűszűszűs táblákban történő napokon történjen.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	Betakarításkor nincs időbeni differenciálás, általában egy menetben történik, ezért a madarak fészkei sérülhetnek.
97.	Pillangos szűles takarmánynövények, azok főves keveréke illetve szőlőgáz vagy méhlegelő betakarítása szűszűszűs során kaszálással területet kell hagyni 5-10% termékekben, táblákban, kaszálásokban valószínű helyen, a tábla széleivel érintkezően legalább 6 méter szélességben.	ZA	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás
98.	Pillangos szűles takarmánynövények, azok főves keveréke, illetve szőlőgáz vagy méhlegelő kaszálása, szűszűszűs és szűszűszűs során madárbarát kaszálás (kiszórt kaszálás alkalmazása, vadászati lénc és csapóháló alkalmazása, max. 8 km/h sebesség).	ZA	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás
99.	A július 31-e előtt végzett kaszálás szűszűszűs megkezdése előtt legalább 5 munkanappal írásban, elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 66. számú előírás	Id: 66. számú előírás	Id: 66. számú előírás
100.	A szűles pillangos takarmánynövények, azok főves keverékei, valamint a szőlőgáz első kaszálását a teljes területük legalább 50%-án május 31-ig el kell végezni.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	A takarmány érettségi fokának megfelelő betakarítás jellemző.
101.	5 ha-nál nagyobb tábla esetén minden kaszálással, szűszűszűs a táblát két egyenlő részre kell osztani, az első 50 % kaszálását befejezését követően a másik 50% kaszálással szűszűszűs csak 10 nappal később lehet elkezdni.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni.	Betakarításkor nincs időbeni differenciálás, általában egy menetben történik.
102.	A tábla széleivel legalább 6 méter széles növényvédőszer-mentes táblaszegélyt kell hagyni.	ZA	Id: 68. számú előírás	Id: 68. számú előírás	Id: 68. számú előírás
103.	Rovarölő szerek nem alkalmazhatók.	ZA	Id: 69. számú előírás	Id: 69. számú előírás	Id: 69. számú előírás
104.	Rágcsafajta szerek és talajfertőtlenítő szerek alkalmazása tilos.	ZA	Id: 70. számú előírás	Id: 70. számú előírás	Id: 70. számú előírás

105.	A tematikus előirányzatokból érintett teljes területen élő növényfajoknak (száraz pillangós takarmánynövények, azok fűves keveréke, zöldség) termesztése, vagy a következő vetésszerkezet betartása fűvetest növények tekintetében: legalább 30% kalászos gabona, legalább 20% élő száraz pillangós takarmánynövény (élő száraz pillangósok, vagy azok keveréke) illetve fűves keveréke), legalább 20% zöldség, egyéb kultúra legfeljebb 20 %.	ZA	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NFSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelemmel együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a tájak természetes és természetközeli állapotát, továbbá gondoskodni kell a tájak esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. A történelmileg kialakult természetvédelmi hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosság, a természetvédelmi módok alkalmazását és a biológiai sokféleség védelmét.	Jellemzően aránytalan vetésszerkezet a kukorica/búza napraforgó irányban.	
106.	Bélnyírási időszakos vizuális levezetése tilos, melynek területén a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlálható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	
107.	Akkreditált laboratóriumban bőven tájajánlatot elvégzése tájajánlati szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
108.	Az állomásokban volt teljes területen - az élő szomszédos kultúrák és vető ugar kivételével - a táblák maximális mérete 3 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33
109.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
110.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós zöldség/méhszéklet szegély fenntartása a beveti terület körületeinek legalább 25 %-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
111.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós zöldség/méhszéklet szegély fenntartása a beveti terület körületeinek legalább 25 %-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
112.	Tápanyagutánpótlás során a kijutáson N hatóanyag mérése nem haladhatja meg az 50 kg/ha/év értéket.	V	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	33
113.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen képződő melléktermékek (különböző szalma- és szarmaradványok) visszaforgatása a talajba	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Magas Természeti Értékű területi lehatárolás, szántó földhasználati kategória, alföldi madárvédelmi előírásokkal (Zonális)

Sorszám	Az előíráskedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gondálkodási gyakorlat meghatározása	A támogatás mértéke
114.	Vízrel telített talajon mindenfajta gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapcsomag előírásaira: 369
115.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
116.	Az erózióvesztéssel területeken dohány, cukorrépa, takarmányrépa, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
117.	Talajvízszint alagsó talajvízszint-gondálkodási terv készítése talajvíz szintjének bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
118.	Kötelezettségvállalás időszaki alatt legalább egy alkalommal zöldtrágyanövény termesztése, vagy szilárdtrágya, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
119.	A talaj forgatása – beleértve a szervesanyag bontását is – csak a lejtő irányával merőlegesen történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
120.	Székített növényvédőszer hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
121.	Tápanyagutánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.	ZA	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	
122.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
123.	Március 1. és július 31. között napnyugtától napkeletig gépi munkavégzés tilos.	ZA	Id: 62. számú előírás	Id: 62. számú előírás	Id: 62. számú előírás	
124.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megállapítása esetén, azt haladéktalanul jelezni kell az illetékes állami természetvédelmi szervnek. A megállapított fészkek körülményeinek védelme a kialakítása.	ZA	Id: 63. számú előírás	Id: 63. számú előírás	Id: 63. számú előírás	
125.	Pillangós szűcs takarmánynövények, azok főves keveréke illetve zöldtrágya vagy méhlegelő betakarítása kaszálás során kaszálással területet kell hagyni 5-10% természetben, táblánként, kaszálásokonként változó helyen, a tábla széleivel érintkezve legalább 6 méter szélességben.	ZA	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás	
126.	Pillangós szűcs takarmánynövények, azok főves keveréke, illetve zöldtrágya vagy méhlegelő kaszálása, szőlő és szőlőszőlő kaszálása (kiszáraztatás kaszálással), vadriasztó lenc és eszékötök alkalmazása, max. 3 km/h sebességgel.	ZA	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás	

127.	A július 31-e előtt végzett kaszálás/aszarás megkezdése előtt legalább 5 munkanappal írásban, elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 66. számú előírás	Id: 66. számú előírás	Id: 66. számú előírás
128.	A teljes szűles pillangós takarmányzöld, azok főves keveréke, valamint a zöldgáz vetésterület legfeljebb 50%-án az illetékes állami természetvédelmi szerv, írásos formában kíméleti területet jelölhet ki, ahol csak július 1. után folytatható betakarítás/aszarás.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előhellyük védelmével egyúttal kell biztosítani. A vadon élő szervezetek előhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	A takarmány éremégi fokának megfelelő betakarítás jellemző, hatósági kontroll nélkül.
129.	A tábla szélein legalább 6 méter széles növényvédőszer-mentes táblaszegélyt kell hagyni.	ZA	Id: 68. számú előírás	Id: 68. számú előírás	Id: 68. számú előírás
130.	Rovarölő szerek nem alkalmazhatók, kivéve a repce, a mustár, illetve olajretek rovarirtását.	ZA	Id: 69. számú előírás	Id: 69. számú előírás	Id: 69. számú előírás
131.	Rágcsalóirtó szerek és talajfertőtlenítő szerek alkalmazása tilos.	ZA	Id: 70. számú előírás	Id: 70. számú előírás	Id: 70. számú előírás
132.	Növényvédőszer és műtrágya kijuttatás május 1. és június 15. között nem megengedett.	ZA	2008. évi XLVI. Törvény 5. § (6) (JFGK 4, JFGK 10); 43/2010. (IV. 23. FVM) rendelet 5. § (3) (JFGK 10)	Engedélyköteles terméket Magyarországon csak az élelmiszerlánc-felügyeleti szerv által kiadott engedély alapján lehet forgalomba hozni és felhasználni. A növényvédő szert a forgalmazás és a felhasználás szempontjából a Nemzeti Élelmiszerlánc-biztonsági Hivatal I., II. és III. forgalmi kategóriába kell sorolnia.	A növényvédőszer és műtrágya kijuttatása ebben az időszakban nem korlátozott, ezért kijuttatások alkalmazásában megőrződnek.
133.	A tematikus előíráscsoporttal érintett teljes területen évelő növénykultúrák (szűles pillangós takarmányzöld, azok főves keveréke, zöldgáz) termesztése, vagy a következő vetészerkezet betartása évelő növények tekintetében: legalább 20% kalászos gabona, legalább 20% évelő szűles pillangós takarmányzöld (évelő szűles pillangósok, vagy azok keveréke), legalább 20% zöldgáz, egyéb kultúra legfeljebb 30 %.	ZA	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előhellyük védelmével egyúttal kell biztosítani. A vadon élő szervezetek előhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a tájak természetes és természetközeli állapotát, továbbá gondoskodni kell a tájak esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. A természetileg kialakult természetközeli hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetközeli módszerek alkalmazását és a biológiai sokféleség védelmét.	Jellemzően aránytalan vetészerkezet a kukorica/búza napraforgó irányában.

134.	Röpre esetén a teljes repcesterületnek az illetékes állami természetvédelmi szerv által kijelölt legalább 5 legfeljebb 10 %-án a madarak téli táplálékának biztosítása érdekében téli hódokartás.	ZA	Id: 72. számú előírás	Id: 72. számú előírás	Id: 72. számú előírás	
135.	Behatárolt területen vízvezeték-szállítás, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlázható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	
136.	Akkreditált laboratóriumban bővíteni talajvizsgálat elvégzése talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
137.	Az állomásokban lévő teljes területen - az évelő szarvasföldi kultúrák és vetett őszi kiterjedésével - a talajk maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33
138.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
139.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőtermesztéshez szükséges fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
140.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőtermesztéshez szükséges fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
141.	Évelő növénykultúrák, kalászos gabonák, és szőlőtermesztés során növényvédőszer és műtrágya kijuttatása április 15. és július 1. között nem megengedett.	V	Id: 74. számú előírás	Id: 74. számú előírás	Id: 74. számú előírás	11
142.	Kaszálás/szarvaszás időpontja legkorábbi időpontja július 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	22
143.	Kaszálás/szarvaszás időpontja legkorábbi időpontja augusztus 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	37
144.	Tápanyagutánpótlás során a kijuttatott N hatóanyag mennyisége nem haladhatja meg az 10 kg/ha/év értéket.	V	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	33
145.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen keletkező melléktermékek (különböző szalma- és szarmaradványok) visszaforgatása a talajba.	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Magas Természeti Értékű területi lehatárolás, szántó földhasználati kategória, hegy- és dombvidéki madárvédelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírása	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
146.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapcsomag előírásaira: 294
147.	Tilos hígtrágya, szennyvíz, szennyvíztisztító tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
148.	Az erózióérzékeny területeken dobány, cukorrépa, takarmányrépa, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
149.	Talajvízszint alaguló tápanyag-gazdálkodási terv készítése talajjárási szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
150.	Kötelezettségvállalási időszak alatt legalább egy alkalommal zöldtrágyanövény termesztése, vagy iszaltárgya, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
151.	A talaj forgatása – beleértve a szervestrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
152.	Szintén növényvédőszer hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
153.	Tápanyag utánpótlás során a kijutáson N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.	ZA	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	
154.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
155.	Március 1. és július 31. között napnyugtától napkelteig gépi munkavégzés tilos.	ZA	Id: 62. számú előírás	Id: 62. számú előírás	Id: 62. számú előírás	
156.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megállása esetén, azt haladéktalanul jelezni kell az illetékes állami természetvédelmi szervnek. A megállt fészkek körül min. 1 ha védőzóna kialakítása.	ZA	Id: 63. számú előírás	Id: 63. számú előírás	Id: 63. számú előírás	

157.	Pillangós szűcs takarmánynövények, azok fűves keverékei (illetve zöldség vagy méhlegelő betakarítása/szárítása során kaszálással) területet kell hagyni 5-10% termékekben, táblaként, kaszálásonként változó helyen, a tábla széleivel érintkezésben legalább 6 méter szélességben.	ZA	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás
158.	Pillangós szűcs takarmánynövények, azok fűves keverékei, illetve zöldség vagy méhlegelő kaszálása, szőlő és szőlőszőlő során maderbarát kaszálás (kiszórt kaszálás alkalmazása, vadgazdálkodás és eszközök alkalmazása, max. 8 km/h sebességgel).	ZA	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás
159.	A július 31-e előtt végzett kaszálás/szárítás megkezdése előtt legalább 5 munkanappal írásban, elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 66. számú előírás	Id: 66. számú előírás	Id: 66. számú előírás
160.	A tábla szélein legalább 3 méter széles növényvédőszer-mentes táblaszegélyt kell hagyni.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelemmel együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméléssel kell végezni.	Növényvédőszer-mentes szegélyek nem kerülnek kialakításra.
161.	Rovarölő szerek nem alkalmazhatók.	ZA	Id: 69. számú előírás	Id: 69. számú előírás	Id: 69. számú előírás
162.	Rágcsaölő szerek és talajfertőtlenítő szerek alkalmazása tilos.	ZA	Id: 70. számú előírás	Id: 70. számú előírás	Id: 70. számú előírás
163.	A tematikus előíráscsoporttal érintett teljes területen évelő növényfajok (szűcs pillangós takarmánynövények, azok fűves keverékei, zöldség) termesztése, vagy a következő vetésszerkezet betartása évelő növények tekintetében: legalább 30% kalászos gabona, legalább 20% szűcs pillangós takarmánynövény (évelő szűcs pillangósok, vagy azok keverékei, illetve fűves keverékei), legalább 10% zöldség, legfeljebb 25% egyéb kultúra.	ZA	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését elősegítő védelemmel együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméléssel kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a tájak természetes és természetiállomány állapotát, továbbá gondoskodni kell a tájak esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. A történelmileg kialakult természetképző hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetképző módszerek alkalmazását és a biológiai sokféleség védelmét.	Jellemzően aránytalan vetésszerkezet a kukorica/búza napraforgó irányában.

164.	Bérvizidőszakos vizslás levezetése tilos, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlázható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	
165.	Akkreditált laboratóriumban bővíteni talajvizsgálat elővételese talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
166.	Az állomásokra vonatkozó teljes területen - az évelő szennyeződések kultúrák és vetett őrleves kivételével - a talajak maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33
167.	Növényvédelmi előjelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
168.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőágyas/méltóság szegély fenntartása a bevitel terület körületeinek legalább 25%-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
169.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szőlőágyas/méltóság szegély fenntartása a bevitel terület körületeinek legalább 25%-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
170.	Kasszafelhasználás előírás legkorábbi időpontja július 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	22
171.	Kasszafelhasználás előírás legkorábbi időpontja augusztus 15.	V	Id: 67. számú előírás	Id: 67. számú előírás	Id: 67. számú előírás	37
172.	Tápanyagutánpótlás során a kijuttatott N hatóanyag mérése nem haladhatja meg az 50 kg/ha/év értéket.	V	Id: 60. számú előírás	Id: 60. számú előírás	Id: 60. számú előírás	33
173.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen keletkező melléktermékek (különböző szalma- és szármaradványok) visszaforgatása a talajba.	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Szántó földhasználati kategória erózió érzékeny területi lehatárolással (zonális)						
Sorszám	Az alintézkedés előírásai	Eljárás típusa	A referenciázint jogszabályi azonosítása	A referenciázint jogszabályi tartalma	Szokásos gondálkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
174.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapos-mag előírással: 133
175.	Tilos hígtrágya, szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
176.	Az erózióérzékeny területeken dohány, cukorrépa, takarmányrépa, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
177.	Talajvizsgálaton alapuló tápanyag-gondálkodási terv készítése talajjárási szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
178.	Kötelezettségvállalási időszak alatt legalább egy alkalommal zöldtrágyanövény termesztése, vagy iszaltárgya, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
179.	Székített növényvédőszer hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
180.	Erózióérzékeny területen a 20 ha-nál nagyobb táblák esetén szintvonal mentén történő művelés.	ZA	2007. évi CXIX. Törvény 36. § (1) ac) (NNSZ)	A földhasználó erózióval veszélyeztetett területen a víz- és szelerozió megakadályozása érdekében köteles szántó művelési ágú földhasználaton szintvonalas művelést folytatni.	Az erózió veszélyének a megelőzése a gyakorlatban szubjektív, a helytelen művelési módok alkalmazása általában csak a terület visszafordíthatatlan károsodását követően válik nyilvánvalóvá.	
181.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
182.	Partvonalalól közvedencélú érintkező táblák esetén a partvonalalól érintkezésben legalább 12 méter szélességű füves mezsgye fenntartása.	ZA	50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 1. (HMKÁ 1); 59/2008. (IV. 29.) FVM rendelet 5. § (1); (JFGK1, HMGY)	Nem juttatható ki műtrágya a MePAR-ban grafikusán megjelölt felületi vízpartvonalától mért 2 méteres sávban, szerves trágya, a MePAR-ban grafikusán megjelölt 5000 négyzetméter feletti állóvizek partvonalától mért 20 méteres sávban, a völgyzáró gátas halastavak esetében a partvonalától mért 5 méteres sávban, a MePAR-ban grafikusán megjelölt egyéb felületi vízfolyások partvonalától mért 5 méteres sávban, azaz, hogy a védősávolság 3 méterre csökkenthető, ha a mezőgazdasági művelés alatt álló tábla 50 méternél nem szélesebb és 1 ha-nál kisebb területű.	A gyakorlatban füves mezsgyék nem kerülnek kialakításra, erre vonatkozó egyéb jogszabályi kötelezettség nincs.	
183.	A tematikus előíráscsoporttal érintett teljes területen a vetésszerkezetben a káposzta növények aránya legfeljebb 20% lehet.	ZA	50/2008. (IV. 24.) FVM rendelet 1. számú melléklet 5) (HMKÁ 5)	12%-nál nagyobb lejtésű területen az alábbi kultúrák termesztése tilos: dohány, cukorrépa, takarmányrépa, burgonya, csicsóka.	Egyéb káposzta növények (pl. kukorica) termesztése megengedett, és jellemző, aránytalan vetésszerkezetben.	
184.	Behatárolás nélküli vízlevezetés tilos, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámítható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	

185.	Akkredítált laboratóriumban bővíteni talajvizsgálati előkészítő talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
186.	Az állattenyésztésbe vont teljes területen - az évelő szénóföldi kultúrák és vetett őrgróv kivételével - a táblák maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33
187.	Pillangós szűcs takarmánynövények, azok füves keveréke (illetve zöldség vagy méhlegelő betakarítása) szénázása során kaszálással területet kell hagyni 5-10% termékekben, táblánként, kaszálástól valószínű helyen, a tábla szélességének legalább 6 méter szélességben.	V	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás	15
188.	Pillangós szűcs takarmánynövények, azok füves keveréke, illetve zöldség vagy méhlegelő kaszálása, szénázása és szénázása során madárbarát kaszálás (kiszórt kaszálás alkalmazása, vadriasztó léc és eszközök alkalmazása, max. 8 km/h sebesség).	V	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás	6
189.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
190.	Kötelezettségvállalási időszak alatt növényvédelem mentes tartós zöldség/méhlegelő szegély fenntartása a bevitel terület körületeinek legalább 25%-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
191.	Kötelezettségvállalási időszak alatt növényvédelem mentes tartós zöldség/méhlegelő szegély fenntartása a bevitel terület körületeinek legalább 25%-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
192.	A vetészerkezeten legalább 15% szűcs pillangós takarmánynövény, valamint legalább 5% zöldség tartása.	V	Id: 16. számú előírás	Id: 16. számú előírás	Id: 16. számú előírás	87
193.	A vetészerkezeten legalább 20% szűcs pillangós takarmánynövény, valamint legalább 20% zöldség tartása.	V	1996. évi LIII. Törvény 6. § (2), 7. § (1), 8. § (1) 16. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előlélyük védelmével együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kímélésével kell végezni. A tájhasznosítás és a természeti értékek felhasználása során meg kell őrizni a tájak természetes és természetközeli állapotát, továbbá gondoskodni kell a tájak esztétikai adottságait és a jellegét meghatározó természeti értékek, természeti rendszerek és az egyedi tájértékek fennmaradásáról. A történelmileg kialakult természetvédelmi hasznosítási módok figyelembevételével biztosítani kell a természeti terület használatát és fejlesztését során a táj jellegének, esztétikai, természeti értékeinek, a tájakra jellemző természeti rendszereknek és egyedi tájértékeknek a megőrzését. A mező-, erdő-, nád-, hal-, vadgazdálkodás során biztosítani kell a fenntartható használatot, ami magában foglalja a tartamosságot, a természetvédelmi módszerek alkalmazását és a biológiai sokféleség védelmét.	Erdő- és erdőterületen különösen fontos a tájborítottság a vetészerkezet szempontjából a gyakorlatban nem kerül figyelembe vételre.	131
194.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen létező melléktermékek (különböző szalma- és szarmaradványok) visszaforgatása a talajba	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Szántó földhasználati kategória belvíz érzékeny területi lehatárolással (zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szakosított gondolkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
195.	Vízzel feltett talajon mindennemű gépi művelésgazdálkodás tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapszám előírásai: 95
196.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
197.	Az érzékeny területeken dohány, cukorrépa, takarmányvető, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
198.	Talajvizsgálaton alapuló tápanyag-gazdálkodási terv készítése talajtani szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
199.	Kötelezettségvállalási időszak alatt legalább egy alkalommal szőlőgyümölcs termesztése, vagy ültetvény, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
200.	A talaj forgatása – beleértve a szervesanyag bedolgoztatását is – csak a lejtő irányával merőlegesen történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
201.	Székített műtrégyedőzser használatának alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
202.	Kötelezettségvállalási időszak alatt legalább egy alkalommal.	ZA	Id: 9. számú előírás	Id: 9. számú előírás	Id: 9. számú előírás	
203.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
204.	Partvonalalól kővetendő elmozdító talaj esetén a partvonalalól, elmozdító talaj legalább 12 méter szélességű füves mezsgye fenntartása.	ZA	Id: 182. számú előírás	Id: 182. számú előírás	Id: 182. számú előírás	9
205.	Belvíz időszakos vízállás levezetése tilos, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlálható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	
206.	Akkreditált laboratóriumban börtön talajvizsgálat elvégzése talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	
207.	Az alintézkedésbe vont teljes területen - az évelő szennőföldi kultúrák és vetett őrlemény kivételével - a talaj maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33

208.	Pillangós szűles takarmánynövények, azok fűves keveréke (híve szódugor vagy méhlegelő betakarítása/szárítása során kaszálás területet kell hagyni 5-10% területében, táblánként, kaszálásonként változó helyen, a tábla szélével érintkezően legalább 6 méter szélességben).	V	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás	15
209.	Pillangós szűles takarmánynövények, azok fűves keveréke, híve szódugor vagy méhlegelő kaszálása, szűsása és szárítása során módszerrel kaszálás (kiszorító kaszálás alkalmazása, vadriasztó lénc és eszközök alkalmazása, max. 8 km/h sebesség).	V	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás	6
210.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
211.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szódugor/méhlegelő szegély fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
212.	Kötelezettségvállalási időszak alatt növényvédőszer mentes tartós szódugor/méhlegelő szegély fenntartása a bevitel terület körületeinek legalább 25 %-án, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
213.	A vetészerkezeten legalább 15% szűles pillangós takarmánynövény, valamint legalább 5% szódugor tartása.	V	Id: 16. számú előírás	Id: 16. számú előírás	Id: 16. számú előírás	87
214.	A vetészerkezeten legalább 20% szűles pillangós takarmánynövény, valamint legalább 20% szódugor tartása.	V	Id: 193. számú előírás	Id: 193. számú előírás	Id: 193. számú előírás	131
215.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen keletkező melléktermékek (különböző szalma- és szármaradványok) visszaforgatása a talajba	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Szántó földhasználati kategória aszály érzékeny területi lehatárolással (zonális)						
Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referenciaszint jogszabályi tartalma	Szakértői gazdálkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
216.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapcsomag előírásaira: 95
217.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komponens felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
218.	Az erózióérzékeny területeken dohány, cukorrépa, takarmányvető, burgonya, csicsóka termesztése tilos.	A	Id: 3. számú előírás	Id: 3. számú előírás	Id: 3. számú előírás	
219.	Talajvizsgálaton alapuló tápanyag-gazdálkodási terv készítése talajtani szakértő bevonásával.	A	Id: 4. számú előírás	Id: 4. számú előírás	Id: 4. számú előírás	
220.	Kötelezettségvállalási időszak alatt legalább egy alkalommal zöldséggyenövény termesztése, vagy izzótrágya, kijuttatása.	A	Id: 5. számú előírás	Id: 5. számú előírás	Id: 5. számú előírás	
221.	A talaj forgatása – beleértve a szervesanyag bedolgoztatását is – csak a lejó irányával merőlegesen történhet.	A	Id: 6. számú előírás	Id: 6. számú előírás	Id: 6. számú előírás	
222.	Székénnyel növényvédőszer hatóanyag alkalmazása.	A	Id: 7. számú előírás	Id: 7. számú előírás	Id: 7. számú előírás	
223.	Tarlóhasználat során a talajfelszín azonnali lezárása.	ZA	2007. évi CXIX. Törvény 39. § (1) d) (NUSZ)	A földhasználatnak a terület-tervezési hasznosításával gondoskodnia kell a talaj szervesanyag tartalmának megőrzéséről.	A talajfelszín azonnali lezárása nem jogszabályi követelmény, ezért gyakran elmarad.	
224.	Tilos az öntözés.	ZA	Id: 61. számú előírás	Id: 61. számú előírás	Id: 61. számú előírás	
225.	Partvonalal körbevért területen a partvonalal érintkezési ponton legalább 12 méter szélességű füves mezsgye fenntartása.	ZA	Id: 182. számú előírás	Id: 182. számú előírás	Id: 182. számú előírás	
226.	Közelempály használatát elvégezése a kötelezettségvállalási időszak alatt legalább egy alkalommal.	ZA	Id: 9. számú előírás	Id: 9. számú előírás	Id: 9. számú előírás	
227.	Beültetési időszakos vizális levezetése tilos, melynek területe - a vonatkozó kezelési szabályok betartása mellett - az adott kultúra kiterjedésébe beleszámlálható.	ZA	Id: 75. számú előírás	Id: 75. számú előírás	Id: 75. számú előírás	
228.	Akkreditált laboratóriumban bővíteni talajvizsgálat elvégzése talajtani szakértő bevonásával.	V	Id: 8. számú előírás	Id: 8. számú előírás	Id: 8. számú előírás	9
229.	Az alintézkedésbe vont teljes területen - az évelő szarvasföldi kultúrák és vetett őszi kávételeivel - a talaj maximális mérete 5 ha.	V	Id: 10. számú előírás	Id: 10. számú előírás	Id: 10. számú előírás	33

230.	Pillangós szűles takarmánynövények, azok fűves keveréke illetve zöldugor vagy méhlegelő betakarítása szarmazása során kaszálásán területet kell hagyni 5-10% termékekben, tabláknak, kaszálásokként változó helyen, a tabla szélességének megfelelően legalább 6 méter szélességben.	V	Id: 11. számú előírás	Id: 11. számú előírás	Id: 11. számú előírás	15
231.	Pillangós szűles takarmánynövények, azok fűves keveréke, illetve zöldugor vagy méhlegelő kaszálása, szőlő és szarmazása során madárbarát kaszálás (kiszorító kaszálás alkalmazása, vadriasztó lánc és eszközök alkalmazása, max. 8 km/h sebesség).	V	Id: 12. számú előírás	Id: 12. számú előírás	Id: 12. számú előírás	6
232.	Növényvédelmi előrejelzés alkalmazása.	V	Id: 13. számú előírás	Id: 13. számú előírás	Id: 13. számú előírás	1
233.	Kötelezettségvállalási időszak alatt növényvédelemmentes tartós zöldugor/méhlegelő szegély fenntartása a beépített terület körületeinek legalább 25 %-ig, legalább 3 m szélességben.	V	Id: 14. számú előírás	Id: 14. számú előírás	Id: 14. számú előírás	16
234.	Kötelezettségvállalási időszak alatt növényvédelemmentes tartós zöldugor/méhlegelő szegély fenntartása a beépített terület körületeinek legalább 25 %-ig, legalább 6 m szélességben.	V	Id: 15. számú előírás	Id: 15. számú előírás	Id: 15. számú előírás	33
235.	A vetészerkezetben legalább 15% szűles pillangós takarmánynövény, valamint legalább 5% zöldugor tartása.	V	Id: 16. számú előírás	Id: 16. számú előírás	Id: 16. számú előírás	87
236.	A vetészerkezetben legalább 20% szűles pillangós takarmánynövény, valamint legalább 20% zöldugor tartása.	V	Id: 193. számú előírás	Id: 193. számú előírás	Id: 193. számú előírás	131
237.	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen képződő melléktermékek (különböző szalma- és szarmaradványok) visszaforgatása a talajba.	V	Id: 20. számú előírás	Id: 20. számú előírás	Id: 20. számú előírás	19

Magas Természeti Értékű területi lehatárolás, gyep földhasználati kategória, tűzokvédelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
238.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapsommag előírás-száma: 294
239.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
240.	Tápanyag-utánpótlás csak a legelő állatok által elfogyasztott területből származhat, trágya kiszórása tilos.	A	Id: 23. számú előírás	Id: 23. számú előírás	Id: 23. számú előírás	
241.	A gyepterületeket legeltetéssel, illetve kaszálással kell hasznosítani.	A	Id: 24. számú előírás	Id: 24. számú előírás	Id: 24. számú előírás	
242.	A gyepterület öntözése tilos.	A	Id: 25. számú előírás	Id: 25. számú előírás	Id: 25. számú előírás	
243.	Behatárolásukon vízlevezetése tilos.	A	Id: 26. számú előírás	Id: 26. számú előírás	Id: 26. számú előírás	
244.	Napoyugától napkelteig a gépi munkavégzés tilos.	A	Id: 27. számú előírás	Id: 27. számú előírás	Id: 27. számú előírás	
245.	Gyepterületen csak szarvasmarha, juh, kecske, szamár, lo, bivaly és bivaly legelhető.	A	Id: 28. számú előírás	Id: 28. számú előírás	Id: 28. számú előírás	
246.	Állategység (legelhető) megjelölés: min. 0,2 AE/ha.	A	Id: 29. számú előírás	Id: 29. számú előírás	Id: 29. számú előírás	
247.	A terület legalább 10, legfeljebb 15%-át kaszálásonként változó helyen kaszálással kell hagyni.	ZA	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	
248.	Táblánként minimálisan 6 méter szélességű kaszálatlan területet kell kialakítani.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előbelyük védelmével együtt kell biztosítani. A vadon élő szervezetek előbelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletesen kell végezni.	Jellemző gyakorlat a takarmány egy menetben történő teljes betakarítása, kaszálatlan területek meghagyása nélkül.	

249.	A teljes gyepterület legfeljebb 50%-án az illetékes állami természetvédelmi szerv írásos véleménye alapján kíméleti területet kell kijelölni, ahol csak július 1. után folytatható legeltetés illetve kaszálás.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előhelyük védelmével együtt kell biztosítani. A vadon élő szervezetek előhelyeinek, azok biológiai sokféleségének megóvása érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	A takarmány értékei fokozottan meg kellő betápláltság jellemző, hatósági kontroll nélkül.
250.	Madarbarat kaszálás (köznyom kaszálás alkalmazása, vadriasztó lánc és esakörök alkalmazása, max. 8 km/h sebesség).	ZA	Id: 32. számú előírás	Id: 32. számú előírás	Id: 32. számú előírás
251.	A kaszálás megkezdése előtt legalább 5 munkanappal írásban elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervben kezdési időpontját.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ), 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGK2, JFGK 3)	Gyepgazdálkodás elõsorban a gyepgushoz igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérésével, természetközeli használatával történhet. Natura 2000 gyepterületeken a kaszálás tervben időpontját a tevékenység megkezdése előtt a földhatalnoknak legalább öt munkanappal írásban be kell jelentenie a működési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepterületen kívül nincs kaszálásra vonatkozó bejelentési kötelezettség a védett madarak és fajokkal gyakran sérülnek.
252.	Gyepterületen a szalmas takarmány tarolása a kaszálást követő 30 napon túl tilos.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ), 269/2007. (X. 18.) Korm. Rendelet 5. § (4) (JFGK2, JFGK 3)	Gyepgazdálkodás elõsorban a gyepgushoz igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérésével, természetközeli használatával történhet. Natura 2000 gyepterületeken a szalmas takarmány tarolása a kaszálást követő 30 napon túl tilos.	Natura 2000 gyepterületen kívül a balék a tél folyamán a kaszalt területen maradhatnak, a gyepfelzárás gyakran sérül.
253.	Invasziós és természetközeli növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.	ZA	269/2007. (X. 18.) Korm. rendelet 5. § (2) (JFGK2, JFGK 3) 10/2015. (III. 13.) FM rendelet 2. § a), b), c) (NJSZ)	Az invazív és természetközeli növényfajok megtelepedését és terjedését meg kell akadályozni, állományuk visszaszorításáról gondoskodni kell mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással, ezen a technológián túl egyéb vegyszerhasználat tilos. A gyepterületen, a különböző kémiai, fizikai, biológiai – gyomszabályozási módszerek alkalmazásával meg kell akadályozni a gyomnövények, beleértve a veszélyes gyomnövények keletését, a szaporító képletek kialakítását. A gyepterület, a hasznosítás szempontjából nemkívánatos fás szárú növényektől mentes kell legyen, rendszeres legeltetés hiányában tárgyév augusztus 31-éig legalább egyszer tisztázni kaszálást kell végezni.	A gyakorlatban sokszor elhanyagolják az idegenhonos növények elterjedésének megakadályozását.
254.	Fogasolás/gyepszellőztetés csak az illetékes állami természetvédelmi szerv írásos engedélye alapján lehetséges.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ)	Gyepgazdálkodás elõsorban a gyepgushoz igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérésével, természetközeli használatával történhet.	A hozam növelése érdekében fogasolást alkalmaznak, ami által a gyep felzárás sérül.

255.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megújítása, esetén azt haladéktalanul jelenteni kell az illetékes állami természetvédelmi szervnek. A megújítást fészkek körül min. 1 ha védőzóna kialakítása.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGK2, JFGK 3)	Gyeggyandózkodás előfordulás a gyepfűszőrtől igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérgezők, természetvédelmi használatával történhet. Natura 2000 gyepfűszőrtől a kaszálás tervezett időpontját a tevékenység megkezdése előtt a földhasználónak legalább öt munkanappal írásban be kell jelentenie a működési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepfűszőrtől kívül nincs kaszálásra vonatkozó bejelentési kötelezettség a védett madarak és fészkek gyakran sérülnek.	
256.	Kaszálás legkorábbi időpontja július 1	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGK2, JFGK 3)	Gyeggyandózkodás előfordulás a gyepfűszőrtől igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérgezők, természetvédelmi használatával történhet. Natura 2000 gyepfűszőrtől a kaszálás tervezett időpontját a tevékenység megkezdése előtt a földhasználónak legalább öt munkanappal írásban be kell jelentenie a működési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepfűszőrtől kívül az első kaszálás általában május elején kerül sor.	
257.	Villanypásztor, kerti, karsm csak az illetékes állami természetvédelmi szerv előzetes írásos nyilatkozata alapján létesíthető, illetve alkalmazható.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ)	Gyeggyandózkodás előfordulás a gyepfűszőrtől igazodó legeltetéssel, kaszálással, valamint a vegyi anyagok mérgezők, természetvédelmi használatával történhet.	Villanypásztor, kerti, karsm létesítéséhez nincs szükség engedélyre, ezért alkalmazása gyakori, az állatok természetes élőhelyét zavarja.	
258.	Kaszálás legkorábbi időpontja július 15	V	Id: 256. számú előírás	Id: 256. számú előírás	Id: 256. számú előírás	103
259.	Legeltetési sűrűség min. 0,2 AE/ha, max. 1,5 AE/ha a gyepnek túlegeltetési állapotának figyelembe vételével.	V	Id: 34. számú előírás	Id: 34. számú előírás	Id: 34. számú előírás	78

Magas Természeti Értékű területi lehatárolás, gyepterületi lehatalás, gyepterületi lehatalás, alföldi madárvédelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
260.	Vízrel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapcsomag előírásaira: 232
261.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítási tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
262.	Tápanyag-utánpótlás csak a legelő állatok által elfogyasztott trágyából származhat, trágya kihasználása tilos.	A	Id: 23. számú előírás	Id: 23. számú előírás	Id: 23. számú előírás	
263.	A gyepterületet lehetetlenné, illetve károsítással kell hasznosítani.	A	Id: 24. számú előírás	Id: 24. számú előírás	Id: 24. számú előírás	
264.	A gyepterület öntözése tilos.	A	Id: 25. számú előírás	Id: 25. számú előírás	Id: 25. számú előírás	
265.	Béltárolásos vizális levezetése tilos.	A	Id: 26. számú előírás	Id: 26. számú előírás	Id: 26. számú előírás	
266.	Napnyugtató napkollektor a gépi munkavégzés tilos.	A	Id: 27. számú előírás	Id: 27. számú előírás	Id: 27. számú előírás	
267.	Gyepterületen csak szarvasmarha, juh, kecske, szarvas, lo, őszvér és bivaly legeltethető.	A	Id: 28. számú előírás	Id: 28. számú előírás	Id: 28. számú előírás	
268.	Állategység (legeltetés) meglete: min. 0,2 AE/ha.	A	Id: 29. számú előírás	Id: 29. számú előírás	Id: 29. számú előírás	
269.	A terület legalább 10, legfeljebb 15%-át kaszálásokkal valóban helyen kaszálásnak kell hagyni.	ZA	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	
270.	Tablaként minimálisan 6 méter szélességű kaszálási területet kell kialakítani.	ZA	Id: 248. számú előírás	Id: 248. számú előírás	Id: 248. számú előírás	
271.	A teljes gyepterület legfeljebb 50%-án az illetékes állami természetvédelmi szervezettel való együttműködés alapján kíméleti területet kell kijelölni, ahol csak június 1. után folytatható legeltetés illetve kaszálás.	ZA	Id: 249. számú előírás	Id: 249. számú előírás	Id: 249. számú előírás	
272.	Madárbarát kaszálás (kiszorító kaszálás alkalmazása, vadriasztó léc és eszközök alkalmazása, max. 5 km/h sebességgel).	ZA	Id: 32. számú előírás	Id: 32. számú előírás	Id: 32. számú előírás	

273.	A kaszálás megkezdése előtt legalább 5 munkanappal írásban elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 251. számú előírás	Id: 251. számú előírás	Id: 251. számú előírás	
274.	Gyepterületen a szarvas takarmány tarolása a kaszálást követő 30 napon túl tilos.	ZA	Id: 252. számú előírás	Id: 252. számú előírás	Id: 252. számú előírás	
275.	Invasziós és természetföldrajzi növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.	ZA	Id: 253. számú előírás	Id: 253. számú előírás	Id: 253. számú előírás	
276.	Fogasolás gyepszellőztetés csak az illetékes állami természetvédelmi szerv írásos engedélye alapján lehetséges.	ZA	Id: 254. számú előírás	Id: 254. számú előírás	Id: 254. számú előírás	
277.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megjelölése, esetén azt haladéktalanul jelenteni kell az illetékes állami természetvédelmi szervnek. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.	ZA	Id: 255. számú előírás	Id: 255. számú előírás	Id: 255. számú előírás	
278.	Villanyáramlás, kármér, kártevő csak az illetékes állami természetvédelmi szerv előzetes írásos nyilatkozata alapján létesíthető, illetve alkalmazható.	ZA	Id: 257. számú előírás	Id: 257. számú előírás	Id: 257. számú előírás	78
279.	Leghelvisei sürtősség min. 0.2 AE/ha, max. 1.5 AE/ha a gyepék túlléghelvisei tilalmának figyelembe vételével.	V	Id: 34. számú előírás	Id: 34. számú előírás	Id: 34. számú előírás	

Magas Természeti Értékű területi lehatárolás, gyepterületi földhasználati kategória, hegy- és dombvidéki madárvédelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referenciaszint jogszabályi tartalma	Szokásos gazdálkodási gyakorlat meghatározása	A támogatás mértéke euró/ha
280.	Vízrel telten talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapos-mag előírásaira: 274
281.	Tilos hígtrágya, szennyvíz, szennyvíztisztító tartalmú komposzt felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
282.	Tápanyag-utánpótlás csak a legelő állatok által elfogyasztott területből származhat, trágya kiszórása tilos.	A	Id: 23. számú előírás	Id: 23. számú előírás	Id: 23. számú előírás	
283.	A gyepterületeket lehetőségével, illetve kaszálással kell hasznosítani.	A	Id: 24. számú előírás	Id: 24. számú előírás	Id: 24. számú előírás	
284.	A gyepterület öntözése tilos.	A	Id: 25. számú előírás	Id: 25. számú előírás	Id: 25. számú előírás	
285.	Beküldésidőszakos vizuális levezetése tilos.	A	Id: 26. számú előírás	Id: 26. számú előírás	Id: 26. számú előírás	
286.	Napnyugtától napkelteig a gépi munkavégzés tilos.	A	Id: 27. számú előírás	Id: 27. számú előírás	Id: 27. számú előírás	
287.	Gyepterületek csak szarvasmarha, juh, kecske, szamár, lo, őszvér és bivaly legeltethető.	A	Id: 28. számú előírás	Id: 28. számú előírás	Id: 28. számú előírás	
288.	Állategység (leghetőség) megléte: min. 0,2 AE/ha.	A	Id: 29. számú előírás	Id: 29. számú előírás	Id: 29. számú előírás	
289.	A terület legalább 10, legfeljebb 15%-át kaszálásosként valózó helyen kaszálással kell hagyni.	ZA	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	
290.	Tablaként minimalisan 6 méter szélességű kaszálási területet kell kialakítani.	ZA	Id: 248. számú előírás	Id: 248. számú előírás	Id: 248. számú előírás	az alapos-mag előírásaira: 274
291.	Madarbarat kaszálás (kiszorító kaszálás alkalmazása, vadgazsajó lenc és esztrókák alkalmazása, max. 8 km/h sebesség).	ZA	Id: 32. számú előírás	Id: 32. számú előírás	Id: 32. számú előírás	
292.	A kaszálás megkezdése előtt legalább 5 munkanappal írásban elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 251. számú előírás	Id: 251. számú előírás	Id: 251. számú előírás	

293.	Gyepterületen a szilvas takarmány tárolása a kaszálást követő 30 napon tilos.	ZA	Id: 252. számú előírás	Id: 252. számú előírás	Id: 252. számú előírás	
294.	Invasziós és termőhely-idegen növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.	ZA	Id: 253. számú előírás	Id: 253. számú előírás	Id: 253. számú előírás	
295.	Fogazolás-gyepszellőtetés csak az illetékes állami természetvédelmi szerv írásos engedélye alapján lehetséges.	ZA	Id: 254. számú előírás	Id: 254. számú előírás	Id: 254. számú előírás	
296.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megajálása, esetén azt haladéktalanul jelezni kell az illetékes állami természetvédelmi szervnek. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.	ZA	Id: 255. számú előírás	Id: 255. számú előírás	Id: 255. számú előírás	
297.	Az első kaszálás a teljes terület legfeljebb 50%-án július 31. után kezdhető el az illetékes állami természetvédelmi szerv írásos véleménye alapján.	ZA	1996. évi LIII. törvény 16. § (4) (NUSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGKL, JFGK 3)	Gyepgondalkodás először a gyepgömböz igazodó lehetőséggel, kaszálással, valamint a vegyi anyagok mértékelt, természetkímélő használatával történhet. Natura 2000 gyepterületeken a kaszálás tervezett időpontját a tevékenység megkezdése előtt a földhasználónak legalább öt munkanappal írásban be kell jelentenie a működési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepterületeken kívül az első kaszálást általában május elején kell sor.	
298.	Villanypásztor, kertenész, karam csak az illetékes állami természetvédelmi szerv előzetes írásos engedélyje alapján létesíthető, illetve alkalmazható.	ZA	Id: 257. számú előírás	Id: 257. számú előírás	Id: 257. számú előírás	
299.	Legeltetési sűrűség min. 0,2 AE/ha, max. 1,5 AE/ha a gyepköltségvetési táblának figyelembe vételével.	V	Id: 34. számú előírás	Id: 34. számú előírás	Id: 34. számú előírás	78

Magas Természeti Értékű területi lehatárolás, gyep földhasználati kategória, nappali lepke védelmi előírásokkal (Zonális)

Sorszám	Az alintézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referencia szint jogszabályi tartalma	Szokásos gazdálkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
300.	Vízrel telített talajon mindenféle gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapsomag előírásaira: 232
301.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítógépek tartalmú komponensek felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
302.	Tapanyag-utóporlás csak a legelő állatok által elfogyasztott trágyából származhat, trágya kiszórása tilos.	A	Id: 23. számú előírás	Id: 23. számú előírás	Id: 23. számú előírás	
303.	A gyepterületeket legelhetővé, illetve kaszálással kell hasznosítani.	A	Id: 24. számú előírás	Id: 24. számú előírás	Id: 24. számú előírás	
304.	A gyepterület öntözése tilos.	A	Id: 25. számú előírás	Id: 25. számú előírás	Id: 25. számú előírás	
305.	Beltérvidékes vízellátás levezetése tilos.	A	Id: 26. számú előírás	Id: 26. számú előírás	Id: 26. számú előírás	
306.	Napnyugtató napkelteig a gépi munkavégzés tilos.	A	Id: 27. számú előírás	Id: 27. számú előírás	Id: 27. számú előírás	
307.	Gyepterületen csak szarvasmarha, juh, kecske, szarvas, lo, őz és bivaly legelhető.	A	Id: 28. számú előírás	Id: 28. számú előírás	Id: 28. számú előírás	
308.	Állategység (legelő) megléte: min. 0,2 AE/ha.	A	Id: 29. számú előírás	Id: 29. számú előírás	Id: 29. számú előírás	
309.	A terület legalább 10, legfeljebb 15%-át kaszálásonként változó helyen kaszálással kell hagyni.	ZA	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	
310.	Tablanként legalább 6 méter szélességű kaszálási területet kell kialakítani.	ZA	Id: 248. számú előírás	Id: 248. számú előírás	Id: 248. számú előírás	
311.	Madarbarat kaszálás (köznyitott kaszálás alkalmazása, vadriasztó lenc és eszközök alkalmazása, max. 8 km/h sebesség).	ZA	Id: 32. számú előírás	Id: 32. számú előírás	Id: 32. számú előírás	
312.	A kaszálás megkezdése előtt legalább 5 munkanappal írásban elektronikus úton, illetve e-mail címen be kell jelenteni az illetékes állami természetvédelmi szervnek a kaszálás pontos helyét és tervezett kezdési időpontját.	ZA	Id: 251. számú előírás	Id: 251. számú előírás	Id: 251. számú előírás	
313.	Gyepterületen a szarvas kaszálást követő 30 napon túl tilos.	ZA	Id: 252. számú előírás	Id: 252. számú előírás	Id: 252. számú előírás	

314.	Invasziós és termőhely-idegen növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.	ZA	Id: 253. számú előírás	Id: 253. számú előírás	Id: 253. számú előírás	
315.	Fogasolás/gyepesellőntetés csak az illetékes nemzeti park igazgatóság írásos engedélye alapján lehetséges.	ZA	Id: 254. számú előírás	Id: 254. számú előírás	Id: 254. számú előírás	
316.	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megjelölése, esetén azt haladéktalanul jelezni kell az illetékes nemzeti park igazgatóságnak. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.	ZA	Id: 255. számú előírás	Id: 255. számú előírás	Id: 255. számú előírás	
317.	A támogatásba vont teljes területen június 15-e és augusztus 15-e között tilos a kaszálás. Emellett kizárólag az illetékes nemzeti park igazgatóság előzetes írásbeli nyilatkozata alapján lehetséges.	ZA	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (3) (JFGK2, JFGK 3)	Gyepgazdálkodás elso sorban a gyepgushos igazodo lehetoseggel, kaszallással, valamint a vegyi anyagok mertekekt, természetvédelmi használatával történhet. Natura 2000 gyepterületeken a kaszálás tervezett időpontját a tevékenység megkezdése előtt a földhasználónak legalább öt munkanappal írásban be kell jelentenie a működési terület szerinti illetékes állami természetvédelmi szervnek.	Natura 2000 gyepterületeken kívül az első kaszálási alkalom május elején kerül sor.	
318.	A támogatásba vont teljes terület legfeljebb 50%-án az illetékes nemzeti park igazgatóság írásos nyilatkozata alapján kíméleti területet lehet kijelölni, ahol június 15-e és augusztus 15-e között a legeltetés nem megengedett.	ZA	1996. évi LIII. törvény 8. § (1), 17. § (1) (NJSZ)	A vadon élő szervezetek, továbbá ezek állományai, életközösségei megőrzését előtérbe véve a természetvédelmi törvényvel együtt kell biztosítani. A vadon élő szervezetek élőhelyeinek, azok biológiai sokféleségének megőrzése érdekében minden tevékenységet a természeti értékek és területek kíméletével kell végezni.	A gyepterület teljes hasznosítható része lehetőséggel és/vagy kaszálással hasznosításra kerül	
319.	Villanyáramlás, kerti, kerti csak az illetékes nemzeti park igazgatóság előzetes írásos nyilatkozata alapján létesíthető, illetve állagmunkák.	ZA	Id: 257. számú előírás	Id: 257. számú előírás	Id: 257. számú előírás	
320.	Legeltetési erősség min. 0,2 AE/ha, max. 1,5 AE/ha a gyepnek megfelelő tilalomnak figyelembe vételével.	V	Id: 34. számú előírás	Id: 34. számú előírás	Id: 34. számú előírás	78
321.	A teljes gyepterület 30 %-án legeltetésről elvárt terület kialakítása a nemzeti park igazgatóság írásos nyilatkozata alapján, melybe a kaszálási terület beemlíthető.	V	Id: 318. számú előírás	Id: 318. számú előírás	Id: 318. számú előírás	41

Gyep földhasználati kategória belvíz érzékeny területi lehatárolással (zonális)						
Sorszám	Az intézkedés előírásai	Előírás típusa	A referencia szint jogszabályi azonosítása	A referenciaszint jogszabályi tartalma	Szakértői gondolkodói gyakorlat meghatározása	A támogatás mértéke euró/ha
322.	Vízzel telített talajon mindennemű gépi munkavégzés tilos.	A	Id: 1. számú előírás	Id: 1. számú előírás	Id: 1. számú előírás	az alapössomag előírásaira: 171
323.	Tilos hígtrágya, szennyvíz, szennyvíztisztítási, szennyvíztisztítást tartalmazó komposzt és műtrágya felhasználása.	A	Id: 2. számú előírás	Id: 2. számú előírás	Id: 2. számú előírás	
324.	Tápanyag-utánpótlás csak a legelő állatok által elfogyasztott területből származhat, trágya kiürítése tilos.	A	Id: 23. számú előírás	Id: 23. számú előírás	Id: 23. számú előírás	
325.	A gyepterületeket legelvéssel, illetve kaszálással kell hasznosítani.	A	Id: 24. számú előírás	Id: 24. számú előírás	Id: 24. számú előírás	
326.	A beutaztatott szénas lebordítást legkésőbb adom év október 31-ig el kell végezni.	A	1996. évi LIII. törvény 16. § (4) (NJSZ); 269/2007. (X. 18.) Korm. Rendelet 5. § (4) (JFGK2, JFGK 3)	Gyepgazdálkodás előírásában a gyepműveléshez igazodó legelvéssel, kaszálással, valamint a vegyi anyagok mérgező, természetvédelmi károsító hatásaival történő Natura 2000 gyepterületeken a szénas takarmány tárolása a kaszálást követő 30 napon túl tilos.	Natura 2000 gyepterületen kívül a belső a fel folyamatosan a kaszalt területen maradt halmazok, a gyepfelújítás gyakran sérül.	
327.	Állategység (legelőterület) megtele: min. 0,2 AE/ha.	A	Id: 29. számú előírás	Id: 29. számú előírás	Id: 29. számú előírás	
328.	A gyepterület öntözése tilos.	A	Id: 25. számú előírás	Id: 25. számú előírás	Id: 25. számú előírás	
329.	Belvíz időszaki vizális levezetése tilos.	A	Id: 26. számú előírás	Id: 26. számú előírás	Id: 26. számú előírás	
330.	Napnyugtató napközéig gépi munkavégzés tilos.	A	Id: 27. számú előírás	Id: 27. számú előírás	Id: 27. számú előírás	
331.	Gyepterületen csak szarvasmarha, juh, kecske, szarvas, lo, őszvér és bivaly legelhető.	A	Id: 28. számú előírás	Id: 28. számú előírás	Id: 28. számú előírás	
332.	Invaszív és termőhely-idegen növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.	ZA	Id: 253. számú előírás	Id: 253. számú előírás	Id: 253. számú előírás	
333.	Gyepterületen a szénas takarmány tárolása a kaszálást követő 30 napon túl tilos.	ZA	Id: 252. számú előírás	Id: 252. számú előírás	Id: 252. számú előírás	
334.	A terület legalább 10, legfeljebb 15%-át kaszálás nélkül változó helyen kaszálással kell hagyni.	ZA	Id: 30. számú előírás	Id: 30. számú előírás	Id: 30. számú előírás	
335.	Tablóként minimálisan 6 méter szélességű kaszálási területet kell kialakítani.	ZA	Id: 248. számú előírás	Id: 248. számú előírás	Id: 248. számú előírás	
336.	Kaszálás legkorábbi időpontja július 1.	V	Id: 256. számú előírás	Id: 256. számú előírás	Id: 256. számú előírás	62
337.	Madarbarat kaszálás (közösztől kaszálás alkalmazása, védőszózat lenc és csúszók alkalmazása, max. 8 km/h sebesség).	V	Id: 32. számú előírás	Id: 32. számú előírás	Id: 32. számú előírás	12
338.	Kaszálás legkorábbi időpontja június 15.	V	Id: 256. számú előírás	Id: 256. számú előírás	Id: 256. számú előírás	21
339.	Legelvési sűrűség min. 0,2 AE/ha, max. 1,5 AE/ha a gyepék túlegelvési tilalmának figyelembe vételével.	V	Id: 34. számú előírás	Id: 34. számú előírás	Id: 34. számú előírás	78

O14 What area is eligible?

- ☒ Agricultural area defined for the CAP plan
☐ Agricultural land including and beyond agricultural area
☐ Non-agricultural land

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC02	Protection of wetland and peatland
GAEC03	Ban on burning arable stubble, except for plant health reasons
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC07	Crop rotation in arable land, except for crops growing under water
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites
SMR01	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)
SMR06	Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and beta-agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC: Article 3, points (a), (b), (d) and (e), and Articles 4, 5 and 7
SMR07	Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC: Article 55, first and second sentence
SMR08	Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants

List of relevant mandatory national standards

In accordance with Article 70(3) of Regulation (EU) 2021/2115, all standards shall comply with relevant Community or national requirements.

The Good Agricultural and Environmental Conditions (GAEC) established on the basis of Chapter I of Title VI of Regulation (EU) No 1306/2013 (4) have been transposed into national legislation on the basis of the correspondence shown in the table below.

Main topic	Requirements and standards		National legislation
Water	SMR 1	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1)	59/2008. (IV. Decree No 29) of the Minister for Agriculture and Rural Development laying down detailed rules for the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources, and on the procedures for reporting and recording data, Sections 3,5(1), 6(2), 6, 7, 9, 8 (1-11-11, 9), 10 (1), (2), (6).
	GAEC 1	Establishment of buffer strips along water courses	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
	GAEC 2	Where the use of water for irrigation is permitted, compliance with the relevant authorisation procedures	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
	GAEC 3	Protection of ground water against pollution: prohibition of direct discharge into groundwater and measures to prevent indirect pollution of groundwater through discharge on the ground and percolation through the soil of dangerous substances, as listed in the Annex to Directive 80/68/EEC in its version in force on the last day of its validity, as far as it relates to agricultural activity	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
Soil and carbon stock	GAEC 4	Minimum soil cover	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
	GAEC 5	Minimum land management reflecting site specific conditions to limit erosion	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units

	GAEC 6	Maintenance of soil organic matter level through appropriate practices including ban on burning arable stubble, except for plant health reasons	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
Biodiversity	SMR 2	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7)	275/2004. Sections 9(2)(a)(c) and 269/2007 of Government Decree No 269/2007 of 8 October 2007 on nature protection areas of European Community importance Sections 3, 4 and 5 of Government Decree No 17/1999 of 18 October 2011 on land use rules for the maintenance of NATURA 2000 grasslands.
	SMR 3	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna (OJ L 206, 22.7.1992, p. 7)	275/2004. Sections 9(2)(a)(c) and 269/2007 of Government Decree No 269/2007 of 8 October 2007 on nature protection areas of European Community importance Sections 3, 4, 5 and 5 of Government Decree No 45/2011 of 18 October 2011 on the land use rules for the maintenance of NATURA 2000 grasslands.
Landscape, minimum level of maintenance	GAEC 7	Conservation of landscape features, including, where appropriate, hedges, ponds, ditches, trees in line, group of trees, scattered trees, field margins and terraces, and including a ban on cutting hedges and trees during the bird breeding and rearing season and, alternatively, possible measures to prevent the emergence of invasive alien plants	50/2008. (IV. Decree No 24 of the Minister for Agriculture and Rural Development laying down the conditions necessary to maintain a 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units
Food security	SMR 4	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1)	Act XLVI of 2008 on the food chain and its official supervision
	SMR 5	Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and beta-agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC (OJ L 125, 23.5.1996, p. 3)	24/2004. (III. Decree No 2 of the Minister for Agriculture and Rural Development sections 3(a)(b)(c)(e)(f), 4, 5 and 8 of the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and of beta-agonists
Identification and registration	SMR 6	Council Directive 2008/71/EC of 15 July 2008 on identification and registration of pigs (OJ L 213,	116/2003. (XI. Decree No 18 of the Minister for Agriculture and Rural Development sections 3, 7, 8, 9, 17, 21 and 26 on the

on of animals		8.8.2005, p. 31)	marking of pigs and the Unified Registration and Identification System.
			119/2007. Section 10(4) of Decree No 118/2011 of 18 October 2007 of the Minister for Agriculture and Rural Development on the national registration system for enclosures, holdings and certain data relating thereto
	SMR 7	Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97(OJ L 204, 11.8.2000, p. 1)	99/2002. (XI. Sections 3, 7, 8, 19, 23 and 31 of Decree No 5/1999 of the Minister for Agriculture and Rural Development on the marking of cattle species and the Unified Registration and Identification System.
	SMR 8	Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8)	182/2009. (XII. Decree No 30) of the Minister for Agriculture and Rural Development on the Uniform Registration and Identification System for ovine and caprine animals, Sections 3(1), 4, 5, 6, 9(8), 10, 11(1)-(6) and 26(1)
Animal diseases	SMR 9	Regulation (EC) No 999/2001 of the European Parliament and of the Council of 22 May 2001 laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies (OJ L 147, 31.5.2001, p. 1)	179/2009. (XII. Decree No 29) of the Minister for Agriculture and Rural Development on the prevention, control and control of transmissible spongiform encephalopathies, Sections 6, 13, 18 and 19(1)(a)
Pesticides	SMR 10	Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1)	Section 5(6) of Act XLVI of 2008 on the food chain and its official supervision
			43/2010. (IV. Sections 5(2), (4), 6(1), 16, 27, 29, 32-36 of Decree No 23 of the Minister for Agriculture and Rural Development on plant protection activities
			89/2004. Ministry of Agriculture and Rural Development Decree (V.15) on the authorisation of the placing on the market and use of plant protection products and on the packaging, marking, storage and transport of plant protection products, Sections 19-24 and 31
Animal welfare	SMR 11	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves (OJ L 10, 15.1.2009, p. 7)	32/1999. Ministry of Agriculture and Rural Development (III.31.) FVM, on animal protection rules for the keeping of farm animals (in particular Annex 1 thereto)
	SMR 12	Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs (OJ L 47, 18.2.2009, p. 5).	32/1999. Ministry of Agriculture and Rural Development (III.31.) FVM, on animal protection rules for the keeping of farm animals (in particular Annex 2 thereto)
	SMR 13	Council Directive 98/58/EC of 20	32/1999. Ministry of Agriculture and Rural

	July 1998 concerning the protection of animals kept for farming purposes (OJ L 221, 8.8.1998, p. 23)	Development Decree (III.31.) on animal protection rules for the keeping of farm animals

The aid must be complied with throughout the entire commitment period:

(a) the conditions necessary to maintain the 'Good Agricultural and Environmental Condition' to be met in order to claim the single area payment and certain rural development payments and the conversion rate of animals into livestock units. (IV. The provisions on good agricultural and environmental conditions (GAEC) laid down in Decree No 24/1999 of the Minister for Agriculture and Rural Development and the statutory management requirements (SMRs) established on the basis of Annex II of Regulation (EU) No 1306/2013;

Regulation No 10/2015 on the rules for the use of the payment for agricultural practices beneficial for the climate and the environment and the conditions for maintaining arable land, permanent grassland and land under permanent crops in a state suitable for cultivation or grazing (III. Decree No 13/1999 of the Minister for Agriculture (hereinafter: 10/2015. (III. The criteria and minimum activities laid down pursuant to Section 2 of Decree No 13/1999 of the Minister for Agriculture.

(2) During the whole commitment period, the following shall be observed in the whole area covered by the commitment:

(a) Government Decree No 59/2008 laying down detailed rules for the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources and the procedures for reporting and recording data. (IV. Decree No 29/1999 of the Minister for Agriculture and Rural Development (Decree No 29) of the Minister for Agriculture and Rural Development (Decree No 29) of the Minister for Agriculture and Rural Development (GAP);

(b) Government Decree No 43/2010 on plant protection activities (IV. The general principles of integrated pest management set out in Annex VIII to MARD Decree.

Link between GAEC, SMR and national standards with the intervention

The tables in the Commitments chapter include the identification of reference levels per standard beyond which the requirements of the sub-measure go beyond.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

The aid intensity is 100 %.

Title of Thematic Specifications Group		Maximum amount of aid (euro/ha/year)
Territorial category	Land use and specific area category	
Horizontal	Arable land	338
	Turf grass	282
	Plantations	1095
	pome fruits other orchards	950

Zonal		grape	1075
	Cane		105
	Arable land	With the requirements for the protection of the Bustards	557
		Blue blood protection standards	497
		Lowland bird protection requirements	545
		Protection standards for mountains and hills	459
	Arable land for water protection purposes	Erosion-sensitive area delimitation	380
		Inland water sensitive area delimitation	342
		Drought-sensitive area delimitation	342
	MTÉT grassland	With the requirements for the protection of the Bustards	475
		Lowland bird protection requirements	310
		Protection standards for mountains and hills	352
		Day-time butterfly protection requirements	351
	Grassland for water protection purposes	Inland water sensitive area delimitation	323

Ineligible costs for the intervention:

Activities of the Rural Development Programme 2014-2020 covered by the ongoing commitment

Calculation method

Calculation method:

The determination of the aid amounts for each standard was based on an objective source of data. To this end, the aid amounts have been determined on the basis of a combination of data sources:

1. Test Plant System of the Institute of Agricultural Economics:

In the first place, data on the production value and the costs of certain crops at sector level were taken into account in the test plant system. The test plant system collects sectoral data on the most important crops each year for more than 90 % of farmland, which are an important basis for background calculations, both in arable, grass, vegetable and plantation crops. The sector's results may vary due to the weather of the growing season and other economic reasons (e.g. inflation, etc.), but the analysis of the data for the last three years showed a steady increase in both production value and costs, which was why a 10 % correction of the 2019 figures for the years 2022-2025 was justified in the background calculation.

2. Determination of agricultural machinery costs:

Three data sources were used in relation to the cost of agricultural machinery

— Research results of the Institute for Agricultural Training of the National Centre for Agricultural

Research and Innovation for 2020;

— Current market farm labour service fees for 2021;

— expert calculations.

A 15 % correction of the average of the two different sources of data has been used to determine the background database for machine work, which contains the most important machine work operations arising during the grant. For some complex specifications (e.g. the construction of bee pastures, greenugars), a number of operational costs are presented, which have been calculated taking into account a complete technological process and determined with the involvement of experts.

3. Performance of the squeeze area pro rata:

As there are significant differences in revenue and cultivation costs for arable, vegetable and plantation crops at sector level, it is justified to proportional the aggregate figures to the area. In the case of crop area ratios, the average of the national crop structure data for 2017-2019 is the basis for the calculation correction. The crop structure data of the Agricultural Economic Institute were used in the calculation. All agricultural crops sown in Hungary have been included in the sowing area calculation, which together cover 4 300 000 hectares of agricultural land, thus adequately representing the sectoral proportions of current national agriculture. The resulting value has been corrected for the data from the test run system.

4. Determination of agronomic effects:

The agri-environmental management payment is a compensatory payment under EU legislation, so that the additional costs incurred and the amount of aid intended to compensate for the loss of profits were determined individually for each standard with the involvement of an expert. With regard to agronomic aspects, the expected impacts have been determined taking into account the aid calculation experience of previous grant periods.

The calculation shall be based on the determination of the additional costs incurred by the standards and the extent of the loss of income. When calculating the aid amount, the expected income development of compliant farmers is compared with farms where the AEM rules are not applied. This makes it possible to ensure that, in practice, the types of farming that are common are not subsidised, but only the increased standards are the basis for the compensation.

For each standard, income and costs determining income are grouped into 4 categories:

- Expected loss of income
- Expected revenue increase
- Expected additional costs
- Expected cost reduction

Additional explanation

Background calculation of the agri-environmental intervention, which is also detailed in the annexes: The structure of the agri-environmental payment is based on management standards, which makes it possible to determine the level of support on the basis of the measurability, controllability and expected agronomic effects of each of the standards. The standards overlap in the different Thematic Standards Groups (TECS), which has led to the development of a background structure to ensure, on the one hand, that TECS are comparable and, on the other hand, that a standard (within a branch) is indicated with an aid amount. The calculation has been determined separately for each requirement, using available data sources and expert estimates from previous periods. In all cases, it is important that, since the payment is made annually and per hectare, a correction has been applied when determining the level of compensation. In such cases, the costs were determined in equal proportions per year. Analysis of the compensatory amounts: As the agri-environmental management requirements for the next aid period are largely the same as in the previous period, a comparative analysis of the aid rates for the two periods has also been carried out, which is set out in detail in the Annex.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☐ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

An agri-environmental payment is a voluntary payment scheme in which participants in their farming surplus to achieve agri-environmental objectives undertake activities.

The grant shall be subject to compliance by the beneficiary for the entire duration of the commitment, with the activities undertaken among the commitments set out in the Thematic Groups of Specifications.

In each of the thematic sets of specifications, the specifications may fall into the following two categories:

I. Compulsory standards that go beyond the GAEC and SMR minimum requirements:

—These standards and/or combinations of standards must be met by land use category (arable, grassland, plantation, reed) and per area (horizontal (A), zonal (ZA) category).

—The mandatory requirements shall be complied with throughout the entire area of the contiguous area (KET) covered by all commitments supported in the relevant thematic set of specifications.

—The payment amount is not determined by specification, but is calculated as a single sum for all mandatory standards for the relevant set of thematic standards.

II. In addition, the so-called ‘optional requirements’ (V), which go beyond the basic package, address various environmental challenges (crop structure requirements, soil and water protection, biodiversity conservation, etc.) from which applicants are free to choose. The payment amount is set at standard level.

—The establishment of at least one set of standards, up to a maximum of two sets of standards per thematic set of standards for applicants for support, with the exception of arable land, grasses and horizontal reeds, shall be required for all areas.

—for each contiguous area (KET) covered by a set of thematic specifications, one of these two sets of requirements should be selected, no further combinations are possible.

—in so far as the number of optional specifications so permits, the sets of specifications shall contain at least two optional specifications and the sets of specifications shall differ for at least one of the chosen specifications.

—For the thematic groups of GAEC ploughs and grasses, it is possible to choose a standard in addition to the basic package, but it is not mandatory.

—There is no optional requirement for the horizontal reed thematic set, so it is not possible to choose a specification in addition to the basic package.

—The applicant for support shall select a set of specifications for the coherent area (KET) covered by all the commitments of the relevant thematic set of specifications, with the exception of arable land, grasses and horizontal reeds.

Output value of hectares covered by thematic sets of specifications 2021/2115 establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and

(EU) No 1307/2013

Pursuant to paragraph 5 of Article 102 (Planned unit amounts and planned outputs) of Regulation (EU) No 575/2013, annual planned outputs for all unit amounts are aggregated on an annual basis.

What is the duration of contracts?

As of 2023, according to Article 70 of the CAP Strategic Plan Regulation (environmental, climate and other management commitments), the payment will be made where part of the contracts will expire on 31 December 2024 and for the new agri-environment programmes starting from 2025, the support period will run from 1 January 2025 to 31 December 2029.

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD19_O14_U01_HA - Horizontal arable land unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.22; R.23; R.24; R.31; R.34	Yes
RD19_O14_U02_HA - Horizontal grassland unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31	Yes
RD19_O14_U03_HA - Horizontal plantations (pome fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	Yes
RD19_O14_U04_HA - Horizontal plantations (other fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	Yes
RD19_O14_U05_HA - Horizontal plantations (grapes) - unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	Yes
RD19_O14_U06_HA - Horizontal reed - unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.19; R.20; R.21; R.22; R.31	Yes
RD19_O14_U07_HA - Zonal arable land with great bustard - unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	Yes
RD19_O14_U08_HA - Zonal arable land with great bustard protection - unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	Yes
RD19_O14_U09_HA - Zonal cropland with Plainland's birds protection - unit amount under the Agri-environmental and Climate Measure payments (AECM)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	Yes
RD19_O14_U10_HA - Agri-environmental and Climate Measure payments (AECM) - unit amount of zonal cropland with mountain and hill bird protection	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	Yes
RD19_O14_U11_HA - Agri-environmental and climate Measure payments (AECM) unit amount of arable land for zonal water protection — Erosion-sensitive area demarcation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.34	Yes
RD19_O14_U12_HA - Agri-environmental and climate Measure (AECM) payments - unit amount for zonal arable land conservation — inland water sensitive area delimitation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.34	Yes
RD19_O14_U13_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of arable land for zonal water protection — drought sensitive area delimitation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.34	Yes

RD19_O14_U14_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with great bustards protection standards	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33	Yes
RD19_O14_U15_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with Plainland's birds protection standards	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33	Yes
RD19_O14_U16_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with mountain and hilly bird species protection standards	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33	Yes
RD19_O14_U17_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with butterfly protection standards	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33	Yes
RD19_O14_U18_HA - Agri-environmental and Climate measure (AECM) payments - grassland for zonal water protection — inland water sensitive area delimitation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31	Yes

Explanation and justification related to the value of the unit amount

RD19_O14_U01_HA - Horizontal arable land unit amount under the Agri-environmental and Climate Measure payments (AECM)

— Background calculations drawn up by an independent expert body shall confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

The 'horizontal arable land unit amount for agri-environmental management payments (AKG)' is based on the aid amount of the attached document 'RD19_G01_AEC_70 – AKG_background calculation' of the 'Horizontal arable land category'.

RD19_O14_U02_HA - Horizontal grassland unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the

unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) horizontal grassland unit amount’ is based on the aid amount of the attached document ‘RD19_G01_AEC_70 – AKG_background calculation’ of the ‘Horizontal grassland land use category’.

RD19_O14_U03_HA - Horizontal plantations (pome fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

The ‘Agri-Environmental Management Payments (AKG) horizontal unit amount – pome fruits’ is based on the aid amount of the attached document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Horizontal plantation land use category – pome fruits’.

RD19_O14_U04_HA - Horizontal plantations (other fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

The ‘Agri-environmental management payments (AKG) horizontal plantation unit amount – other orchards’ is based on the aid amount of the attached document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Horizontal plantation land use category – OTHER FAFFER’.

RD19_O14_U05_HA - Horizontal plantations (grapes) - unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) horizontal unit amount of vineyards – vines’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Horizontal plantation land use category – ORG’.

RD19_O14_U06_HA - Horizontal reed - unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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‘Horizontal reed unit amount for agri-environmental management payments (AKG)’ is based on the aid amount of the attached document ‘RD19_G01_AEC_70 – AKG_background calculation’ for the ‘Horizontal reed land category’.

RD19_O14_U07_HA - Zonal arable land with great bustard - unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) per unit amount of zonal livestock arable land – with hostage protection standards’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘High natural area demarcation, arable land category, hostage protection standards (Zonal)’.

RD19_O14_U08_HA - Zonal arable land with great bustard protection - unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set

of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

The 'Agri-Environmental Management Payments (AKG) zonal area of arable land – Blue bloom with protection standards' is based on the aid amount of the document 'RD19_G01_AEC_70 – AKG_background calculation', 'High Natural Definition, arable land use category, blue bowl protection standards (Zonal)'.

RD19_O14_U09_HA - Zonal cropland with Plainland's birds protection - unit amount under the Agri-environmental and Climate Measure payments (AECM)

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

The 'Agri-environmental management payments (AKG) zonal livestock arable land area – Land bird protection standards' is based on the aid amount of the document 'RD19_G01_AEC_70 – AKG_background calculation', 'High Natural Lite Area Definition, arable land use category, lowland bird protection standards (Zonal)'.

RD19_O14_U10_HA - Agri-environmental and Climate Measure payments (AECM) - unit amount of zonal cropland with mountain and hill bird protection

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant

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The ‘Agri-Environmental Management Payments (AKG) zonal arable land area – Mountain and hilly bird protection standards’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘High natural area delimitation, arable land category, mountain and hilly bird protection standards (Zonal)’.

RD19_O14_U11_HA - Agri-environmental and climate Measure payments (AECM) unit amount of arable land for zonal water protection — Erosion-sensitive area demarcation

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) per unit amount of zonal cropland for water protection – with a risk-sensitive area delineation’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Category land use category erosion with sensitive area delineation (zonal)’.

RD19_O14_U12_HA - Agri-environmental and climate Measure (AECM) payments - unit amount for zonal arable land conservation — inland water sensitive area delimitation

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-Environmental Management Payments (AKG) per unit amount of zonal arable land for water protection – with inland water sensitive area delimitation’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Category land use category with sensitive inland water delineation (zonal)’.

RD19_O14_U13_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of arable land for zonal water protection — drought sensitive area delimitation

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) per unit amount of zonal cropland for water protection – With a fibre sensitive area delineation’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Integrated land use category with sensitive area delineation (zonal)’.

RD19_O14_U14_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with great bustards protection standards

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those

commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-environmental management payments (AKG) per unit amount of zonal grassland – with hostage protection standards’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘High natural value area delimitation, grassland land use category, hostage protection standards (Zonal)’.

RD19_O14_U15_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with Plainland's birds protection standards

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The ‘Agri-Environmental Management Payments (AKG) zonal grassland unit amount – Land bird protection standards’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘High Natural Lite Area Demarcation, grassland land use category, lowland bird protection standards (Zonal)’.

RD19_O14_U16_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with mountain and hilly bird species protection standards

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount

measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The 'Agri-Environmental Management Payments (AKG) zonal grassland unit amount – Mountain and hilly bird protection standards' is based on the aid amount of the document 'RD19_G01_AEC_70 – AKG_background calculation', 'Magas Natural Literature delimitation, grassland land use category, mountain and hilly bird protection standards (Zonal)'.

RD19_O14_U17_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with butterfly protection standards

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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The 'Agri-Environmental Management Payments (AKG) zonal MTÉT grassland unit amount – Daily Lepidol with protection standards' is based on the aid amount of the document 'RD19_G01_AEC_70 – AKG_background calculation', 'High natural area delimitation, grassland land use category, day butterfly protection standards (Zonal)'.

RD19_O14_U18_HA - Agri-environmental and Climate measure (AECM) payments - grassland for zonal water protection — inland water sensitive area delimitation

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount

category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

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‘Agri-environmental management payments (AKG) zonal grassland for water protection – with inland water sensitive area delimitation’ is based on the aid amount of the document ‘RD19_G01_AEC_70 – AKG_background calculation’, ‘Gyep land use category with sensitive inland water delineation (zonal)’.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD19_O14_U01_HA - Horizontal arable land unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	338.00	338.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U02_HA - Horizontal grassland unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	282.00	282.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U03_HA - Horizontal plantations (pome fruits) unit amount under the Agri-environmental and	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,095.00	1,095.00	0.00	0.00	0.00	0.00	

Climate Measure payments (AECM) (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U04_HA - Horizontal plantations (other fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	950.00	950.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U05_HA - Horizontal plantations (grapes) - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,075.00	1,075.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U06_HA - Horizontal reed - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	105.00	105.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U07_HA - Zonal arable land with great bustard - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	557.00	557.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U08_HA - Zonal arable land with great bustard protection - unit amount under the Agri-	Planned unit amount (Total Public Expenditure in EUR)	0.00	497.00	497.00	0.00	0.00	0.00	0.00	

environmental and Climate Measure payments (AECM) (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U09_HA - Zonal cropland with Plainland's birds protection - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	545.00	545.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U10_HA - Agri-environmental and Climate Measure payments (AECM) - unit amount of zonal cropland with mountain and hill bird protection (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	459.00	459.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U11_HA - Agri-environmental and climate Measure payments (AECM) unit amount of arable land for zonal water protection — Erosion-sensitive area demarcation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	380.00	380.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U12_HA - Agri-environmental and climate Measure (AECM) payments - unit amount for zonal arable land conservation — inland water sensitive area delimitation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	342.00	342.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U13_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of	Planned unit amount (Total Public Expenditure in EUR)	0.00	342.00	342.00	0.00	0.00	0.00	0.00	

arable land for zonal water protection — drought sensitive area delimitation (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U14_HA - Agri- environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with great bustards protection standards (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	475.00	475.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U15_HA - Agri- environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with Plainland's birds protection standards (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	310.00	310.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U16_HA - Agri- environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with mountain and hilly bird species protection standards (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	352.00	352.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U17_HA - Agri- environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with butterfly protection standards (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	351.00	351.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD19_O14_U18_HA - Agri- environmental and Climate measure (AECM) payments - grassland for	Planned unit amount (Total Public Expenditure in EUR)	0.00	323.00	323.00	0.00	0.00	0.00	0.00	

zonal water protection — inland water sensitive area delimitation (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
TOTAL	O.14 (unit: Hectares)	0.00	961,324.00	961,324.00	0.00	0.00	0.00	0.00	Sum: 1,922,648.00 Max: 961,324.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	373,253,569.65	373,253,569.65	0.00	0.00	0.00	0.00	746,507,139.30
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	186,626,784.82	186,626,784.82	0.00	0.00	0.00	0.00	373,253,569.64
	Out of which carry-over (Total public Expenditure in EUR)	0.00	373,253,569.65	373,253,569.65	0.00	0.00	0.00	0.00	746,507,139.30
	Out of which carry-over (Union contribution in EUR)	0.00	186,626,784.82	186,626,784.82	0.00	0.00	0.00	0.00	373,253,569.64
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD19a_G01_AEC_70 - AGRI-environmental management payments (AKG)

Intervention Code (MS)	RD19a_G01_AEC_70
Intervention Name	AGRI-environmental management payments (AKG)
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

On the territory of Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy	
SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency	
SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes	
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
5.1.1	Developing soil and nutrient management at farm level	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.1.2	Maintenance or improvement	1	Yes

	of the natural condition of high nature value sites		
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially
9.2.1	Promote the use of a rational, predictive targeted pesticide	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description	Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.12	Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation
R.14	Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)
R.19	Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)
R.20	Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission
R.21	Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies
R.22	Share of utilised agricultural area (UAA) under supported commitments related to improved nutrient management
R.23	Share of utilised agricultural area (UAA) under supported commitments to improve water balance
R.24	Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage
R.31	Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices
R.33	Share of total Natura 2000 area under supported commitments
R.34	Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

5.1. The objectives of the intervention are:

—encouraging the ***sustainable development of rural areas by supporting agricultural practices based on the environmentally conscious use of natural*** resources and encouraging the use of long-term sustainable farming systems (renewal farming);

— ***preserving and improving the state of the environment*** by supporting the development of cultivation techniques and crop structures that take into account the site characteristics, needs and natural handicaps of the area concerned;

— ***reducing environmental pressures from agriculture***, preventing the use of agricultural inputs (reducing the use of plant protection products and fertilisers) and supporting extensive livestock farming;

— ***preserving and enhancing biodiversity through the*** creation and conservation of habitats and the development of species-rich sowing structures;

—promoting ***quality food production*** by encouraging environmentally sound farming practices;

— ***reducing the negative impacts of climate change*** through a change in production structure and land use adapted to climate change.

5.2. Content and structure of the intervention:

Agri-environmental payments are a voluntary payment scheme in which programme participants undertake to carry out additional farming activities in order to achieve agri-environmental management objectives. The grant is conditional on compliance with the activities undertaken for the duration of the commitment.

The intervention builds on specific, verifiable standards that achieve the objectives set by the intervention through their direct or indirect effect.

In the case of *arable land, grasses, vine and fruit plantations and cane cultivation, which* may be covered by the programme.

In order to ensure that the practices undertaken by the beneficiaries are targeted and reinforce each other's effects, the activities that may be selected under the Programme (hereinafter: commitments) to thematic groups, so- *called Thematic Standards Groups (further: TECS) has* been settled. One TECS is optional for a given area. This ensures the territorial focus of the pledges, which increases the effectiveness and efficiency of the pledges.

TECSs are divided into the following two main groups, depending on the area to be selected.

—*Horizontal*

—*Zonal*

Horizontal TECSs are optional throughout the country.

Zonal TECS manage a natural area (natura 2000) or protect a highly protected species (tuzzes, blue blood chicks, etc.), so that these TECSs can only be selected in the areas concerned. The areas concerned, where the zonal TECS is optional, have been delineated in the Agricultural Parcel Identification System (LPIS).

The zonal TECSs concern the following two delineations:

High Natural Value Areas (SAA)

Natura 2000 sites.

The intervention contains the following 10 TECSs.

	Branch of cultivation	Territorial scope	Delineation	Name of TECS
1.	arable land	horizontal	—	<i>Horizontal arable land</i>
2.	arable land	horizontal	—	<i>Land-renewal farming</i>
3.	arable land	zonal	Natura 2000 arable land	<i>Natura 2000 arable land</i>
4.	arable land	zonal	MTÉT	<i>Greases for the protection of hostages</i>
5.	arable land	zonal	MTÉT	<i>MTÉT Protecting arable land</i>
6.	arable land	zonal	MTÉT	<i>MTÉT Blue blood thick protection arable</i>
7.	turf	horizontal	—	<i>Horizontal grassland</i>
8.	turf	zonal	MTÉT	<i>Habitat grassland</i>
9.	plantation	horizontal	—	<i>Horizontal plantation</i>

10.	reeds	horizontal	—	Horizontal cane

Based on the nature of eligibility, the commitments can be divided into three groups:

- Basic commitments (A)**: the converging commitment in the respective TECS.
- Mandatory commitments (JUs)**: the commitment to be selected close to the relevant TECS.
- Optional pledges (V)** an optional pledge within a given TECS.

In addition to the commitments of the TECS Fund, in the case of TECSs where there is a mandatory commitment, the beneficiary must choose 1 binding undertaking. In addition, beneficiaries must undertake a minimum of 2 optional commitments for TECS where there are at least 2 optional pledges. In addition to the minimum commitment, the beneficiary may choose an optional number of commitments.

The grant for the respective TECS Fund's commitments is fixed as a single amount, whereas each commitment has a separate grant amount in the case of optional commitments;

Based on their involvement with TECS, the **basic commitments (A)** can be subdivided into the following sub-types:

- Horizontal Funding Pledge (HA)**: can be found in all TECSs of the given cultivation line
- Zonal basic pledge (ZA)**: available in all zonal TECS
- Basic commitment (MA)**: all MSY can be found in TECS
- TECS Specific Fund Pledge (TA)**: only the undertaking in the respective TECS

Structure of pledging TECS pledges, number of pledges:

Name of TECS	Horizontal arable land	Land-renewal farming	Natura 2000 arable land	WORK for the protection of hostages	MTÉT for the protection of birds	MTÉT Blue dog protection
Type of undertaking						
IF	10	9	10	10	10	10
ZA			6	6	6	6
TODAY				6	6	6
TA		1	2	4	2	3
KV		2				
V	12	11	12	8	8	6

5.3. Selection criteria

Farmers are selected on the basis of a scoring system, which favours those who make greater environmental commitments to their areas. TECSs, mandatory and optional commitments each have a separate numeric value expressing the environmental added value of the TECS or standard, which differs from one area category to another. Pledges with higher environmental added value are higher, while pledges leading to lower environmental improvements are given a lower score. Environmental added value is a key element in the selection criteria, i.e. farms with a higher environmental impact are prioritised in the allocation of resources.

Territorial focus is an important criterion for selection, so environmentally sensitive areas, such as Natura

2000 sites or nitrate vulnerable zones, are prioritised in the selection.

There are commitments that have a long-term positive impact on the environment, so that priority is given to farmers who have already participated in previous programmes. The evaluation does not exclude new entrants, but only favours those who already have a higher environmental value. The aim of the programme is to promote the highest environmental value possible.

Based on the above, the selection criteria include the following elements:

- environmental added value of commitments;
- environmental sensitivity of affected areas (Natura 2000 areas, nitrate vulnerable zones);
- the total area of the holding;
- the proportion of the area of the holding in a given land use category covered by the aid application;
- existing livestock;
- participation in former AKG grants.

5.4. Relationship with relevant legislation and other interventions

The commitments are designed to go beyond:

- minimum requirements for keeping arable land, permanent grassland and land under permanent crops in a state suitable for cultivation or grazing,
- statutory management requirements (SMR),
- on the standards for good agricultural and environmental condition of land (GAEC), and
- other binding requirements (NJSZ) laid down in national legislation.

Commitments include Natura 2000 grasslands 269/2007. The land-use requirements laid down in Government Decree (X. 18.) (X. 18.). To compensate for these standards, aid may be claimed *for the intervention RD23_G06_NAG_72 – Compensatory payments on Natura 2000 agricultural areas* (hereinafter: Natura 2000 grassland support). In order to avoid double funding, AKG payments in Natura 2000 grassland areas will be reduced by the aid amount set out in the Natura 2000 grassland intervention. Support for Natura arable areas will be integrated into the AKG in the form of a separate TECS. There is no risk of double financing due to the installation.

The technical content of the commitments largely overlaps with the requirements to be complied with in organic farming, *therefore the intervention RD20a_G02_ORT_70 – Support for organic farming* (hereinafter: Eco) is not eligible for AEM support.

Commitments have been drafted which overlap, in whole or in part, *with the intervention DP17_G01_ECOS_16 – Agro-ecological Programme* (hereinafter: AÖP) in some of its practices. If the beneficiary has opted for a commitment that overlaps with an AÖP practice, it cannot choose the relevant AA practice.

RD21_G04_LCI_73 – *Agro-ecological non-productive investments intervention* (hereinafter: NTB Investment Aid) shall not be taken into account when fulfilling the AKG commitment.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

5.5. Beneficiaries (Eligible Beneficiaries)

The beneficiaries of the intervention are farmers

5.6. Eligibility Criteria

Eligibility criteria for aid:

- The area covered by the aid is at least 1 ha for each TECS.

- The minimum size of the plate concerned shall be 0.25 ha.
- In the case of vineyards, the age of the plantation imported for aid may not exceed 26 years in the year in which the application is submitted, except for walnuts, chestnuts and vines.
- In the case of vineyards, a minimum number of vines is set for both extensive and intensive plantations.
- The farmer is only entitled to apply a zonal requirement in respect of areas defined at the physical block level – in the area indicated in the LPIS – that meet the area criteria.

At the same time, the contiguous area covered by the commitment included in the agri-environmental payment support cannot be included in the ÖKO aid.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

5.7. Commitments

The beneficiaries must undertake the following commitments.

- Participation in ***compulsory training*** related to the aid.
- Keeping relevant worksheets in the Management Log.***
- ***Respect all the basic, mandatory and freely chosen commitments*** of the respective TECS.

The commitments of each TECS are presented in a separate table, which is uploaded as an annex.

Compared to previous programmes, the current system of pledges has a significantly higher level of ambition. The ambition increase will be achieved by:

- Making previously optional pledges as a basis: the scope of the basic pledges has been extended by the commitment to “*apply crop protection forecast*” for the Horizontal arable TECS, while for horizontal grassland, the commitment to apply “bird-friendly mowing (forcing mowing, game alarm chain, cutting width up to 4 m, speed up to 8 km/h)” has been extended.
- New TECS were introduced: Soil renewal management, Natura 2000 cropland.
- Optional pledges have been broadened.
- The territorial scope of the Drought and Erosion Protection Pledges has been extended by moving from the zonal TECSs to horizontal TECSs, so that these commitments can be implemented in a larger area.

Recent drought years have highlighted the importance of water on agricultural land. The approach towards inland water has changed. The aim is now to disincentivise inland waters instead of draining them. Accordingly, the prohibition of the deduction of inland waters as a basic commitment in the horizontal TECS instead of the former inland TECS.

Ssz.	E.t.	Vállalások	Kiegészítő szabályok	Euró/ha/év	Környezeti hozzáadott érték
1.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.		68	nr.
2.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
3.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
4.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.			
5.	A	Szűkített növényvédőszer készítmények alkalmazása.			
6.	A	Növényvédelmi előrejelzés alkalmazása.			
7.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.			
8.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása vagy istállótrágya-, vagy biogáz iszap kijuttatása.			
9.	A	12%-nál nagyobb lejtésű táblán a talaj forgatása – beleértve a szervesztrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.			
10.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.			
11.	V	A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot.		87	6
12.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % térmértékben, a tábla szélel érintkezően legalább 6 méter szélességben.	Csak az alábbi előirással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	15	4
13.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás , vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.	Csak az alábbi előirással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	6	2
14.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során legalább 10 cm tarlómagasság meghagyása szükséges.	Csak az alábbi előirással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	15	2
15.	V	Kötelezettségvállalási időszak minden évében zöldugor és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-ával megegyező terület nagyságban.		33	6
16.	V	Kötelezettségvállalási időszak alatt további egy alkalommal zöldtrágyanövény termesztése és bedolgozása vagy istállótrágya-, vagy biogáz iszap kijuttatása.		39	2
17.	V	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen képződő melléktermékek (különböző szalma- és számaradványok) bedolgozása a talajba.		19	1
18.	V	Növényvédelmi szakrányító bevonása a gazdálkodásba.		4	1
19.	V	A kötelezettségvállalási időszakban növénykultúrák létesítéséhez kizárólag ellenőrzött (fémzárolt) szaporítóanyag felhasználása lehetséges.		8	1
20.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.		33	5
21.	V	Középmély lazítás elvégzése a kötelezettségvállalási időszak alatt legalább egy alkalommal a vállalással érintett teljes területen.		18	2
22.	V	Ászály- vagy erózióérzékeny területeken a vállalással érintett területen a vetésszerkezetben az erózió szempontjából kockázatos kapásnövények aránya legfeljebb 20 %.	Ászály érzékeny vagy erózió veszélyeztetett területen választható.	55	5
		Erózió szempontjából kockázatos kapásnövények: dohány, cukorrépa, takarmányrépa, burgonya, csicsóka kukorica, napraforgó, édesburgonya.			
23.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.			
24.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			

25.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
26.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.			
27.	A	Szűkített növényvédőszer készítmények alkalmazása.			
28.	A	Növényvédelmi előrejelzés alkalmazása.			
29.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.			
30.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása vagy istállótrágya-, vagy biogáz iszap kijuttatása.			
31.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.			
32.	A	A vetésszerkezetben a kalászos és kapásnövények együttes aránya legalább 30 %.			
33.	KV	A talaj művelése kizárólag sávos műveléssel történhet a teljes kötelezettségvállalási időszak alatt (sávos művelés - strip till)	A 33. és 34. vállalatok közül egy választása kötelező valamennyi vállalatcsomagban. A 33. és 34. vállalatok együtt nem választhatók egy vállalatcsomagban.	65	5
34.	KV	Talajművelés nélküli termesztéstechnológia alkalmazása a teljes kötelezettségvállalási időszak alatt (no-till)	A 33. és 34. vállalatok közül egy választása kötelező valamennyi vállalatcsomagban. A 33. és 34. vállalatok együtt nem választhatók egy vállalatcsomagban..	146	6
35.	V	A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot.		87	6
36.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.	Csak az alábbi előírással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	15	4
37.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás , vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.	Csak az alábbi előírással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	6	2
38.	V	Szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő betakarítása során legalább 10 cm tarlómagasság meghagyása szükséges.	Csak az alábbi előírással együtt választható: <i>A vállalással érintett területeken a szálas pillangós takarmánynövény, a zöldugor és a méhlegelő együttes aránya évente legalább 20 % legyen, úgy, hogy a zöldugor és/vagy a méhlegelő aránya a vállalással érintett területeken évente elérje legalább az 5 %-ot..</i>	15	2
39.	V	Kötelezettségvállalási időszak minden évében zöldugor és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-kával megegyező terület nagyságban.		33	6
40.	V	Kötelezettségvállalási időszak alatt további egy alkalommal zöldtrágyanövény termesztése és bedolgozása vagy istállótrágya-, vagy biogáz iszap kijuttatása.		39	2
41.	V	Növényvédelmi szakirányító bevonása a gazdálkodásba.		4	1
42.	V	A kötelezettségvállalási időszakban növénykultúrák létesítéséhez kizárólag ellenőrzött (fémzárolt) szaporítóanyag felhasználása lehetséges.		8	1
43.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldugor, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.		33	5
44.	V	Vércseláda vagy madárodú kihelyezése és fenntartása.		3	3
45.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.			
46.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
47.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
48.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.			

49.	A	Szüktett növényvédőszer készítmények alkalmazása.			
50.	A	Növényvédelmi előrejelzés alkalmazása.			
51.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.			
52.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása, vagy istállótrágya kijuttatása.			
53.	A	12%-nál nagyobb lejtésű táblán a talaj forgatása – beleértve a szerves trágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.			
54.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.	146		nr.
55.	A	Tilos hígtrágya kijuttatása			
56.	A	A tematikus előírascsoport teljes területén - az évelő szálas pillangós takarmánynövények, zöldgúgar és méhlegelő kivételével - a táblák maximális mérete 20 ha.			
57.	A	Tilos az öntözés.			
58.	A	Március 1. és július 31. között napnyugtától napkelteig gépi munkavégzés tilos.			
59.	A	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén, azt haladéktalanul jelenteni kell a működése szerint érintett nemzeti park igazgatóságnak. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.			
60.	A	Szálas pillangós takarmánynövények, zöldgúgar, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.			
61.	A	A vetésszerkezetben zöldgúgar és/vagy méhlegelő együttes aránya legalább 10 %			
62.	A	Zöldgúgar és méhlegelő betakarításának legkorábbi időpontja július 1.			
63.	V	Szálas pillangós takarmánynövények, zöldgúgar, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.	15		4
64.	V	Szálas pillangós takarmánynövények, zöldgúgar, illetve méhlegelő betakarítása során legalább 10 cm talómagasság meghagyása szükséges.	15		2
65.	V	Kötelezettségvállalási időszak minden évében zöldgúgar és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-kával megegyező terület nagyságban.	33		6
66.	V	Kötelezettségvállalási időszak alatt további egy alkalommal zöldtrágyanövény termesztése és bedolgozása vagy istállótrágya kijuttatása.	39		2
67.	V	A kötelezettségvállalási időszak alatt legalább egy alkalommal a területen képződő melléktermékek (különböző szalma- és számaradványok) bedolgozása a talajba.	19		1
68.	V	Növényvédelmi szakirányító bevonása a gazdálkodásba.	4		1
69.	V	A kötelezettségvállalási időszakban növénykultúrák létesítéséhez kizárólag ellenőrzött (fémzárolt) szaporítóanyag felhasználása lehetséges.	8		1
70.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldgúgar, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.	33		5
71.	V	Középmély lazítás elvégzése a kötelezettségvállalási időszak alatt legalább egy alkalommal a vállalással érintett teljes területen.	18		2
72.	V	Ászály- vagy erózióérzékeny területeken a vállalással érintett területen a vetésszerkezetben az erózió szempontjából kockázatos kapásnövények aránya legfeljebb 20 %. Erózió szempontjából kockázatos kapásnövények: dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, kukorica, napraforgó, édesburgonya.	Aszály érzékeny vagy erózió veszélyeztetett területen választható.	55	5
73.	V	Tápanyag-utánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.	22		3
74.	V	Vércseléda vagy madárodu kihelyezése és fenntartása.	3		3
75.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.			

76.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.		
77.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése		
78.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.		
79.	A	Szűkített növényvédőszer készítmények alkalmazása.		
80.	A	Növényvédelmi előrejelzés alkalmazása.		
81.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.		
82.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása, vagy istállótrágya kijuttatása.		
83.	A	12%-nál nagyobb lejtésű táblán a talaj forgatása – beleértve a szervesztrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.		
84.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.		
85.	A	Tilos hígtrágya kijuttatása		
86.	A	A tematikus előírás csoport teljes területén - az élő szálaspillangós takarmánynövények, zöldgúgar és méhlegelő kivételével - a táblák maximális mérete 20 ha.		
87.	A	Tilos az öntözés.		
88.	A	Március 1. és július 31. között napnyugtától napkelteig gépi munkavégzés tilos.		
89.	A	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén, azt haladéktalanul jelenteni kell a működése szerint érintett nemzeti park igazgatóságának. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.		
90.	A	Szálaspillangós takarmánynövények, zöldgúgar, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánc, max. 4 méter vágáshősség, max. 8 km/h sebesség) alkalmazása.	421	nr.
91.	A	Szálaspillangós takarmánynövények, zöldgúgar, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % termétkben, a tábla szélel érintkezően legalább 6 méter szélességben.		
92.	A	Szálaspillangós takarmánynövények, zöldgúgar, illetve méhlegelő esetén a július 31-e előtt végzett betakarítás megkezdése előtt legalább 5 munkanappal elektronikus úton be kell jelenteni a betakarítás pontos helyét és tervezett kezdési időpontját.		
93.	A	A tábla szélein 6 méteres sávban tilos növényvédőszer használni.		
94.	A	A tematikus előírás csoporttal érintett teljes területen szálaspillangós takarmánynövény, zöldgúgar és/vagy méhlegelő termesztése, vagy a következő vetésszerkezet betartása fővetésű növények tekintetében: legalább 20 % kalászos gabona, legalább 20 % szálaspillangós takarmánynövény vagy azok keveréke, legalább 20 % zöldgúgar és/vagy méhlegelő, legfeljebb 25 % egyéb kultúra.		
95.	A	Tápanyag-utánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.		
96.	A	Rágcsálóirtó, rovarölő és talajfertőtlenítő szerek alkalmazása tilos.		
97.	A	Szálaspillangós takarmánynövények, zöldgúgar vagy méhlegelő betakarításának legkorábbi időpontja július 1., kivéve az élő szálaspillangós takarmánynövények telepítését követő első kaszálást, mely a működése szerint érintett nemzeti park igazgatóság írásos hozzájárulása alapján korábbi időpontban is elvégezhető.		
98.	A	A talajfelszín megsértésével járó gépi munkavégzés április 1. és július 15. között nem végezhető, kivéve a betakarítás utáni tarlóhántást.		
99.	A	Növényvédőszer és műtrágya kijuttatása április 1. és július 15. között nem megengedett.		
100.	A	Repce esetén a működése szerint érintett nemzeti park igazgatóság madarak téli táplálékának biztosítása érdekében téli hőeltakarítást írhat elő a teljes repceterület legfeljebb 10 %-án.		

101.	V	Kötelezettségvállalási időszak minden évében zöldugar és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-kával megegyező terület nagyságban.		33	6
102.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.		33	5
103.	V	Tápanyagutánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 50 kg/ha/év értéket.		33	5
104.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 10-15 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.		22	6
105.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során legalább 10 cm tarlómagasság meghagyása szükséges.		15	2
106.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarításának legkorábbi időpontja július 15., kivéve az évelő szálas pillangós takarmánynövények telepítését követő első kaszálást, mely a működése szerint érintett nemzeti park igazgatóság írásos hozzájárulása alapján korábbi időpontban is elvégezhető.	A 106. és a 107. vállalások együtt nem választhatók egy válláláscsomagban.	22	6
107.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarításának legkorábbi időpontja augusztus 15., kivéve az évelő szálas pillangós takarmánynövények telepítését követő első kaszálást, mely a működése szerint érintett nemzeti park igazgatóság írásos hozzájárulása alapján korábbi időpontban is elvégezhető.	A 106. és a 107. vállalások együtt nem választhatók egy válláláscsomagban.	37	8
108.	V	Vércseláda vagy madárodú kihelyezése és fenntartása.		3	3
109.	A	Vizzel telített talajon mindennemű gépi munkavégzés tilos.			
110.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
111.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
112.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.			
113.	A	Szükségtű növényvédőszer készítmények alkalmazása.			
114.	A	Növényvédelmi előrejelzés alkalmazása.			
115.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.			
116.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása, vagy istállótrágya kijuttatása.			
117.	A	12%-nál nagyobb lejtésű táblán a talaj forgatása – beleértve a szervesztrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.			
118.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.			
119.	A	Tilos hígtrágya kijuttatása			
120.	A	A tematikus előírás csoport teljes területén - az évelő szálas pillangós takarmánynövények, zöldugar és méhlegelő kivételével - a táblák maximális mérete 20 ha.			
121.	A	Tilos az öntözés.			
122.	A	Március 1. és június 31. között napnyugtától napkeltéig gépi munkavégzés tilos.			
123.	A	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén, azt haladéktalanul jelenteni kell a működése szerint érintett nemzeti park igazgatóságnak. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.			
124.	A	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.			
125.	A	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.			
				382	nr.

126.	A	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő esetén a július 31-e előtt végzett betakarítás megkezdése előtt legalább 5 munkanappal elektronikus úton be kell jelenteni a betakarítás pontos helyét és tervezett kezdési időpontját.			
127.	A	A tábla szélein 6 méteres sávban tilos növényvédőszer használni.			
128.	A	A tematikus előírascsoporttal érintett teljes területen szálas pillangós takarmánynövény, zöldugar és/vagy méhlegelő termesztése, vagy a következő vetésszerkezet betartása fővetésű növények tekintetében: legalább 20 % kalászos gabona, legalább 20 % szálas pillangós takarmánynövény vagy azok keveréke, legalább 20 % zöldugar és/vagy méhlegelő, legfeljebb 25 % egyéb kultúra.			
129.	A	Tápanyag-utánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.			
130.	A	Rágcsálóirtó, rovarölő és talajfertőtlenítő szerek alkalmazása tilos.			
131.	A	Július 1. után folytatható betakarítás szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő vetésterületének legalább 50%-án, amely kijelölésében a működése szerint érintett nemzeti park igazgatóság a kaszálási bejelentések során vesz részt.			
132.	A	Növényvédőszeres és műtrágya kijuttatás május 1. és június 15. között nem megengedett.			
133.	V	Kötelezettségvállalási időszak minden évében zöldugar és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-kával megegyező terület nagyságban.	33	6	
134.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.	33	5	
135.	V	Tápanyagutánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 50 kg/ha/év értéket.	33	5	
136.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 10-15 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.	22	6	
137.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarítása során legalább 10 cm tarlómagasság meghagyása szükséges.	15	2	
138.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarításának legkorábbi időpontja július 15., kivéve az évelő szálas pillangós takarmánynövények telepítését követő első kaszálást, mely a működése szerint érintett nemzeti park igazgatóság írásos hozzájárulása alapján korábbi időpontban is elvégezhető.	A 138. és a 139. vállalások együtt nem választhatók egy vállaláscsomagban.	22	6
139.	V	Szálas pillangós takarmánynövények, zöldugar, illetve méhlegelő betakarításának legkorábbi időpontja augusztus 15., kivéve az évelő szálas pillangós takarmánynövények telepítését követő első kaszálást, mely a működése szerint érintett nemzeti park igazgatóság írásos hozzájárulása alapján korábbi időpontban is elvégezhető.	A 138. és a 139. vállalások együtt nem választhatók egy vállaláscsomagban.	37	8
140.	V	Vércseláda vagy madárodú kihelyezése és fenntartása.	3	3	
141.	A	Vizzel telített talajon mindenemű gépi munkavégzés tilos.			
142.	A	Tilos szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
143.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
144.	A	Talajvizsgálaton alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.			
145.	A	Szűkített növényvédőszer készítmények alkalmazása.			
146.	A	Növényvédelmi előrejelzés alkalmazása.			
147.	A	Behív, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszármitható.			
148.	A	A kötelezettségvállalási időszak 5 éve alatt legalább egy alkalommal zöldtrágyanövény termesztése és bedolgozása, vagy istállótrágya kijuttatása.			
149.	A	12%-nál nagyobb lejtésű táblán a talaj forgatása – beleértve a szervesztrágya bedolgozását is – csak a lejtő irányával merőlegesen történhet.			

150.	A	12%-nál nagyobb lejtésű táblán dohány, cukorrépa, takarmányrépa, burgonya, csicsóka, édesburgonya termesztése tilos.		
151.	A	Tilos hígtrágya kijuttatása		
152.	A	A tematikus előírascsoport teljes területén - az évelő szálas pillangós takarmánynövények, zöldugár és méhlegelő kivételével - a táblák maximális mérete 20 ha.		
153.	A	Tilos az öntözés.		
154.	A	Március 1. és július 31. között napnyugtától napkelteig gépi munkavégzés tilos.		
155.	A	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén, azt haladéktalanul jelenteni kell a működése szerint érintett nemzeti park igazgatóságnak. A megtalált fészkek körül min. 1 ha védőzóna kialakítása.		
156.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarítása során madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánccal, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.	387	nr.
157.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 5-10 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.		
158.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő esetén a július 31-e előtt végzett betakarítás megkezdése előtt legalább 5 munkanappal elektronikus úton be kell jelenteni a betakarítás pontos helyét és tervezett kezdési időpontját.		
159.	A	A tábla szélén 6 méteres sávban tilos növényvédőszer használni.		
160.	A	A tematikus előírascsoporttal érintett teljes területen szálas pillangós takarmánynövény, zöldugár és/vagy méhlegelő termesztése, vagy a következő vetésszerkezet betartása fővetésű növények tekintetében: legalább 20 % kalászos gabona, legalább 20 % szálas pillangós takarmánynövény vagy azok keveréke, legalább 20 % zöldugár és/vagy méhlegelő, legfeljebb 25 % egyéb kultúra.		
161.	A	Tápanyag-utánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 90 kg/ha/év értéket.		
162.	A	Rágcsálóirtó, rovarölő és talajfertőtlenítő szerek alkalmazása tilos.		
163.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarítása táblánként eltérő napokon történjen.		
164.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő első kaszálását a teljes területük legalább 50%-án május 31-ig el kell végezni.		
165.	A	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarításakor az 5 ha-nál nagyobb táblákat két egyenlő részre kell osztani. Az első 50 % betakarításának befejezését követően a másik 50% betakarítása csak 10 nappal később lehet elkezdni.		
166.	V	Kötelezettségvállalási időszak minden évében zöldugár és/vagy méhlegelő táblaszegély fenntartása legalább 6 méter, legfeljebb 20 méter szélességben az adott kötelezettségvállalással érintett egybefüggő terület legalább 5 %-kával megegyező terület nagyságban.	33	6
167.	V	A vállalással érintett teljes területen - az évelő szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő kivételével - a táblák maximális mérete 5 ha.	33	5
168.	V	Tápanyagutánpótlás során a kijuttatott N hatóanyag mértéke nem haladhatja meg a 50 kg/ha/év értéket.	33	5
169.	V	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarítása során táblánként kaszálatlan területet kell hagyni 10-15 % térmértékben, a tábla szélével érintkezően legalább 6 méter szélességben.	22	6
170.	V	Szálas pillangós takarmánynövények, zöldugár, illetve méhlegelő betakarítása során legalább 10 cm talómagasság meghagyása szükséges.	15	2
171.	V	Vércseláda vagy madárodú kihelyezése és fenntartása.	3	3
172.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.		
173.	A	Napnyugtától napkelteig a gépi munkavégzés tilos.		
174.	A	Tilos hígtrágya, szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.		
175.	A	Tápanyag-utánpótlás csak a legelő állatok által elhullajtott ürülékből származhat, trágya kiszórása tilos.		

176.	A	A gyepterület öntözése tilos.			
177.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.	162	nr.	
178.	A	A gyepterületeket legeltetéssel, illetve kaszálással kell hasznosítani.			
179.	A	Állategység (legeltethető) megléte: min. 0.2 ÁE/ha.			
180.	A	Gyepterületen csak szarvasmarha, juh, kecske, szamár, ló, öszvér és bivaly legeltethető.			
181.	A	Madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.			
182.	A	A terület legalább 5, legfeljebb 10 %-át táblánként kaszátlanul kell hagyni. A kaszátlan területek minimális szélessége 6 m.			
183.	V	A terület legalább 10, legfeljebb 15 %-át táblánként kaszátlanul kell hagyni. A kaszátlan területek minimális szélessége 6 m.	21	4	
184.	V	Kaszálás legkorábbi időpontja június 15.	21	5	
185.	V	Legeltetés a gyepek alul- és túllegeltetése nélkül.	78	6	
186.	V	Kaszálás során legalább 10 centiméteres tarlómagasság meghagyása szükséges.	21	2	
187.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.			
188.	A	Napnyugtától napkelteig a gépi munkavégzés tilos.			
189.	A	Tilos higtrágya, szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
190.	A	Tápanyag-utánpótlás csak a legelő állatok által elhullajtott ürülékből származhat, trágya kiszórása tilos.			
191.	A	A gyepterület öntözése tilos.			
192.	A	Belvíz, időszakos vízállás vagy vízpótlásból eredő vízborítás levezetése tilos, melynek területe az adott kultúra kiterjedésébe beleszámítható.			
193.	A	A gyepterületeket legeltetéssel, illetve kaszálással kell hasznosítani.			
194.	A	Állategység (legeltethető) megléte: min. 0.2 ÁE/ha.			
195.	A	Gyepterületen csak szarvasmarha, juh, kecske, szamár, ló, öszvér és bivaly legeltethető.			
196.	A	Madárbarát kaszálás (kiszorító kaszálás, vadriasztó lánc, max. 4 méter vágásszélesség, max. 8 km/h sebesség) alkalmazása.			
197.	A	A tábla területének legalább 10, legfeljebb 15%-át kaszálásonként változó helyen kaszátlanul kell hagyni. A kaszátlan területek minimális szélessége 6 m.	212	nr.	
198.	A	Kaszálás során legalább 10 centiméteres tarlómagasság meghagyása szükséges.			
199.	A	A kaszálás megkezdése előtt legalább 5 munkanappal elektronikus úton be kell jelenteni a kaszálás pontos helyét és tervezett kezdési időpontját.			
200.	A	Gyepterületen a szálas takarmány tárolása a kaszálást követő 30 napon túl tilos.			
201.	A	A 269/2007. (X. 18.) kormányrendelet melléklete szerinti inváziós és termőhely-idegen növényfajok megtelepedését és terjedését meg kell akadályozni, mechanikus védekezéssel vagy speciális növényvédőszer-kijuttatással.			
202.	A	A gazdálkodási tevékenység során a gyepfelszín maradandó károsítása tilos.			
203.	A	Fokozottan védett, földön fészkelő madarak fészkeinek, fiókáinak megtalálása esetén azt haladéktalanul jelenteni kell a működése szerint érintett nemzeti park igazgatóságnak. A megtalált fészkek körül min. 1 ha védőzóna kialakítása szükséges.			
204.	A	Villanypásztor, kerítés, karam csak a működése szerint érintett nemzeti park igazgatóság előzetes írásos nyilatkozata alapján létesíthető, illetve alkalmazható.			
205.	KV	A vállalással érintett teljes területnek legfeljebb 50%-án a működése szerint érintett nemzeti park igazgatóság eseti írásos nyilatkozata alapján kíméleti területet jelölhet ki, ahol csak június 15. után folytatható legeltetés. Alföldi madárvédelmi területeken a kaszálás legkorábbi időpontja június 15. Ettől eltérni kizárólag a működése szerint érintett nemzeti park igazgatóság előzetes írásbeli hozzájárulásával lehet.	A vállalás csak kizárólag "alföldi madárvédelmi" területen választható. A 205. a 206., a 207., a 208. és a 209. számú vállalások közül egy választása kötelező.		62 6

206.	KV	A vállalással érintett teljes területnek legfeljebb 50%-án a működése szerinti nemzeti park igazgatóság eseti írásos nyilatkozata alapján kéméleti területet jelölhet ki, ahol csak július 1. után folytatható legeltetés. Tűzokvédelmi területeken a kaszálás legkorábbi időpontja július 1. Ettől eltérni kizárólag a működése szerint érintett nemzeti park igazgatóság előzetes írásbeli hozzájárulásával lehet.	A vállalás csak kizárólag "tűzokvédelmi" területen választható. A 205. a 206., a 207., a 208. és a 209. számú vállalatok közül egy választása kötelező.	103	8
207.	KV	A vállalással érintett teljes területnek legfeljebb 50%-án a működése szerinti nemzeti park igazgatóság eseti írásos nyilatkozata alapján kéméleti területet jelölhet ki, ahol csak július 31. után folytatható legeltetés, illetve kaszálás.	A vállalás kizárólag "hegy- és dombvidéki madárvédelmi" területen választható. A 205. a 206., a 207., a 208. és a 209. számú vállalatok közül egy választása kötelező.	83	6
208.	KV	A vállalással érintett teljes területnek legfeljebb 50%-án a működése szerinti nemzeti park igazgatóság eseti írásos nyilatkozata alapján kéméleti területet jelölhet ki, ahol június 15. és augusztus 15. között nem folytatható legeltetés. Nappali lepke védelmi területeken kaszálás június 15. és augusztus 15. között nem végezhető. Ettől eltérni kizárólag a működése szerint érintett nemzeti park igazgatóság előzetes írásbeli hozzájárulásával lehet.	A vállalás kizárólag "nappali lepke védelmi" területen választható. A 205. a 206., a 207., a 208. és a 209. számú vállalatok közül egy választása kötelező.	42	4
209.	KV	A vállalással érintett teljes területnek legfeljebb 70%-án a működése szerinti nemzeti park igazgatóság eseti írásos nyilatkozata alapján kéméleti területet jelölhet ki, ahol csak szeptember 30. után folytatható legeltetés, illetve kaszálás.	A vállalás kizárólag "gyeprezervátum" területen választható. A 205. a 206., a 207., a 208. és a 209. számú vállalatok közül egy választása kötelező.	227	10
210.	V	Legeltetés a gyepek ahul- és túllegeltetése nélkül.		78	6
211.	V	Kaszálás legkorábbi időpontja július 1.	A vállalás csak kizárólag az 205. számú vállalat vállalatokor választható. A 211. és a 212. vállalatok együtt nem választhatók egy vállalatcsomagban..	62	4
212.	V	Kaszálás legkorábbi időpontja július 15.	A vállalás csak kizárólag az 205. vagy a 206. számú vállalat vállalatokor választható. A 211. és a 212. vállalatok együtt nem választhatók egy vállalatcsomagban..	103	6
213.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.		Intenzív gyümölcsültetvény:	nr.
214.	A	Tilos hígtrágya, szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.		713	
215.	A	Talajvizsgálaton és levélanalízisen alapuló tápanyaggazdálkodási terv készítése talajtani szakértő bevonásával.		Extenzív gyümölcsültetvény:	
216.	A	Szűkített növényvédőszer készítmények alkalmazása.		571	
217.	A	Levélanalízis elvégzése.		Szőlőültetvény:	
218.	A	Akkreditált laboratóriumban bővített talajvizsgálat elvégzése			
219.	V	Madárodú kihelyezése: 3 db/ha sűrűségben, kihelyezési útmutató alapján.		36	4
220.	V	Növényvédelmi szakirányító bevonása a gazdálkodásba.		45	3
221.	V	Előrejelzésen alapuló növényvédelem alkalmazása.		48	3
222.	V	1 m ² /ha hatékony izeltlábú búvóhely kialakítása.		24	3
223.	A	Vízzel telített talajon mindennemű gépi munkavégzés tilos.			nr.
224.	A	Tilos hígtrágya, szennyvíz, szennyvíziszap, szennyvíziszapot tartalmazó komposzt, kezelt mederiszap, talajjavító mederanyag felhasználása.			
225.	A	A nád aratása, és egyéb tevékenység végzése (különösen: szállítás, kihúzás) kizárólag december 1. és február 28. között engedélyezett.			
226.	A	A területen nádgazdálkodást kell végezni.			
227.	A	A nád rizómájának megsértése tilos.			
228.	A	A nádas terület 15- 20 %-át 2 évente változó helyen aratlanul kell hagyni.		105	

O14 What area is eligible?

- ☒ Agricultural area defined for the CAP plan
☐ Agricultural land including and beyond agricultural area
☐ Non-agricultural land

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations

under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC02	Protection of wetland and peatland
GAEC03	Ban on burning arable stubble, except for plant health reasons
GAEC05	Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC07	Crop rotation in arable land, except for crops growing under water
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites
SMR01	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)
SMR07	Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC: Article 55, first and second sentence
SMR08	Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants

List of relevant mandatory national standards

In accordance with Article 70(3) of Regulation (EU) 2021/2115, all standards must comply with the relevant Community or national requirements. The requirements relating to the Good Agricultural and Environmental Conditions (GAEC) and the requirements of the statutory management requirements (SMRs) have been transposed into the national legislation on the basis of the compatibility shown in the following table.

Code	National legislation
SMR01	Act CXXIX of 2007 on the protection of productive land, Sections 36, 49 and 53 16/2024. (IV. Section 38 of the Decree of the Minister for Agriculture on the conditions applicable to the use of grants under the Common Agricultural Policy Strategic Plan
SMR02	59/2008. (IV. Decree No 29.) of the Minister for Agriculture and Rural Development on the detailed rules of the action programme necessary for the protection of waters against pollution caused by nitrates from agricultural sources and on the procedures for the provision of data and records. SECTIONS 4, 5, 6 AND 10
SMR03-04	275/2004. Section 9 of Government Decree No 487/2015 of 8 October 2004 on nature conservation areas of European Community importance, 269/2007. Section 3, Section 4 and Section 5 of Government Decree No 487/2015 of 18 October 2000 on land use rules for the maintenance of NATURA 2000 grassland.
SMR07-08	43/2010. (IV. (23) Decree of the Minister for Agriculture and Rural Development on plant protection activities, Sections 5, 6, 16, 27, 29 and 32-36
HMKÁ01-09	16/2024. (IV. Articles 9 to 37 of the Decree of the Minister for Agriculture on the conditions applicable to the use of grants under the Common Agricultural Policy Strategic Plan
Minimum activities	15/2024. (IV. Decree No 9/1999 of the Minister for Agriculture paragraph 16 of the procedural rules for certain agricultural subsidies that may be applied for in a single application

Link between GAEC, SMR and national standards with the intervention

All commitments are designed to go beyond the GAEC and SMR requirements above, as well as the minimum activities. The list has been uploaded as an annex to the programme

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

The aid intensity is 100 %.

Maximum grant amount at TECS level:

Branch of cultivation	Name of TECS		Maximum grant amount (EUR/ha/year)
Arable land	Horizontal arable land		400
	Land-renewal farming		451
	Natura 2000 arable land		410
	Greases for the protection of hostages		597
	MTÉT Protecting arable land		558
	MTÉT Blue blood thick protection arable		526
Turf	Horizontal grassland		303
	Habitat grassland		517
Plantation	Horizontal plantation	Intensive fruit plantation	866
		Extensive fruit plantation	724
		grapes	1045
Reeds	Horizontal cane		105

Ineligible costs for the intervention:

activities of the Rural Development Programme 2014-2020 under ongoing commitment

Calculation method

The determination of the aid amounts for each standard was based on an objective source of data. When determining the aid amounts, several data sources were taken into account together.

1. Test Plant System of the Institute of Agricultural Economics:

In the first place, data on the production value and the costs of certain crops at sector level were taken into account in the test plant system. The test plant system collects sectoral data on the most important crops each year for more than 90 % of farmland, which are an important basis for background calculations, both in arable, grass, vegetable and plantation crops. Sectoral results may vary due to the weather of the growing season or other economic reasons (e.g. inflation, etc.).

2. Determination of agricultural machinery costs:

Three data sources were used in relation to the cost of agricultural machinery

—Research results of the Institute for Agricultural Promotion of the National Centre for Agricultural Research and Innovation for 2020;

— Current market farm labour service fees 2023;

—expert calculations.

A 15 % correction of the average of the two different sources of data has been used to determine the background database for machine work, which contains the most important machine work operations arising during the grant. For some complex specifications (e.g. the construction of bee pastures, greenugars), a number of operational costs are presented, which have been calculated taking into account a complete technological process and determined with the involvement of experts.

3. Performance of the squeeze area pro rata:

As there are significant differences in revenue and cultivation costs for arable, vegetable and plantation crops at sector level, it is justified to proportional the aggregate figures to the area. In the case of crop area ratios, the average of the 2019 national crop structure data is the basis for the calculation correction. The crop structure data of the Agricultural Economic Institute were used in the calculation. All agricultural crops sown in Hungary have been included in the sowing area calculation, which together cover

4 300 000 hectares of agricultural land, thus adequately representing the sectoral proportions of current national agriculture. The resulting value has been corrected for the data from the test run system.

4.Determination of agronomic effects:

The agri-environmental payment is considered to be a compensatory payment under EU legislation, so that the amount of aid intended to compensate for the additional costs incurred and the loss of profits was determined individually for each standard with the involvement of an expert. With regard to agronomic aspects, the expected impacts have been determined taking into account the aid calculation experience of previous grant periods.

The calculation shall be based on the determination of the additional costs incurred by the standards and the extent of the loss of income. When calculating the aid amount, the expected income development of compliant farmers is compared with farms where the AEM rules are not applied. This ensures that, in practice, farming practices are not subsidised, but only the increased standards are the basis for compensation.

For each standard, income-determining inputs and costs are grouped into 4 categories:

- Expected loss of income
- Expected revenue increase
- Expected additional costs
- Expected cost reduction

Additional explanation

The detailed background calculation of the agri-environmental intervention is also provided in the annexes.

The structure of the agri-environmental payment is based on management standards, which makes it possible to determine the level of support on the basis of the measurable, verifiable and expected agronomic effects of each standard. There are overlaps between the different TECs, on the basis of which a background structure has been established to ensure, on the one hand, that TECs are comparable and, on the other hand, that a standard is indicated (within one crop) with an amount of aid.

Determination of the value of the compensation:

The calculation was determined separately for each standard using available data sources and expert estimates from previous periods. As the payment is made on an annual and per hectare basis, a correction was applied when determining the level of compensation. In such cases, the costs were fixed in equal proportions per year.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

- ☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☐ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

An agri-environmental payment is a voluntary payment scheme in which:
participants undertake to carry out additional activities in their farming in order to achieve agri-environmental objectives. The grant shall be subject to compliance by the beneficiary with the commitments set out in the Thematic Groups of Specifications for the entire duration of the commitment.

Presentation of commitments: see Chapter 5.7.

On the basis of the commitments, the beneficiary may submit an annual payment request on the basis of which it may receive an annual payment in the event of implementation of the commitments.

According to Article 102(5) (Planned Unit Amounts and planned outputs) of Regulation (EU) 2021/2115 establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013, the output of the hectares covered by the Thematic Groups of Specifications is aggregated annually for all unit amounts.

What is the duration of contracts?

In the AKG, the grant relationship is established by means of a grant document. For the agri-environmental management programme starting from 2025, the support period for all thematic groups *of standards shall run from 1 January 2025 to 31 December 2029*.

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy programme complies with the WTO Green Box as it fully follows the conditions referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD19a_O14_U01_HA - Agricultural Environmental Management Payments (AEM) Horizontal Crop Unit Amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U02_HA - Unit amount of agri-environment payments (AKG) for land renewal	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U03_HA - Natura 2000 arable land unit amount for agri-environmental management (AEM) payments	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U04_HA - Agricultural Environmental Management Payments (AEM) SUPPORT Footwear	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U05_HA - Agricultural Environmental Management Payments (AEM) Amount of arable land for farmland	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U06_HA - Agricultural Environmental Management Payments (AKG) Amount of protective arable land for blue blood shoots	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.24; R.31; R.33; R.34	No
RD19a_O14_U07_HA - AGRI-environmental payments (AKG) Horizontal grassland unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33; R.34	No
RD19a_O14_U08_HA - Unit amount of agri-environmental management payments (AKG) for habitat conservation grassland	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.20; R.21; R.22; R.23; R.31; R.33; R.34	No
RD19a_O14_U09_HA - AGRI-environmental management payments (AKG) Horizontal plantation – Intensive fruit plantation unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	No
RD19a_O14_U10_HA - AGRI-environmental management payments (AKG) Horizontal plantation – unit amount of extensive fruit plantation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	No
RD19a_O14_U11_HA - AGRI-environmental management payments (AKG) Horizontal vineyard unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.22; R.24; R.31	No
RD19a_O14_U12_HA - Horizontal Unit Amount of Agri-environmental Management Payments (AKG)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.19; R.20; R.21; R.22; R.31; R.34	No

Explanation and justification related to the value of the unit amount

RD19a_O14_U01_HA - Agricultural Environmental Management Payments (AEM) Horizontal Crop Unit Amount

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled 'AKG_unit

amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U02_HA - Unit amount of agri-environment payments (AKG) for land renewal

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U03_HA - Natura 2000 arable land unit amount for agri-environmental management (AEM) payments

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those

commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U04_HA - Agricultural Environmental Management Payments (AEM) SUPPORT Footwear

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U05_HA - Agricultural Environmental Management Payments (AEM) Amount of arable land for farmland

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set

of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U06_HA - Agricultural Environmental Management Payments (AKG) Amount of protective arable land for blue blood shoots

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled 'AKG_unit amount_KAP_ST_20241113'.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U07_HA - AGRI-environmental payments (AKG) Horizontal grassland unit amount

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled 'AKG_unit amount_KAP_ST_20241113'.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U08_HA - Unit amount of agri-environmental management payments (AKG) for habitat conservation grassland

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U09_HA - AGRI-environmental management payments (AKG) Horizontal plantation – Intensive fruit plantation unit amount

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U10_HA - AGRI-environmental management payments (AKG) Horizontal plantation – unit amount of extensive fruit plantation

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount

measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U11_HA - AGRI-environmental management payments (AKG) Horizontal vineyard unit amount

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

RD19a_O14_U12_HA - Horizontal Unit Amount of Agri-environmental Management Payments (AKG)

The background calculation is based on the aid amount specified in the attached documents (word and excel) entitled ‘AKG_unit amount_KAP_ST_20241113’.

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. 7 for each Unit Amount category. The methodology referred to in chapter (Form of grant) has been applied, considering that for each set of thematic specifications, the unit Amount measure is the same as the unit amount calculated in the background calculation. This method ensures that the output determined on a hectare basis and the unit amount per hectare are consistent with the amount of resources available for support. The unit amount shall indicate the extent to which those commitments may be made and the maximum amount of aid that can be obtained under the specific commitment category.

The uniform unit amount represents the maximum value of the specifications in a given thematic set of specifications. There is therefore a separate grant amount for each set of thematic standards. The amount of the payment is different for each farmer, as the amount depends on the design of each thematic set of requirements and packages. The final amount consists of two items: the basic package, which contains the optional elements, and the amount of aid per standard after the optional requirements. The amount of the basic package is a lump sum as the joint commitment of each commitment is set at a binding and aggregate amount. The payment amount depends on the number of standards chosen and the amount of payment allocated to them. The maximum is therefore the maximum amount available for a given set of thematic specifications.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD19a_O14_U01_HA - Agricultural Environmental Management Payments (AEM) Horizontal Crop Unit Amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	400.00	400.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U02_HA - Unit amount of agri-environment payments (AKG) for land renewal (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	451.00	451.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U03_HA - Natura 2000 arable land unit amount for agri-environmental management (AEM) payments (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	410.00	410.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U04_HA - Agricultural Environmental Management Payments (AEM) SUPPORT Footwear (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	597.00	597.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U05_HA - Agricultural Environmental Management Payments (AEM) Amount of arable land for farmland (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	558.00	558.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U06_HA - Agricultural Environmental Management Payments (AKG) Amount of protective arable land for blue blood shoots (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	526.00	526.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U07_HA - AGRI-environmental payments (AKG) Horizontal grassland unit amount	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	303.00	303.00	0.00	0.00	

(Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00
									Max: 0.00
RD19a_O14_U08_HA - Unit amount of agri-environmental management payments (AKG) for habitat conservation grassland (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	517.00	517.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U09_HA - AGRI-environmental management payments (AKG) Horizontal plantation – Intensive fruit plantation unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	866.00	866.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U10_HA - AGRI-environmental management payments (AKG) Horizontal plantation – unit amount of extensive fruit plantation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	724.00	724.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U11_HA - AGRI-environmental management payments (AKG) Horizontal vineyard unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	1,045.00	1,045.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
RD19a_O14_U12_HA - Horizontal Unit Amount of Agri-environmental Management Payments (AKG) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	105.00	105.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sum: 0.00 Max: 0.00
TOTAL	O.14 (unit: Hectares)	0.00	0.00	0.00	961,324.00	961,324.00	0.00	0.00	Sum: 1,922,648.00 Max: 961,324.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	373,253,569.65	80,650,249.95	0.00	0.00	453,903,819.60
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	186,626,784.82	40,325,124.99	0.00	0.00	226,951,909.81

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD20_G02_ORT_70 - Support to organic farming

Intervention Code (MS)	RD20_G02_ORT_70
Intervention Name	Support to organic farming
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.17. Number of hectares or number of other units benefitting from support for organic farming
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description	Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold
SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy	
SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency	
SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes	
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances	

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
5.1.1	Developing soil and nutrient management at farm level	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

6.7.1	Increasing the area under organic cultivation	2	Yes
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.14 Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)
R.19 Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)
R.20 Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission
R.21 Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies
R.24 Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage
R.29 Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion
R.31 Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices
R.43 Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)
R.44 Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The aim of the intervention is to encourage the conversion of conventional areas into organic farming and to maintain the farming method on organic areas. Organic farming contributes to maintaining or enhancing biodiversity, strengthens natural self-regulation processes, protects and improves the biological status of the soil, reduces negative environmental impacts from improper use of plant protection products and poor nutrient management, and contributes to food safety.

A farmer eligible for support under an intervention shall be managed in accordance with the requirements of organic farming for a minimum period of five years or, in the case of a commitment until 31 December 2024, for a minimum period of 6 years.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

In order to achieve the area increase specified in the national eco-management action plan, the aim is to involve all beneficiaries applying for an intervention in the programme. However, if the rate of application exceeds the amount of funding allocated to the intervention, a scoring system shall be established.

The scoring system shall be designed taking into account the following principles:

- Proof of land use for the areas under intervention for at least the entire duration of the commitment, depending on the proportion of areas concerned.
- Consideration of site sensitivity – Natura2000, ATA and protected sites of national importance;
- Other criteria – other criteria qualifying a farmer, such as eco-farming experience, participation in support of young farmers, employment of special advisers, organic livestock farming.

Support for agri-environmental management payments and organic farming has been developed in conjunction with and in line with the Basic Agri-ecological Programme. In the course of each of the provisions, Hungary has taken particular care to increase the environmental impact of the individual aid schemes. Each commitment has been defined in such a way that it fully covers cultivated areas and where

one aid can no longer be present, the other can be involved and farmers can manage it accordingly.

Link to other interventions:

RD58_A01_TRA_78 – Support for training and demonstration facilities

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

– farmers

Eligibility criteria

- The minimum size of the field concerned shall be 0.25 ha.
- The area concerned is a minimum of 1.0 ha for each land use category.
- The area is under control during the programme period in accordance with Council Regulations (EC) No 834/2007 and 2018/848.
- The beneficiary must have a contract for the areas covered by the intervention with a national accredited certification body for the entire duration of the aid.
 - At the same time, the area under organic farming support cannot be included in agri-environmental support.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- The beneficiary is managed in accordance with domestic legislation in accordance with Council Regulations (EC) No 834/2007 and 2018/848.
- The beneficiary participates in compulsory training on intervention in organic farming if they have only areas in transition to organic farming. The aid applicant shall be exempted from the training obligation if it has already been completed within the 5 years preceding the date of submission of the aid application.
- Management of a management log

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC02	Protection of wetland and peatland
GAEC03	Ban on burning arable stubble, except for plant health reasons
GAEC04	Establishment of buffer strips along water courses
GAEC05	Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC07	Crop rotation in arable land, except for crops growing under water
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites

SMR01	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)
SMR05	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, laying down procedures in matters of food safety: Articles 14 and 15, Article 17(1) and Articles 18, 19 and 20
SMR07	Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC: Article 55, first and second sentence
SMR08	Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants
SMR09	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4

List of relevant mandatory national standards

— 34/2013. Decree No 14 of 14 May 2007 of the Minister for Rural Development on the certification, production, marketing, labelling and control of agricultural products and foodstuffs in accordance with organic farming requirements;

National Action Plan for the Development of Ecological Farming

Link between GAEC, SMR and national standards with the intervention

The eligible costs are intended to compensate for the additional costs incurred and the loss of profit incurred by the requirements in accordance with Council Regulation (EC) No 834/2007, Regulation (EU) 2018/848 of the European Parliament and of the Council and Commission Regulation (EC) No 889/2008, which requires the farmer to operate in accordance with the legislation.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

In the case of conversion to organic farming, the amount of aid shall be:

Arable			
Grant rate	EUR/ha/year		458
Vegetables			
Grant rate	EUR/ha/year		1.097
Apples			
Grant rate	EUR/ha/year		1.840
Grape			
Grant rate	EUR/ha/year		1.132
Other fruits			
Grant rate	EUR/ha/year		1.762
Grassland management – grazing and mowing ≥ 0.2 LU/ha/year			
Grant rate	EUR/ha/year		204

In the case of maintenance of organic farming, the amount of aid shall be:

Arable			
Grant rate	EUR/ha/year		349
Vegetables			
Grant rate	EUR/ha/year		664
Apples			
Grant rate	EUR/ha/year		1.136
Grape			
Grant rate	EUR/ha/year		1.097
Other fruits			
Grant rate	EUR/ha/year		967
Grassland management – grazing and mowing ≥ 0.2 LU/ha/year			
Grant rate	EUR/ha/year		204

Calculation method

Organic farming intervention background calculation: Use of the testing system of the Institute of Agricultural Economics was the starting point. Data on the production value and the costs of certain crops at sectoral level were taken into account in the first line from the test scheme. The test scheme collects sectoral data on the most important crops each year for more than 90 % of farmland, which is an important basis for background calculations, in arable land, grassland, vegetables and plantation crops. Industry results may change due to the weather of the growing season or for other economic reasons (e.g. inflation, etc.), but the analysis of the data for the last three years showed a steady increase in both production value

and costs, so a 10 % correction of 2019 data in the background calculation is justified for the period 2022-2025. The calculation is based on the determination of the additional cost incurred by the standards and the level of loss of income. When calculating the amount of aid, the expected income development of compliant farmers is compared to conventional farming practices. This ensures that the forms of farming that are common in practice are not supported, but only the higher standards form the basis for compensation. In all cases, the costs of verification/certification are included in the calculations. For each standard, the premiums and costs determining income are grouped into 4 categories. 1. Expected loss of revenue 2. Expected revenue increase 3. Expected incremental cost 4. Expected cost reduction. Determination of compensation is determined separately for each requirement using the data sources and expert estimates described above. The calculations include the costs of verification/certification for each category.

Additional explanation

- Rural Development Programme activities concerned by ongoing commitments 2014-2020

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

- The beneficiary's farming is in accordance with national legislation in accordance with Council Regulations (EC) No 834/2007 and 2018/848.
- The beneficiary participates in mandatory training on organic farming intervention if it has only areas in conversion to organic farming. The aid applicant shall be exempt from the training requirement if he or she has completed it within 5 years prior to the submission of the aid application.
- Management of the Farm Log

Output of areas under organic farming (in transition and subject to a maintenance period) 2021/2115 establishing rules on support for strategic plans to be drawn up by Member States and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 Pursuant to paragraph 5 of Article 102 (Planned unit amounts and planned outputs) of Regulation (EU) No 575/2013, annual planned outputs for all unit amounts are aggregated on an annual basis.

What is the duration of contracts?

5 years, 6 years in the case of a commitment period until 31 December 2024, which may be divided into a conversion and maintenance period. If a farmer has been producing in accordance with the rules of organic farming for several years, the conversion period is less. As a general rule, stranded support may be granted for a maximum period of 3 years.

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD20_O17_U01_HA - Conversion to organic farming — unit amount of arable land	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.21; R.24; R.29; R.31	No
RD20_O17_U02_HA - Conversion to organic farming — Unit amount of vegetables	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U03_HA - Conversion to organic farming — unit amount for pome fruits	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U04_HA - Conversion to organic farming — Unit amount of grapes	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U05_HA - Conversion to organic farming — Unit amount of other fruit	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U06_HA - Conversion to organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.20; R.29; R.31; R.43; R.44	No
RD20_O17_U07_HA - Maintenance of organic farming — unit amount of arable land	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.21; R.24; R.29; R.31	No
RD20_O17_U08_HA - Maintenance of organic farming — Vegetable unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U09_HA - Maintenance of organic farming — unit amount for pome fruits	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U10_HA - Maintenance of organic farming — Unit amount of grapes	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U11_HA - Maintenance of organic farming — Unit amount of other fruit	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20_O17_U12_HA - Maintenance of organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.20; R.29; R.31; R.43; R.44	No

Explanation and justification related to the value of the unit amount

RD20_O17_U01_HA - Conversion to organic farming — unit amount of arable land

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U02_HA - Conversion to organic farming — Unit amount of vegetables

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention.

The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U03_HA - Conversion to organic farming — unit amount for pome fruits

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U04_HA - Conversion to organic farming — Unit amount of grapes

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U05_HA - Conversion to organic farming — Unit amount of other fruit

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U06_HA - Conversion to organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U07_HA - Maintenance of organic farming — unit amount of arable land

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U08_HA - Maintenance of organic farming — Vegetable unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U09_HA - Maintenance of organic farming — unit amount for pome fruits

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U10_HA - Maintenance of organic farming — Unit amount of grapes

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention.

The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U11_HA - Maintenance of organic farming — Unit amount of other fruit

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20_O17_U12_HA - Maintenance of organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD20_O17_U01_HA - Conversion to organic farming — unit amount of arable land (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	458.00	458.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U02_HA - Conversion to organic farming — Unit amount of vegetables (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,097.00	1,097.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U03_HA - Conversion to organic farming — unit amount for pome fruits (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,840.00	1,840.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								

RD20_O17_U04_HA - Conversion to organic farming — Unit amount of grapes (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,132.00	1,132.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U05_HA - Conversion to organic farming — Unit amount of other fruit (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,762.00	1,762.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U06_HA - Conversion to organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	204.00	204.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U07_HA - Maintenance of organic farming — unit amount of arable land (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	349.00	349.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U08_HA - Maintenance of organic farming — Vegetable unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	664.00	664.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								

RD20_O17_U09_HA - Maintenance of organic farming — unit amount for pome fruits (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,136.00	1,136.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U10_HA - Maintenance of organic farming — Unit amount of grapes (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,097.00	1,097.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U11_HA - Maintenance of organic farming — Unit amount of other fruit (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	967.00	967.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
RD20_O17_U12_HA - Maintenance of organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	204.00	204.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.17 (unit: Hectares)								
TOTAL	O.17 (unit: Hectares)	0.00	279,415.00	279,415.00	0.00	0.00	0.00	0.00	Sum: 558,830.00 Max: 279,415.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	63,064,332.00	63,064,332.00	0.00	0.00	0.00	0.00	126,128,664.00

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	31,532,166.00	31,532,166.00	0.00	0.00	0.00	0.00	63,064,332.00
	Out of which carry-over (Total public Expenditure in EUR)	0.00	63,064,332.00	63,064,332.00	0.00	0.00	0.00	0.00	126,128,664.00
	Out of which carry-over (Union contribution in EUR)	0.00	31,532,166.00	31,532,166.00	0.00	0.00	0.00	0.00	63,064,332.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD20a_G02_ORT_70 - Support for organic farming

Intervention Code (MS)	RD20a_G02_ORT_70
Intervention Name	Support for organic farming
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.17. Number of hectares or number of other units benefitting from support for organic farming
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy
SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency
SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes
SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
5.1.1	Developing soil and nutrient management at farm level	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.4.1	Reducing emissions of air pollutants and particulate matter of agricultural origin	3	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes
5.5.2	Integrated environmentally friendly pest management	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

6.7.1	Increasing the area under organic cultivation	2	Yes
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.14	Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)
R.19	Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)
R.20	Share of utilised agricultural area (UAA) under supported commitments to reduce ammonia emission
R.21	Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies
R.24	Share of Utilised Agricultural Area (UAA) under supported specific commitments which lead to a sustainable use of pesticides in order to reduce risks and impacts of pesticides, such as pesticides leakage
R.29	Share of utilised agricultural area (UAA) supported by the CAP for organic farming with a split between maintenance and conversion
R.31	Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices
R.43	Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)
R.44	Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The aim of the intervention is to encourage the organicisation of conventional areas and to maintain farming methods in organic areas. Organic farming contributes to the maintenance or enhancement of biodiversity, strengthens natural self-regulatory processes, protects and improves the biological status of soil, reduces negative environmental impacts from the misuse of plant protection products and poor nutrient management, and contributes to food safety.

The farmer eligible for the intervention shall be managed in accordance with organic farming for a minimum of five years.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

In order to achieve the territorial increase set out in the Hungarian eco-management action plan, the aim is to involve all beneficiaries applying for the intervention in the programme. However, if the size of the application exceeds the amount of funding intended for intervention, a scoring system will be applied.

The scoring system shall be designed taking into account the following principles:

- Territorial sensitivity of the aided area – Natura2000, MTEA, Nitrate Vulnerable Areas.
- Other aspects: provide additional incentives for farmers to increase the share of their land use category in organic farming. Holdings also engaged in livestock farming.

Agro-environmental management payments and support for organic farming have been designed together with and in line with the basic programme for agro-ecology. In the course of the various provisions, Hungary has taken particular care to strengthen the environmental impact of each aid scheme. The individual pledges are defined so that they fully cover the cultivated areas and where one aid can no longer be present, the other can connect and farmers can manage accordingly.

Relationship with other interventions:

RD58_A01_TRA_78 – Support for training and demonstration facilities

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

— farmers

Eligibility criteria

- The minimum size of the plate concerned is 0.25 ha.
- The area concerned is a minimum of 1.0 ha for each land use category.
- The area is under control during the entire commitment period in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council.
- The beneficiary must have a contract with a nationally accredited certification body for the areas covered by the intervention for the entire duration of the aid.
- The area covered by the commitment for organic farming cannot also be included in agri-environmental support.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

- The beneficiary's management complies with Regulation (EU) 2018/848 of the European Parliament and of the Council, its implementing regulations and the relevant domestic legislation (34/2013. (Decree No V.14) of the Minister for Rural Development).
- The beneficiary participates in mandatory training on organic farming intervention.
- Keeping a farming log.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC02	Protection of wetland and peatland
GAEC03	Ban on burning arable stubble, except for plant health reasons
GAEC04	Establishment of buffer strips along water courses
GAEC05	Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC07	Crop rotation in arable land, except for crops growing under water
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites
SMR01	Directive 2000/60/EC of 23 October 2000 of the European

	Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)
SMR05	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, laying down procedures in matters of food safety: Articles 14 and 15, Article 17(1) and Articles 18, 19 and 20
SMR07	Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC: Article 55, first and second sentence
SMR08	Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants
SMR09	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4

List of relevant mandatory national standards

— 34/2013. Decree of 14 May 2013 of the Minister for Rural Development on the certification, production, marketing, labelling and control of agricultural products and foodstuffs in accordance with organic farming requirements;

National Action Plan for the Development of Organic Farming (2022-2027)

Link between GAEC, SMR and national standards with the intervention

The eligible costs are intended to compensate for the additional costs incurred by standards in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council and Commission Regulation (EU) 2021/279, as well as foregone benefits, under which the operator is required to operate in accordance with the legislation.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

In the case of **conversion** to organic farming, the amount of aid shall be:

Arable			
Grant rate	EUR/ha/year		491
Vegetables			
Grant rate	EUR/ha/year		1.097
Intensive fruit plantation			
Grant rate	EUR/ha/year		1.801
Grapes			
Grant rate	EUR/ha/year		1.132
Extensive fruit plantation			
Grant rate	EUR/ha/year		1.562
Grassland farming – grazing and mowing at least 0.2 LU/ha/year			
Grant rate	EUR/ha/year		225

Where organic farming is **maintained**, the amount of aid shall be:

Arable			
Grant rate	EUR/ha/year		382
Vegetables			
Grant rate	EUR/ha/year		664
Intensive fruit plantation			
Grant rate	EUR/ha/year		1.117
Grapes			
Grant rate	EUR/ha/year		1.097
Extensive fruit plantation			
Grant rate	EUR/ha/year		879
Grassland farming – grazing and mowing at least 0.2 LU/ha/year			
Grant rate	EUR/ha/year		225

Calculation method

Background calculation of organic farming intervention:

The starting point was the use of the Test Plant System of the Institute of Agricultural Economics. The test plant system mainly took into account data on the production value and the costs of certain crops at sectoral level. The test plant system collects sectoral data on the most important crops each year for more than 90 % of farmland, which are an important basis for background calculations, both in arable, grass, vegetable and plantation crops. The sector's results may vary due to the weather of the growing season, as well as other economic reasons (e.g. inflation, etc.), but the analysis of the data for the last three years showed a steady increase in both production value and costs, therefore a correction of 10 % of the 2019 figures in the background calculation is justified for the period 2022-2025.

The calculation shall be based on the determination of the additional costs incurred by the standards and the extent of the loss of income. When calculating the aid amount, the expected income development of compliant farmers is compared to conventional farming practices. This makes it possible to ensure that, in practice, the types of farming that are common are not subsidised, but only the increased standards are the basis for the compensation. In all cases, the calculation shall include the costs of the inspection/certification.

For each standard, the enrolments and costs determining income are grouped into 4 categories.

1. Expected revenue shortfall
2. Expected revenue growth
3. Expected Additional Costs
4. Expected cost reduction

Determination of the value of the compensation

The calculation was determined separately for each specification using the data sources and expert estimates described above.

Additional explanation

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

In accordance with Article 102(5) (Planned unit amounts and planned outputs) of Regulation (EU) 2021/2115 establishing rules on support for strategic plans (CAP Strategic Plans) to be drawn up by Member States and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013, the output of the organic farming area (in transition and covered by the maintenance period) is presented in a consolidated year for all unit amounts.

What is the duration of contracts?

5 years, divided into periods of transition and maintenance. If a farmer has been using organic farming for several years, the conversion period is less for him. In principle, transitional support may be granted for a maximum of 3 years.

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The scheme complies with the conditions of the WTO Green Box as it fully follows the conditions referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD20a_O17_U01_HA - Conversion to organic farming – arable land unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.21; R.24; R.29; R.31	No
RD20a_O17_U02_HA - Conversion to organic farming – Vegetable unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U03_HA - Conversion to organic farming – Intensive fruit plantation unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U04_HA - Conversion to organic farming – Unit amount for grapes	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U05_HA - Conversion to organic farming – Extensive fruit plantation unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U06_HA - – Conversion to organic farming – grassland farming – grazing and mowing of at least 0.2 LU/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.20; R.29; R.31; R.43; R.44	No
RD20a_O17_U07_HA - Maintenance of organic farming – unit amount of arable land	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.21; R.24; R.29; R.31	No
RD20a_O17_U08_HA - Maintenance of organic farming – Unit Vegetables	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U09_HA - Maintenance of organic farming – Unit amount for intensive fruit plantations	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U10_HA - Maintenance of organic farming – Unit amount for grapes	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U11_HA - Maintenance of organic farming – Extensive fruit plantation unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.19; R.20; R.21; R.24; R.29; R.31	No
RD20a_O17_U12_HA - Organic farming maintenance – grassland farming – grazing and mowing of at least 0.2 LU/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.14; R.20; R.29; R.31; R.43; R.44	No

Explanation and justification related to the value of the unit amount

RD20a_O17_U01_HA - Conversion to organic farming – arable land unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U02_HA - Conversion to organic farming – Vegetable unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention.

The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U03_HA - Conversion to organic farming – Intensive fruit plantation unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U04_HA - Conversion to organic farming – Unit amount for grapes

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U05_HA - Conversion to organic farming – Extensive fruit plantation unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U06_HA - – Conversion to organic farming – grassland farming – grazing and mowing of at least 0.2 LU/ha/year

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U07_HA - Maintenance of organic farming – unit amount of arable land

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U08_HA - Maintenance of organic farming – Unit Vegetables

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U09_HA - Maintenance of organic farming – Unit amount for intensive fruit plantations

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U10_HA - Maintenance of organic farming – Unit amount for grapes

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention.

The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U11_HA - Maintenance of organic farming – Extensive fruit plantation unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD20a_O17_U12_HA - Organic farming maintenance – grassland farming – grazing and mowing of at least 0.2 LU/ha/year

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD20a_O17_U01_HA - Conversion to organic farming – arable land unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				491.00	491.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U02_HA - Conversion to organic farming – Vegetable unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,097.00	1,097.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U03_HA - Conversion to organic farming – Intensive fruit plantation unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,801.00	1,801.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								

RD20a_O17_U04_HA - Conversion to organic farming – Unit amount for grapes (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,132.00	1,132.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U05_HA - Conversion to organic farming – Extensive fruit plantation unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,562.00	1,562.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U06_HA - – Conversion to organic farming – grassland farming – grazing and mowing of at least 0.2 LU/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				225.00	225.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U07_HA - Maintenance of organic farming – unit amount of arable land (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				382.00	382.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U08_HA - Maintenance of organic farming – Unit Vegetables (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				664.00	664.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								

RD20a_O17_U09_HA - Maintenance of organic farming – Unit amount for intensive fruit plantations (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,117.00	1,117.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U10_HA - Maintenance of organic farming – Unit amount for grapes (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				1,097.00	1,097.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U11_HA - Maintenance of organic farming – Extensive fruit plantation unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				879.00	879.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U12_HA - Organic farming maintenance – grassland farming – grazing and mowing of at least 0.2 LU/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)				225.00	225.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
TOTAL	O.17 (unit: Hectares)				279,415.00	279,415.00			Sum: 558,830.00 Max: 279,415.00
	Annual indicative financial allocation (Total public expenditure in EUR)				63,064,332.00	63,064,332.00			126,128,664.00

	Annual indicative financial allocation (Union Contribution in EUR)				31,532,166.00	31,532,166.00			63,064,332.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD22_G05_LCP_70 - Payment to encourage agro-ecological land use change

Intervention Code (MS)	RD22_G05_LCP_70
Intervention Name	Payment to encourage agro-ecological land use change
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.14. Number of hectares (excluding forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area of implementation of the intervention is Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.1.4	Protection of arable land by agroforestry systems	2	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.2.2	Appropriate vegetation (invasive species, background pollution)	2	Yes
5.2.3	Rehabilitation of type-dependent zoning in the coastal zone of waters, establishment of a buffer zone	2	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes

6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes
6.2.3	Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description	Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.12	Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation
R.14	Share of utilised agricultural area (UAA) under supported commitments to reduce emissions or to maintain or enhance carbon storage (including permanent grassland, permanent crops with permanent green cover, agricultural land in wetland and peatland)
R.19	Share of utilised agricultural area (UAA) under supported commitments beneficial for soil management to improve soil quality and biota (such as reducing tillage, soil cover with crops, crop rotation included with leguminous crops)
R.21	Share of utilised agricultural area (UAA) under supported commitments for the quality of water bodies
R.31	Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices
R.34	Share of utilised agricultural area (UAA) under supported commitments for managing landscape features, including hedgerows and trees

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Agricultural land and associated habitats and landscape features are a crucial part of ecosystem systems and have a significant capacity to provide ecosystem services. They influence, for example, climate conditions, rainfall, soil and landscape water balances due to their regulatory effect. But they support soil protection, nutrient cycling and habitat, and can serve as feeding grounds for many agricultural-related and beneficial plant and animal species, such as pollinators, birds of prey, etc.

However, in recent decades, these habitats, which are part of the green infrastructure network, have been largely eradicated and disappeared with the transformation of landscape use, due to the growth of greenfield investments and the intensification of agricultural production. The restoration and development of grass roots, hedgerows, sheltered forest strips, tree rows, woody pastures, woody meadows and other semi-natural elements have become essential in order to combat pollination or pests, improve the water balance of agricultural areas, protect the quality of surface and groundwater, protect soil, improve local climatic conditions and increase the reduction of GHG emissions by agricultural means.

In order to protect our natural resources as a result of the increase in drought periods and changes in the intensity and distribution of precipitation and the rise in erosion phenomena, the preservation of excess water in the areas concerned for as long as possible and the establishment of certain erosion control facilities and buffer zones for watercourses are crucial. These activities make a major contribution to

balancing small-scale climatic conditions in agricultural areas and carbon sequestration (SO4), protecting soil stocks and reducing nutrient loads and pollution in their waters (SO5), but the resulting habitats also contribute to the protection of biodiversity and the protection and improvement of landscape features (SO6).

The re-diversification of habitats and the restoration of landscape features, as well as the creation of elements to protect water and control erosion, will therefore help to mitigate and adapt to adverse climatic changes caused by agriculture, to protect biodiversity but also to protect soil, water and air, and to preserve and restore landscape features. At the same time, these activities do not ‘only’ serve environmental and conservation interests, but also – perhaps primarily in the eyes of farmers – sustainable agricultural production. Stability of yields, greater crop security, conservation and restoration of natural resources for production.

These objectives can be achieved by non-productive investments and their long-term maintenance which do not directly affect the value of farms or their ability to generate income, but which greatly increase their natural and public welfare value and the ability to provide ecosystem services, but are designed and maintained in a way that represents a small amount of income and cost increases and requires additional activity from farmers.

It is also necessary to support the maintenance of newly developed habitats and crops in an appropriate way to encourage land-use change, which is desirable due to the agro-ecological transition. The payment incentivising agro-ecological land use change is a voluntary payment in which programme participants maintain non-productive crops and landscape features constituting land-use change in the context of agro-ecological non-productive investments for a number of years for the purpose of agro-ecological conversion and commit to carry out additional activities beyond the conditionality system of the relevant fund conditionality.

Areas of intervention:

Within the scope of the intervention, support for non-productive investments shall be available for activities listed in the following target areas:

A.a.) Maintenance of perennial crops for protection of newly planted biodiversity

The objective of the aid is to ensure the maintenance of perennial crops for the protection of biodiversity in the context of non-productive agro-ecological investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

A.b.) Maintenance of newly planted grasslands for soil protection purposes

The objective of the aid is to ensure the maintenance of grasslands for soil protection in the context of agro-ecological non-productive investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

A.c.) Maintenance of newly planted semi-natural grasslands

The objective of the aid is to ensure the maintenance of semi-natural grasslands in the context of agro-

ecological non-productive investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

A.d.) Maintenance of newly developed grassy, scrub strips

The objective of the aid is to ensure the maintenance of the grassland and scrub strips developed in the context of non-productive agro-ecological investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

B.a.) Reservation of newly developed tree rows for plant protection

The purpose of the aid is to ensure the maintenance of tree lines developed in the context of agro-ecological non-productive investments and to compensate for the additional costs and income foregone resulting from the maintenance obligations undertaken.

Commitment period: 7 years

B.b.) Upgrading of newly developed protective forest strips

The purpose of the aid is to ensure the maintenance of crop protection forest lines developed in the context of non-productive agro-ecological investments, to compensate for the additional costs and income foregone resulting from the maintenance obligations undertaken.

Commitment period: 7 years

B.c.) Reservation of newly planted wooded pastures and crasas

The purpose of the aid is to ensure the maintenance of wooded pastures or meadows developed in the context of agro-ecological non-productive investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

(C.a) Maintenance of a newly established coastal water buffer zone

The objective of the aid is to ensure the maintenance of the coastal water buffer zone in the context of agro-ecological non-productive investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

C.b.) Maintenance of newly established wetland

The objective of the aid is to ensure the maintenance of wetlands created in the context of agro-ecological

non-productive investments, to compensate for the additional costs and income foregone resulting from the maintenance commitments undertaken.

Commitment period: 7 years

Selection criteria:

We do not intend to introduce a scoring assessment when selecting aid applications, as only newly created habitats under the agro-ecological non-productive investments RD21_G04_LCI_73 are eligible for support.

Link to other CAP ST measures:

- The non-productive areas maintained under this intervention shall not be eligible during the commitment period for the fulfilment of the relevant requirement of the DP17_G01_ECOS_16 – Agro-ecological programme.
- Under this intervention, only non-productive elements established under target areas RD21_G04_LCI_73 Agro-ecological non-productive investments A.a, A.c, Ad, Ba, Bb, Bc) and C/I.a and C/I.b. may be claimed under this intervention.

Link to other legislation:

- Act CXXIX of 2007 on the protection of arable land
- Act LIII of 1996 on nature protection
- 1155/2016. (III. Government Decision of 31 December 2006 on the revised 2015 river basin management plan of Hungary
- 23/2018. (X.31) OGY Resolution on the Second National Climate Change Strategy 2018-2030 with a 2050 perspective

Review clause:

For operations carried out under the intervention, where mandatory standards, requirements or obligations (reference elements) are amended, the beneficiary may decide not to accept the adjustment/modification and the commitment concerned shall cease to be valid and the farmer shall not be required to repay the aid in respect of the period of validity of the commitment.

Timing of the grant

This intervention builds on intervention RD21_G04_LCI_73: farmers receive support for setting up under measure RD21_G04_LCI_73 – Agro-ecological non-productive investments in the year of the investment, while they can subsequently apply for support under this measure for the nursing period (B.a, B.b., B.c) or the maintenance period.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

Agricultural producer

In the case of target areas A to C, the farmer shall be entitled to receive the aid if, in the year preceding the application, he has made an agro-ecological non-productive investment in that area corresponding to the target area under intervention RD21_G04_LCI_73 Agro-ecological non-productive investments.

In the case of target area B, the farmer is entitled to receive the aid if, in the year preceding the application, he has made an agro-ecological non-productive investment in that area corresponding to the target area under the intervention D21_G04_LCI_73_U03 Agro-ecological non-productive investments or an agro-forestry system under operation VP5-8.2.1 and is no longer eligible for payment for the maintenance period.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Type of aid:

Non -repayable support on the basis of a calculation of unit costs per hectare or per piece or linear metre.

General Commitment:

- Management of the Farming Log except in Target Areas Ba, Bb, B.c.

Specific eligibility conditions and commitments for each target area:

A.a.) Maintenance of perennial crops for protection of newly planted biodiversity

Eligibility condition:

In order to be eligible for support, a farmer must have planted a perennial crop for the protection of biodiversity in the year preceding the application under agro-ecological non-productive investment.

Commitments:

- The use of plant protection products and fertilisers is not allowed during the commitment period.
- In the first year
 - after 15 June, a cleaning mowing is mandatory when the entire area can be discarded;
 - the second mowing shall take place after 30 September, leaving 10 to 20 % of the area unmown;
- From the second year, one mowing per year is mandatory, to be carried out after 30 September, leaving 10-20 % of the area unmown.
- In the event of the appearance of invasive and alien plant species or dangerous weeds in the area, their establishment and spread shall be prevented by mechanical control or specific application of plant protection products.
- During mowing, a stubble must be left 10 cm high.
- From sunset to sunrise, all work is forbidden.
- Mowing shall be carried out in a bird-friendly manner, using a game alarm device.
- During the commitment period, the re-seeding of the bee grazing culture shall be permitted once with the species authorised for planting.

The duration of the commitment is 7 years.

A.b) Maintenance of newly planted grasslands for soil protection

Eligibility condition:

In order to be eligible for support, it must have planted grasslands in the relevant area under non-productive agro-ecological investment in the year preceding the application.

Commitments:

- Grasslands shall be used for grazing or mowing.
- Any mechanical work on water-saturated soil is prohibited.
- Inland water/periodic water stopping is prohibited.
- From sunset to sunrise, machine work is prohibited.
- Bird-friendly mowing (use of displacement mowing, use of game alarm chain and equipment, speed of up to 8 km/h) is mandatory, with a minimum stubble height of 10 centimetres.
- The use of baler silo foil during mowing is prohibited.
- In grassland, the storage of coarse fodder is forbidden for more than 30 days after mowing.
- The establishment and spread of invasive and alien plant species shall be prevented by mechanical control or specific application of plant protection products.
- It is permitted to overtake the grass once during the seven years of the commitment period with a mixture of controlled, sealed seeds of domestic grass and butterfly species suitable for utilisation.
- In the course of farming activities, damage to the grassland surface is prohibited.

- Grassland-friendly grazing, taking into account undergrazing and overgrazing.
- Only cattle, sheep, goats, asses, horses, mules and buffalo may be grazed on grassland.

The duration of the commitment is 7 years.

A.c.) Maintenance of newly planted semi-natural grasslands

Eligibility condition:

In order to be eligible for support, it must have planted grasslands in the relevant area under non-productive agro-ecological investment in the year preceding the application.

Commitments:

- Grasslands shall be used for grazing or mowing.
- Any mechanical work on water-saturated soil is prohibited.
- The use of slurry, sewage, sewage sludge, compost containing sewage sludge is prohibited.
- Nutrient restocking may only come from faeces excreted by grazing animals, manure spreading is prohibited.
- Irrigation of grassland is prohibited.
- Inland water/periodic water stopping is prohibited.
- From sunset to sunrise, machine work is prohibited.
- A minimum of 10 % and a maximum of 15 % of the area shall be left unmown per field. The minimum width of unmown areas shall be 6 m.
- Bird-friendly mowing (use of displacement mowing, use of game alarm chain and equipment,

speed of up to 8 km/h) is mandatory, with a minimum stubble height of 10 centimetres.

- The use of baler silo foil during mowing is prohibited.
- In grassland, the storage of coarse fodder is forbidden for more than 30 days after mowing.
- The establishment and spread of invasive and alien plant species shall be prevented by mechanical control or specific application of plant protection products.
- In the course of farming activities, damage to the grassland surface is prohibited.
- If nests and branches of specially protected birds nesting on the ground are found, this must be reported immediately to the relevant National Park Directorate. At least 1 ha of protection zone around the found nests.
- Electric shepherds, fences and pens may be established or used in a protected natural area and a Natura 2000 site only on the basis of a prior written declaration from the competent National Park Directorate.
- At least 5 working days before the start of mowing, the exact location and planned start date of mowing must be notified in writing or electronically (customer gateway, e-mail) to the relevant National Park Directorate in a protected site and Natura 2000 site.

Mandatory standards in the case of grazing:

- Grassland-friendly grazing, taking into account undergrazing and overgrazing.
- Only cattle, sheep, goats, asses, horses, mules and buffaloes may be grazed on grassland.

The duration of the commitment is 7 years.

B.a. and B.b) Newly, in the case of maintenance of rows and strips of plant protection forests developed with support RD21 G04 LCI 73 U03

Eligibility condition:

To be eligible for support, you must have created in the year preceding the claim an agro-ecological non-productive investment that has created a tree line or a protected forest strip in the area concerned.

Commitments:

- Replacement of trees – the deficiency must not exceed 30 %.
- Keeping a 10 m strip without weed in the case of wood rows by mechanical means,
- In the case of forest strips, keeping 2 620 metres strips without weed by mechanical means;
- For specific target area B.a) replacement of individual primary protection
- Keeping of agro-forestry logs
-

The duration of the commitment is 7 years.

B.c.) Reservation of woodland newly planted with support RD21 G04 LCI 73 U03

Eligibility condition:

To be eligible for support, it must have created wooded pasture or hay in the area under the agro-ecological non-productive investment in the year preceding the application.

Commitments:

1. Replacement of trees, – the deficiency must not exceed 30 % in any year
2. The planted individuals must be prevented from growing from the corner or seed, and the area must not have juveniles of more than 100 specimens/ha above that number, or above that number if the maximum number of trees has been set by the nature conservation authority, in groups over 2 years of age on the site.
3. Keeping an area of at least 1.0 m in diameter around trees without weed by mechanical means
4. Repair, if necessary, of specific strain protection or microfence
5. Keeping of agro-forestry logs
6. Grasslands shall be used for grazing or mowing.

Mandatory standards in the case of grazing:

- Grassland-friendly grazing, taking into account undergrazing and overgrazing.
- Only cattle, sheep, goats, asses, horses, mules and buffalo may be grazed on grassland.

The duration of the commitment is 7 years.

C.a.) Maintenance of a newly established coastal water protection buffer zone

Eligibility condition:

In order to be eligible for support, it must have established a coastal water protection buffer zone in the area concerned as part of an agro-ecological non-productive investment in the year preceding the application.

Commitments:

- The land can only be used by mowing.
- The establishment and spread of invasive and alien plant species shall be prevented by mechanical control or specific application of plant protection products.
- The application of fertilisers, organic fertilisers and the use of plant protection products shall be prohibited, except for the specific application of plant protection products against invasive and alien plant species;
- Bird-friendly mowing (use of displacement mowing, use of game alarm chain and equipment, speed of up to 8 km/h) is mandatory, with a minimum stubble height of 10 centimetres.

Mandatory requirements for protection areas with grass scrub:

- specific mechanical protection of the tree planted in the area shall be ensured
- care work on the tree planted in the area must be carried out
- provision should be made for the restocking of the trees planted in the area.

The duration of the commitment is 7 years.

C.b.) Maintenance of newly established wetland

Eligibility condition:

To be eligible for support, you must have created a wetland on the land under the non-productive agro-ecological investment in the year preceding the claim.

Commitments:

- The area must ensure that emerging water is preserved for as long as possible, drainage and drainage are not allowed;
- The establishment and spread of invasive and alien plant species shall be prevented by mechanical control or specific application of plant protection products.
- The application of fertilisers, organic fertilisers and the use of plant protection products shall be prohibited, except for the specific application of plant protection products against invasive and alien plant species;
- Grazing and mechanical work can only be carried out under sufficiently dry soil conditions;
- Bird-friendly mowing (use of displacement mowing, game alarm chain and equipment, speed up to 8 km/h) is mandatory.
- During mowing, a stubble must be left at least 15 cm high;

The duration of the commitment is 7 years.

O14 What area is eligible?

- ☒ Agricultural area defined for the CAP plan
☐ Agricultural land including and beyond agricultural area
☐ Non-agricultural land

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.
GAEC02	Protection of wetland and peatland
GAEC04	Establishment of buffer strips along water courses
GAEC05	Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient
GAEC06	Minimum soil cover to avoid bare soil in periods that are most sensitive
GAEC08	Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites
SMR01	Directive 2000/60/EC of 23 October 2000 of the European

	Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
SMR02	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5
SMR03	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
SMR04	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)

List of relevant mandatory national standards

NJSZ– Sections 6(2), 7(1), 8(1), 16(1), 17(1) and 17(1) of Act LIII of 1996 on nature protection

The conservation of wild organisms, their populations and communities must go hand in hand with the conservation of their habitats, that all activities must be carried out in a manner that preserves natural values and areas in order to preserve the habitats of wild organisms and their biodiversity, as well as to ensure sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural condition of the landscape and to ensure that the natural assets, natural systems and specific landscape features that determine the aesthetic features of the landscape and its nature are maintained, taking into account historically established nature-friendly uses.

NJSZ – *Section 23(2) of Act LIII of 1996 on nature protection*

All bogs are protected by law of national importance. Shanks are defined as land that is permanently or intermittently exposed to water or which is temporarily saturated with water, and a significant proportion of the land is living in bogs and is characterised by varying levels of peat content and peat formation processes.

NJSZ – *Sections 35-42 of Act CXXIX of 2007 on the protection of agricultural land.*

The land user shall carry out soil conservation farming or activities adapted to the ecological conditions of the place of production as follows:

On arable land at risk of erosion by the land user, cultivate crops for soil cover in order to prevent water and wind erosion and implement a cultivation method that promotes the release of rainwater into the soil and/or the cultivation of contours by protecting soil structure, preventing and eliminating soil compaction;

Link between GAEC, SMR and national standards with the intervention

Regulation	Related reference regulation (SMR, GAEC specifications)	Relationship between the reference regulation and the requirements
A.a.) Maintenance of perennial crops for protection of newly planted biodiversity		
The use of plant protection products and fertilisers is not allowed during the commitment period.	SMR 8 – National legislation on the sustainable use of plant protection products	The reference rules allow the use of authorised plant protection products without further restrictions.
After 15 June of the first year, a cleaning mowing is mandatory when the entire area can be discarded; the second mowing	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection	The reference regulation does not contain any requirements as to the time of mowing or the abandonment of the unmown area.

shall take place after 30 September, leaving 10 to 20 % of the area unmown;		In practice, farmers do not leave unmown areas, and the choice of mowing date is not based on conservation criteria.
From the second year, one mowing per year is mandatory, to be carried out after 30 September, leaving 10-20 % of the area unmown.	The conservation of wild organisms, their populations and communities must be ensured in conjunction with the conservation of their habitats and that all activities must be carried out with the welfare of natural assets and areas in order to protect the habitats of wild organisms and their biodiversity, as well as sustainable use, including sustainability, the use of environmentally sound methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural state of the landscapes and to ensure the preservation of the natural values, natural systems and unique landscape values that determine the aesthetic features and nature of the landscapes, taking into account historically developed environmentally friendly uses.	
In the event of the appearance of invasive and alien plant species or dangerous weeds in the area, their establishment and spread shall be prevented by mechanical control or specific application of plant protection products.	NJSZ – Sections 6(2), 7(1), 8(1), 16(1) and (4) of Act LIII of 1996 on nature protection SMR 8 – National regulations on the sustainable use of plant protection products. Minimum requirements for the maintenance of agricultural area SPR Article 4(2)	The reference regulation does not provide that, in the event of the appearance of invasive and non-local plant species or dangerous weeds, protection can only be carried out by mechanical control or specific application of plant protection products; in practice, full pesticide treatment is typical in such a case.
During mowing, a stubble must be left 10 cm high.	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection	The reference regulation does not provide for a minimum stubble height, a lower stubble height is maintained during the exercise
Mowing shall be carried out in a bird-friendly manner, using a game alarm device.	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection	The reference regulation does not contain any requirement as to the method of mowing. In practice, there is no use of bird-friendly mowing methods in bee pasture areas.
During the commitment period, the re-seeding of the bee grazing culture shall be permitted once with the species authorised for	NJSZ – Sections 6(2), 7(1), 8(1) 16(1), (4) 17(1), 17(1) and (3) of Act LIII of 1996 on nature protection	The reference rules do not require the replanting of bee pastures.

planting.		

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☐ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

The aid intensity is 100 %.		
Objective 1	Unit cost	
A.a) Maintenance of newly planted biodiversity conservation perennial crops		
arable land	EUR 537/ha/year	
in permanent cultures	EUR 108/ha/year	
A.b) Maintenance of newly planted grasslands for soil protection		
arable land	EUR 708/ha/year	
in permanent cultures	EUR 108/ha/year	
A.c) Maintenance of newly developed grass, scrub strips	EUR 109/100m/year	
A.d) Maintenance of newly installed close-to-nature grasslands	EUR 833/ha/year	
B.a) Maintenance, maintenance and loss of agricultural income	EUR 4.75/year	
B.b) Maintenance, maintenance and replacement of newly planted sheltered forest strips for agricultural income	EUR 2 per linear metre/year	
B.c) Care of newly planted wooded pastures or meadows	EUR 3/year	
C.a) Maintenance of a newly developed coastal buffer zone	EUR 911/ha	
C.b) Maintenance of newly developed wetland	EUR 911/ha	

Calculation method

Background calculation of the unit costs of the Agro-ecological Land Use Change Incentive Programme Intervention:

The calculation methodology prepared by the independent expert body was based on the use of the Test Operating System (FADN) of the Institute of Agricultural Economics (FADN), the databases of the Central Statistical Office (HCSO) and expert estimates. From the test scheme, data on production value

and the costs of certain crops at sectoral level have been taken into account in particular. The test scheme collects sectoral data on the most important crops each year for more than 90 % of farmland, which is an important basis for background calculations, in arable land, grassland, vegetables and plantation crops.

The calculation shall be based on the determination of the additional costs incurred by complying with the requirements and the amount of loss of income. In calculating the aid amount, the expected income development of compliant farmers is compared to previous farming practices without making any investment. For each standard, the expected loss of revenue and the expected additional costs are taken into account. The value of the compensation was determined by aggregating the expected revenue losses and the expected additional costs under each provision.

For agro-forestry systems, the development of unit cost categories of support is a separate annexed "CAP Strategic Plan Hungary 2023-2027 Simplified cost options prepared by the Institute of Forest Sciences of the University of Sopron as an expert organisation independent of AM: unit costs).

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

☐ result based (with possibility to pick and choose)

☒ management based (with possibility to pick and choose)

☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

The beneficiary of the aid must continue its activities in the areas covered by the commitment according to the commitments defined by the target area.

Some of the commitments include bans, such as a ban on working on water-saturated soil, while others provide for specific management methods, e.g. by leaving the unmown part of the land.

Specific commitments are set out in Chapter 5 by target area.

What is the duration of contracts?

5 years for the target area A.a) and 7 years for the other target areas.

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The support under the aid clearly serves climate, environmental and nature conservation objectives. The aid is intended solely to compensate for the additional costs and income foregone resulting from compliance with the obligations.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD22_O14_U01_HA - Agro-ecological land use change incentive scheme Newly planted biodiversity maintenance perennial crops on arable land	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U02_HA - Agro-ecological land use change incentive scheme for Newly planted grasslands for soil protection on arable land	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U03_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly planted semi-natural grasslands	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U04_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly established rows of conservation trees	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U05_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly developed protective forest strips	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U06_HA - Agro-ecological land use change incentive programme to maintain newly planted woody pastures or meadows	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U07_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of a newly established coastal water buffer zone	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U08_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly created wetlands	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U09_HA - — Agro-ecological land-use change incentive scheme Newly planted biodiversity conservation perennial crops in permanent crops	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U10_HA - Agro-ecological Land Use Change Incentive Scheme to maintain Newly planted grasslands for soil protection in permanent crops	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No
RD22_O14_U11_HA - Agro-ecological land use change incentive scheme to maintain newly established grassland, scrub strips	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.14; R.19; R.21; R.31; R.34	No

Explanation and justification related to the value of the unit amount

RD22_O14_U01_HA - Agro-ecological land use change incentive scheme Newly planted biodiversity maintenance perennial crops on arable land

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD22_O14_U02_HA - Agro-ecological land use change incentive scheme for Newly planted grasslands for soil protection on arable land

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD22_O14_U03_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly planted semi-natural grasslands

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U04_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly established rows of conservation trees
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U05_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly developed protective forest strips
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U06_HA - Agro-ecological land use change incentive programme to maintain newly planted woody pastures or meadows
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U07_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of a newly established coastal water buffer zone
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U08_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly created wetlands
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U09_HA - — Agro-ecological land-use change incentive scheme Newly planted biodiversity conservation perennial crops in permanent crops
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD22_O14_U10_HA - Agro-ecological Land Use Change Incentive Scheme to maintain Newly planted grasslands for soil protection in permanent crops
The unit amount was determined on the basis of the unit costs of each target area. See methodology for the calculation of unit costs in point 7
RD22_O14_U11_HA - Agro-ecological land use change incentive scheme to maintain newly established grassland, scrub strips
The unit amount was determined on the basis of the unit costs of each target area. See methodology for the calculation of unit costs in point 7

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD22_O14_U01_HA - Agro-ecological land use change incentive scheme Newly planted biodiversity maintenance perennial crops on arable land (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	537.00	537.00	537.00	537.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U02_HA - Agro-ecological land use change incentive scheme for Newly planted grasslands	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	708.00	708.00	708.00	708.00	0.00	

for soil protection on arable land (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U03_HA - Agro- ecological Land Use Change Incentive Programme Maintenance of newly planted semi-natural grasslands (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	833.00	833.00	833.00	833.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U04_HA - Agro- ecological Land Use Change Incentive Programme Maintenance of newly established rows of conservation trees (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	1,373.00	1,373.00	1,373.00	1,373.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U05_HA - Agro- ecological Land Use Change Incentive Programme Maintenance of newly developed protective forest strips (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	708.00	708.00	708.00	708.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U06_HA - Agro- ecological land use change incentive programme to maintain newly planted woody pastures or meadows (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	225.00	225.00	225.00	225.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U07_HA - Agro- ecological Land Use Change Incentive Programme Maintenance of	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	911.00	911.00	911.00	911.00	0.00	

a newly established coastal water buffer zone (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U08_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly created wetlands (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	911.00	911.00	911.00	911.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U09_HA - — Agro-ecological land-use change incentive scheme Newly planted biodiversity conservation perennial crops in permanent crops (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	108.00	108.00	108.00	108.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U10_HA - Agro-ecological Land Use Change Incentive Scheme to maintain Newly planted grasslands for soil protection in permanent crops (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	108.00	108.00	108.00	108.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								
RD22_O14_U11_HA - Agro-ecological land use change incentive scheme to maintain newly established grassland, scrub strips (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	109.00	109.00	109.00	109.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.14 (unit: Hectares)								

TOTAL	O.14 (unit: Hectares)	0.00	0.00	5,692.00	11,384.00	11,384.00	11,384.00	0.00	Sum: 39,844.00 Max: 11,384.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	4,118,429.71	8,236,859.43	8,236,859.43	8,236,859.43	0.00	28,829,008.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	2,059,214.86	4,118,429.71	4,118,429.71	4,118,429.71	0.00	14,414,503.99
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD24_G07_GAX_70 - Ex situ conservation and technical support of animal genetic resources

Intervention Code (MS)	RD24_G07_GAX_70
Intervention Name	Ex situ conservation and technical support of animal genetic resources
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.25 Share of livestock units (LU) under supported commitments to improve environmental sustainability

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Support for ex situ gene conservation:

Support the preservation of male animals (except poultry) under an approved breeding programme for protected native, endangered agricultural breeds and farm breeds undergoing restocking in an ex situ environment other than the original rearing and feeding conditions.

Provision of technical support:

Explain to breeders the breeding and genetic conservation tasks that help preserve protected native, vulnerable agricultural animal breeds and farm breeds undergoing breed reconstruction, and provide professional support. Description, creation and promotion of exploitation opportunities.

In different farming systems, high genetic value plant species and animal breeds, which are often

threatened with extinction/genetic erosion, are highly supported. The conservation of these varieties is a priority for the maintenance of biodiversity. The purpose of genetic conservation is the conservation and breeding of the genetic resources of native agricultural animal breeds under threat of agricultural and varietal reconstruction, within the framework of mandatory legislation on the conservation of the genetic stock and on breeding programmes ensuring the survival of those breeds, as well as the ex situ and in situ conservation, characterisation, collection and utilisation of genetic resources of species of particular importance in agriculture and nutrition.

The context of certain interventions supporting the conservation of genes: In the case of in situ gene conservation, we support the conservation of female and mixed female herds in the case of poultry. Male breeding animals necessary for breeding, i.e. the maintenance of the breed, are supported in ex situ conservation, and reproductive material obtained from breeding animals and genetic material are supported in the intervention of in vitro gene conservation. Thus, these three interventions together form one unit. Our aim is to preserve these valuable varieties that are threatened with extinction, that are displaced from farming by the breeds of commers and are backwards.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- inclusion of several species and varieties in the genetic conservation measure
- maintenance of small numbers of lines, families;
- maintenance of small, rare lines of high genetic value, families;
- breeding of rare and/or valuable hereditary properties;
- the proportion of native animals in the holding;
- professional qualifications;
- environmental, climate and adaptation aspects;
- animal welfare;
- organic farming
- qualification of breeding work,
- length of membership of a breed society,
- carrying out special pairs,
- breeding of breeds with a critical or a threat level to be protected according to threat levels determined on the basis of the number of females entered in the main section of the herd book.

Presentation of the environmental ambition level for the three animal genes conservation:

The interventions aim to conserve genetic resources in agriculture to support the conservation of plant species, micro-organisms and animal breeds of high genetic value and often threatened with extinction/genetic erosion. We also expect an increase in claims for items already supported under the Rural Development Programme, and in order to increase the level of environmental ambition, Hungary has already planned significant changes from the transitional period onwards:

- In the case of conservation of animal genetic resources, for ex situ, in situ and in vitro conservation, the range of previously supported breeds will be extended to include black mangalica, akhal camels, breeds under construction and Hungarian giant rabbit breeds, and in the case of in vitro gene conservation, embryonic cells and sexual organ tissues are also eligible as new elements.

List of varieties supported:

Protected native breeds	
Species	Breed
Bovine	Hungarian grey cattle
	Hungarian house buffalo

	Hungariantarca cattle
Horse	gidran
	hucul
	low-wage semi-blood
	Lipicai
	Furioso-northstar
	Nonicus
	Hungarian cold-blooded
	shagya Arab
Donkey	Hungarian Palagias
Pigs	oak mangalica
	syringe-bellied mangalica
	red mangalica
	black mangalica
Sheep	Hortobágyi (Hungarian) rough
	Gyimesi racka
	dairy cigas
	ciga
	cyclatics
Goat	Hungarian Palagic goats
Hen	yellow Hungarian hens
	hemp-seed Hungarian fowl
	white Hungarian hens
	partridge-coloured Hungarian fowls
	white abrasion neck hens
	black Transylvania worn-necked hens
	hemp-seed abrasion neck hens
Guineafowl	Hungarian guinea fowl
Geese	Hungarian geese with curled pens
	Hungarian geese
Duck	white Hungarian ducks
	Tarka Hungarian ducks
Türkiyes	bronze turkey
	turkey copper
Rabbit	Hungarian giant rabbit
Endangered agricultural animal breeds	
Species	Breed
Sheep	Hungarian merino
Horse	achovy
Breeds of agricultural animals subject to breed reconstruction	
Species	Breed
Bovine	Carpathian borers
Horse	inter mura
	Székely horse
	Kunfakó horse
	Tranian horse

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries: Natural and legal persons engaged in the conservation of genes

Eligibility criteria

For ex situ gene conservation:

-Conservation in an ex-situ environment of the genetic stock of animals specified in the legislation containing the list of protected native and endangered agricultural breeds and of animals implementing an approved breeding programme for agricultural breeds undergoing breed reconstruction

Compliance with the rules on marking and registration of the species and the registration of the holding; at least 1 pure-bred breeding animal and certified by the breed society responsible for the maintenance of the breed or rearing of a registered male breeding animal for breeding purposes; the applicant must be registered in the Farming Information System (TIR) as an animal holder for breeding animals or breeding projectiles;

In the case of professional support:

breed societies or their association responsible for the maintenance of the breed.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

For ex situ gene conservation:

compliance with the breeding programme of the breed society responsible for the maintenance of the breed in question during the commitment period

- compliance with the minimum and maximum holding time in culture;

- the marking and registration of each species in accordance with the ENAR and the National Livestock Database, as well as compliance with the TIR register

the keeper is obliged to keep or rear a breeding animal listed in a breeding book and designated by a breed society for the maintenance of the breed in question in an ex situ holding;

In the case of professional support:

professional support activities shall:

—it must cover the provision of at least 10 professional support per month

for a period of at least 11 months per year

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Not relevant.

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☒ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

- ☐ one off payment
- ☐ lump sum

Range of support at beneficiary level

Aid for ex-situ gene conservation:

Subject of aid/Minimum and maximum eligible period (days) for keeping a given breeding animal in a candidate breeding animal over 5 years/Level of support

Rearing of Hungarian giant rabbit breeding babies/18-540 days/EUR 1.5 forint/animal/day

Central rearing of Magyartarka cattle bulls/18-210 days/EUR 15.72 HUF/animal/day

Rearing of Hungarian grey cattle bull and Carpát Borzderes bovine animals equivalent to HUF/180-900 days/day per animal/day

Rearing of a Hungarian domestic buffalo bull (HUF amount equivalent to EUR/18-365 days/animal/day)

Placing Hungarian tarka cattle bulls at a pre-expected bull or artificial insemination station/forint amount equivalent to EUR 30 to 825 days/EUR 10.5 forint/animal/day

Central rearing of pig boars/18-300 days/EUR 1.92 HUF/animal/day

Central rearing of ram and goat babies/18-550 days/forint amount equivalent to EUR/2.6 per animal/day

Rearing of horses and asses/forints equivalent to 180-1095 days/EUR/4.4 per animal/day

Rearing of horses and asses at artificial insemination stations or cane cover stations of HUF/180-1825 days/EUR 8,4 equivalent to HUF/animals/day

Calculation method

Methodology Revision of current unit costs for measures to be announced in the new support cycle for the conservation in-situ and ex-situ of the genetic stock of protected indigenous and endangered agricultural breeds and farm animal breeds undergoing reconstruction is set out in 1381/2013. (VI. The Őshonoses Animals Gene Resources Council (Hungarian Resources Council) set up pursuant to Government Decision (27) Government Decision, which is involved in the preparation of the Government's decisions on protected indigenous agricultural animal breeds and endangered agricultural animal breeds. ŐHGT) and the state-recognised breed societies responsible for the maintenance of the respective breeds. The new cost calculations were compiled by the Central Statistical Office on the evolution of the price index for changes in the costs of keeping each breed, data on the gross average monthly earnings of full-time employed persons, broken down by aggregate sections, grassland rents and NAIK-PÁIR feed prices, they were based on detailed cost calculations prepared by the breed societies responsible for the maintenance of the breed, accompanied by detailed technical justifications. The breed societies included in the cost calculations both the additional costs associated with the genetic conservation activities of protected autochthonous and endangered agricultural breeds, as well as the costs of compensating for the loss of profit resulting from the competitive disadvantage suffered by modern breeds during the maintenance of those breeds. The biological characteristics of the respective breeds, the length of their generational interval, their average production levels, costs and profitability levels, the effects of the COVID-19 pandemic and the expected reduction in the capacity of extensive grasslands due to climate change in grazing animals have also been taken into account. For the intervention, the background calculation includes information on support for the granting of professional support. Overall, support professionals

have many years of professional experience, in many cases even decades, and very specific expertise in animal gene conservation. Although those persons performing support activities also perform other tasks, it should be pointed out that the amount of aid is only a fraction of the salaries of those professionals. It is important to emphasise that the aid is not intended to fully cover the gross wages of those providing professional support, but mainly their expertise and professional assistance. Cost calculations are based on the annual average euro exchange rates set by the National Bank of Hungary for the years 2014-2020. For the proposed aid amounts, the euro/forint exchange rate was calculated at the planning rate at HUF 350/EUR.

Non-IACS section

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The calculation of the 'unit cost' used in the intervention is 'Article 83 Forms of grants' (1) (b) unit costs of the CAP Strategic Plans Regulation; and (2)(a)', according to which the applicable amount for the form of support was established on the basis of a fair, equitable and verifiable calculation method, based on statistical data, other objective information or expert opinion. In the case of professional support activities, taking into account the significantly increased salary and material expenditure and the calculations of the breed societies independent of the Managing Authority and each other, the Institute for Agricultural Economics was drawn up.

Range of support at beneficiary level

For the provision of professional support:

HUF equivalent to EUR 1108 per month/person performing professional support activities

Additional explanation

Genetic resources in agriculture, in particular maintaining a viable breeding population of in situ breeds of protected native and endangered and endangered breed breeds, or mixed in the case of poultry, in situ conditions similar to the original rearing and feeding conditions. As part of the conservation of the in-vitro gene, the collection of genetic material of these breeds, preparation for deep-frozen storage, storing them under laboratory conditions by means other than the original husbandry and feeding conditions, as well as in the context of conservation of the ex-situ gene, are placed in a protected indigenous and endangered situation and undergoing reconstructing, preservation in the ex situ environment. Therefore, it is justified to keep breeders aware of the breeding and genetic conservation tasks that have been put in a protected autochthonous and endangered situation and the conservation of farm animal breeds under rebuilding, as well as to provide practical advice on implementation and to help create conditions for genetic exploitation. In view of the above, it is necessary to update the measures to be published for the new support cycle and to revise the current unit costs.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

☒ result based (with possibility to pick and choose)

☒ management based (with possibility to pick and choose)

☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

For ex situ gene conservation:

— compliance with the breeding programme of the breed society responsible for maintaining the breed during the commitment period

- compliance with minimum and maximum holding times;

- marking and registration of each species according to the ENAR or the National Livestock Database and compliance with the TIR register

— the keeper shall keep or raise a breeding animal in an ex situ holding site designated by a breed society for the maintenance of that breed and entered in a breeding book;

Where professional support is granted:

professional support activities

— it must cover the provision of at least 10 professional support per month

— for a period of at least 11 months per year

What is the duration of contracts?

5 years commitment period

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	IACS/Non-IACS	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD24_O19_U01_DY - Unit amount for the central rearing of Magyartarka bovine bulls	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U02_DY - Unit sum for the rearing of Hungarian grey cattle and Carpathian borzderes bulls	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U03_DY - Unit amount for rearing Hungarian buffalo buffalo bulls	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U04_DY - Unit amount for the placement of Magyartarka bovine bulls at impending bulls or artificial insemination centres	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U05_DY - Unit amount for central rearing of pig boars	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U06_DY - Unit amount for central rearing of male sheep and goats	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U07_DY - Unit sum for rearing horses and donkey stallions	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U08_DY - Unit sum of the holding of horses and donkey stallions at artificial insemination or cane cover stations	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U09_DY - Unit amount of Hungarian giant rabbit breeding bays	Grant	91(3)(b) - 70-HU-50.00%	IACS	Uniform		R.25	No
RD24_O19_U10_PS - Person providing professional support	Grant	91(3)(b) - 70-HU-50.00%	Non-IACS	Uniform		R.28	No

Explanation and justification related to the value of the unit amount

RD24_O19_U01_DY - Unit amount for the central rearing of Magyartarka bovine bulls

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

HUF amount corresponding to EUR 180-210 days/15.72 per animal per day of central rearing of Hungarian cattle bulls per 5 years

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U02_DY - Unit sum for the rearing of Hungarian grey cattle and Carpathian borzderes bulls

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Hungarian grey cattle bull and carpathian borer cattle rearing per 5 years HUF 180-9 000 days/EUR 6/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U03_DY - Unit amount for rearing Hungarian buffalo buffalo bulls

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Hungarian domestic buffalo bull raised per 5 years in HUF 180-365 days/EUR 6/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U04_DY - Unit amount for the placement of Magyartarka bovine bulls at impending bulls or artificial insemination centres

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Housing of Hungarian tarca cattle bulls in waiting traditional bull farms or artificial insemination stations per 5 years in HUF 30-1 825 days/EUR 10.5/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U05_DY - Unit amount for central rearing of pig boars

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Central rearing of pigs in 5 years 180-300 days/EUR 1.92 in HUF/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U06_DY - Unit amount for central rearing of male sheep and goats

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Amount of HUF equivalent to 180-550 days/2.6 per animal per day for central rearing of rams and goats per 5 years

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element

and type can be found in chapter 7 of the interventions.

RD24_O19_U07_DY - Unit sum for rearing horses and donkey stallions

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Amount of HUF 180-1 095 days/4.4 for horses and asses rearing/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U08_DY - Unit sum of the holding of horses and donkey stallions at artificial insemination or cane cover stations

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

Holding of horses and asses at an artificial insemination station or mare-feeding station per 5 years, equivalent to 180 to 825 days/EUR 8.4 in HUF/animal/day

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U09_DY - Unit amount of Hungarian giant rabbit breeding bays

Methodology for the calculation of the unit amount: Based on the calculation provided by the Institute of Agricultural Economics:

HUF amount equivalent to 180-540 days/EUR 1.5 per animal/day for rearing Hungarian giant rabbits per 5 years

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD24_O19_U10_PS - Person providing professional support

The unit cost of technical advice was calculated by the AKI and uploaded as an annex.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD24_O19_U01_DY - Unit amount for the central rearing of Magyartarka bovine bulls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	15.72	15.72	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U02_DY - Unit sum for the rearing of Hungarian grey cattle and Carpathian borzderes bulls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	6.00	6.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U03_DY - Unit amount for rearing Hungarian buffalo buffalo bulls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	6.00	6.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U04_DY - Unit amount for the placement of Magyartarka bovine bulls at impending bulls or artificial insemination centres (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	10.50	10.50	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U05_DY - Unit amount for central rearing of pig boars (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	1.92	1.92	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U06_DY - Unit amount for central rearing of male sheep and goats (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	2.60	2.60	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U07_DY - Unit sum for rearing horses and donkey stallions (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	4.40	4.40	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U08_DY - Unit sum of the holding of horses and donkey stallions at artificial insemination or cane cover stations (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	8.40	8.40	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U09_DY - Unit amount of Hungarian giant rabbit breeding bays (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	1.50	1.50	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U10_PS - Person providing professional support (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	1,108.00	1,108.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.19 (unit:)	0.00	0.00	0.00	56.00	56.00	0.00	0.00	Sum: 112.00 Max: 56.00

TOTAL	O.19 (unit: Days)	0.00	0.00	0.00	182,808.00	182,808.00	0.00	0.00	Sum: 365,616.00 Max: 182,808.00
	O.19 (unit: Persons)	0.00	0.00	0.00	56.00	56.00	0.00	0.00	Sum: 112.00 Max: 56.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	1,643,835.61	1,643,835.62	0.00	0.00	3,287,671.23
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	821,917.81	821,917.81	0.00	0.00	1,643,835.62
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD25_G08_GAI_70 - Conservation in situ of animal genetic resources

Intervention Code (MS)	RD25_G08_GAI_70
Intervention Name	Conservation in situ of animal genetic resources
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.25 Share of livestock units (LU) under supported commitments to improve environmental sustainability

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

In situ gene conservation support:

Support the maintenance of breeds under in situ conditions similar to the original rearing and feeding conditions of females and, in the case of poultry, mixed females implementing an approved breeding programme for protected native breeds and breeds under vulnerable agricultural and breed reconstruction with a low number of animals.

In different farming systems, high genetic value plant species and animal breeds, which are often threatened with extinction/genetic erosion, are highly supported. The conservation of these varieties is a priority for the maintenance of biodiversity. The purpose of genetic conservation is the conservation and breeding of the genetic resources of native agricultural animal breeds under threat of agricultural and varietal reconstruction, within the framework of mandatory legislation on the conservation of the genetic stock and on breeding programmes ensuring the survival of those breeds, as well as the ex situ and in situ conservation, characterisation, collection and utilisation of genetic resources of species of particular importance in agriculture and nutrition.

The context of certain interventions supporting the conservation of genes: In the case of in situ gene conservation, we support the conservation of female and mixed female herds in the case of poultry. Male

breeding animals necessary for breeding, i.e. the maintenance of the breed, are supported in ex situ conservation, and reproductive material obtained from breeding animals and genetic material are supported in the intervention of in vitro gene conservation. Thus, these three interventions together form one unit. Our aim is to preserve these valuable varieties that are threatened with extinction, that are displaced from farming by the breeds of commers and are backwards.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- the inclusion of multiple species and varieties in gene conservation;
- maintenance of small numbers of lines, families;
- maintenance of small, rare lines of high genetic value, families;
- breeding of rare and/or valuable hereditary properties;
- the proportion of native animals in the holding;
- professional qualifications;
- horn, climate and adaptation aspects;
- animal welfare;
- organic farming
- qualification of breeding work,
- length of membership of a breed society,
- performance of special pairs
- breeding of breeds with a critical or a threat level to be protected according to threat levels determined on the basis of the number of females entered in the main section of the herd-book
- Participation in the work of the Test Plant Information Network (Test Plant System)

Presentation of the environmental ambition level for the three animal genes conservation:

The interventions aim to conserve genetic resources in agriculture to support the conservation of plant species, micro-organisms and animal breeds of high genetic value and often threatened with extinction/genetic erosion. We also expect an increase in claims for items already supported under the Rural Development Programme, and in order to increase the level of environmental ambition, Hungary has already planned significant changes from the transitional period onwards:

— In the case of conservation of animal genetic resources, for ex situ, in situ and in vitro conservation, the range of previously supported breeds will be expanded to include black mangalica, akhal tekea breeds and Hungarian giant rabbit breeds, and in the case of in vitro gene conservation, embryonic cells and sexual organ tissues will also be supported as a new element.

List of eligible varieties:

Protected native breeds	
Species	Breed
Bovine	Hungarian grey cattle
	Hungarian house buffalo
	Hungariantarca cattle
Horse	gidran
	hucul
	low-wage semi-blood
	Lipicai
	Furioso-northstar
	Nonicus

	Hungarian cold-blooded
	shagya Arab
Donkey	Hungarian Palagias
Pigs	oak mangalica
	syringe-bellied mangalica
	red mangalica
	black mangalica
Sheep	Hortobágyi (Hungarian) rough
	Gyimesi racka
	dairy cigas
	ciga
	cyclatics
Goat	Hungarian Palagic goats
Hen	yellow Hungarian hens
	hemp-seed Hungarian fowl
	white Hungarian hens
	partridge-coloured Hungarian fowls
	white abrasion neck hens
	black Transylvania worn-necked hens
	hemp-seed abrasion neck hens
Guineafowl	Hungarian guinea fowl
Geese	Hungarian geese with curled pens
	Hungarian geese
Duck	white Hungarian ducks
	Tarka Hungarian ducks
Türkiyes	bronze turkey
	turkey copper
Rabbit	Hungarian giant rabbit
Endangered agricultural animal breeds	
Species	Breed
Sheep	Hungarian merino
Horse	achovy
Breeds of agricultural animals subject to breed reconstruction	
Species	Breed
Bovine	Carpathian borers
Horse	inter mura
	Székely horse
	Kunfakó horse
	Tranian horse

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries: Natural and legal persons engaged in the conservation of genes

Eligibility criteria:

- conservation of the breeds of animals specified in the legislation containing the list of protected native and endangered agricultural animal breeds and the genetic stock of agricultural animal breeds undergoing breed reconstruction.

- the existence of a progeny inspection contract for the Hungarian bovine breed;
- compliance with the requirements of the relevant regulations and with the rules on marking and registration of the species and on the registration of the holding
- keeping females which are purebred, registered and certified by a breed society responsible for the maintenance of the breed or, in the case of poultry, mixed sex;
- number of animals corresponding to or exceeding the minimum number of registered females specified for the species concerned:

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—

For bovine and equine animals by breed: 1 animal,

For sheep, goats and pigs by breed: 10 animals,

In the case of poultry, by species: 20 Head

In the case of rabbits, the minimum number of females is 3

- • keeping subsidised animals in Hungary (except exhibitions, demonstrations, competitions)

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

compliance with the breeding programme of the breed society responsible for maintaining the breed during the commitment period

- themarking and registration of each species in accordance with the ENAR and the national animal breeding database and compliance with the TIR register; provision for the use of a father animal in accordance with the provisions of the Government Decree on animal production

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Not relevant.

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Amount of aid (EUR HUF/individual/year):

Bovine animals: Hungarian grey cattle, Carpathian border cattle, Hungarian domestic buffalo: 500

Bovine Magyartarka cattle: 700

Horse: 700

Asses: 400

Pigs: 300

Sheep: 77

Goats: 77

Rabbits: 35

Hens: 35

Guinea fowl: 39

Ducks: 53

Türkiyes: 68

Geese: 77

Calculation method

Methodology Revision of the current unit costs for measures to be announced in the new support cycle for the conservation in-situ and ex-situ of the genetic stock of protected indigenous and endangered agricultural animal breeds and farm animal breeds under reconstruction is set out in 1381/2013. (VI. The Öshonoses Animals Gene Resources Council (Hungarian Resources Council) set up pursuant to Government Decision (27) Government Decision, which is involved in the preparation of the Government's decisions on protected indigenous agricultural animal breeds and endangered agricultural animal breeds. ÖHGT) and the state-recognised breed societies responsible for the maintenance of the respective breeds. The new cost calculations were compiled by the Central Statistical Office on the evolution of the price index for changes in the costs of keeping each breed, data on the gross average monthly earnings of full-time employed persons, broken down by aggregate sections, grassland rents and NAIK-PÁIR feed prices, they were based on detailed cost calculations prepared by the breed societies responsible for the maintenance of the breeds, accompanied by detailed technical justifications. The breed societies included in the cost calculations both the additional costs associated with the genetic conservation activities of the protected indigenous and endangered agricultural breeds and the costs of compensating for the loss of profit resulting from the competitive disadvantage suffered by modern breeds during the maintenance of those breeds. The biological characteristics of the respective breeds, the length of their generation interval, their average production levels, costs and profitability levels, the effects of the COVID-19 pandemic and the expected reduction in the livestock capacity of extensive grasslands due to climate change have also been taken into account. Cost calculations are based on the annual average euro exchange rates set by the National Bank of Hungary for the years 2014-2020. For the proposed aid amounts, the euro/forint exchange rate was calculated at the planning rate at HUF 350/EUR.

Additional explanation

In the case of in-situ and ex-situ aids for the conservation, sustainable use and development of genetic resources in agriculture, including protected indigenous and endangered agricultural breeds and farm animal breeds under rebuilding, it is of utmost importance to maintain the continuity of support and to revise the level of support per aid cycle and, if necessary, to increase the amount of aid. These measures

will ensure that the breeds are kept by breeds of protected indigenous breeds and endangered agricultural breeds and agricultural breeds undergoing reconstructing and reconstructed female breeds, including mixed sexes in the case of poultry. to maintain a viable breeding population under in situ conditions, such as feeding conditions, to conserve genetic material of these breeds, prepare them for deep-frozen storage, store them in laboratory conditions by means of deep-freezing, carry out genetic tests and, in the context of conservation of the ex-situ gene, breeds of agricultural breeds of animal breeds that are in a protected indigenous and endangered situation in the context of conservation of the ex-situ gene, and to keep the nominees of fathers in an ex situ environment other than the original rearing and feeding conditions. In view of the above, it is appropriate to keep breeders aware of the breeding and genetic conservation tasks that help to preserve the breeds of animals of the agricultural breeds undergoing rearing and genetic reconstructing, to provide practical advice on implementation and to help create conditions for genetic exploitation. In view of the above, it is necessary to update them in the case of measures to be published for the new support cycle and to revise the current unit costs.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

- compliance with the breeding programme of the breed society responsible for maintaining the breed during the commitment period
- themarking and registration of each species according to the ENAR or the National Livestock Database and compliance with the TIR register; taking care of the use of fathers in accordance with the provisions of the Government Decree on animal husbandry

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD25_O19_U01_HD - Unit sum of hens	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U02_HD - Unit amount of ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U03_HD - Unit amount of geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U04_HD - Turkey unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U05_HD - Unit sum of guinea fowls	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U06_HD - Sheep unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U07_HD - Amount of goats per unit	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U08_HD - Horse unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U09_HD - Per unit amount of donkey	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U10_HD - Unit sum of pigs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U11_HD - Unit amount of Hungarian grey cattle, buffalo and borzderes cattle	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U12_HD - Unit amount of Magyartarka	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No
RD25_O19_U13_HD - Hungarian giant rabbit unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.25	No

Explanation and justification related to the value of the unit amount

RD25_O19_U01_HD - Unit sum of hens

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for hens EUR 35/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element

and type can be found in chapter 7 of the interventions.

RD25_O19_U02_HD - Unit amount of ducks

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for ducks EUR 53/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U03_HD - Unit amount of geese

Based on the calculation provided by the Institute of Agricultural Economics:

The annual aid amount for geese is EUR 77/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U04_HD - Turkey unit amount

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for turkeys EUR 68/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U05_HD - Unit sum of guinea fowls

Based on the calculation provided by the Institute of Agricultural Economics:

Annual guinea fowl aid amount EUR 39/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U06_HD - Sheep unit amount

Based on the calculation provided by the Institute of Agricultural Economics:

Annual sheep premium amount EUR 77/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U07_HD - Amount of goats per unit

Based on the calculation provided by the Institute of Agricultural Economics:

Annual goat premium amount EUR 77/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U08_HD - Horse unit amount

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for horses EUR 700/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U09_HD - Per unit amount of donkey

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount as of EUR 400/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U10_HD - Unit sum of pigs

The unit amounts were calculated as follows:

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for pigs EUR 300/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U11_HD - Unit amount of Hungarian grey cattle, buffalo and borzderes cattle

The unit amounts were calculated as follows:

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount of EUR 500 per head/year for Hungarian grey, buffalo, Surpathian borzder

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U12_HD - Unit amount of Magyartarka

The unit amounts were calculated as follows:

Based on the calculation provided by the Institute of Agricultural Economics:

The annual aid amount for Hungariantarka cattle is EUR 700/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

RD25_O19_U13_HD - Hungarian giant rabbit unit amount

The unit amounts were calculated as follows:

Based on the calculation provided by the Institute of Agricultural Economics:

Annual aid amount for Hungarian giant rabbits EUR 35/head/year

Based on the calculation provided by the Agricultural Economic Research Institute, the unit amount is equal to the value in the calculation. Each cost element and type can be found in chapter 7 of the interventions.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD25_O19_U01_HD - Unit sum of hens (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	35.00	35.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U02_HD - Unit amount of ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	53.00	53.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U03_HD - Unit amount of geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	77.00	77.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U04_HD - Turkey unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	68.00	68.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U05_HD - Unit sum of guinea fowls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	39.00	39.00	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U06_HD - Sheep unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	77.00	77.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U07_HD - Amount of goats per unit (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	77.00	77.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U08_HD - Horse unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	700.00	700.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U09_HD - Per unit amount of donkey (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	400.00	400.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U10_HD - Unit sum of pigs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	300.00	300.00	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U11_HD - Unit amount of Hungarian grey cattle, buffalo and borzderes cattle (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	500.00	500.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U12_HD - Unit amount of Magyartarka (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	700.00	700.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U13_HD - Hungarian giant rabbit unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	35.00	35.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
TOTAL	O.19 (unit: Head)	0.00	0.00	0.00	100,560.00	100,560.00	0.00	0.00	Sum: 201,120.00 Max: 100,560.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	20,273,972.70	17,534,246.48	0.00	0.00	37,808,219.18

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	10,136,986.35	8,767,123.24	0.00	0.00	18,904,109.59
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD26_G09_GAV_70 - In vitro conservation of animal genetic resources

Intervention Code (MS)	RD26_G09_GAV_70
Intervention Name	In vitro conservation of animal genetic resources
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Support for in vitro gene conservation:

Support the collection of genetic material (semen, ova, embryonic cell, embryonic tissue, sexual organ tissue) of specimens implementing an approved breeding programme for protected native, endangered agricultural animal breeds and under breed reconstruction, preparation for deep-frozen storage, storage in laboratory conditions by deep-frozen processes, and genetic testing of specimens implementing an approved breeding programme for protected native, endangered agricultural breeds and agricultural breeds under breed reconstruction.

In different farming systems, high genetic value plant species and animal breeds, which are often threatened with extinction/genetic erosion, are highly supported. The conservation of these varieties is a priority for the maintenance of biodiversity. The purpose of genetic conservation is the conservation and breeding of the genetic resources of native agricultural animal breeds under threat of agricultural and varietal reconstruction, within the framework of mandatory legislation on the conservation of the genetic stock and on breeding programmes ensuring the survival of those breeds, as well as the ex situ and in situ

conservation, characterisation, collection and utilisation of genetic resources of species of particular importance in agriculture and nutrition.

The context of certain interventions supporting the conservation of genes: In the case of in situ gene conservation, we support the conservation of female and mixed female herds in the case of poultry. Male breeding animals necessary for breeding, i.e. the maintenance of the breed, are supported in ex situ conservation, and reproductive material obtained from breeding animals and genetic material are supported in the intervention of in vitro gene conservation. Thus, these three interventions together form one unit. Our aim is to preserve these valuable varieties that are threatened with extinction, that are displaced from farming by the breeds of commers and are backwards.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

gene conservation of genetic material of multiple species or varieties;

— maintenance of a small number of lines, families' genetic material;

— maintenance of small, rare, high genetic value lines, families' genetic material;

— maintenance of genetic material of rare and/or valuable hereditary properties;

— the maintenance of genetic material of breeds with a critical or threat level to be protected according to threat levels determined on the basis of the number of females entered in the main section of the herd-book;

professional qualifications;

Presentation of the environmental ambition level for the three animal genes conservation:

The interventions aim to conserve genetic resources in agriculture to support the conservation of plant species, micro-organisms and animal breeds of high genetic value and often threatened with extinction/genetic erosion. We also expect an increase in claims for items already supported under the Rural Development Programme, and in order to increase the level of environmental ambition, Hungary has already planned significant changes from the transitional period onwards:

— In the case of conservation of animal genetic resources, for ex situ, in situ and in vitro conservation, the range of previously supported breeds will be extended to include black mangalica, akhal camels, breeds under construction and Hungarian giant rabbit breeds, and in the case of in vitro gene conservation, embryonic cells and sexual organ tissues are also eligible as new elements.

List of eligible varieties:

Protected native breeds	
Species	Breed
Bovine	Hungarian grey cattle
	Hungarian house buffalo
	Hungariantarca cattle
Horse	gidran
	hucul
	low-wage semi-blood
	Lipicai
	Furioso-northstar
	Nonicus
	Hungarian cold-blooded
Donkey	shagya Arab
	Hungarian Palagias
Pigs	oak mangalica
	syringe-bellied mangalica

	red mangalica
	black mangalica
Sheep	Hortobágyi (Hungarian) rough
	Gyimesi racka
	dairy cigas
	ciga
	cyclatics
Goat	Hungarian Palagic goats
Hen	yellow Hungarian hens
	hemp-seed Hungarian fowl
	white Hungarian hens
	partridge-coloured Hungarian fowls
	white abrasion neck hens
	black Transylvania worn-necked hens
	hemp-seed abrasion neck hens
Guineafowl	Hungarian guinea fowl
Geese	Hungarian geese with curled pens
	Hungarian geese
Duck	white Hungarian ducks
	Tarka Hungarian ducks
Türkiyes	bronze turkey
	turkey copper
Rabbit	Hungarian giant rabbit
Endangered agricultural animal breeds	
Species	Breed
Sheep	Hungarian merino
Horse	achovy
Breeds of agricultural animals subject to breed reconstruction	
Species	Breed
Bovine	Carpathian borers
Horse	inter mura
	Székely horse
	Kunfakó horse
	Tranian horse

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries: Natural and legal persons engaged in the conservation of genes

Eligibility criteria:

a contract concluded with a breeding authority;

appropriate professional, human and technical background

if the aid applicant is not the recognised breed society, an attestation by the recognised breed society that the quantity and genetic quality of the semen, ova, embryo, sex tissue to be stored is consistent with the preservation programme established by the breed society.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

— the aid applicant shall collect an average of at least 50 genetic samples per year during the commitment

period, prepare for storage in deep-frozen storage, qualify and preserve it by deep-freezing under laboratory conditions.

- embryo production is eligible only for bovine species. During the commitment period, the collection, preparation for deep-frozen and deep-frozen preservation of up to 20 embryos from a donor mother shall be eligible.

provision of data to the National Animal Breeding Database;

to carry out the necessary genetic tests on specimens or lines defined by the breed society;

for embryonic cell preservation and sex tissue preservation: The aid applicant must prepare, classify and preserve under laboratory conditions the embryonic cell or sex tissue for deep-frozen storage by a deep-freezing process.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Not relevant.

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☐ IACS

☒ Non-IACS

Non-IACS section

Form of support

☒ Grant

☐ Financial instrument

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The payment shall be made in accordance with Article 83(1)(b) and 2(a)(i) of the STR.

Range of support at beneficiary level

Level of support (EUR/unit):

Deep-frozen conservation of genetic material of bovine animals: EUR 45 per straw

Deep-frozen preservation of bovine embryos: EUR 900/embryos

Deep-frozen conservation of porcine genetic material: EUR 3 per straw

Deep-frozen conservation of genetic material of sheep and goats: EUR 16 per straw

Deep-frozen conservation of genetic material of equidae: EUR 54 per straw

Deep-frozen conservation of the genetic material of poultry: EUR 10 per ampoule or artificial straw

Deep-frozen conservation of rabbit genetic material EUR 15 per ampoule or artificial straw

Genetic testing: EUR 45 per animal

–*Genetic material: gametes, embryos, sex organ tissue and embryonic cells*

Preservation of Eembrional cells in poultry: EUR 40/model

Preservation of corner stones of poultry: EUR 25/model

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

— the aid applicant shall collect on average at least 50 genetic samples per year during the commitment period, prepare for deep-frozen storage, qualify and preserve it under laboratory conditions by means of a deep-frozen process.

- embryo production is only eligible for bovine species. During the commitment period, the collection, preparation for deep-frozen and deep-frozen preservation of no more than 20 embryos from a donor mother shall be eligible.

— provision of data to the National Livestock Database;

— carrying out the necessary genetic tests for the specimens or lines determined by the breed society;

- embryonic cell preservation and sex tissue preservation: Applicants for aid must prepare, qualify and keep the embryonic cell or sexual organ tissue for deep-frozen storage under laboratory conditions by means of a deep-frozen process.

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD26_O19_U01_IT - Deep-frozen conservation of bovine genetic material (artificial straw)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U02_IT - Unit amount for the deep-frozen preservation of bovine embryos (embryos)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U03_IT - Unit amount for the preservation of pig genetic material under deep-frozen conditions (artificial straw)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U04_IT - Unit amount for deep-frozen preservation of the genetic material of sheep and goats (artificial straw)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U05_IT - Unit amount for deep-frozen preservation of equine genetic material (artificial straw)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U06_IT - Deep-frozen conservation of poultry genetic material (artificial straw/ampoule)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U07_HD - Unit amount of genetic test	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U08_IT - Unit amount of rabbit genetic material deep-frozen (artificial straw)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U09_IT - Unit amount for the preservation of embryonic cells in poultry	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD26_O19_U10_IT - Unit amount for the preservation of sexual tissues of poultry	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No

Explanation and justification related to the value of the unit amount

RD26_O19_U01_IT - Deep-frozen conservation of bovine genetic material (artificial straw)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U02_IT - Unit amount for the deep-frozen preservation of bovine embryos (embryos)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U03_IT - Unit amount for the preservation of pig genetic material under deep-frozen conditions (artificial straw)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U04_IT - Unit amount for deep-frozen preservation of the genetic material of sheep and goats (artificial straw)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U05_IT - Unit amount for deep-frozen preservation of equine genetic material (artificial straw)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U06_IT - Deep-frozen conservation of poultry genetic material (artificial straw/ampoule)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U07_HD - Unit amount of genetic test

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U08_IT - Unit amount of rabbit genetic material deep-frozen (artificial straw)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U09_IT - Unit amount for the preservation of embryonic cells in poultry

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD26_O19_U10_IT - Unit amount for the preservation of sexual tissues of poultry

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD26_O19_U01_IT - Deep-frozen conservation of bovine genetic material (artificial straw) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	45.00	45.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U02_IT - Unit amount for the deep-frozen preservation of bovine embryos (embryos) (Grant -	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	900.00	900.00	0.00	0.00	

Uniform)	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U03_IT - Unit amount for the preservation of pig genetic material under deep-frozen conditions (artificial straw) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	3.00	3.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U04_IT - Unit amount for deep-frozen preservation of the genetic material of sheep and goats (artificial straw) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	16.00	16.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U05_IT - Unit amount for deep-frozen preservation of equine genetic material (artificial straw) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	54.00	54.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U06_IT - Deep-frozen conservation of poultry genetic material (artificial straw/ampoule) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	10.00	10.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U07_HD - Unit amount of genetic test (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	45.00	45.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD26_O19_U08_IT - Unit amount of rabbit genetic material deep-frozen (artificial straw) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	15.00	15.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U09_IT - Unit amount for the preservation of embryonic cells in poultry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	40.00	40.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD26_O19_U10_IT - Unit amount for the preservation of sexual tissues of poultry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	25.00	25.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
TOTAL	O.19 (unit: Items)	0.00	0.00	0.00	23,200.00	0.00	0.00	0.00	Sum: 23,200.00 Max: 23,200.00
	O.19 (unit: Head)	0.00	0.00	0.00	2,800.00	0.00	0.00	0.00	Sum: 2,800.00 Max: 2,800.00

	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	2,191,780.65	1,095,890.58	0.00	0.00	3,287,671.23
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	1,095,890.33	547,945.29	0.00	0.00	1,643,835.62
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD27_G10_GPX_70 - Ex situ conservation of plant genetic resources and micro-organisms

Intervention Code (MS)	RD27_G10_GPX_70
Intervention Name	Ex situ conservation of plant genetic resources and micro-organisms
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Area of intervention Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Ex situ protection of plant genetic resources and micro-organisms of rare and endangered plant species and varieties:

It supports the protection and maintenance of landscape varieties, home gardens, species excluded from cultivation and other crops, their wild and relative trees and micro-organisms.

Plant species and animal varieties of high genetic value and often threatened with extinction/genetic erosion are given special support in different farming systems. The preservation of these varieties is essential for the maintenance of biodiversity. The purpose of genetic conservation is the conservation and

breeding of native endangered agricultural animal breeds and breeds, within the framework of mandatory legislation on the conservation of genetic stock and breeding programmes to ensure the survival of those breeds, and the ex situ and in situ conservation, characterisation, collection and utilisation of genetic resources of plant species which play a key role in agriculture and food.

Landscape varieties of plant species for agricultural and food purposes, házikerti varieties, varieties excluded from cultivation and other crops ecotypes, their wild and relative trees and micro-organisms shall be classified as endangered categories, as they disappear without reservation or conservation.

One of the most effective methods for their conservation is ex situ conservation, outside the place of production, the methods and techniques of which are detailed in the International Genetic Bank standard. Breeds benefit from variety maintenance and are therefore less or not at risk.

In the case of micro-organisms, the preservation and long-term maintenance of micro-organisms (viruses, bacteria, yeasts, moulds and other fungi, including cultivable magnobs), which are beneficial and harmful in the areas of crop production, livestock farming, food industry, forestry, soil protection, water management, etc., while maintaining their genetic properties in the same state.

Due to the nature of current agricultural practice, the problem of gene conservation is not generally addressed by the participants and it is therefore necessary to support and subsequently monitor such gene conservation activities in order to preserve, maintain and develop the current ex situ collections.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- o the quantity of items retained;
- o professional qualifications;
- o the agricultural, cultural and genetic value of the collection,
- o Technical and technical competence of the applicant
- o Participation in the work of the Test Plant Information Network (Test Plant System)

An increase in ambition:

The annual output target of interventions is 94131 items for ex situ gene conservation, 150 breeds and 30 260 ha for in situ gene conservation. Interventions are aimed at the conservation of genetic resources in agriculture, with the aim of supporting the conservation of agronomically valuable plant species and micro-organisms that have high genetic value and are often threatened by extinction/genetic erosion. There is also an increase in the applications for items already supported under the Rural Development Programme, and in order to increase the level of environmental ambition, Hungary plans to make significant changes from the Strategic Plan period, as the intervention “RD28_G11_GPI_70 – In situ conservation of plant genetic resources” will be introduced as a new element.

In the period 2014-2022, the Rural Development Programme provided an average of EUR 2832876 per year to support the conservation of plant genes, whereas under the CAP Strategic Plan, EUR 5479452 per year is planned by the Member State to support the promotion of plant gene conservation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries: Natural and legal persons engaged in the conservation of genes

Eligibility criteria

- the collection has a National Gene Bank registration number and the items retained therein have been registered in the National Genebank Database;
- Existence of a technical opinion issued by the Council of Plant Gene Banks.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

For plant varieties/species:

—promoting collection, characterisation and utilisation of specified species;

the multiplication and maintenance of the lots collected and the ex situ conservation and description of genetic resources of seeded species, conservation and description of the genetic resources of vegetatively propagated species in plantations and in vitro methods;

preservation of items in accordance with the International Gene Bank Standard.

Preservation of existing biological bases

For micro-organisms:

Preservation and long-term maintenance of isolated/collected non-commercial micro-organisms by modern deep-freezing (cryopreservation) or freeze-drying (liophilisation).

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Not relevant.

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☐ IACS

☒ Non-IACS

Non-IACS section

Form of support

☒ Grant

☐ Financial instrument

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The payment shall be made in accordance with Article 83(1)(b) and 2(a)(i) of the STR.

The payments in the intervention relate to the preservation, maintenance or multiplication of each genetic item by the beneficiary. These activities have costs and have been used as a basis for determining the aid amount and its rate per item. All cost items can be found in the document 'RD27_G10_GPX_70 – Plant gene ex situ_background calculation' and form the basis for determining the aid amount.

Range of support at beneficiary level

—the aid is 100 % intensities

For plant varieties/species and micro-organisms, the aid amounts are given in the table below.

Ineligible costs for the intervention:

activities of the Rural Development Programme 2014-2020 covered by the ongoing commitment

For plant varieties/species and micro-organisms:

	Article item	Amount of aid in HUF equivalent to EUR/item/year (EUR)
	self-fertilisers	41
	Seed-produced one-year-old	wind-powdered foreign-fertilisation
		48
		insect propagated by non-fertilisation
		59
	Seeds propagated sowings	breeding garden reservation
		55
		maintained by seed storage
		41
	Vegetative propagation herbaceous plants	63
	Maintenance of perennial woody plants in plantations	trees
		70
		shrubs
	Maintenance in mersystem cultures	37
	Micro-organisms	Cryopreservation
		42
		Lyophilisation
		40

Additional explanation

Method 2: The functioning of gene banking structures, the options for solutions and the extent of the sub-tasks are as diverse as the totality of the preserved crops. For gene banks operating on large operating surfaces, i.e. large taxa and batch-numbered collections, a particularly complex task is to establish a cost claim and a standard of support in this respect. (Developed for this purpose in 2010. Decision support software is only suitable for the introduction of 20 plant species, as opposed, for example, to the National Centre for Biodiversity and Gene Conservation (hereinafter: NBGK) conserved with more than 1000 species) (Horna, 2010). I.e. the more species-rich the collection, the more difficult it is to put specific cost factors on a species-by-species basis. There are many components of the task that make it very difficult, if not impossible, to approach costs and aid norms through individual cases. The variability of these factors ultimately leads to different input efficiency ratios in different gene banks. (Koo at all. 2004) Assessment of results: As can be seen at a later stage in the case of NBGK, three-quarters of the expenditure comes from the need for live work. According to some surveys, permanent storage itself represents only 17 % of the cost claims. The most costly operations are the establishment of viability (germination), breeding garden multiplication, seed purification, batch description and delivery. (Pepijn at all., 2014) At the same time, it can be demonstrated that the cost requirements for these operations may vary very widely between the different species of culture and, possibly, their lots. Examples include isolation related to multiplication. In order to preserve the integrity of gene banking items, i.e. to prevent foreign pollination, the costs of isolation (spatial, sub tent or manual operations) differ in magnitude. Therefore, it is justifiable or possible to start by breaking down the cost factors of the operating unit dealing only with this core task. In our national circumstances, with 51000 unidentified items (variety, landscape, etc.) of more than a thousand species of almost 300 plant genera, and the NBGK with 110 thousand sub-samples of these can be considered as a source of data and guidance in this respect. NBGK has a full gene banking activity for arable and vegetable crops. This includes the collection, multiplication, description, permanent storage, documentation and dissemination of gene reserves. At the same time, the NBGK maintains working, active and base collections (more recently a geographically segregated security repository) and carries out

GMB operations in accordance with the international standard. The NBGK has 150 ha of arable land for the necessary gene propagation and is equipped with normal and specialised equipment and equipment necessary for the tasks. Although most of the collections retained here have a so-called orthodox core suitable for seed banking storage, in order to ensure full activity there is conservation in plantations and in-vitro storage.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

For plant varieties/species:

- collection, characterisation and promotion of the utilisation of specified species;
- multiplication and maintenance of harvested lots and ex situ conservation and description of genetic resources of seed-bred species, conservation and description of genetic resources of vegetatively propagated species in plantations and by in vitro methods;
- conservation of items in accordance with the International Gene Bank Standard.

Conservation of existing biological funds

For micro-organisms:

- Preservation and long-term maintenance of isolated/collected non-commercial micro-organisms by modern deep freezing (cryopreservation) or freeze-drying (lyophilisation).

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD27_O19_U01_IT - Annuals propagated by seed — unit sum of self-fertilization	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U02_IT - Perennials with seeds — unit amoiant of wind-pollinated external fertilization	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U03_IT - Perennials with seeds — unit amoiant of insect-pollinated external fertilization	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U04_IT - Seeded perennials — unit amount of breeding garden maintainance	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U05_IT - Seed multiplied perennials — maintained by seed storage — unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U06_IT - Unit sum of vegetative herbaceous plants	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U07_IT - Maintenance of perennial woody plants in plantations — unit amount of trees	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U08_IT - Maintenance of perennial woody plants in plantations — unit amount of shrubs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U09_IT - Unit amount of maintenance in meristemic cultures	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U10_IT - Micro-organisms — Unit sum of cryopreservation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD27_O19_U11_IT - Micro-organisms — Unit Lyophilisation	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No

Explanation and justification related to the value of the unit amount

RD27_O19_U01_IT - Annuals propagated by seed — unit sum of self-fertilization

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U02_IT - Perennials with seeds — unit amoiant of wind-pollinated external fertilization

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U03_IT - Perennials with seeds — unit amoiant of insect-pollinated external fertilization

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U04_IT - Seeded perennials — unit amount of breeding garden maintenance

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U05_IT - Seed multiplied perennials — maintained by seed storage — unit amount

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U06_IT - Unit sum of vegetative herbaceous plants

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U07_IT - Maintenance of perennial woody plants in plantations — unit amount of trees

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U08_IT - Maintenance of perennial woody plants in plantations — unit amount of shrubs

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U09_IT - Unit amount of maintenance in meristemic cultures

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U10_IT - Micro-organisms — Unit sum of cryopreservation

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD27_O19_U11_IT - Micro-organisms — Unit Lyophilisation

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD27_O19_U01_IT - Annuals propagated by seed — unit sum of self-fertilization (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	41.00	41.00	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.19 (unit:)								
RD27_O19_U02_IT - Perennials with seeds — unit amoingt of wind-pollinated external fertilization (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	48.00	48.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U03_IT - Perennials with seeds — unit amoingt of insect-pollinated external fertilization (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	59.00	59.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U04_IT - Seeded perennials — unit amount of breeding garden maintanance (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	55.00	55.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U05_IT - Seed multiplied perennials — maintained by seed storage — unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	41.00	41.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U06_IT - Unit sum of vegetative herbaceous plants (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	63.00	63.00	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U07_IT - Maintenance of perennial woody plants in plantations — unit amount of trees (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	70.00	70.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U08_IT - Maintenance of perennial woody plants in plantations — unit amount of shrubs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	70.00	70.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U09_IT - Unit amount of maintenance in meristemic cultures (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	37.00	37.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U10_IT - Micro-organisms — Unit sum of cryopreservation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	42.00	42.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD27_O19_U11_IT - Micro-organisms — Unit Lyophilisation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	40.00	40.00	0.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
TOTAL	O.19 (unit: Items)	0.00	0.00	0.00	188,262.00	0.00	0.00	0.00	Sum: 188,262.00 Max: 188,262.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	3,287,671.05	2,191,781.00	0.00	0.00	5,479,452.05
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	1,643,835.53	1,095,890.50	0.00	0.00	2,739,726.03
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD28_G11_GPI_70 - Conservation in situ of plant genetic resources

Intervention Code (MS)	RD28_G11_GPI_70
Intervention Name	Conservation in situ of plant genetic resources
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area of intervention is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.7.1	Development and use of climate-additive and climate-adaptive plant and animal breeds	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.12 Share of utilised agricultural area (UAA) under supported commitments to improve climate adaptation

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

R.31 Share of utilised agricultural area (UAA) under supported commitments for supporting biodiversity conservation or restoration including high-nature-value farming practices

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

In situ conservation of plant genetic resources:

It supports the preservation of the diversity of plant species for agricultural and food purposes in use (on-farm), the cultivation of sized stands of landscape varieties, home garden varieties and varieties excluded

from cultivation, as well as the preservation of crops ecotypes and wild related species in situ habitats, the production and use of their reproductive material.

Plant species and animal varieties of high genetic value and often threatened with extinction/genetic erosion are given special support in different farming systems. The preservation of these varieties is essential for the maintenance of biodiversity. The purpose of genetic conservation is the conservation and breeding of native endangered agricultural animal breeds and breeds, within the framework of mandatory legislation on the conservation of genetic stock and breeding programmes to ensure the survival of those breeds, and the ex situ and in situ conservation, characterisation, collection and utilisation of genetic resources of plant species which play a key role in agriculture and food.

It supports the preservation of the diversity of plant species for agricultural and food purposes in use (on-farm), the cultivation of sized stands of landscape varieties, home garden varieties and varieties excluded from cultivation, as well as the preservation of crops ecotypes and wild related species in situ habitats, the production and use of their reproductive material.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Technical opinion of the Plant Genetic Board;

— the agricultural, cultural and genetic value of the species in the case of the varieties/natural flora applied for;

— professional qualifications;

— the technical opinion of the National Park Directorate with territorial competence in the case of wild related species and ecotypes;

- environmental, climate and adaptation aspects, site protection, National Park, Natura 2000;

— continuation of organic farming is an advantage in selection

— Participation in the work of the Test Plant Information Network (Test Plant System)

promotion of an increase in the level of charge:

The annual output target of interventions is 94131 items for ex situ gene conservation, 150 breeds and 30 260 ha for in situ gene conservation. Interventions are aimed at the conservation of genetic resources in agriculture, with the aim of supporting the conservation of agronomically valuable plant species and micro-organisms that have high genetic value and are often threatened by extinction/genetic erosion. There is also an increase in the applications for items already supported under the Rural Development Programme, and in order to increase the level of environmental ambition, Hungary plans to make significant changes from the Strategic Plan period, as the intervention “RD28_G11_GPI_70 – In situ conservation of plant genetic resources” will be introduced as a new element.

In the period 2014-2022, the Rural Development Programme provided an average of EUR 2832876 per year to support the conservation of plant genes, whereas under the CAP Strategic Plan, EUR 5479452 per year is planned by the Member State to support the promotion of plant gene conservation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries: Natural and legal persons engaged in the conservation of genes

Eligibility criteria

· in the case of crops grown, a brief description (based on simplified descriptors) of the variety (land variety, home garden variety, non-cultivated variety) and the origin of the variety, the duration of its maintenance/production by the applicant

· in the case of wild related species and ecotypes, the stock is included in the document or database of the protected or Natura 2000 site of national importance;

· the existence of a collection permit for the collection of natural flora elements

Existence of a technical opinion issued by the Plant Gene Bank Council.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

For cultivated species

To be retained (registered) (e.g.: (landscape/domestic) varieties, keeping and promoting the use of a population of a minimum size to prevent genetic erosion;

In the case of arable crops, the minimum parcel size shall be 0.25 ha per variety (land variety, home garden variety, non-cultivated variety)

In the case of vegetable production, the minimum area shall be 50 m² varieties

In the case of fruit production, at least 2 animals per variety

For the production of grapes and berries, at least 5 animals per variety

For the production of herbaceous perennials, at least 15 m² per variety

In case of maintenance of wild related species, ecotypes, wild flora habitat:

Continuous conservation of natural populations of wild related species and ecotypes in their original habitat

Minimum 0.25 ha of natural wild flora if habitat is maintained

In the case of cultivation of natural flora elements, the minimum surface area is 100-1 000 m² depending on the species

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Not relevant.

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

EUR 350/ha for arable crops

For vegetable species EUR 30/variety/50 m² above 0.25 ha EUR 350/ha

EUR 30/variety/15 m² for perennial herbaceous species, EUR 650/ha above 0.25 ha

In the case of plantations (grapes and fruits), EUR 20/variety per 2 fruit trees or 5 vines or berries below 0.25 ha, EUR 1000/ha

Grasslands outside Natura 2000 areas EUR 500/ha

Production of propagating material for natural flora elements EUR 500 per species

Collection of propagating material for herbaceous components of natural flora EUR 500/species)

Calculation method

The unit amount (unit amount) is equal to the aid amount of the respective aid units. The aid amounts are included in Chapter 7 of the intervention, based on a calculation prepared by an independent expert body.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

For cultivated species

To be preserved (registered) (e.g.: landscape varieties/householding varieties, maintaining a minimum size of herd to prevent genetic erosion and promoting their utilisation;

For arable crops the minimum parcel size is 0.25 ha per variety (land variety, domestic garden variety, variety excluded from cultivation)

For the production of vegetables, the minimum area is 50 m^{for} each variety

In the case of fruit production, at least 2 individuals per variety

For the production of grapes and berries, at least 5 individuals per variety

At least 15 m² per variety in the case of herbaceous biennial cultivation

In case of maintenance of wild related species, ecotypes, wild flora habitat:

Continuous conservation of natural populations of wild related species and ecotypes in their original habitat

If natural wild flora habitat is maintained, at least 0.25 ha

For the cultivation of natural flora elements, the minimum area, depending on the species, is between 100 and 1 000 m²

What is the duration of contracts?

5 years commitment period

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD28_O19_U01_HA - Unit amount of arable crop production	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.31	No
RD28_O19_U02_HA - Unit sum of vegetable species	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.31	No
RD28_O19_U03_HA - Unit sum of perennial herbaceous species	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.31	No
RD28_O19_U04_HA - Unit sum of plantations (grape and fruit)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.31	No
RD28_O19_U05_HA - Unit sum of grasslands outside Natura 2000 sites	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.12; R.31	No
RD28_O19_U06_SP - Unit amount for the production (cultivation) of propagating material of elements of natural flora	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No
RD28_O19_U07_SP - Unit sum of the collection of herbaceous elements of natural flora	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.27	No

Explanation and justification related to the value of the unit amount

RD28_O19_U01_HA - Unit amount of arable crop production

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U02_HA - Unit sum of vegetable species

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U03_HA - Unit sum of perennial herbaceous species

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U04_HA - Unit sum of plantations (grape and fruit)

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U05_HA - Unit sum of grasslands outside Natura 2000 sites

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U06_SP - Unit amount for the production (cultivation) of propagating material of elements of natural flora

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

RD28_O19_U07_SP - Unit sum of the collection of herbaceous elements of natural flora

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD28_O19_U01_HA - Unit amount of arable crop production (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	350.00	350.00	350.00	350.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U02_HA - Unit sum of vegetable species (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	6,000.00	6,000.00	6,000.00	6,000.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U03_HA - Unit sum of perennial herbaceous species (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	20,000.00	20,000.00	20,000.00	20,000.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U04_HA - Unit sum of plantations (grape and fruit) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,000.00	1,000.00	1,000.00	1,000.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								

	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U05_HA - Unit sum of grasslands outside Natura 2000 sites (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	500.00	500.00	500.00	500.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U06_SP - Unit amount for the production (cultivation) of propagating material of elements of natural flora (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	500.00	500.00	500.00	500.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
RD28_O19_U07_SP - Unit sum of the collection of herbaceous elements of natural flora (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	500.00	500.00	500.00	500.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit:)								
TOTAL	O.19 (unit: Hectares)	0.00	30,260.00	30,260.00	30,260.00	30,260.00	0.00	0.00	Sum: 121,040.00 Max: 30,260.00
	O.19 (unit: Fajta)	0.00	150.00	0.00	0.00	0.00	0.00	0.00	Sum: 150.00 Max: 150.00

	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	913,242.00	913,242.00	913,242.03	0.00	0.00	0.00	2,739,726.03
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	456,621.00	456,621.00	456,621.02	0.00	0.00	0.00	1,369,863.02
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD29_G12_AWC_70 - Animal welfare aid in the small ruminants sector

Intervention Code (MS)	RD29_G12_AWC_70
Intervention Name	Animal welfare aid in the small ruminants sector
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.44 Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The intervention aims to improve animal husbandry by providing support for the implementation of strict animal welfare, hygiene and feeding conditions to the benefit of the animals.

The rearing of farm animals has changed significantly in recent decades. These changes in breeding, rearing and feeding techniques have an impact on the health status of the animals and their fitness properties. It is therefore appropriate to support livestock farmers who undertake to provide animals with stricter hygiene, feeding and rearing conditions.

The preventive health measures and treatments included in the support aim to improve the overall health

and hygiene of livestock, which require further measures to reduce the number of diseases and thus significantly reduce the need for medical treatment. It is also necessary to incorporate new commitments leading to a reduction in the use of antimicrobials.

Animal welfare subsidies were available for the first time for the small ruminant sector as of 2019, which could help, inter alia, transform milk production and address acute capital shortages. The aim of the intervention is to promote animal welfare conditions by supporting farmers to meet high hygiene and feed standards to the benefit of the animals.

Principles governing the establishment of selection criteria, which may be partially applicable (selection criteria):

- Farmer's skills
- Continuation of organic farming
- Participation in cooperation with public recognition
- The applicant is responsible for animal welfare in his or her holding and is certified
- Participation in the work of the Test Plant Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (business companies+cooperatives (in particular social cooperatives))

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies)

Eligibility criteria:

The aid applicant keeps eligible animals in its holding registered in the Farming Information System.

The holdings of the aid applicant fully comply with the animal welfare standards in force.

Compliance with the rules on species marking and registration and on the registration of the holding.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- Technologically built nail care under this standard, aid applicants must carry out nail care at least 2 times a year in supported holdings on all animals covered by the aid.
- Control of infection with Endoparasita (internal parasites). Faeces samples shall be collected and sent to the laboratory at least 2 times a year according to the procedure specified by the testing laboratory. Small ruminants should be treated with a substance and dose according to the instructions of the treating veterinarian, if necessary, based on the result of faeces testing.
- Control of ectoparasites (external parasites) and flies, mosquitoes, mucilages. Those seeking support should reduce the fly and mosquito stock, which should be carried out in the months most exposed to the invasion of fly and mosquito. The herd must be treated against external parasites within two months of shearing in sheep and 31 May of a given year in the case of goats.
- Use of mineral supplement. The aid applicant shall ensure and keep records of adequate and continuous access to the supplement to the selenium mineral during feeding.

Eligible costs for the intervention:

- Compensation for additional costs and income foregone resulting from the commitments made
- The additional cost of labour and contributions for carrying out nail care and the cost of materials for the disinfectant used.

- The additional cost of labour and contributions to control the infection, the additional cost of laboratory testing and the cost of materials used for medical treatment.
- Additional cost of material and labour for the thinning of external parasites and flies of mosquitoes and scapels.
- Additional cost of continuous access to the supplement to the Széles mineral.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
SMR11	Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4

List of relevant mandatory national standards

- 119/2007. (X. 18.) FVM on the national registration system for enclosures, holdings and certain related data;
 Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes;
 Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin;
 - 32/1999. (III. Ministry of Agriculture and Rural Development on animal protection rules for the keeping of farm animals;
 - 182/2009. FVM Decree (XII. 30.) on the Uniform Registration and Identification System for ovine and caprine animals.
 — 188/2019. Government Decree No 487/2015 of 30 July 2008 on animal husbandry;
 Act LVI of 2019 on the statutory provisions necessary for the regulation of animal husbandry
 - 41/1997. Decree of 28 May 2008 of the Minister for Agriculture on the issue of the Animal Health Code

Link between GAEC, SMR and national standards with the intervention

Detailed justification of the commitments (how it goes beyond EU mandatory standards):

nail care built into technology

As animal welfare rules (EU and national) were originally designed specifically for enclosed species and husbandry systems, these proposals for intervention are not (yet) reproduced verbatim in the legislation in force, but can be deduced from the traditional five freedoms (5 freedoms).

In addition to nail care built into the technology, we propose that the animal keeper concerned (applicant for support) should be provided annually with an additional nail care facility for all animals covered by the aid. In Hungary, small ruminants are mainly reared in extensive systems based on pasture. As sheep and goats spend a significant part of the day by grazing and looking for pasture grass, the health status of the feet is of paramount importance, as the weight of the animals rests on the nails, and leg diseases caused by the neglect of the jigs or the absence of nail care may even be culling causes, affecting both the economy of the sector and the welfare of animals, and the importance of nail care and circling cannot be overstated.

control of infection with Endoparasita (internal parasites)

control of ectoparasites (external parasites) and fly, mosquitoes, rabbits

Point 12 of the Annex to Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes, entitled 'Animals not kept in buildings', provides that: 'Animals not kept in a building shall, where necessary and possible, be protected against adverse weather effects, predators and health risks.' The control of Endo and Ecto parasites goes beyond these Directives.

The control of endo- and ectoparasites is easier, as their presence is visible and would fail on a regular and

seasonal basis. They need to be sensed because, in addition to disturbing the animals, they play a role in the development of a wide range of diseases that can cause severe disease to the animals.

The detection of endoparasites by sensory testing is often not possible, and we therefore require laboratory tests, as the substances that may be used to eradicate them can also burden the animals and should therefore be avoided in any case. Thanks to targeted treatments, animal health and thus their welfare and comfort can be restored

Due to the different nature of the control of endo and ectoparasites, we treat it as a separate obligation, but in general, the presence of parasites in herds is associated with a deterioration in the comfort, health, fertility and production indicators of the animals. It is therefore a priority for operators in the sector. This is a repeated example of the fact that maintaining animal welfare and health is closely linked to the economy of the sector and, in many cases, cannot be technically separated.

application of a supplement to mineral material

Point 18 of the Annex to Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes, Feeding, water and other objects, provides: Substances other than those administered for therapeutic or prophylactic purposes or for zootechnological treatment as defined in Article 1(2)(c) of Directive 96/22/EC (1) shall not be administered to animals unless it is demonstrated, on the basis of scientific knowledge or practical experience relating to animal welfare, that the effects of that substance are not harmful to animal health or welfare.' The provision of the required levels of minerals (one of the most importantly selenium) and vitamins is of direct benefit to animal health and welfare, while increasing the life performance of individual animals. As a result of the longer life performance, the economy of the farmers concerned is increasing, thus indirectly increasing the result of the small ruminant sector in Hungary as a whole, which may also lead to voluntary compliance with animal welfare standards in the long term.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Undertaking	The maximum aid rate is HUF equivalent to EUR/LU/year
Nail care built into technology.	40,44
Control of infection with Endoparazita (internal parasites)	52,72
Control of ectoparasites (external parasites) and flies, mosquitoes, mucilages.	75,42
Use of mineral supplement	39,6

The maximum rate of reimbursement of transaction costs is HUF 7 per unit cost per year (lump sum).

Calculation method

Background calculation of animal welfare interventions in the small ruminant sector: The planned measure will contribute to the continuous improvement and improvement of animal health and welfare, thereby maintaining the positive environmental impacts associated with the sector. The introduction of animal welfare aid for sheep/goats is necessary to continuously improve animal and health protection in the sheep/caprine sector by improving animal welfare conditions and requiring farmers to go beyond the relevant mandatory standards in order to improve the animal welfare standards of the Hungarian sheep population; furthermore, the effective support for animal welfare is well integrated into the sectoral support structure. Preventive health measures included in the support scheme, treatments lead to an improvement in the overall health and hygiene status of livestock, which reduces the number of diseases and thus the need for medical treatment and thus reduces the risk of drug resistance. It will also increase the efficiency of the procedures used, reduce the amount of chemicals released into the environment, improve animal welfare and well-being. This support scheme is in particular Article 33 of Regulation (EU) No 1305/2013; and be designed in accordance with European regulations supporting rural development support. This measure will provide targeted support for animal welfare areas that can be identified as contributing significantly to the welfare of sheep and goats, with regard to the domestic production systems and the environment in which the sheep and goats are reared in Hungary. The background calculation includes the compensation for commitments made in the technology for nail care, the control and control of endoparasita (inner parasites), Ectoparasites (external parasites) and flies, mosquitoes and herbs, the use of the Minerals Supplement.

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

- Nail care built into technology. Under this requirement, aid applicants must carry out nail care on all the animals covered by the aid at least 2 times a year in supported holdings.
- Control of endoparasita (internal parasites). Faecal samples shall be collected and sent to the laboratory at least 2 times a year, according to the procedure specified by the testing laboratory. Small ruminants should be treated, if necessary, with the substance and dose as instructed by the treating veterinarian, on the basis of the faecal test result.
- Control of ectoparasites (external parasites) and flies, mosquitoes and heals. The aid applicant should throw the fly and mosquito stock to be carried out in the months most exposed to the fire and mosquito invasion. The herd must be treated against external parasites and must be treated within two months of shearing in the case of sheep and by 31 May of a given year in the case of goats.
- Use of a mineral supplement. The aid applicant shall ensure adequate and continuous access to the supplementation of selenium mineral during feeding and shall keep a record thereof.

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD29_O18_U01_LU - Animal welfare aid unit cost of intervention in the small ruminant sector	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No

Explanation and justification related to the value of the unit amount

RD29_O18_U01_LU - Animal welfare aid unit cost of intervention in the small ruminant sector

The unit amount (unit amount) is equal to the aid amount for the aid units concerned. The grant amounts are set out in Chapter 7 of the intervention, based on a calculation by an independent expert body.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD29_O18_U01_LU - Animal welfare aid unit cost of intervention in the small ruminant sector (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	215.18	215.18	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)	0.00	0.00	0.00	34,700.00	34,700.00	0.00	0.00	Sum: 69,400.00 Max: 34,700.00
TOTAL	O.18 (unit: Livestock units)	0.00	0.00	0.00	34,700.00	34,700.00	0.00	0.00	Sum: 69,400.00 Max: 34,700.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	7,397,260.50	2,250,246.35	0.00	0.00	9,647,506.85
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	3,698,630.25	1,125,123.18	0.00	0.00	4,823,753.43

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD30_G13_AWC_70 - Animal welfare aid in the beef sector

Intervention Code (MS)	RD30_G13_AWC_70
Intervention Name	Animal welfare aid in the beef sector
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.2	Reduction of GHG and ammonia emissions through technological development of livestock farming	2	Yes
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.13 Share of livestock units (LU) under supported commitments to reduce emissions of greenhouse gases and/or ammonia, including manure management

R.44 Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The general welfare and living conditions of domestic dairy cattle are determined by husbandry technology and animal nutrition, so animal welfare obligations and commitments are particularly warranted in these two areas, which substantially improve the living conditions of the animals in terms of rearing and feeding, and overall. One of these factors is animal density for dairy cattle, which, in addition to fundamentally determining the animals' potential living space and living conditions, is also a matter of economy. Accordingly, the implementation of a lower livestock density entails a significant loss of income, which should be compensated for as lost income in the event of a commitment to that effect. The technological system in which animals ultimately live their lives is very crucial for ensuring animal welfare, so it is very important that the technology includes elements that increase animal welfare and a sense of comfort. (prevention, prediction of species-specific animal health problems, obligation to carry out preventive interventions, respect of milking technology and obligation to ensure natural conditions, including the possibility of grazing). Another key element of rearing conditions is the provision of animal feed, in particular the supply of minerals, which helps to prevent the development of disease shortages and thus significantly improve animal welfare. A number of technological, feed, animal health and behavioural problems can be detected and addressed in a timely manner by requiring greater care supervision, thus directly serving animal welfare. It is therefore appropriate to support livestock farmers who undertake to comply with strict animal welfare obligations.

Reducing the use of chemicals and preventing the development of antimicrobial resistance is a priority and it is therefore necessary to include new commitments leading to a reduction in the use of antimicrobials.

Animal welfare of dairy cattle

Principles governing the establishment of selection criteria, which may be partially applicable (selection criteria):

- Farmer's skills
- Disease control related activities.
- Participation in cooperation with public recognition
- The applicant has an animal welfare manager during the commitment period
- Participation in the work of the Test Plant Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (business companies+cooperatives (in particular social cooperatives))

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies)

Eligibility criteria:

The FELIR (Food Chain Control Information System) of the aid applicant has an identifier and keeps eligible animals in its holding registered in the Farming Information System.

The holdings of the aid applicant fully comply with the animal welfare standards in force.

Compliance with the rules on species marking and registration and on the registration of the holding.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

Animal welfare of dairy cattle:

Mandatory requirements:

- Livestock density obligation – Maximum livestock stock may be kept at the enclosure of 0,24 per square

metre

- Carer's supervision obligation –by checking milk-producing cattle at least twice a day
- Obligation for preventive interventions and milking technology – prevention, prediction of species-specific animal health problems – provision of mortal care and information on the content of the milking code
- Feed obligation – ensure hygiene and regular monitoring of feed and drinking water, and ensure adequate mineral supplies.

Optional standard:

Obligation to provide natural conditions The Animal Welfare Regulation (32/1999) (III. (Decree No 31) of the Minister for Agriculture and Rural Development)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
SMR09	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4
SMR11	Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4

List of relevant mandatory national standards

- 32/1999. (III. Decree No 31) of the Minister for Agriculture and Rural Development on animal protection rules for the keeping of farm animals;
- 99/2002. (XI. Decree No 5/1999 of the Minister for Agriculture and Rural Development on the marking of specimens of bovine species and
Its registration and identification system;
- 119/2007. Ministry of Agriculture and Rural Development (X. 18.) FVM Decree No 5/1999 of 18 October 2009 of the Minister for Agriculture and Rural Development on enclosures, holdings and certain data relating thereto
its national registration system;
Act LVI of 2019 on statutory provisions necessary for the regulation of animal husbandry
Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes
Council Directive 2008/119/EC. Of 18 December 2008 laying down minimum standards for the protection of calves
- Act XLVI of 2008 on the food chain and its official supervision
- Act XXVIII of 1998 on the protection and welfare of animals
- 578/2020 on the operation of the food chain inspection information system (XII. Government Decree No. 14)
- Government Decree No 41/1997 on the publication of the Animal Health Code. Decree No 28 (V. 28.) of the Minister for Agriculture
Government Decree No 87/2012 on animal health rules for the domestic transport of live animals (VIII. Decree No 27/2015 of the Minister for Rural Development
- Decree No 128/2009 on veterinary medicinal products. Ministry of Agriculture and Rural Development Decree (X. 6.)

Link between GAEC, SMR and national standards with the intervention

Animal welfare 32/1999. (III. In addition to the provisions of Decree No 31/1999 of the Minister for Agriculture and Rural Development, the animal welfare requirements for the dairy sector have been

designed in line with changes in consumer demand.

The form of aid established in Hungary during the 2007-2013 and the 2014-2020 budget period has also produced demonstrable results in increasing domestic consumption of domestic milk and milk products. The success of the programme can therefore be measured primarily in the transformation of consumer behaviour.

The table below shows the baseline requirements and activities going beyond the baseline:

Obligation	Legal basis	Mandatory standard	Additional commitment beyond mandatory standards
Livestock density requirement	32/1999. Minister for Agriculture and Rural Development (III.31.)	In the case of individual or group housing: The space for the animals shall be such that they are suitable for the species, breed, age, sex, physiological condition of the animal and the animal has access to the resting, feeding, watering and manure space and can see others. It is based on the need for a 150 kg calf (0.4 LU) of 1.5 m² seats, which is 3.75 m² for 1 LU, i.e. 0.27 LU/m² for the animals.	A maximum of 0.24 AE/m ² is needed in a given enclosure for each age group, i.e. an average maximum of 0.24 AE/m ² , corresponding to 4.17 m ² places.
Carer's supervision obligation	32/1999. Annex I, line 8 of Decree No 31/1999 of 31 March 2009 of the Minister for Agriculture and Rural Development	<u>For calves:</u> The keeper shall check each housed calf kept individually or in groups at least twice a day and at least once a day.	At least one inspection of animals per day
	32/1999. Section 12(1) of Ministry of Agriculture and Rural Development (III.31.)	<u>For heifers and cows:</u> The animals should be checked as necessary and at least once a day.	
	32/1999. Section 11 of Ministry of Agriculture and Rural Development (III.31.)	<u>Effectiveness of supervision:</u> In the case of animals kept in groups, an appropriate number of staff shall be employed for the care and supervision of the	

		animals. The care and supervision of animals shall be entrusted only to persons who have sufficient theoretical and practical knowledge of the species, breed, age group and husbandry technology used to be able to recognise the importance of changes in the behaviour of the animals and whether the animals are healthy, and to judge the significance of changes in technological conditions. The person responsible for the care and supervision of the animals shall be provided with the necessary instructions and guidance and shall be made aware of the provisions governing the keeping of farm animals.	
Obligation to use milking technology and preventive interventions	Annex III, Section IX, Chapter I, point 2(a), (b), (c) of Regulation (EC) No 853/2004	<u>Milking technology:</u> Milking must be carried out hygienically, in particular by ensuring that the teats, teats and surrounding parts are clean prior to the start of milking.	Preparation for and use of good milking operations and preventive interventions (treatment of horns, nails).
	32/1999. Section 3(b) of Decree No 31/1999 of the Minister for Agriculture and Rural Development	<u>Preventive interventions:</u> In keeping the animal, the keeper shall, on the basis of sound scientific evidence and experience, meet the environmental needs of the animal by developing appropriate husbandry technology, taking into account the species, breed, age, development, adaptability, degree of domesticisation, physiological condition	

		and ethological needs of the animal.	
Obligation to provide natural conditions	32/1999. Section 5(1)-(2) of Decree No 31/1999 of the Minister for Agriculture and Rural Development	The freedom of movement appropriate to the breed of the animal should not be restricted in such a way as to cause unnecessary suffering or injury to the animal. If an animal is permanently or regularly tethered, or its movement is restricted by other means, it must also – in order to allow it greater freedom of movement and meet its physiological and behavioural needs in accordance with established experience and scientific knowledge – be provided with sufficient space to lie down, stand up and groom without hindrance.	Ensure the possibility of grazing under the given husbandry conditions.
Feed obligation	32/1999. Section 4(2) of Ministry of Agriculture and Rural Development (III.31.)	The keeper shall ensure that the feed and fluid supplied to the animal do not contain any material which may cause suffering or pain. The animal may be given feed which, according to the current state of scientific knowledge, does not adversely affect its welfare.	An average feeding of excess hay of 1 kg/day/LU compared to previous farming practices.

GOVERNMENT DECREE NO 32/1999 Decree No 31/1999 of 31 March 2009 of the Minister for Agriculture and Rural Development serves to ensure compliance with the following EU legal acts:
Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes,
Council Directive 99/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens,
Council Directive 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production,
Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves,
Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ **Non-IACS**

IACS section

Type of payment

- ☒ unit cost based on additional costs and income foregone
☒ transaction cost included
☐ one off payment
☐ lump sum

Range of support at beneficiary level

Undertaking		The maximum aid rate is HUF equivalent to EUR/LU/year
Livestock density requirement:		
for cows		156
for heifers and calves		94
Carer's supervision obligation		8
Obligation for preventive interventions and milking technology obligation		11
Feed obligation	21	
Optional standard:		
Obligation to provide natural conditions	85	
The maximum rate of reimbursement of transaction costs shall be HUF 3 per unit cost per year (lump sum).		

Calculation method

Background calculation of animal welfare interventions in the dairy cattle sector:

Additional explanation

The output is derived from the livestock unit values in the background document.RD30_G13_AWC_70 – Animal welfare premiums in the cattle sector are paid exclusively in livestock units. When checking the animal density standard, the square metre mentioned in the description only counts whether it has actually been achieved that an animal has been given more space than the minimum space required by the legislation. The commitment is not linked to land.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

- ☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

Animal welfare of dairy cattle:

Mandatory requirements:

- Animal density obligation – Maximum 0.24 AE per square metre of enclosure
- Obligation to supervise carers –inspection of dairy cattle at least twice a day
- Obligation to carry out preventive interventions and milking technology – preventing, predicting species-specific animal health problems – ensuring boot care and
- By raising awareness of the content of the milking rules
- Feed obligation – ensuring hygiene conditions for feed and drinking water and regular monitoring, ensuring adequate mineral supply.

Optional specification:

- Obligation to provide natural conditions in the Animal Welfare Regulation (32/1999. (III. (31) (Decree No 31) of the Minister for Agriculture and Rural Development) providing for the possibility of grazing in the given livestock conditions

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD30_O18_U01_LU - Animal welfare aid in the cattle sector – unit amount of dairy cattle for all pledges for cows	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.13; R.44	No
RD30_O18_U02_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for cows without an optional standard	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.13; R.44	No
RD30_O18_U03_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for all pledges – heifers and calves	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.13; R.44	No
RD30_O18_U04_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle without the optional requirement – heifers, calves	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.13; R.44	No

Explanation and justification related to the value of the unit amount

RD30_O18_U01_LU - Animal welfare aid in the cattle sector – unit amount of dairy cattle for all pledges for cows

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD30_O18_U02_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for cows without an optional standard

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD30_O18_U03_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for all pledges – heifers and calves

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD30_O18_U04_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle without the optional requirement – heifers, calves

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD30_O18_U01_LU - Animal welfare aid in the cattle sector – unit amount of dairy cattle for all pledges	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	284.00	284.00	0.00	0.00	

for cows (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U02_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for cows without an optional standard (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	199.00	199.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U03_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for all pledges – heifers and calves (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	222.00	222.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U04_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle without the optional requirement – heifers, calves (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	137.00	137.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)	0.00	0.00	0.00	327,000.00	327,000.00	0.00	0.00	Sum: 654,000.00 Max: 327,000.00

	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	44,383,561.60	13,501,479.50	0.00	0.00	57,885,041.10
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	22,191,780.80	6,750,739.75	0.00	0.00	28,942,520.55
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD31_G14_AWC_70 - Animal welfare aid in the beef cattle sector

Intervention Code (MS)	RD31_G14_AWC_70
Intervention Name	Animal welfare aid in the beef cattle sector
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.2	Reduction of GHG and ammonia emissions through technological development of livestock farming	2	Yes
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.13 Share of livestock units (LU) under supported commitments to reduce emissions of greenhouse gases and/or ammonia, including manure management

R.44 Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to: Beef cattle in Hungary are almost entirely pasture-based and

extensive (extensive). During the intervention, we also aim to ensure that all female bovine animals over 7 months of age listed in a public register as meat breeders, other meat breeders or dual-purpose breeders (hereinafter: cattle) are eligible to participate in the measure.

The preventive health measures, treatments and needs covered will improve the overall reproductive, health, hygiene and condition of beef cattle herds, while reducing the specific environmental burden of livestock (less pharmaceutical use, more efficient production), which is in line with the objectives of the EU Green Deal, the Methane Strategy and the Farm to Fork Strategy.

Based on the feedback received from livestock keepers and an analysis of good practices, it can be concluded that substantial improvements in the welfare of domestic cattle herds can be achieved through accurate documentation of living space, caregivers' supervision and interventions, maintaining good health and hygiene status, extending the grazing period and providing mineral supplementation.

In addition to improving the housing, feeding and health conditions of animals, these additional commitments will improve the biodiversity of grasslands and increase their carbon sequestration capacity, leading to a reduction in GHG emissions.

The additional animal welfare commitments of beef producers go beyond the provisions of Government Decree No 32/1999 on animal protection rules for farm animals (III). In line with the requirements of Decree No 31/2000 of the Minister for Agriculture and Rural Development and in line with changing consumer needs.

Principles governing the establishment of selection criteria, which may be partially applicable (selection criteria):

- Farmer's skills
- Activities related to disease control.
- Participation in state-recognised cooperation
- The applicant has an animal welfare officer during the commitment period
- Complexity
- Participation in the work of the Test Plant Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (economic associations+cooperatives (particularly social cooperatives))

Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit companies)

Eligibility criteria:

The applicant has the identification FELIR (Food Chain Surveillance Information System) and keeps an eligible animal in the holding registered in the Farm Information System.

The holdings applying for aid comply fully with the animal welfare standards in force.

Compliance with species marking and registration rules and registration rules for the holding.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

Animal welfare of cattle for meat:

Mandatory requirements:

1. Ensuring more caregivers

In addition to the requirements of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, compliance with the obligation to carry out checks on the meat cattle applying for aid must be carried out at least twice a day and the farm's working day shall be kept on a daily basis.

2. Control and professional control of infestation with internal parasite (endoparazita)

Infection with Endoparazita (internal parasites) shall be monitored at least 2 times a year, before and after spreading to pasture. Investigator

faeces samples shall be collected and sent to the laboratory according to a procedure specified by the laboratory. Beef cattle should be treated with a product and dose according to the instructions of the treating veterinarian on the basis of the results of the faeces test.

3. External parasites and flies, mosquitoes and hemsps

Veterinary treatment (in injection form) against external parasites (ectoparasites) must be carried out twice a year by animal keepers (in the form of pour on) four times a year, so that a total of 6 interventions per year are required in order to effectively control external parasites, flies, mosquitoes and sheaths.

Optional specifications:

1. Use mineral supplementation

During feeding, the applicant for aid shall be obliged to ensure continuous access to a targeted mineral supplement based on the results of laboratory tests, going beyond the requirements of Section 3(c) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development.

2. Supply care

In addition to the requirements of Section 3(d) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the applicant for aid must provide each animal involved in the aid scheme each year, in addition to the cartilage built into the technology, in order to prevent foot-end diseases in beef cattle.

3. Provision of additional bedding

In addition to the provisions of Decree No 32/1999 (III.31) of the Minister for Agriculture and Rural Development, the applicant for aid is obliged to provide additional bedding, outside the grazing period, which must be at least 5 kg of litter/day/LU.

4. Providing more living spaces and pastures

In addition to the provisions of Section 5(4) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the applicant is obliged to provide a number of rest areas, outside the grazing period which must reach a minimum of 8 m²/LU in free-rangerearing. Cattle covered by the measure must graze for at least 150 days a year

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
SMR09	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4
SMR11	Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4

List of relevant mandatory national standards

• 32/1999. (III. Ministry of Agriculture and Rural Development on animal protection rules for the keeping

of farm animals;

- 99/2002. (XI. Decree No 5 of the Minister for Agriculture and Rural Development on the labelling of bovine animals, and

Its registration and identification system;

- 119/2007. FVM Decree (X. 18.) of the Minister for Agriculture and Rural Development on enclosures, holdings and certain related data

its national inventory system;

Act LVI of 2019 on the statutory provisions necessary for the regulation of animal husbandry

- Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes

Council Directive 2008/119/EC. Of 18 December 2008 laying down minimum standards for the protection of calves

- Act XLVI of 2008 on the food chain and its official supervision
- Act XXVIII of 1998 on the protection and welfare of animals
- Decree 578/2020 on the functioning of the food chain control information system (XII. Government Decree No. 14)
- Government Decree 41/1997 on the issue of the Animal Health Code Decree of 28 May 2008 of the Minister for Agriculture and Rural Development

Government Decree No 87/2012 on animal health rules for the domestic transport of live animals (VIII. Decree No 27 of the Minister for Rural Development

- 128/2009 on veterinary medicinal products Decree (X. 6.) of the Minister for Agriculture and Rural Development

Link between GAEC, SMR and national standards with the intervention

Baseline standards and activities going beyond baselines are presented in the table below:

	Obligation	Legal basis	Mandatory standard	Additional commitment beyond mandatory standards
Compulsory	Ensuring more caregivers	Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development	Supervision at least once a day	Supervision of at least 2x per day and day-to-day running of an on-site working day.
Compulsory	Control and professional control of infestation with internal parasite (endoparazita) Control of external parasites and fans, mosquitoes and hemsps	Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development 41/1997. Decree of 28 May 2005 of the Minister for Agriculture on the Animal Health Code 113/2008. Decree (VIII.30) of the	Only non-parasitic/medicated animals may be folded on the pasture and control is the responsibility of the keeper. Cattle: there must be an organised control against larvae, liver larvae, juniper. In the case of cattle, treatment is required for larvae, liver larvae. In the case of other parasitic	Infestation with inner parasites (endoparazita) shall be monitored at least 2 times per year, before and after spreading to pasture. Investigator faeces samples shall be collected and sent to the laboratory according to a procedure specified by the laboratory. Beef cattle should be treated with a

		Minister for Agriculture and Rural Development	infestations, the need for medicated intervention, taking into account the circumstances (degree of infection, epidemiology of parasites, season, etc.), the treating veterinarian is obliged to recommend to the animal keeper the treatment of the animal (stock). In the case of the establishment of a new animal holding or, in the case of an existing livestock holding, the bovine herd to be introduced or kept therein must be free from larvae and chatka.	product and dose according to the instructions of the treating veterinarian on the basis of the results of the faeces test. Veterinary treatment (in injection form) against external parasites (ectoparasites) must be carried out twice a year by animal keepers (in the form of pour on) four times a year, so that a total of 6 interventions per year are necessary to effectively control external parasites, flies, mosquitoes and heifers.
Optional	Use of mineral supplement	Section 3(c) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development	The keeper shall provide the animal with feed and liquids, taking into account the species, breed, age, development, physiological condition of the animal.	Laboratory analysis – feeding of soil samples and feed supplements containing micronutrients.
Optional	Breast care	Section 3(d) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development	the keeper is obliged to take care of the animal in a professional way for the welfare of the animal	in addition to technology-built care, one shank care and pear shall be provided annually for all animals involved in the aid
Optional	Additional bedding	Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development	Be littering, but no minimum quantity is specified	The additional commitment is the provision of additional bedding material to reach 5 kg litter/day/LU per bedding day.
Optional	Providing more	Section 5(4) of	an animal should	at least 5 m ² /LU in

	living spaces and pastures	Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development	have resting space but no minimum size is set	open-range rearing, at least 8 m ² /LU ^{cattle} must graze for at least 150 days a year in open-air runs (winter)

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Commitments	The maximum amount of aid is HUF equivalent to EUR/LU/year
Obligation of carer supervision	28,1
Control and professional control of internal parasite (endoparasita) infection	39,8
Control of external parasites (ectoparasites) and fly, mosquitoes, rabbits	54,6
Use of mineral supplement	50,7
Provision of baby care	5,5
Provision of excess littering	39,3
Providing more living spaces and pastures	40,5

Calculation method

Background calculations drawn up by an independent expert body confirm the level of compensation for the costs incurred. In the case of any excess, unit costs were determined using a fair, equitable and verifiable method. The fees for veterinary services were set by the expert organisation according to the latest recommendation of the Chamber of Veterinary Surgeons (2023). The relevant HCSO database was used to calculate the additional fee for carer supervision and the cost of more litter straw. As there is no central nationwide database on the costs of the additional costs (administration, capture, handling, inspection, other additional work) carried out by livestock keepers, the numbers of the survey carried out by the Association of Hungarian Livestock Breeders (which can be regarded as an expert opinion) were used to calculate these costs, as well as the costs of products (e.g. anti-parasites) and mineral supplements. We note that the cost of domestic beef is heterogeneous and the values of each cost element are very dispersed. There are relatively few cattle-only farms and cattle farms are very diverse in size (one with 10-20 cows and hundreds or thousands of cows).

Additional explanation

The output is derived from the livestock unit values in the background document. For the intervention "Animal welfare premiums in the beef cattle sector", the payment is made exclusively in livestock units. When checking the animal density standard, the square metre mentioned in the description only counts whether it has actually been achieved that an animal has been given more space than the minimum space required by the legislation. The commitment is not linked to land.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

Animal welfare of cattle for meat production:

1. Ensuring more caretaker supervision

In order to comply with the obligation to supervise carers, in addition to the provisions of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the applicant for aid must check the meat cattle at least twice a day and keep the farm's working logbook on a daily basis.

In the domestic practice of beef cattle, one animal receives less and less caretaker supervision. This is mainly because the labour force is costly. There are no more surveillance than outdoor animals once a day, except in cases where there are birth difficulties or where veterinary intervention or treatment is required.

In addition to domestic practice, the farmer undertakes to inspect his animals at least twice a day and to keep a holding daily. The legislation in force (Section 4(3) of Act XXVIII of 1998) requires at least one daily inspection.

The farm worksheet shall contain, in the enclosure (including on pasture), the acts relating to the care of the cattle, the date on which the acts were carried out and the name of the person who carried out the act. The farmer is required to check the cattle at least twice a day and keep the farm's working day on a daily basis.

2. Control and proper control of internal parasite (endoparasitic) infection

In the case of infestation with parasites, the animals are unable to produce according to their physiological potential, the reproductive and calf-raising characteristics may deteriorate, calf mortality may increase, the conditions of the animals are inadequate, and the quality of the animals intended for sale is below the desired level.

Cattle keepers are aware of the problem of infestation, but less so. Parasite control is often done only on a case-by-case basis and is not preceded by laboratory testing to detect infection, and therefore inappropriate treatment is often chosen.

Faecal testing to assess the infestation of the herd is necessary to select a substance and treatment with an appropriate spectrum. Single treatment is not effective in the long term, even when the appropriate product has been used. In order to achieve lasting results, we need to recognise the persistence of the medicine they use and to carry out checks and faeces testing at appropriate intervals on the condition of the herd.

The commitment goes beyond current practice because today cattle keepers do not systematically and systematically control internal parasites.

3. Control of external parasites (ectoparasites), flies, mosquitoes, mushrooms

Control of external parasites (ectoparasites), flies, mosquitoes and mushrooms is carried out in order to prevent the spread of various diseases and pathogens and to reduce the disturbance of the good.

In addition to the damage to animal health, there is little mention of damage to external parasites, flies and mosquitoes, resulting in a significant reduction in comfort for animals, reducing feed and water intake and forcing the good to move continuously.

Primarily by mechanical and chemical control, we reduce damage to external parasites, flies and mosquitoes. Mechanical control means the elimination and reduction of breeding sites. Chemical control can achieve a greater effect.

Veterinary treatment (injected) against external parasites (ectoparasites) must take place twice a year and treatments (pour on) by livestock farmers against flies, mosquitoes and ticks must take place four times a year, with a total of 6 interventions per year to ensure effective control of external parasites, flies, mosquitoes and ticks.

4. Use of mineral supplementation

In the course of animal nutrition, the applicant for aid must ensure continuous access to the supplement of mineral substances, based on the results of laboratory tests, which goes beyond the requirements of Section 3(c) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development.

The addition of mineral substances is an inevitable factor in current state-of-the-art beef-rearing practices, which is true for both calves and fattening farms, but in practice it is under-used mainly because of its costs.

Our animals lack mineral content because our soils do not contain sufficient quantities of micronutrients (selective, manganese, copper) or because the micro- and macro-nutrients in the soil are not incorporated in the fodder crops in sufficient quantities (this occurs during winter feed). The required amount of macro- and micronutrients and their relative ratio are important for the proper development of the good and thus for economic production. The production areas in Hungary have a diverse soil structure and soil composition, making them varied and, more importantly, their content of micronutrients and macronutrients varies.

The basis for the replacement of minerals is to be aware of the mineral content of our soils and feedstuffs. This needs to be matched by the needs of the animals, so we can determine what we need to replace and how much we need to do.

5. Provision of foot care

In addition to the requirements of Section 3(d) of Decree No 32/1999 of the Minister for Agriculture and Rural Development of 31 March 1999 of the Minister for Agriculture and Rural Development, in order to prevent foot-end diseases of the meat cattle, the applicant for aid must provide, on an annual basis, an additional foot care and rounding for all animals included in the aid scheme.

6. Extra bedding

In addition to the provisions of Decree No 32/1999 (III.31) of the Minister for Agriculture and Rural Development, the applicant is obliged to provide extra bedding outside the grazing period, which must be at a level of 5 kg litter/day/LU.

As an additional commitment, the farmer provides the animals kept outdoors (in particular those rearing the calves and suckling calves) with the appropriate comfort zone and, in the case of housed housing, a suitable dry rest area by maintaining the rest humps created by the provision of sufficient bedding, in accordance with the provisions of the legislation. Substantiate the presence of the necessary bedding by means of a farming logbook or invoice proving that the bedding has been produced on its own territory. Have up-to-date bedding records showing the use of bedding.

7. Providing more living spaces and pastures

In addition to the provisions of Section 5(4) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the applicant is obliged to provide several rest areas outside the grazing period, the extent of which must be at least 8 m²/LU in free-range farming.

The farmer shall be obliged to use the pasture taken into account for the purposes of fulfilling the obligation in accordance with Government Decree No 50/2008. (IV. Keep in the condition laid down in Decree No 24 of the Minister for Agriculture and Rural Development. Cattle must graze for at least 150 days per year

The farmer shall keep a record of grazing by enclosure as specified in the farming logbook.

What is the duration of contracts?

5 years of commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid scheme fulfils the conditions of the WTO green box as it fully follows the conditions referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 73 - Support for non-productive investments referred to in Article 73	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD31_O18_U01_LU - Providing more care interfaces	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U02_LU - Control and professional control of internal vibrant (endoparazatia) infection	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U03_LU - Protection against external parasites (ectoparasites) and fly, mosquitoes, rabbits	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U04_LU - Use of a supplement to a mineral	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U05_LU - Baby care	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U06_LU - Excess littering	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No
RD31_O18_U07_LU - Providing more living spaces and pastures	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.13; R.44	No

Explanation and justification related to the value of the unit amount

RD31_O18_U01_LU - Providing more care interfaces

The aid was established on the basis of the VP

RD31_O18_U02_LU - Control and professional control of internal vibrant (endoparazatia) infection

The aid was established on the basis of the VP

RD31_O18_U03_LU - Protection against external parasites (ectoparasites) and fly, mosquitoes, rabbits

The aid was established on the basis of the VP

RD31_O18_U04_LU - Use of a supplement to a mineral

The aid was established on the basis of the VP

RD31_O18_U05_LU - Baby care

The aid was established on the basis of the VP

RD31_O18_U06_LU - Excess littering

The aid was established on the basis of the VP

RD31_O18_U07_LU - Providing more living spaces and pastures

The aid was established on the basis of the VP

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD31_O18_U01_LU - Providing more care interfaces (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	28.10	28.10	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD31_O18_U02_LU - Control and professional control of internal vibrant (endoparazatia) infection (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	39.80	39.80	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD31_O18_U03_LU - Protection against external parasites (ectoparasites) and fly, mosquitoes, rabbits (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	54.60	54.60	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD31_O18_U04_LU - Use of a supplement to a mineral (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	50.70	50.70	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								

RD31_O18_U05_LU - Baby care (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	5.50	5.50	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD31_O18_U06_LU - Excess littering (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	39.30	39.30	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD31_O18_U07_LU - Providing more living spaces and pastures (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	40.50	40.50	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)	0.00	0.00	0.00	180,000.00	180,000.00	0.00	0.00	Sum: 360,000.00 Max: 180,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	13,698,630.00	13,698,630.00	0.00	0.00	27,397,260.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	6,849,315.00	6,849,315.00	0.00	0.00	13,698,630.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD32_G15_AWC_70 - Animal welfare aid in the poultry sector

Intervention Code (MS)	RD32_G15_AWC_70
Intervention Name	Animal welfare aid in the poultry sector
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.44 Share of livestock units (LU) covered by supported actions to improve animal welfare

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The intervention aims to improve animal husbandry by providing support for the implementation of strict animal welfare, hygiene and feeding conditions to the benefit of the animals.

The general welfare and living conditions of poultry populations are determined by husbandry technology and animal nutrition, and it is therefore appropriate to apply animal welfare obligations and commitments in these two areas that substantially improve the rearing and feeding conditions of the animals. One of

these factors is animal density, which, in addition to fundamentally determining the potential living space and living conditions of animals, is also a matter of economy in all sectors, in particular in the poultry sector. The BAT guidance document (Guide to determine BAT in the authorisation of intensive rearing activities for poultry) provides an accurate description of the typical production structure, the planting density, for several poultry species and production directions. However, it should be noted that both technological developments and the production capabilities of individual animal species are changing and evolving. Taking this development into account, the proposed obligations regarding planting density have been developed. The Hungarian poultry sector is one of the most coloured species and uses in the EU area. As this is not the case in other EU countries, European legislation does not cover all species and uses and age groups (currently only the broiler Directive for slaughter chicks and table egg production flocks (egg-producing hens) have such rules).

The implementation of a lower livestock density entails a significant loss of income, which must be compensated for as lost income in the event of a commitment to that effect. Another determinant element of housing conditions is mechanical injuries due to rearing technology, which also deserve attention and can significantly improve animal welfare by providing appropriate tools and housing conditions. The mycotoxin content of feed and the quality of water are general problems in feed, which vary widely in practice. Therefore, reducing the mycotoxin content in feed and ensuring drinking-quality water can significantly improve the living conditions of the animals in terms of improving feeding conditions.

Reducing the use of chemicals and preventing the development of antimicrobial resistance is also a priority in the poultry sector, and it is therefore necessary to include new commitments leading to a reduction in the use of antimicrobials.

Principles governing the establishment of selection criteria, which may be partially applicable (selection criteria):

- Farmer's skills
- Disease control related activities.
- Participation in cooperation with public recognition.
- The applicant has an animal welfare officer during the commitment period.
- Participation in the work of the Test Plants Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (business companies+cooperatives (in particular social cooperatives))

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies)

Eligibility criteria:

The FELIR (Food Chain Control Information System) of the aid applicant has an identifier and keeps eligible animals in its holding registered in the Farming Information System.

The holdings of the aid applicant fully comply with the animal welfare standards in force.

Compliance with the rules on species marking and registration and on the registration of the holding.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

Target area: Livestock density requirement: In order to comply with the obligation, the beneficiary must provide 10 % more space than required for the stocks covered by the aid, taking into account the technological specificities used.

(B) target area: Prevention of mechanical injury: It is necessary to ensure that injuries are avoided by

providing species-specific requirements that go beyond the legal requirements (e.g.: provision of more feeding and drinking facilities, longer perch, temperature, humidity, light specifications, etc.).

(C) target area: Supply of drinking water for animal feed (e.g.: Measures to improve water quality and the use of various water purification facilities)

(D) target area: Feeding poultry flocks with low toxin compound feed – for breeding animals: The beneficiary shall provide laying feed with a maximum deoxynivalenol content of 2.5 mg/kg for breeding poultry species. Feed with low mycotoxin content contributes to improving the overall welfare of animals and even to improving the quantity of eggs and the quality and health of the offspring of animals and to reducing mortality in the breeding population.

(E) target area: Feeding poultry flocks with low toxin compound feed – for commodity flocks: The beneficiary must provide laying feed containing a maximum deoxynivalenol content of 2.5 mg/kg for commodity poultry species. Feed with low mycotoxin content contributes to improving the overall welfare of animals and even to improving the quality and quantity of eggs.

Apply non-cage farming methods for all target areas and farming modes by the end of year 4.

Eligible costs for the intervention:

- loss of turnover due to declining livestock;
- the cost of additional labour;
- the cost of additional work and administration, materials needed for preventive interventions;
- preventive intervention obligation, extra asset and cost of material and labour
- cost of additional material, equipment and labour to prevent, predict and predict species-specific animal health problems
- extra cost of carrying out the necessary tests

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
SMR11	Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4

List of relevant mandatory national standards

- 32/1999. (III. Decree No 31 of the Minister for Agriculture and Rural Development on animal protection rules for the rearing of farm animals;
- 120/2007. Decree No 3/2016 of 18 October 2016 of the Minister for Agriculture and Rural Development on the establishment and operation of the Poultry Information System. (VI. 6) Decree of the Minister for Agriculture on animal welfare conditions for flocks of hens and breeding poultry species producing table eggs
- 11/2019 (IV. Decree No 1 of the Minister for Agriculture on the conditions for granting animal welfare aid in the poultry sector
- 87/2012. (VIII. Decree No 27/2000 of the Minister for Rural Development on the animal health rules for the domestic transport of live animals
- 41/1997. Decree of 28 May 2005 of the Minister for Agriculture on the Animal Health Code
- 119/2007. Decree (X. 18.) of the Minister for Agriculture and Rural Development on the national registration system for enclosures, holdings and certain related data;
- Act LVI of 2019 on the statutory provisions necessary for the regulation of animal husbandry
- Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes

- Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin
- Council Directive 99/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens,
- Council Directive 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production,
- 5/2023. Government Decree (I. 12.) on the quality requirements for drinking water and the system of inspection
- Act XLVI of 2008 on the food chain and its official supervision
- Act XXVIII of 1998 on the protection and welfare of animals
- Government Decree No 578/2020 on the functioning of the food chain monitoring information system (XII. Government Decree No 14/2013)

Link between GAEC, SMR and national standards with the intervention

(A) target area animal density obligation

Baseline requirements:

- Council DIRECTIVE 1999/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens
- Council DIRECTIVE 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production

Details of how the standard goes beyond EU mandatory standards:

	Maximum simultaneous planting density under EU legislation	Maximum simultaneous planting density expected under this intervention
Slaughter chicks and pearls	stocking density for chickens of meat production:	In the case of slaughter chicks, the density of the herd, expressed in kg/m ² , at any age stage may not exceed the requirements of Government Decree No 32/1999 on animal protection rules for the rearing of farm animals. (III. 90 % of the maximum value laid down in point 3.7 of Annex 7 to Decree No 31 of the Minister for Agriculture and Rural Development,
	33 kg/m ² base,	
	39 and 42 kg/m ² if certain conditions are met	
Türkiye pre-raising	not defined	10,9/m ² .
Türkiye after rearing	• *National Türkiye Federation (2012) suggests a standard density of 73.2 kg/m ²	
	• *Avec Türkiye farm management guide	
	(2020, unpublished) 63 kg/m ²	
mixed	not defined	4.5/m ²
bulls	not defined	3.6/m ² ,
layer breeders	not defined	5,45/m ²
Young geese, juvenile geese		
pre-education	not defined	9 units/m ² ,
Roasting ducks		
pre-education	not defined	20 units/m ²

Juvenile ducks		
pre-education	not defined	10,9/m ²
Rearing of hens (food egg production, meat and laying type breeding hens):		
juvenile rearing in end-product flocks_		
·in cages	not defined	28 units/m ²
·in deep-keeping	not defined	13,5/m ²
·in birdhouse	not defined	18 units/m ² .
Meat-type breeding flocks, pullets for juvenile rearing	not defined	9 units/m ²
Meat-type breeding flocks, cocky nursery	not defined	5.5/m ²
Juvenile density of breeding stock of the laying type in mixed sex: in deep litter:	not defined	11 units/m ²
Rearing of laying type breeding stock in cages	not defined	28 units/m ²
Rearing of laying type breeding in a birdhouse	not defined	18 units/m ²
Hens egging period (egg production, meat and laying type breeding hens		
Final yawning of the laying type		
cage	A minimum of 750 cm ² cages per hen, of which 600 cm ² can be utilised; in addition, the total area of the cage must not be less than ²⁰⁰⁰ cm 2	12,12/m ²
deep litter	not defined	8,2/m ²
laying house (volier)	not defined	8,2/m ²
organic farming	not defined	5,4/m ²
Laying type Breeding		
cage	not defined	13,3/m ²
deep litter	not defined	8,2/m ²

laying house (volier)		10 units/m ²
(number of useful system floor area)		
Meat-type breeding eggs with deep litter (mixed sex)	not defined	7.2/m ²

In cases where there is no EU standard, business practices, technology descriptions may form baseline values

(B) Mechanical injury prevention area

Baseline requirements:

- Council DIRECTIVE 1999/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens
- Council DIRECTIVE 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production

Details of how the standard goes beyond EU mandatory standards:

	EU regulation requirement	Requirement expected in the context of this intervention
Hens – juvenile rearing	not defined	Per pullet
		·a minimum feeding surface of 4.1 cm shall be provided, and
		·A maximum of 13 young people may be installed on a drinking valve to ensure the appropriate growth of the animal.
Hens – juvenile rearing	not defined	Appropriate age-related light, temperature and humidity are measured in mortality and balance. The conditions are ensured at less than 3 % mortality and uniformity above 80 % or at CV % (live weight balance) of less than 10 %.
Hens – egg production period	—	alternative, free and organic feeding for 1 hens:
	10 cm straight feeder, or per animal	·direct: 10.5 cm
	at least 4 cm of circular feeding per hen	·circular shape: 4.5 cm

		alternative, free and organic drinking watering
	continuous: 2.5 cm/h	·continuous: 3 cm/h
	circular shape: 1 cm/h	·circular shape: 1.5 cm/h
	valve: 10 hens/valves or cups	·valve: 9 hens/valves or cups
	watering point: 2 cup (v) valve contact/hens	·tight point: hens/2.5 cups v. availability of valve
		alternative, free and organic farming
	perch not less than 15 cm/h	·perch rod for 1 hens 15.5 cm
		enriched cage
	perch: 15 cm/h	·perch: 15.5 cm/h
	feeding trucks: 12 cm	·feeding: 12.5 cm/h
	valve: at least 2 cups v. valves per hens	·valve: hen/2 cup v. valve
	either continuous drinking troughs providing 2.5 cm per hen or circular drinking troughs providing 1 cm per hen.	·tight point: contact details
	In addition, if a valve or damp is used, there shall be at least one valve or damp for each 10 hens.	
	not defined	At the outside temperature above 30 °C in the shadow, the internal temperature does not exceed the external temperature by more than 3 °C.
	not defined	At the outside temperature below 10 °C, the average relative humidity measured in the house over 48 hours shall not exceed 70 %.
	Illumination should follow a daily rhythm of 24 hours and, according to the instructions, include an undisturbed dark period of approximately one third of the day to allow laying hens to rest in order to avoid ocular disorders and loss of resistance. Provision should also be made for an appropriate half-blind period during which hens can rest smoothly and calmly without being damaged.	Shed illumination: an uninterrupted rest period of at least 8 hours without artificial lighting shall be provided. A luminous intensity of 5-20 Lux shall be provided according to the daily rhythm of

		24 hours
Juvenile chicken and pearls	No 2007/43/EC Feed must be available either continuously or at doses and prohibited from chickens more than 12 hours before the expected slaughter time	Feeding tray
		·65 poultry/feeding
		Roof trough
		·10 cm/poultry
	2007/43/EC Drinkers must be positioned and kept in such a way as to minimise drainage	Waterer
		·harang 100 poultry/tighters
		Watering valve/small dish
		·12 poultry/tighters
		Drinking trough
		·1 cm/poultry
	not defined	At the outside temperature above 30 °C in the shadow, the internal temperature does not exceed the outside temperature by more than 3 °C
	not defined	At ambient temperatures below 10 °C, the average relative humidity measured in the house over 48 hours shall not exceed 70 %.
		brightness/duration:
For turkeys	not defined	Türkiye pre-raising
		·In 95 birds, 1 breaming or 3 drips are required, and
		·a maximum of 65 birds per roof.
		In order to achieve the objectives set out in this item, additional heating and extra ventilation are also necessary.
	not defined	Türkiye after rearing
		·55 turkey/feeding
	not defined	Türkiye after rearing Teacher
		·harang 80 turkeys/tighters
	not defined	Türkiye after rearing
		At the outside temperature above 30 °C in the shadow,

		the internal temperature does not exceed the external temperature by more than 3 °C.
	not defined	Türkiye after rearing At ambient temperatures below 10 °C, the average relative humidity measured in the house over 48 hours shall not exceed 70 %.
	not defined	Türkiye after rearing light: Maintaining a 4000 K light spectrum. Birds should have a dark period of 8 hours per day
For Pecsény, juvenile ducks:	not defined	Roof length
		0.8 cm/kg to day 1-18
		· 0.4 cm/kg from 19 days
	not defined	Waterer
		trough (transit)
		Until 1-3 weeks of age 0.5 cm/poultry
		· 3-4 weeks 1 cm/poultry
		4. · 7 cm/poultry
		valve drinker
		· 20 poultry/valves for 1 to 5 days
		· 15 poultry/valves for 6-18 days
		· 10 poultry/valves from 19 days
	not defined	Ducks in houses shall be provided with a luminous intensity of 20 lux.
Young geese	not defined	Feeder, Feed Length
		· ad libitum
		2 cm/poultry
	not defined	· restricted feeding 7 cm/poultry
		Watering Drink Length
	not defined	· 3 cm/poultry
	not defined	Geese in the house

		shall be provided with a luminous intensity of 20 lux.

In cases where there is no EU standard, business practices, technology descriptions may form baseline values

(C) provision of drinking water quality for feed

Baseline requirements:

· Council Directive 98/58/EC concerning the protection of animals kept for farming purposes
· 32/1999. Ministry of Agriculture and Rural Development Decree (III.31.) This Decree is intended to comply with the following EU legal acts:

(a) Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes,

(b) Council Directive 99/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens,

(C) Council Directive 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production,

(D) Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves,

(e) Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs.

Details of how the standard goes beyond EU mandatory standards:

Council Directive 98/58/EC 14. Feed, water and other materials: Animals must be fed a wholesome diet which is appropriate to their age and species and which is fed to them in sufficient quantity to maintain them in good health and satisfy their nutritional needs. No animal shall be provided with food or liquid in a manner, nor shall such food or liquid contain any substance, which may cause unnecessary suffering or injury.

32/1999. Section 4(2) of Decree No 31/2000 of the Minister for Agriculture and Rural Development, the animal keeper shall ensure, within the scope of his own activity and responsibility, that the feed and liquid supplied to the animal do not contain any material likely to cause suffering or pain. With the exception of substances administered for therapeutic, prophylactic or zootechnical purposes, animals shall only be fed which, according to the current state of scientific knowledge, does not adversely affect its welfare.

(D) the feeding of poultry flocks with compound feed with low toxin content – in the case of breeding animals

Baseline requirements:

· Council Directive 98/58/EC 14. Feed, water and other materials: Animals must be fed a wholesome diet which is appropriate to their age and species and which is fed to them in sufficient quantity to maintain them in good health and satisfy their nutritional needs. No animal shall be provided with food or liquid in a manner, nor shall such food or liquid contain any substance, which may cause unnecessary suffering or injury.

· Commission Recommendation 2006/576/EC on the presence of deoxynivalenol, zearalenone, ochratoxin A, T-2, HT-2 and fumonisins in products intended for animal feeding

32/1999. Ministry of Agriculture and Rural Development Decree (III.31.) This Decree is intended to comply with the following EU legal acts:

- (a) Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes,
- (b) Council Directive 99/74/EC of 19 July 1999 laying down minimum standards for the protection of laying hens,
- (C) Council Directive 2007/43/EC of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production,
- (D) Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves,
- (e) Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs.

Details of how the standard goes beyond EU mandatory standards:

The maximum target value of 2.5 mg/kg of deoxynivalenol set out in Commission Recommendation 2006/576/EC for compound feedingstuffs represents a significant improvement from the target value of not more than 5 mg/kg for compound feedingstuffs. In the case of the scheme, a specific laboratory test must prove and prove that the title is fulfilled.

Section 4(2) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the animal keeper shall ensure that the feed and liquid supplied to the animal do not contain any material likely to cause suffering or pain. With the exception of substances administered for therapeutic, prophylactic or zootechnical purposes, animals shall only be fed which, according to the current state of scientific knowledge, does not adversely affect its welfare.

(E) feed of poultry flocks with low-toxin compound feed – in the case of commodity flocks

Baseline requirements:

Details of how the standard goes beyond EU mandatory standards:

The maximum target value of 2.5 mg/kg of deoxynivalenol set out in Commission Recommendation 2006/576/EC for compound feedingstuffs represents a significant improvement from the target value of not more than 5 mg/kg for compound feedingstuffs. In the case of the scheme, a specific laboratory test must prove and prove that the title is fulfilled.

Section 4(2) of Decree No 32/1999 of 31 March 1999 of the Minister for Agriculture and Rural Development, the animal keeper shall ensure that the feed and liquid supplied to the animal do not contain any material likely to cause suffering or pain. With the exception of substances administered for therapeutic, prophylactic or zootechnical purposes, animals shall only be fed which, according to the current state of scientific knowledge, does not adversely affect its welfare.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Undertaking

The maximum aid rate is HUF per year equivalent to EUR/LU

Stocking Rate
Slaughter chickens and pearls
40,34
Türkiyes (pre-education)
18,40
Türkiyes (rear rearing)
47,90
Young geese
44,69
Juvenile geese
52,41
Roast ducks
30,56
Juvenile ducks
44,62
Young rearing of hens for food and breeding purposes
13,58
Food and hatching eggs production of hens
33,79
Prevention of mechanical injury
Slaughter chickens and pearls
6,34
Türkiyes (pre-education)
7,52
Türkiyes (rear rearing)
33,39
Young geese
31,42
Juvenile geese
36,30
Roast ducks
18,23
Juvenile ducks
35,88
Young rearing of hens for food and breeding purposes
0,88
Food and hatching eggs production of hens

3,76
Provision of drinking water for animal feed
Slaughter chickens and pearls
3,45
Türkiyes (pre-education)
1,77
Türkiyes (rear rearing)
7,88
Young geese
27,27
Juvenile geese
26,57
Roast ducks
14,16
Juvenile ducks
32,15
Young rearing of hens for food and breeding purposes
0,92
Food and hatching eggs production of hens
5,57
Feeding with compound feed with low toxin content – breeding poultry
Tyúk- breeding
39,13
Breeding turkey
24,73
Frond skate
32,80
Trolley
30,82
Feeding with compound feed with low toxin content – commodity poultry
Hens – Table egg production
39,13

Calculation method

Additional animal welfare contribution in the poultry sectorThe poultry sector at EU level as an intensive livestock sector – has animal welfare legislation in place for a number of product paths that has already gone beyond other parts of the world. Examples include broiler chickens and table egg production, where EU standards are today the highest in terms of animal welfare. It should be noted that meeting these

expectations will entail additional costs and typically reduce efficiency and increase costs. One of the cardinal points in the rearing of farm animals is kg of live weight or a piece of live weight held on a surface of 1 m². In most cases, this parameter is a measure of animal welfare, although it is a much more complex concept. At the same time, we understand that this is undoubtedly a well-measured and defined number that can be clearly identified and verified by the monitoring and documentation systems used in the poultry sector.

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

(A) target area: In order to comply with the obligation of livestock density, the beneficiary must, taking into account the technological characteristics used, provide for more than 10 % of the number of herds covered by the aid.

(B) target area: Preventing mechanical damage must be ensured by providing species-specific requirements that go beyond the legal requirements (e.g. more feeding and drinking areas, longer perch, temperature, humidity, light specifications, etc.).

(C) target area: Provision of drinking water for animal nutrition

The beneficiary shall be obliged to comply with the provisions of Government Decree No 41/1997. The use of drinking water – in accordance with national legislation – to feed the poultry herd beyond the requirements laid down in Decree (V. 28.) of the Minister for Agriculture.

(D) target area: Feeding of poultry flocks with compound feed with low toxin content – for breeding animals

The beneficiary shall provide laying feed for breeding poultry species with a maximum content of 2.5 mg/kg of deoxynivalenol.

The beneficiary shall ensure that compound feed with a low mycotoxin content is purchased and fed.

(E) target area: Feeding of poultry flocks with compound feed with low toxin content – for commodity flocks

The beneficiary shall provide laying feed with a maximum content of 2.5 mg/kg of deoxynivalenol to the producing poultry species. The beneficiary shall ensure that compound feed with a low mycotoxin content is purchased and fed.

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD32_O18_U01_LU - Animal welfare aids in the poultry sector — animal density — broiler and guinea fowls unit costs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U02_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of turkeys (young)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U03_LU - Animal welfare aids in the poultry sector — animal density — Unit amount of turkeys (adult)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U04_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U05_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U06_LU - Animal welfare aid in the poultry sector — animal density — unit amount of roast ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U07_LU - Animal welfare aid in the poultry sector — animal density — Unit amount for young ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U08_LU - Animal welfare aid in the poultry sector — animal density — unit amount for laying hens for food and breeding	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U09_LU - Animal welfare aid in the poultry sector — animal density — unit amount of eggs for consumption and hatching eggs of hens	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U10_LU - Aid in the poultry sector mechanical injury prevention — unit amount for broiler chicken and guinea fowls	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U11_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for turkeys (pre-rearing)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U12_LU - Animal welfare - prevention of mechanical injury — unit amount of turkeys (after-rearing)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U13_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of young geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U14_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of female geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U15_LU - Animal welfare aid in the poultry sector — Mechanical injury prevention — unit amount for roast ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U16_LU - Animal welfare aid in the poultry sector — Prevention of mechanical injury — Unit amount for growing ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U17_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for laying hens for food and breeding	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No

RD32_O18_U18_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of production of hens for consumption and hatching eggs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U19_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — broiler and guinea fowls	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U20_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of turkeys (rearing juveniles)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U21_LU - Animal welfare subsidies in the poultry sector — provision of drinking water for feed — unit amount of turkeys (late stage rearing)	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U22_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — Unit amount of young geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U23_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount of dairy geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U24_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — unit amount of roast ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U25_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of rearing juvenil ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U26_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount for laying hens for food and breeding	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U27_LU - Aid in the poultry sector — provision of drinking-quality water for feed — unit amount offering hens for consumption and hatching eggs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U28_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — hens — breeding unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U29_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding turkeys	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U30_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U31_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding goose — Unit amount of livestock	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No
RD32_O18_U32_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — commodity poultry — hens — unit amount for egg production	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.44	No

Explanation and justification related to the value of the unit amount

RD32_O18_U01_LU - Animal welfare aids in the poultry sector — animal density — broiler and guinea fowls unit costs

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U02_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of turkeys (young)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U03_LU - Animal welfare aids in the poultry sector — animal density — Unit amount of turkeys (adult)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U04_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U05_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U06_LU - Animal welfare aid in the poultry sector — animal density — unit amount of roast ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U07_LU - Animal welfare aid in the poultry sector — animal density — Unit amount for young ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U08_LU - Animal welfare aid in the poultry sector — animal density — unit amount for laying hens for food and breeding

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U09_LU - Animal welfare aid in the poultry sector — animal density — unit amount of eggs for consumption and hatching eggs of hens

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U10_LU - Aid in the poultry sector mechanical injury prevention — unit amount for broiler chicken and guinea fowls

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U11_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for turkeys (pre-rearing)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U12_LU - Animal welfare - prevention of mechanical injury — unit amount of turkeys (after-rearing)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U13_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of young geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U14_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of female geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U15_LU - Animal welfare aid in the poultry sector — Mechanical injury prevention — unit amount for roast ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U16_LU - Animal welfare aid in the poultry sector — Prevention of mechanical injury — Unit amount for growing ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U17_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for laying hens for food and breeding

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U18_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of production of hens for consumption and hatching eggs

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U19_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — broiler and guinea fowls

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U20_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of turkeys (rearing juveniles)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U21_LU - Animal welfare subsidies in the poultry sector — provision of drinking water for feed — unit amount of turkeys (late stage rearing)

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U22_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — Unit amount of young geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U23_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount of dairy geese

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U24_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — unit amount of roast ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U25_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of rearing juvenil ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U26_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount for laying hens for food and breeding

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U27_LU - Aid in the poultry sector — provision of drinking-quality water for feed — unit amount of laying hens for consumption and hatching eggs

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U28_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — hens — breeding unit amount

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U29_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding turkeys

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U30_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding ducks

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U31_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding goose — Unit amount of livestock

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

RD32_O18_U32_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — commodity poultry — hens — unit amount for egg production

The determination of the unit amount based on the unit costs determined in the background calculation is based on a background calculation by independent experts. The unit amounts are therefore equal to the value of the unit cost. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The amounts in the table compensate beneficiaries for some or all of the additional costs and income foregone resulting from the commitments entered into.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD32_O18_U01_LU - Animal welfare aids in the poultry sector — animal density — broiler and guinea fowls unit costs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	40.34	40.34	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U02_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of turkeys (young) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	18.40	18.40	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U03_LU - Animal welfare aids in the poultry sector — animal density — Unit amount of turkeys (adult) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	47.90	47.90	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U04_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	44.69	44.69	0.00	0.00	

young geese (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U05_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	52.41	52.41	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U06_LU - Animal welfare aid in the poultry sector — animal density — unit amount of roast ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	30.56	30.56	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U07_LU - Animal welfare aid in the poultry sector — animal density — Unit amount for young ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	44.62	44.62	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U08_LU - Animal welfare aid in the poultry sector — animal density — unit amount for laying hens for food and breeding (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	13.58	13.58	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.18 (unit: Livestock units)								
RD32_O18_U09_LU - Animal welfare aid in the poultry sector — animal density — unit amount of eggs for consumption and hatching eggs of hens (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	33.79	33.79	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U10_LU - Aid in the poultry sector mechanical injury prevention — unit amount for broiler chicken and guinea fowls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	6.34	6.34	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U11_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for turkeys (pre-rearing) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	7.52	7.52	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U12_LU - Animal welfare - prevention of mechanical injury — unit amount of turkeys (after-rearing) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	33.39	33.39	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								

RD32_O18_U13_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of young geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	31.42	31.42	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U14_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of female geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	36.30	36.30	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U15_LU - Animal welfare aid in the poultry sector — Mechanical injury prevention — unit amount for roast ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	18.23	18.23	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U16_LU - Animal welfare aid in the poultry sector — Prevention of mechanical injury — Unit amount for growing ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	35.88	35.88	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U17_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury —	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	0.88	0.88	0.00	0.00	

Unit amount for laying hens for food and breeding (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U18_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of production of hens for consumption and hatching eggs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	3.76	3.76	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U19_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — broiler and guinea fowls (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	3.45	3.45	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U20_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of turkeys (rearing juveniles) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	1.77	1.77	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U21_LU - Animal welfare subsidies in the poultry sector — provision of drinking water for feed — unit amount of turkeys (late stage rearing) (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	7.88	7.88	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.18 (unit: Livestock units)								
RD32_O18_U22_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — Unit amount of young geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	27.27	27.27	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U23_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount of dairy geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	26.57	26.57	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U24_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — unit amount of roast ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	14.16	14.16	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U25_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of rearing juvenil ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	32.15	32.15	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								

RD32_O18_U26_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount for laying hens for food and breeding (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	0.92	0.92	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U27_LU - Aid in the poultry sector — provision of drinking-quality water for feed — unit amount offering hens for consumption and hatching eggs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	5.57	5.57	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U28_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — hens — breeding unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	39.13	39.13	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U29_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding turkeys (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	24.73	24.73	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U30_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	32.80	32.80	0.00	0.00	

— breeding poultry — Unit amount of breeding ducks (Grant - Uniform)	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U31_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding goose — Unit amount of livestock (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	30.82	30.82	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
RD32_O18_U32_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — commodity poultry — hens — unit amount for egg production (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	39.13	39.13	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)	0.00	0.00	0.00	825,300.00	825,300.00	0.00	0.00	Sum: 1,650,600.00 Max: 825,300.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	35,760,183.00	27,591,778.64	0.00	0.00	63,351,961.64
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	17,880,091.50	13,795,889.32	0.00	0.00	31,675,980.82

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD33_G16_ANB_70 - Animal welfare aid in the apiculture sector

Intervention Code (MS)	RD33_G16_ANB_70
Intervention Name	Animal welfare aid in the apiculture sector
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.5.3	Ensuring stability of Pollination systems	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.35 Share of beehives supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The intervention aims to improve the capacity of bee colonies to provide ecosystem services by providing support to ensure hygiene, animal protection conditions and conditions for the welfare of bees. By promoting the health, balanced development and quiet of bee colonies, the bee colonies can be more resistant to diseases and thus enhance the ecosystem service of a healthy bee colonies.

The health of bee colonies is served by the compulsory abandonment of honey by not utilising the nutrients of their own bodies or using artificial food free of vitamins and minerals to rear brood, so that the individuals remain healthier and their lifespan is not reduced. The use of comb replacement and construction frame is also a health-preserving intervention due to the systematic removal of pathogens and varroa mite.

Over the past period, climate change and the deterioration of economic conditions have continued to negatively affect the performance of beekeeping in the sector. Furthermore, in addition to healthy food, sustainability and animal welfare have been highlighted by consumers, but the additional costs of these are difficult to realise in finished products. It is therefore appropriate to support beekeepers who undertake to provide bee colonies with more favourable hygiene, feeding and rearing conditions.

Principles governing the establishment of selection criteria, which may be partially applicable (selection criteria):

- Agricultural attainment,
- A producer group recognised in apiculture is a member of a producer group or a member of a recognised producer organisation,
- Drawing up an animal welfare plan;
- The duration of beekeeping registered in the Farming Information System,
- Periodic application of the building frame as a mechanical varroa mite thinning method,
- Number of bee colonies,
- Certified organically certified beekeeping.
- Participation in the work of the Test Plant Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Farmers fulfilling eligibility criteria:

— Natural persons

Registered beekeepers

Eligibility criteria:

— The applicant is listed in the Farming Information System (TIR) as the keeper of bee colonies.

— The holding(s) of the applicant and the hives fully comply with the animal welfare standards in force.

— The applicant is a member of the valid Hungarian Apiculture Association (OMME)

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- In order to comply with the obligation to abandon honey, the aid applicant must give up 4 kg of honey once a year in the subsidised apiary, per bee colony and at the time of honey collection (drying). The legislation on beekeeping does not impose an obligation to abandon it and therefore compliance can be considered as an additional commitment. In addition to the rest of the bees, compliance with the obligation to abandon honey can be verified by the existence of a stock of food.

Eligible costs for the intervention:

- loss of income due to honey abandonment
- the abandonment of honey frames in the nest reduces the extent of brooding, thus negatively affecting population development, causing a loss of production at the next brood peak. The maintenance and development of bee colonies requires the abandonment of frames containing at least 4 kg of honey. The beekeeper has the possibility to decide, taking into account the environment of the holding, the period of time that best justifies the abandonment of the excess honey from bee colonies in a given year.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

- 119/2007. Ministry of Agriculture and Rural Development (X. 18.) on the national registration system for enclosures, holdings and certain data relating thereto;
- Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin;
- 70/2003. (VI. Decree No 27/1999 of the Minister for Agriculture and Rural Development on the protection of bee populations and the prevention and control of certain honeybee diseases;
- 15/1969. (XI. 6)MÉM of the Minister for Agriculture and Rural Development on beekeeping;
- 41/1997. Decree No 28 of 28 May 2007 of the Minister for Agriculture on the publication of the Animal Health Code.
- Act LVI of 2019 on statutory provisions necessary to regulate animal production
- 81/2009. (VII. Decree No 10/1999 of the Minister for Agriculture and Rural Development on the rules for carrying out checks falling within the scope of cross-compliance and the application of legal consequences.

Link between GAEC, SMR and national standards with the intervention

Detailed justification of commitments (how they go beyond EU mandatory standards):

The Hungarian and EU legislation on beekeeping does not impose any obligation to abandon honey, so compliance can be regarded as an additional commitment and, from the animal welfare point of view, the introduction of an obligation to abandon honey in domestic apiculture practices is justified in any event for the reasons set out above.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Undertaking	Maximum rate of support (HUF equivalent in euro/bee family/year)
Obligation to withstand honey	30

Calculation method

Background calculations prepared by an independent expert body confirm the level of compensation of the costs incurred. Loss of revenue resulting from a reduction in the quantity of honey that can be sold. The loss of income was calculated on the basis of the average market price of the honey producers.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☒ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

- In order to comply with the obligation to leave the honey, the applicant for aid must leave 4 kg of honey per bee colony in the supported beekeeping once a year at the time of harvesting (grapping). The legislation on beekeeping does not provide for an obligation to abandon it and can therefore be considered as an additional commitment. Compliance with the obligation to abandon honey, outside the rest period of the bees, can be verified by having a stock of food.

What is the duration of contracts?

5 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD33_O18_U01_LU - Animal welfare aid unit cost of intervention in the apiculture sector	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.35	No

Explanation and justification related to the value of the unit amount

RD33_O18_U01_LU - Animal welfare aid unit cost of intervention in the apiculture sector

—The underlying calculations drawn up by an independent expert body confirm the level of compensation for the costs incurred. When determining the unit amount, the honey abandonment was determined on the basis of the aid period, thus creating the uniform unit amount that can be claimed for all beneficiaries. The output of the eligible livestock unit was determined depending on the unit amount and available resources.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD33_O18_U01_LU - Animal welfare aid unit cost of intervention in the apiculture sector (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	150.00	150.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.18 (unit: Livestock units)	0.00	0.00	0.00	49,315.07	49,315.07	0.00	0.00	Sum: 98,630.14 Max: 49,315.07
TOTAL	O.18 (unit: Livestock units)	0.00	0.00	0.00	49,315.07	49,315.07	0.00	0.00	Sum: 98,630.14 Max: 49,315.07
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	7,397,260.50	2,250,246.35	0.00	0.00	9,647,506.85
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	3,698,630.25	1,125,123.18	0.00	0.00	4,823,753.43

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD33b_G17_AMR_70 - Compensation payment for the fight against antimicrobial resistance

Intervention Code (MS)	RD33b_G17_AMR_70
Intervention Name	Compensation payment for the fight against antimicrobial resistance
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.18. Number of livestock units (LU) benefitting from support for animal welfare, health or increased biosecurity measures
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
9.1.1	Meeting animal welfare requirements and meeting the natural needs of farm animals	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially
9.2.2	Rational use of antibiotics in livestock farming	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.43 Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The spread of pathogens resistant to various antimicrobials is causing increasing health and economic damage worldwide. Antimicrobial resistance (AMR) concerns both animal and human health.

A new priority, based on international and EU expectations, is to ensure the financing of measures to protect against AMR.

In view of the above, it is necessary, **in line with relevant international, EU and domestic professional endeavours, strategies and recommendations**, to promote the responsible sustainable use of antimicrobials, in particular antibiotics, in domestic livestock farming, and in particular to reduce the use of critical agents for human health. According to the ESVAC report, Hungary has the 5th highest data in Europe on antimicrobial fitments per animal unit, and AMR monitoring data shows a significant prevalence of resistant zoonotic and commensalistic pathogens in tissues from food-producing animals.

The support scheme shall compensate **for additional costs for food-producing livestock resulting from commitments to reduce antimicrobial resistance going beyond the requirements established at Union and national level.**

Principles governing the establishment of selection criteria, which may be applied in part (selection criteria):

- Qualifications of the farmer
- Activities related to disease control
- Participation in public-recognised cooperation
- Complexity
- Participation in the work of the Test Plant Information Network (Test Plant System)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (business companies + cooperatives (in particular social cooperatives)

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies)

Eligibility criteria:

The aid applicant has an FELIR identification number and an active holding code

The aid applicant keeps eligible animals in its holding registered in the Farming Information System.

The enclosures of the aid applicant with the identifiers of the declared active establishment fully comply with the animal welfare standards in force.

Compliance with the rules on marking and registration for the animal species concerned and the registration of the holding.

- The aid applicant has a valid written contract with a veterinarian providing veterinary services for the veterinary supervision of animals.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

- Performing sampling and resistance testing for pigs, poultry, cattle, large livestock holdings
- Develop an antibiotic reduction plan for pigs, poultry, cattle, large livestock holdings and a biannual review of the plan, with a documented on-site visit to a veterinarian.
- Use of an electronic data collection system for pigs, poultry, cattle, large livestock holdings

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Eligible costs for the intervention:

- additional cost of carrying out bacteriological sampling, laboratory bacteriological and susceptibility tests
- cost of additional labour needed to implement the supported measures;
- cost of materials needed for interventions;
- additional costs of using an electronic data collection system.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
SMR09	Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4
SMR10	Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs: Articles 3 and 4
SMR11	Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4

List of relevant mandatory national standards

- Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes;
- Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law')
- Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products
- Regulation (EU) 2019/6 of the European Parliament and of the Council of 11 December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC
- Regulation (EU) 2019/4 of the European Parliament and of the Council of 11 December 2018 on the manufacture, placing on the market and use of medicated feed, amending Regulation (EC) No 183/2005 of the European Parliament and of the Council and repealing Council Directive 90/167/EEC
- Act LVI of 2019 on statutory provisions for the regulation of animal husbandry;
- Act XLVI of 2008 on the food chain and its official supervision
- 578/2020. (XII. Government Decree No. 14) on the operation of the food chain inspection information system
- 128/2009. Ministry of Agriculture and Rural Development Decree (X. 6.) on veterinary medicinal products
- 65/2012. (VII. Decree of the Minister for Rural Development on certain rules on the production, placing on the market and use of feed
- 41/1997. Decree No 28 of 28 May of the Minister for Agriculture on the publication of the Animal Health Code
- 32/1999. (III. Decree No 31) of the Minister for Agriculture and Rural Development on animal protection rules for the keeping of farm animals
- 119/2007. Ministry of Agriculture and Rural Development (X. 18.) on the national registration system for enclosures, holdings and certain data relating thereto;
- 45/2019. (IX. Decree No 25/1999 of the Minister for Agriculture laying down detailed rules on animal production;
- 99/2002. (XI. Decree No 5/1999 of the Minister for Agriculture and Rural Development on the marking of cattle species, and
- A common registration and identification system;
- 83/2015. (XII. Decree No 16) of the Minister for Agriculture on the marking of pigs and the Uniform Register
- and its identification system;
- 120/2007. Ministry of Agriculture and Rural Development Decree (X. 18.) on the establishment of the Poultry Information System and

- the way in which it is operated;
- Its registration and identification system;
- 188/2019. (VII. Government Decree No. 30) on animal production;

Link between GAEC, SMR and national standards with the intervention

(A) target area: Performance of resistance test

Baseline:

- Regulation (EU) 2019/6 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC
- On veterinary medicinal products, 128/2009. Decree (X. 6.) of the Minister for Agriculture and Rural Development

Details of how the standard goes beyond the EU mandatory standards:

Regulation (EU) 2019/6 does not require the performance of resistance testing prior to each antimicrobial treatment.

Government Decree No 128/2009 on veterinary medicinal products. Section 76(13) of the Decree of the Minister for Agriculture and Rural Development (X. 6.) of the Minister for Agriculture and Rural Development lays down the obligation to carry out a laboratory examination on a sample of the case before treatment with a medicinal product with an active substance of major importance for human health or the obligation to carry out regular colony examinations, while the result of one of the tests is sufficient for the treatment. In the case of an active substance other than those active substances, it does not contain any obligation to carry out a sensitivity test.

On the basis of the above, it is a commitment on the part of the livestock farm going beyond the national legislation to take into account the results of the laboratory tests before regular colony resistance testing and treatments with non-critical active substances are carried out.

Target area: Development of an antibiotic reduction plan

Baseline:

- Regulation (EU) 2019/6 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC
- On veterinary medicinal products, 128/2009. Decree (X. 6.) of the Minister for Agriculture and Rural Development

Details of how the standard goes beyond the EU mandatory standards:

Regulation (EU) 2019/6 does not require the establishment of a plant reduction plan.

National legislation, 128/2009. Section 76(14) of the Decree of the Minister for Agriculture and Rural Development (X. 6.) provides that *'The veterinarian supplying livestock holdings shall draw up a compulsory reduction plan for antibiotic use to reduce the use of antibiotics in large livestock holdings on the basis of the guidelines on minimum requirements for the treatment of antibiotics issued by the NFCSO and published on its website, which he is required to review in the context of an annual self-monitoring. The implementation of the antibiotic reduction plan shall be supervised by the supplying veterinarian.'*

The aim of the aided measure is to ensure that the reduction plan and its implementation are checked by the veterinarian on a documented basis and every six months and must be linked to an on-site visit.

Target area: Use of an electronic data collection system

Baseline

- Regulation (EU) 2019/6 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11

December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC

- Commission REGULATION (EU) 2021/578 supplementing Regulation (EU) 2019/6 of the European Parliament and of the Council with regard to requirements for the collection of data on the volume of sales and use of antimicrobials in animals
- Commission IMPLEMENTING REGULATION (EU) 2022/209 of 16 February 2022 establishing the format of the data to be collected and reported in accordance with Regulation (EU) 2019/6 of the European Parliament and of the Council to determine the volume of sales and the use of antimicrobial medicinal products in animals
- On veterinary medicinal products, 128/2009. Decree (X. 6.) of the Minister for Agriculture and Rural Development

Details of how the standard goes beyond the EU mandatory standards:

Regulation (EU) 2019/6 and its implementing Regulations (EU) 2021/578 and (EU) 2022/209 lay down that Member States collect and provide data on the use of antimicrobials in animals to the European Medicines Agency from 2024.

In order to prepare for the fulfilment of this obligation, an amendment to the national decree published in August 2021 introduced mandatory data reporting on antibiotic active substances used in food-producing animals into the electronic system of the National Food Chain Safety Office (NFCSO) from 28 January 2022.

However, neither the EU regulation nor the national regulation prescribes how the collection and storage of data is to be carried out at the level of livestock holdings and by which technology.

The collection of the desired data in livestock establishments in an electronic system, the use of suitable software and farm management systems are an additional commitment on the part of the keeper, with additional costs, which will also facilitate the collection of data and the provision of data to the authority.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☒ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Undertaking
Maximum grant amount (EUR)
Performance of resistance test
EUR 657 per site/year
Development of an antibiotic reduction plan
EUR 58.7 per site/year
Use of preventive products for slaughtering chickens
EUR 4.33 per LU
Use of preventive products for free chicken
EUR 4.58 per LU
Use of preventive products
EUR 3.98 per LU
Use of preventive products

EUR 10.9 per LU
Use of preventive products in peasants
EUR 5.13 per LU
Use of preventive products
EUR 6.9 per LU
Use of preventive products
EUR 9.6 per LU
Use of preventive products
EUR 7.68 per LU
Use of preventive products
EUR 12.2/LU
Use of preventive turkey
EUR 1.36 per LU
Use of preventive products for pullets
EUR 0.53/LU
Use of an electronic data collection system
EUR 1643,8/site/year

Unit amounts are capped and may be redistributed in case of over-declaration

Calculation method

—The underlying calculations drawn up by an independent expert body confirm the level of compensation for the costs incurred.

Basis for calculations

On the basis of NFCSO data, rounded livestock data for the species to which the CAP Strategic Plan applies. Animal health rules provide in certain cases for measures linked to the number of animals, so it is necessary to separate small and large holdings.

Additional explanation

not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☐ result based (with possibility to pick and choose)
☒ management based (with possibility to pick and choose)
☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Commitments:

- Perform sampling and resistance testing

IN ACCORDANCE WITH PARAGRAPH 27/2021. (VIII.) Government Decree No 128/2009 on veterinary medicinal products, as amended by Decree No 128/2009 of the European Parliament and of the Council of 11 November 2009 on veterinary medicinal products. Decree (X. 6.) of the Minister for Agriculture and Rural Development provides, inter alia, that veterinary medicinal products containing the

active substances cephalosporin, colistin and fluoroquinolone generation 3 and 4 for medical treatment and metaphylaxis in food-producing animals may be used if justified by a susceptibility test carried out on a sample of dead or sick animals in the relevant livestock population or by an on-farm resistance test carried out on a monthly basis for that animal holding. In order to develop the most appropriate targeted medication, it is particularly important to carry out laboratory susceptibility testing at least in an accredited animal health laboratory or operating an internal quality assurance system prior to the use of active substances of critical importance for human health. Targeted therapy with the active substance that has been shown to be effective reduces the risk of development of resistance and the zoonotic hazards of animal disease. Laboratory resistance tests to detect the resistance of pathogens that endanger animal health will allow better targeted treatment of certain bacterial diseases, thereby reducing the spread of resistance and reducing the use of antimicrobials of major importance for human health (European Medicines Agency AMEG B).

The beneficiaries undertake to have resistance tests carried out at least on a monthly basis by the veterinarian administering the livestock establishment in order to establish an on-farm resistance map and/or to perform susceptibility tests in individual cases, and that any treatment of antibiotics will be determined taking into account these test results.

The aid covers laboratory testing for bacteriological and resistance testing and related veterinary sampling.

- Develop an antibiotic reduction plan

Government Decree No 128/2009, as amended, On the basis of the Decree of the Minister for Agriculture and Rural Development, large livestock farms are required to draw up an antibiotic reduction plan from 28 January 2022, which they must review in the context of an annual self-assessment. According to the legislation, the plan is drawn up by the service veterinarian responsible for the premises. It is about rethinking the technologies and control measures used on the site in order to ensure that antibiotics are used only when justified.

Beneficiaries shall review their reduction plan and the effectiveness of the measures contained therein in a documented six-monthly manner by the supplying veterinarian, in particular in the light of on-site antibiotic use data, and where necessary amend them.

- Use of an electronic data collection system

DECISION NO 128/2009 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 25 SEPTEMBER Decree No 27/2021 of 6 October 2021 of the Minister for Agriculture and Rural Development amending Decree No 27/2021 (VIII.) Regulation AM of 11) provides for the collection and reporting of data on antimicrobials used in food-producing animals, in line with the obligation to collect and report data on antimicrobials used in food-producing animals, as established by Regulation (EU) 2019/6, which applies from 28 January 2022. In order to facilitate the collection and reporting of data, it is necessary to support the use of electronic colony management systems in livestock holdings to enable the monitoring of treatments with antimicrobials, thus contributing to the collection of the desired data.

The use of the electronic data collection system is not a legal obligation, but a voluntary commitment going beyond what constitutes an additional cost for the animal keeper.

The beneficiaries operate and implement an electronic data collection system and colony management software at the livestock establishment that allows for up-to-date monitoring of treatments and facilitates the provision of data to the central authority and the performance of official controls, and is able to communicate with the authority. Electronic data collection also facilitates the preparation of the plant reduction plan and the monitoring of its implementation.

What is the duration of contracts?

5 and 4 years commitment

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 12 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD33b_O18_A01_LU - Performance of resistance test: Pig unit amount	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A02_LU - Performance of resistance test: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A03_LU - Performance of resistance test: Unit amount for bovine animals	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A04_LU - Development of an antibiotic reduction plan: Pig unit amount	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A05_LU - Development of an antibiotic reduction plan: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A06_LU - Development of an antibiotic reduction plan: Unit amount for bovine animals	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A07_LU - Use of an electronic data collection system: Pig unit amount	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A08_LU - Use of an electronic data collection system: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_A09_LU - Use of an electronic data collection system: Unit amount for bovine animals	Grant	91(3)(b) - 70-HU-50.00%	Average		R.43	No
RD33b_O18_U01_LU - Performance of resistance test: Unit amount of swine	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U02_LU - Performance of resistance test: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U03_LU - Performance of resistance test: unit amount for bovine	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U04_LU - Development of an antibiotic reduction plan: Unit amount of swine	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U05_LU - Development of an antibiotic reduction plan: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U06_LU - Development of an antibiotic reduction plan: Bovine unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U07_LU - Use of preventive products: Unit amount of broilers	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U08_LU - Use of preventive products: Unit sum of free range chickens	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No

RD33b_O18_U09_LU - Use of preventive products: Unit sum of hens	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U10_LU - Use of preventive products: Unit amount of rearing juvenile turkey	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U11_LU - Preventive products: Unit amount of roasting geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U12_LU - Preventive products: Unit amount of juvenile geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U13_LU - Preventive products: Unit amount of young geese	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U14_LU - Use of preventive products: Unit amount of roast ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U15_LU - Preventive products: Unit amount of young ducks	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U16_LU - Preventive products: Unit amount of young turkey	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U17_LU - Use of preventive products: Per unit amount of pullets	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U18_LU - Use of an electronic data collection system: Unit sum of pigs	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U19_LU - Use of an electronic data collection system: Unit amount of poultry	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No
RD33b_O18_U20_LU - Use of an electronic data collection system: Bovine unit amount	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.43	No

Explanation and justification related to the value of the unit amount

RD33b_O18_A01_LU - Performance of resistance test: Pig unit amount

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A02_LU - Performance of resistance test: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A03_LU - Performance of resistance test: Unit amount for bovine animals

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to

the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A04_LU - Development of an antibiotic reduction plan: Pig unit amount

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A05_LU - Development of an antibiotic reduction plan: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A06_LU - Development of an antibiotic reduction plan: Unit amount for bovine animals

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A07_LU - Use of an electronic data collection system: Pig unit amount

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A08_LU - Use of an electronic data collection system: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_A09_LU - Use of an electronic data collection system: Unit amount for bovine animals

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U01_LU - Performance of resistance test: Unit amount of swine

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U02_LU - Performance of resistance test: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to

the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U03_LU - Performance of resistance test: unit amount for bovine

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U04_LU - Development of an antibiotic reduction plan: Unit amount of swine

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U05_LU - Development of an antibiotic reduction plan: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U06_LU - Development of an antibiotic reduction plan: Bovine unit amount

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U07_LU - Use of preventive products: Unit amount of broilers

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U08_LU - Use of preventive products: Unit sum of free range chickens

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U09_LU - Use of preventive products: Unit sum of hens

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U10_LU - Use of preventive products: Unit amount of rearing juvenile turkey

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to

the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U11_LU - Preventive products: Unit amount of roasting geese

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U12_LU - Preventive products: Unit amount of juvenile geese

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U13_LU - Preventive products: Unit amount of young geese

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U14_LU - Use of preventive products: Unit amount of roast ducks

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U15_LU - Preventive products: Unit amount of young ducks

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U16_LU - Preventive products: Unit amount of young turkey

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U17_LU - Use of preventive products: Per unit amount of pullets

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U18_LU - Use of an electronic data collection system: Unit sum of pigs

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to

the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U19_LU - Use of an electronic data collection system: Unit amount of poultry

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

RD33b_O18_U20_LU - Use of an electronic data collection system: Bovine unit amount

The underlying calculations prepared by an independent expert body confirm the level of compensation for the costs incurred. The unit amounts are equal to the aid amount for the aid units concerned. The individual unit costs are defined as detailed in Chapter 7 of the intervention. The attached document 'RD_33b_G17_AMR_70 – AMR Background calculation' supports the certification of aid units

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD33b_O18_A01_LU - Performance of resistance test: Pig unit amount (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				2.18	2.18			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A02_LU - Performance of resistance test: Unit amount of poultry (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				7.41	7.41			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A03_LU - Performance of resistance test: Unit amount for bovine animals (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				5.99	5.99			

	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A04_LU - Development of an antibiotic reduction plan: Pig unit amount (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				0.50	0.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A05_LU - Development of an antibiotic reduction plan: Unit amount of poultry (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				1.72	1.72			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A06_LU - Development of an antibiotic reduction plan: Unit amount for bovine animals (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				1.39	1.39			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A07_LU - Use of an electronic data collection system: Pig unit amount (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				3.03	3.03			
	Maximum planned average unit amount (where applicable) (EUR)								

	O.18 (unit: Livestock units)								
RD33b_O18_A08_LU - Use of an electronic data collection system: Unit amount of poultry (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				10.30	10.30			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A09_LU - Use of an electronic data collection system: Unit amount for bovine animals (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)				8.32	8.32			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U01_LU - Performance of resistance test: Unit amount of swine (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		1.25	1.25	1.25	1.25			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U02_LU - Performance of resistance test: Unit amount of poultry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		1.20	1.20	1.20	1.20			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD33b_O18_U03_LU - Performance of resistance test: unit amount for bovine (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		0.15	0.15	0.15	0.15			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U04_LU - Development of an antibiotic reduction plan: Unit amount of swine (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		0.11	0.11	0.11	0.11			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U05_LU - Development of an antibiotic reduction plan: Unit amount of poultry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		0.11	0.11	0.11	0.11			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U06_LU - Development of an antibiotic reduction plan: Bovine unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		0.16	0.16	0.16	0.16			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U07_LU - Use of preventive products: Unit amount of broilers (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		4.34	4.34	4.34	4.34			

	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U08_LU - Use of preventive products: Unit sum of free range chickens (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		4.58	4.58	4.58	4.58			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U09_LU - Use of preventive products: Unit sum of hens (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		3.98	3.98	3.98	3.98			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U10_LU - Use of preventive products: Unit amount of rearing juvenile turkey (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		10.92	10.92	10.92	10.92			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U11_LU - Preventive products: Unit amount of roasting geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		5.13	5.13	5.13	5.13			
	Maximum planned average unit amount (where applicable) (EUR)								

	O.18 (unit: Livestock units)								
RD33b_O18_U12_LU - Preventive products: Unit amount of juvenile geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		6.94	6.94	6.94	6.94			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U13_LU - Preventive products: Unit amount of young geese (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		9.69	9.69	9.69	9.69			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U14_LU - Use of preventive products: Unit amount of roast ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		7.68	7.68	7.68	7.68			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U15_LU - Preventive products: Unit amount of young ducks (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		12.20	12.20	12.20	12.20			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD33b_O18_U16_LU - Preventive products: Unit amount of young turkey (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		1.37	1.37	1.37	1.37			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U17_LU - Use of preventive products: Per unit amount of pullets (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		0.53	0.53	0.53	0.53			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U18_LU - Use of an electronic data collection system: Unit sum of pigs (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		2.49	2.49	2.49	2.49			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U19_LU - Use of an electronic data collection system: Unit amount of poultry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		2.41	2.41	2.41	2.41			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U20_LU - Use of an electronic data collection system: Bovine unit amount (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		3.59	3.59	3.59	3.59			

	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)		1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00			Sum: 6,400,000.00 Max: 1,600,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)		5,359,726.02	5,359,726.02	5,359,726.03	5,359,726.04			21,438,904.11
	Annual indicative financial allocation (Union Contribution in EUR)		2,679,863.01	2,679,863.01	2,679,863.02	2,679,863.02			10,719,452.06
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD35_F02_FEC_70 - Forest multi-annual commitments (Multiannual Commitments)

Intervention Code (MS)	RD35_F02_FEC_70
Intervention Name	Forest multi-annual commitments (Multiannual Commitments)
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.15. Number of hectares (forestry) or number of other units covered by environmental or climate-related commitments going beyond mandatory requirements
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.3.2	Increasing the share of forest land under forest management with continuous cover	1	Yes
6.3.3	Improve forest structure, age composition, encourage reforestation	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.30 Share of forest land under commitments to support forest protection and management of ecosystem services

R.33 Share of total Natura 2000 area under supported commitments

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives:

Encouraging a shift to cultivation methods that ensure continuous forest cover and that better protect forest biodiversity, in addition to strengthening forest biodiversity, improves the quality of other forest protection and public welfare services. Ensuring the sustainability of forest management is resource-friendly in the long term, and voluntary forest management surplus commitments can also significantly increase the public amenity and recreational role of forests.

The intervention offers a significantly wider choice for forest managers compared to the VP and also offers new incentives for forest management and management modes to be followed by the new EU Forest Strategy for 2030.

Content:

Multi-annual incentives based on commitments going beyond legal obligations can achieve a meaningful uptake of multiannual management methods and methods in forest management that can adequately respond to the impacts of climate change and to the growing ecological/ecosystem service expectations.

Targeted support:

The different sub-measures provide opportunities for forest managers in all their diversity to undertake additional environmental or climate-related management activities in their forests, in line with the circumstances and ambitions of their forests, from simple elements of biodiversity protection to operational change.

In particular, it aims (by favouring) to engage farmers in NATURA 2000 and domestically protected forest areas in closer-to-nature forest management practices, in particular improving the habitat quality of stocks of 9110, 9130, 9150, 9180, 91E0, 91F0, 91G0, 91H0, 91I0, 91K0, 91L0, 91M0, 91N0.

Sub-measures:

1: Promotion of a continuous forest cover cultivation method:

Conversion to heritable cultivation method and maintenance or conversion to non-timber production method (10 years)

The Evt. According to Section 29(1), the mode of operation is a comprehensive system of forestry and tree stand management methods and procedures to be used in the management of forest stands, in accordance with the forest's natural status principle, its intended uses and the limits on forest management. The Evt. According to Section 29(2)(b), (c) and (d), the transitional, inherited and non-productive mode of operation is intended for continuous forest cover. Support shall be granted on the basis of a 10-year legacy conversion or inheritance maintenance plan.

2: Continuous improved renovation or continuous restructuring (5-10 years) In the reforestation, the improved renovation or restructuring shall be carried out without clear-cutting over a period of 5 to 10 years. Support shall be granted in cutting-edge forests on the basis of the more favourable structure of the target stock for reforestation included in the forest plan.

3. Control of alien species (5 years) Intervention specifically for habitat protection purposes, control of alien native tree and shrub species,

4: Reconstructing cleansing (5 years): restoration and maintenance of cleansing in the area of natural forests registered as cleansing in the National Forest Stock Data Repository but started

5: Manual work with special needs (1+ 4 years): The Environmental Protection Act does not lay down any specific professional rules on the maintenance of forest regeneration. The Evt. Vhr. Section 36(1) specifies when reforestation is to be completed for each target stock, i.e. to bring it to a sufficiently viable condition. Hand-held work can be used to ensure that natural afforestation and forest structure conversions, in the interests of biodiversity, develop and maintain appropriate care during renovations.

6: Natural handling (5 years): use of e.g. horses, irons, slides, cableways approaching bicycles. The Evt. Section 63(1) provides: the forest manager shall ensure the protection of the forest soil against erosion and compaction in the course of its forest management activities. This obligation goes beyond the voluntary commitment that can be made during the supported activity in order to protect the humic top level of the soil and the stem of the remaining trees.

7: Modular – small-scale ecosystem services (5 years): small-scale forest management commitments, optional for each component: smaller-scale management elements that can be undertaken in accordance with the specific nature of the stock in question. These are: Conservation of 1 microhabitat (e.g. small water surface, very old/biotop trees, wetlands, grassland stains, bushes, standing or lying dead trees, shrub groups); 2: secondment; 3: macot setting and filling/year; 4: water – grassland – shrub (TN) – BIOTOP trees 5. conservation of sporadic blends, rare mixture; 6: damage forecast; 7 maintenance of public amenity infrastructure. Cannot be claimed with other sub-measures.

Selection criteria:

- Priority will be given to Natura 2000 habitats, in particular habitats 9110, 9130, 9150, 9180, 91E0,

91F0, 91G0, 91H0, 91K0, 91L0, 91M1, 91N0.

- Intended for protection or public amenity
- High naturality category
- Total forest management activity area
- Site conservation
- Touristic activity in the area

Relevant legislation:

Act XXXVII of 2009 on forests, forest protection and forestry

61/2017. Decree (XII.21.) of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forestry

Government Decree No 383/2016 of 2 December 2016 on the designation of bodies performing official and administrative functions in the field of agriculture

Consistency with other interventions: in the case of a new sub-measure and aided, compulsory training and continuous availability of knowledge transfer and advice are necessary for the implementation of the sub-measures to be of sufficient quality.

— RD58_A01_TRA_78 – Training and demonstration facility aid

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiary:

· eligible forest manager with a forest plan

The forest manager conducts sustainable forest management, i.e. its management complies with Act XXXVII of 2009 on forests, forest protection and forestry and the district forest plan, and is not subject to forest protection or nature conservation sanctions.

Minimum eligible area: 0.5 ha with a forest environmental management plan broken down by year for the respective sub-measure and duration

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid within the meaning of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or
- it failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Specific eligibility criteria:

1. In the case of conversion or maintenance to Ö röker forest, the forest section in the National Forest Stock Data Repository is a transitional or hereditary forest (previously known as: (fibre) is in or transits to an operational operation and has a transformation plan. In the case of conversion to a non-wood production mode, the forest section is switched to a plantation not producing timber in the National Forest Stock Data Repository. In the case of State-owned or municipally owned forests, aid may only be granted for forests classified in continuous forest cover modes in addition to the mandatory share laid down by law and

- included in the programme. The forest section shall not be subject to a reforestation obligation.
2. Continuous improved renovation or continuous restructuring: The forest section is in cutting mode in the National Forest Stock Data Repository. The forest section is mature. The method of reforestation is not clear-cut reforestation. The length of the reforestation period, from the first demolition to final cutting, exceeds 5 growing seasons.
 3. The fact and extent of infestation with foreign native tree species that spread intensively is recorded in the National Forest Stock Data Repository.
 4. Other details of the area concerned recorded as cleansing in the National Forest Stock Data Repository and the fact and extent of natural scrubbing or foresting have been recorded
 5. The holder has restructured the current forest stands or reforested with natural seed after harvesting.
 6. The tree use option under the forest plan is implemented in the forest. No aid shall be granted for cleaning and, with the exception of split cutting, end-slaughtering and end-slaughtering of the strand, handling of material carried out during final-use logging, except in the case of Evt. Section 7(1)(d), (e) and (f) in the case of forest sections registered with the natural nature category of transitional forest, cultivated forest or tree plantation, provided that the forest section concerned is also intended for protection purposes.
 7. Lto undertake more than 3 elements, with a total value of at least EUR 50/ha – up to a maximum of EUR 100/ha.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Form of the aid: unit cost/hectare and other additional elements

Joint commitments:

- keeping a forest-environmental log documenting the supported management standards undertaken
- participation in a compulsory training course per year in the first two years of the commitment

Sub-measure specific commitments:

1. maintaining the outcome of the intervention for a further 10 years after the last aid payment, i.e. the method of cultivation cannot be changed to a (back) non-continuous forest cover. An up-to-date record of forest management activities in the forest environmental log in the case of conversion to or maintenance and non-timber production mode.
2. During reforestation, the beneficiary shall restructure or increase its mix and climate resilience in the forest section (improved renovation).
3. ReducingI degenonous individuals every year, recording the impact on natural values in the forest environmental log
4. Tmaintenance of cleansing and recording of the impact on natural values in the forest-environmental log
5. How to care for manual work, the free development of the regenerative stock must be continuously ensured by hand care, that intensively transmitted alien tree and shrub species must be reduced, the proportion of blends appropriate to the target stock must be maintained and rare blends must be retained.
6. Before the protection of soil humus and upper levels, as well as enhanced protection of remaining tree strains, with the aided tools
7. Compliance with the activity or conservation elements undertaken, recording the impact on natural values in the forest-environmental log

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Relevant legislation:

Act XXXVII of 2009 on forests, forest protection and forest management

Act LIII of 1996 on nature protection

61/2017. (XII. Decree No 21 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Government Decree No 383/2016 (XII. On the designation of bodies performing official and administrative tasks in the field of agriculture

Link between GAEC, SMR and national standards with the intervention

The voluntary commitments included in the intervention do not form part of the management requirements laid down in the legislation or in the 10-year forest plans, nor of the management requirements established on the basis of the Natura maintenance plan relevant to the site in question, i.e. it contains in all cases an additional voluntary management commitment going beyond the mandatory requirements.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☐ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

The background calculation was prepared by the Forest Science Institute at the University of Sopron for the CAP Strategic Plan in 2021.

The calculated unit cost subsidy exceeds EUR 200/ha (or other unit) for several target areas. Reasons for this: all of the high-value forest-environmental commitments were already part of previous agri-rural development programmes or further developed.

There is a lively and continuous interest in forest-environmental opportunities. In particular, the cost of improving or improving the forest structure or changing the way in which forests are managed is very high when it comes to improving the chances of success in climate adaptation.

These are long-term and very costly, knowledge- and labour-intensive procedures. As a result of reimbursing additional costs and creating incentives, a large number of private forest managers have already been involved in previous programmes with several years of commitments to improve the ecological and climatic condition of forests.

1/Modernity transition and maintenance

Switch to heritable mode (1 year)	1	236
Hereditary forest after conversion	9	208
reservation Years 2-10		

Metal fencing, gradient of more than 10 degrees	8 but up to EUR 1600/ha.
Electric fence energisers	5 but not exceeding EUR 518/ha
Bench, cloak, tree trunk for gradients above 10 degrees	17/100 metres, but not exceeding EUR 749/ha

Additional activities represent a one-off payment during the commitment period.

Maintenance of heritable mode 1/b (1-10): 50 % taking into account aid intensities

Hereditary maintenance	10	104

1/c Transition to non-wood production mode (10th year):

Total maintenance of non-wood production mode, rounded	10	79

2/a Continuous forest structure conversion:

Operations of supported action (5-10 years)	
	Unit cost of grants (euro/ha)
First export: Oak, beech and other hard foliage	3 427
1st year nursing costs	356
First export: Other soft bedding	2 392
1st year nursing costs	328
Care costs from year 2 up to and including 10 years	(euro/ha/year)
Oak, beech and other hard foliage	356
Other soft bedding	328

2/b Restructuring with restocking by understocking (10 years):

Operations of supported action (5-10 years)	Grant rate (euro/ha/year)
Average unit cost per year (rounded):	487

2/c Continuous improved renovation by increasing blending (5-10 years)

Operations of supported action (5-10 years)	Unit cost of support (euro/ha/year)
Average unit cost of support: ha/year (rounded):	487

Additional elements for operations 2a, 2/b, 2/c:

installation of a fence of EUR 8/fm up to a maximum of EUR 1600/ha.

- electric shepherds: EUR 5 per linear metre, up to EUR 518/ha

- bench, steam line for gradients above 10 degrees: EUR 17/100 linear metre up to a maximum of EUR 749/ha

—Restructuring from type of target acacia stock + 10 %

3.Intensively spread of alien tree species

annual corner depression and logging (5 years): EUR 249/ha/year

Additional one-off operation (if applicable): trunk EUR 156/ha

4.Recording and maintenance of cleansing with logs (5 years) EUR 208/ha/year**5. Manual work in natural renovation (1+ 4 years):**

1st year: EUR 466/ha

In years 2 to 5: EUR 137/ha/year

6. Natural handling (5 years):

Unit Cost of Grants in EUR	EUR 18/m³
Up to 50 m³/ha with capping	EUR 900/ha

7. Modular: small-scale ecosystem services (5 years):

1.conservation of micro-habitats (e.g. deadwood, blooms, Telma): 5/ha

Secondment: 1/ha

3.mounting and filling of trays: 1/kg/ha,

4.Habitat conservation: water – grassland – shrubs (TN) – BIOTOP trees:5 pieces/ha

5.spray preservation: rare mixture: 1db/ha, other mixture: 10/ha

6th Damage Forecast Reporting: 1 per year

7.maintenance of the public welfare and forest information route: route 1: 100 m (= 1 ha of compliance)

The unit cost for each modular element is set at EUR 10 per unit for the additional cost and incentive of the commitment.

Aid amount minimum EUR 50/ha/year, maximum EUR 100/ha/year

And (modular): Mandatory activity for all pledges, with the involvement of specialists: one-off technical planning and map marking and keeping a forest-environmental logbook: **EUR 36/ha/year**

Calculation method

The unit cost calculation was carried out by the Forest Science Institute of the University of Sopron based on the facts of previous years as well as its own data collection and analysis methodology. The development of the grant unit cost categories is a separate annexed "CAP Strategic Plan Hungary 2023-2027 Symplified cost options prepared by the Forest Science Institute of Sopron University as an expert organisation independent of AM: unit costs).

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

Aid to the forestry sector falls outside the scope of Article 42 TFEU, so that the competition rules (State aid rules) apply to this intervention.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

☐ result based (with possibility to pick and choose)

☒ management based (with possibility to pick and choose)

☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Eligible forest managers can choose between seven different sub-measures. In particular, sub-measures 2, 3, 4, 5 and 6 are result-oriented, while sub-measure 7 provides for specific management (management practice) commitments. The objective of sub-measure 1 is also to set out a result (change of operation), but due to the nature of the commitment, the result cannot be achieved even during the 10-year commitment period, and the farmer starts with a change in management towards a permanent forest cover result, which may take up to 30 years.

What is the duration of contracts?

Sub-measure 1: 10 years
Target 2: 5-10 years (depending on herd)
3. Sub-measure 4: 5 years
Sub-measure 5: 1+ 4 years
Sub-measures 6-7: 5 years

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Under the present intervention, aid may be granted to pursue environmental objectives which are based on conditions clearly defined by the State as having an environmental objective, and the payment is subject to compliance with the conditions and management methods laid down.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD35_O15_A01_HA - Hectares of forest supported for an environmental commitment	Grant	91(3)(b) - 70-HU-50.00%	Average		R.30; R.33	Yes

Explanation and justification related to the value of the unit amount

RD35_O15_A01_HA - Hectares of forest supported for an environmental commitment

The unit amount (UA) is determined on an 'average' basis, based on the experience numbers of the VP 2014-2021.

Aspects affecting the calculation of the average unit amount per hectare supported for the period 2023-2028:

On 19 June 2022, Rural Development Programme experience numbers: EUR 37197348 was committed and 9 418 hectares were committed.

At the same time, for the period from 2023 onwards, the target group, content and expected results of the intervention change significantly, affecting the target and average unit amount calculation.

Amending aspects:

(a) the addition of new elements, in particular target area 7 for farmers in the smallest forest areas with no high environmental value, which is a basis for closer-to-nature forest management, which is widely feasible, including by a lay forest manager, and serves educational purposes.

(b) emergence of new target groups: in addition to private forest managers, public forest holdings and national park directorates

(D) valorisation of unit costs: increase of unit costs for grants by reflecting the increase in costs

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD35_O15_A01_HA - Hectares of forest supported for an environmental commitment (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)			198.00	198.00	198.00	198.00	198.00	
	Maximum planned average unit amount (where applicable) (EUR)			736.00	736.00	736.00	736.00	736.00	
	O.15 (unit: Hectares)			50,000.00	80,000.00	80,000.00	80,000.00	80,000.00	Sum: 370,000.00 Max: 80,000.00
TOTAL	O.15 (unit: Hectares)			50,000.00	80,000.00	80,000.00	80,000.00	80,000.00	Sum: 370,000.00 Max: 80,000.00

	Annual indicative financial allocation (Total public expenditure in EUR)			6,082,317.00	9,940,000.00	9,940,000.00	9,940,000.00	9,741,483.00	45,643,800.00
	Annual indicative financial allocation (Union Contribution in EUR)			3,041,158.00	4,970,000.00	4,970,000.00	4,970,000.00	4,870,742.00	22,821,900.00
	Out of which carry-over (Total public Expenditure in EUR)			1,000,000.00	1,000,000.00	1,000,000.00	500,000.00		3,500,000.00
	Out of which carry-over (Union contribution in EUR)			500,000.00	500,000.00	500,000.00	250,000.00		1,750,000.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD36_F03_GEN_70 - Multi-annual commitments for forest genetics

Intervention Code (MS)	RD36_F03_GEN_70
Intervention Name	Multi-annual commitments for forest genetics
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.19. Number of operations or units supporting genetic resources
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
6.6.1	Genetic conservation and land use in climate adaptive agriculture and forestry	2	Yes
8.6.2	Production of forest reproductive material to increase forest stands and to adapt them to climate change	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.30 Share of forest land under commitments to support forest protection and management of ecosystem services

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives: Climate change projections show that, from a forest management perspective, the speed of displacement of climate zones exceeds the natural capacity of forest stands to adapt. The key issue for the long-term sustainability of forests is therefore, in the first place, the provision of material that is resilient to or adapted to the effects of climate change, while preserving the necessary genetic diversity. This is only possible if both in-situ and ex-situ gene conservation and development tools are exploited and developed.

Content:

The conservation of our native tree species should primarily be based on **in situ** methods. The essence of

these is that the stock of genes intended to be preserved is maintained in its original environment, so that the processes affecting and shaping the gene pool can continue to apply without hindrance. Their use is subject to the condition that the population in question can be maintained and renewed using natural methods in the original or similar place of production or habitat. The forest gene reserve network consists of in situ conservation units in which the populations of the target tree species are adapted to the place of production, are of local origin, are well representative of the local gene stock of the species(s), and their survival is ensured in the long term.

Where the gene source cannot be safely maintained at its original location (e.g. in the event of low fertility, habitat threats, extreme changes in the site of production, environmental damage, pathogens, pest action, possibility of crossing with related species or cultural forms), the genotypes to be preserved shall be placed *inex situ* collections. The subsequent utilisation of conservation genetic material may result in synthetic populations of the specimens thus archived. They can henceforth serve as a source of propagating material for forestry interventions for climate protection and nature conservation purposes.

Principles for selection: not relevant

Link to other interventions: knowledge transfer requires the sharing and transfer of knowledge and good practices in these projects: Sharing of RDI results, demonstration plant, training of specialist consultants, publications, AKIS networking). It is of particular importance (a) to raise farmers' awareness of the importance of purchasing certified material domestically, as opposed to cheap import material, even from unsuitable areas; (b) raising awareness and professional assistance of the (north) export potential of propagating material production.

— RD58_A01_TRA_78 – Training and demonstration support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

– eligible (registered) forest manager

other bodies governed by public law,

— growers of forest nurseries and nurseries registered in accordance with Decree No 110/2003 of 21 October 2003 of the Minister for Agriculture and Rural Development

The forest manager is engaged in sustainable forest management, i.e. it is managed in accordance with Act XXXVII of 2009 on forests, forest protection and forest management and in the district forest plan, and is not subject to forest protection or conservation sanctions.

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No702/2014

- it qualifies as a firm in difficulty (the concept of firm in difficulty is referred to in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Specified in Section 6(4a) and (4b) of Government Decree No 22/2015) and
- the decision of the European Commission addressed to Hungary requiring the repayment of State aid within the meaning of EU competition law has not been complied with.

Specific eligibility criteria:

has a management plan for the forest genetic target area

— forest manager or manager of a gene reserve, a stock designated for seed production, a forest gene collection or a central stock plantation in the eligible or planned area.

Moreover:

A/in situ sub-measure:

the forest section concerned is registered in the National Forest Stock Data Repository for the purpose of producing a forest gene reserve or propagating material

- the forest used for the forest gene reserve is 95/2003 (VIII. Included in the data register of the plant production authority specified in the Decree of the Minister for Agriculture and Rural Development or plans to establish such a herd

— the forest intended for seed-growing stands is included in the data register of the plant production authority specified in Decree No 110/2003 of 21 October 2003 of the Minister for Agriculture and Rural Development or plans to establish such a stock

B/ex situ sub-measure:

the beneficiary has or plans to set up a forest gene collection which is part of the national genetic asset and is registered by the crop management authority

the beneficiary is in possession of the official authorisations required for the performance of the task

- in the case of a stock plantation: the beneficiary has, or plans to create, a forest gene collection which is part of the national genetic asset and is registered by the crop management authority, and: Of the stock nurseries, only cloned varieties and seed-growing plantations (plants) in accordance with the requirements of Decree No 110/2003 of 21 October 2003 of the Minister for Agriculture and Rural Development with Hungarian State varietal recognition or equivalent economic performance testing for forestry purposes are eligible.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Forest genetic pledges (7 years)

A/in situ scheme:

— creation and maintenance or existing maintenance of gene reserves

— establishment and maintenance or existing maintenance of stock stands designated for seed production

B/ex situ scheme:

— creation and maintenance or existing maintenance of forest gene collections

establishment and maintenance of central stock plantations

Support in this intervention shall not be granted for activities to convert propagating material into commercial products (e.g. harvesting, preparation, storage, packaging) or forest management activities resulting from the obligation of forest managers under the legislation in force.

Commitments:

— keeping a forest genetic log documenting committed and supported management standards

— creation and maintenance of supported stocks and adequate care

— maintenance and maintenance of existing stocks

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Relevant legislation:

Act XXXVII of 2009 on Forest, Forest Protection and Forest Management

61/2017. (XII. FM Decree on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Decree No 383/2016 of 18 December 2016 On the designation of bodies performing official and administrative tasks in the field of agriculture

110/2003 (X.11). Decree of the Minister for Agriculture and Rural Development on forest reproductive material

95/2003. (VIII. Decree No 14 of the Minister for Agriculture and Rural Development on the conservation and use of plant genetic material

Link between GAEC, SMR and national standards with the intervention

No GAEC specification indicated

7 Form and rate of support/amounts/calculation methods

☐ IACS

☒ Non-IACS

Non-IACS section

Form of support

☒ Grant

☐ Financial instrument

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The payment is made on the basis of Article 83(1b) and 2(a)(i) STR.

The development of the unit cost categories for support is set up by the Forest Science Institute of the University of Soproni, as an expert body independent of the AM, as a separate attached "CAP Strategic Plan for Hungary 2023-2027 (simplified cost options: unit cost).

Range of support at beneficiary level

Objective 1	Basic unit	Establishment (year 1) euro	Reservation euro/year
In situ forms			
Forest gene reserve	if	250	100
Stock designated for seed production	if	150	55
Ex situ forms			
Collection of genes, in the form of juvenilis (cetector)	batch	55	50
Gene collection, graft, genotype (in forest area)	batch	100	40
Gene collection, tree shape,	batch	100	40

genotype (in forest area)			
Gene collection, progeny, origin, family (in forest area)	batch	120	50
Stock plantations, vegetatively propagated varieties, elite grade	batch	120	200
Stock plantations, vegetatively propagated varieties, super elite grade	breed	40	210
Stock plantations, generative propagation varieties	if	8600	660
Preparation of a basic wood descriptive sheet in digital and printed form	genotype	20	—
Production of plant material by cutting or meristem propagation	genotype	270	—
Production of plant material by grafting, grafting	genotype	300	—
Production of plant material by generative propagation	genotype	200	—
Cost of abnormal soil preparation (brushing, rotation and rooting, etc.)	hectare	1 600	—
Construction cost of fences	meters	20	—
Cost of molecular genetic testing	genotype	80	—

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

As the forestry sector falls within the scope of Article 42 TFEU, competition rules (State aid rules) apply to this measure.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☒ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☐ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☐ result based (with possibility to pick and choose)
- ☐ management based (with possibility to pick and choose)
- ☒ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

Beneficiaries can choose between four different sub-measures. In particular, the creation of a new pool shall be result-oriented both in the case of in-situ establishment and ex-situ; in-situ or ex-situ maintenance sub-measures are typically management-based interventions.

What is the duration of contracts?

7 years

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Under the present intervention, aid may be granted to pursue environmental objectives which are based on conditions clearly defined by the State as having an environmental objective, and the payment is subject to compliance with the conditions and management methods laid down.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD36_O19_A01_ON - Number of hectares for the conservation and development of forest genetic resources	Grant	91(3)(b) - 70-HU-50.00%	Average		R.30	No

Explanation and justification related to the value of the unit amount

RD36_O19_A01_ON - Number of hectares for the conservation and development of forest genetic resources

The UA is determined in a ‘average’ manner. The calculation is based on the implementation status of the Rural Development Programme: commitment figures (19 June 2022): 50 projects were committed for a total of 3.3 million euro of which a simple arithmetic average: EUR 56.000/application. However, factors affecting the planned targets and unit amounts from 2023 onwards:

—the intervention has been restructured: instead of 1-year and 7-year go-to areas, there will be a 7-year commitment for each target area.

—unit costs of grants have been valorised;

—new entrants are also expected.

Thus, the expected average size of an application (operation): EUR 200.000.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD36_O19_A01_ON - Number of hectares for the conservation and development of forest genetic resources (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Operations)	0.00	20.00	30.00	10.00	0.00	0.00	0.00	Sum: 60.00 Max: 30.00
TOTAL	O.19 (unit: Operations)	0.00	20.00	30.00	10.00	0.00	0.00	0.00	Sum: 60.00 Max: 30.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	1,200,000.00	1,600,000.00	800,000.00	800,000.00	800,000.00	800,000.00	6,000,000.00

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	600,000.00	800,000.00	400,000.00	400,000.00	400,000.00	400,000.00	3,000,000.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD39_F06_AFM_70 - Maintenance of investments in afforestation and support for income replacement

Intervention Code (MS)	RD39_F06_AFM_70
Intervention Name	Maintenance of investments in afforestation and support for income replacement
Type of Intervention	ENVCLIM(70) - Environmental, climate-related and other management commitments
Common Output Indicator	O.16. Number of hectares or number of other units under maintenance commitments for afforestation and agroforestry
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.2.2	Reduction of GHG and atmospheric load gases emissions using forestry tools	2	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
8.6.1	Increase the scope and added value of forest benefits, improve profitability	3	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.30 Share of forest land under commitments to support forest protection and management of ecosystem services

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objective: A change in land use through afforestation with a very costly and long pay-back period will only be attractive to land users if nursing work is supported until completion, as well as compensation for

lost agricultural income.

Content: Maintenance tasks of forest planted with EAFRD support and compensation for lost agricultural income

Target selection procedure: depending on the different costs of nursing forest stands defined in the four target stock groups, the unit costs for nursing support and the time intervals for the grant of the support also differ.

Selection principles: not relevant

Relevant legislation:

Act XXX VII of 2009 on forests, forest protection and forest management

61/2017. (XII. Decree No 21 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Government Decree No 383/2016 (XII. On the designation of bodies performing official and administrative tasks in the field of agriculture

Complementarity: information, training and advice needed for new forest managers

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiary:

- Eligible forest manager

Other eligibility criteria:

- Forest that has benefited from EAFRD support for investment in afforestation, with a minimum eligible area of: 0.5 ha
- Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 702/2014
- it is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid within the meaning of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or
- the European Commission failed to comply with the decision addressed to Hungary to repay State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Form of the aid: per hectare of unit cost

Commitments:

1. subsidised nursing activities must be carried out,
2. at the latest before payment of the last care allowance, official certificate declaring the forest to be completed
3. The stand is included in the forest stock repository

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Act XXX VII of 2009 on forests, forest protection and forest management

61/2017. (XII. Decree No 21 of the Minister for Agriculture on the implementation of Act XXXVII of

2009 on forests, forest protection and forest management
Government Decree No 383/2016 (XII. On the designation of bodies performing official and administrative tasks in the field of agriculture

Link between GAEC, SMR and national standards with the intervention

Not relevant.

7 Form and rate of support/amounts/calculation methods

☒ IACS

☐ Non-IACS

IACS section

Type of payment

☒ unit cost based on additional costs and income foregone

☐ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Treatment costs: depending on the type of target deployed, differentiated unit costs of support have been established at different time intervals. We used the RDP unit costs valorised in 2019 and 2020. The calculation is made without industrial plantations to be planted (no income replacement support). Depending on the type of target stock to ensure the existence and success of afforestation, the first export care allowance may be financed for a period of 5 to 11 years, and income support may be financed for 12 years for all target stocks. The replacement of agricultural income foregone is set at a single average amount if agricultural production took place on the area in question in the previous year(s).

Aid amounts (unit amount/ha/year):

For all four target groups, the replacement of income foregone is EUR 432/ha/year. The period of income support shall be 12 years for each target stock type group.

Target stock type group	Forestation	
	Average unit cost for care from year 2 onwards	
	period of care (year)	average cost of nursing (euro/ha/year)
Oak, beech and other hard foliage	11	605
Other soft foliage and pine	8	328
Acacia	5	320
Noble mink	5	320

Calculation method

We used the RDP unit costs valorised in 2019 and 2020.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The forestry sector is a sector outside the scope of Article 42 TFEU, so that the aid granted to it is subject to the competition rules (State aid rules).

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number
SA.112038

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What are the models of the commitment(s) in the intervention?

- ☐ result based (with possibility to pick and choose)
- ☒ management based (with possibility to pick and choose)
- ☐ hybrid (management and result based)

Please explain the obligations/possibilities for beneficiaries in relation to the commitments set out in the intervention

The beneficiary must perform the forest care tasks, as a result of which the forestry authority takes over the forest as completed at the latest before the last payment.

What is the duration of contracts?

Nursing: depending on the target population group: From 5 to 11 years
Replacement of lost agricultural income: (if the applicant is entitled to it) 12 years uniformly

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Under the present intervention, aid may be granted to pursue environmental objectives which are based on conditions clearly defined by the State as having an environmental objective, and the payment is subject to compliance with the conditions and management methods laid down.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 70 - Payments under Article 70	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD39_O16_A01_HA - Investment in afforestation of afforestation unit amount for nursing and income replacement aid 6 – carry-over	Grant	91(3)(b) - 70-HU-50.00%	Average		R.30	No
RD39_O16_A02_HA - Investment in afforestation of afforestation unit amount for care and income replacement aid 7 – carry-over ÚMVP	Grant	91(3)(b) - 70-HU-50.00%	Average		R.30	No
RD39_O16_A03_HA - Investment in afforestation of afforestation aid amount for nursing and income replacement aid 8 – transfer VP	Grant	91(3)(b) - 70-HU-50.00%	Average		R.30	No
RD39_O16_U01_HA - Afforestation investment for nursing and income replacement support 1 — maintenance of oak, beech and other hard leaves: euro/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.30	Yes
RD39_O16_U02_HA - Afforestation investment for nursing and income support amount 2 — Other soft-leaved species and pine nursing: euro/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.30	Yes
RD39_O16_U03_HA - Afforestation investment, nursing and income support unit amount 3 — acacia forest management: euro/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.30	Yes
RD39_O16_U04_HA - Afforestation investment, nursing and income support unit amount 4 — poplar forest management: euro/ha/year	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.30	Yes
RD39_O16_U05_HA - Income replacement support unit amount for afforestation investment	Grant	91(3)(b) - 70-HU-50.00%	Uniform		R.30	Yes

Explanation and justification related to the value of the unit amount

RD39_O16_A01_HA - Investment in afforestation of afforestation unit amount for nursing and income replacement aid 6 – carry-over

NVT care and income replacement allowance

RD39_O16_A02_HA - Investment in afforestation of afforestation unit amount for care and income replacement aid 7 – carry-over ÚMVP

ÚMVP care and income replacement

RD39_O16_A03_HA - Investment in afforestation of afforestation aid amount for nursing and income replacement aid 8 – transfer VP

RDP care and income replacement

RD39_O16_U01_HA - Afforestation investment for nursing and income replacement support 1 — maintenance of oak, beech and other hard leaves: euro/ha/year

The UA is determined in a ‘uniform’ manner. Thus, there will be 5 different UAs, which is the same as the aid unit cost categories. The development of the categories of unit costs of support is the attached ‘KAP Strategic Plan’ prepared by the University of Sopron’s Forest Science Institute as an expert organisation independent of the AM, and the attached ‘KAP Strategic Plan for Hungary’s certain unit costs (simplified cost options: unit cost).

RD39_O16_U02_HA - Afforestation investment for nursing and income support amount 2 — Other soft-leaved species and pine nursing: euro/ha/year

The UA is determined in a ‘uniform’ manner. Thus, there will be 5 different UAs, which is the same as the aid unit cost categories. The development of the

categories of unit costs of support is the attached ‘KAP Strategic Plan’ prepared by the University of Sopron’s Forest Science Institute as an expert organisation independent of the AM, and the attached ‘KAP Strategic Plan for Hungary’s certain unit costs (simplified cost options: unit cost).

RD39_O16_U03_HA - Afforestation investment, nursing and income support unit amount 3 — acacia forest management: euro/ha/year

The UA is determined in a ‘uniform’ manner. Thus, there will be 5 different UAs, which is the same as the aid unit cost categories. The development of the categories of unit costs of support is the attached ‘KAP Strategic Plan’ prepared by the University of Sopron’s Forest Science Institute as an expert organisation independent of the AM, and the attached ‘KAP Strategic Plan for Hungary’s certain unit costs (simplified cost options: unit cost).

RD39_O16_U04_HA - Afforestation investment, nursing and income support unit amount 4 — poplar forest management: euro/ha/year

The UA is determined in a ‘uniform’ manner. Thus, there will be 5 different UAs, which is the same as the aid unit cost categories. The development of the categories of unit costs of support is the attached ‘KAP Strategic Plan’ prepared by the University of Sopron’s Forest Science Institute as an expert organisation independent of the AM, and the attached ‘KAP Strategic Plan for Hungary’s certain unit costs (simplified cost options: unit cost).

RD39_O16_U05_HA - Income replacement support unit amount for afforestation investment

The UA is determined in a ‘uniform’ manner. Thus, there will be 5 different UAs, which is the same as the aid unit cost categories. The development of the categories of unit costs of support is the attached ‘KAP Strategic Plan’ prepared by the University of Sopron’s Forest Science Institute as an expert organisation independent of the AM, and the attached ‘KAP Strategic Plan for Hungary’s certain unit costs (simplified cost options: unit cost).

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD39_O16_A01_HA - Investment in afforestation of afforestation unit amount for nursing and income replacement aid 6 – carry-over (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	300.00	300.00	300.00	300.00	300.00	300.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_A02_HA - Investment in afforestation of afforestation unit amount for care and income replacement aid 7 – carry-over ÚMVP (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	250.00	250.00	250.00	250.00	250.00	250.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_A03_HA - Investment in afforestation of afforestation aid amount for nursing and income	Planned unit amount (Total Public Expenditure in EUR)	0.00	950.00	950.00	950.00	950.00	950.00	950.00	

replacement aid 8 – transfer VP (Grant - Average)	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U01_HA - Afforestation investment for nursing and income replacement support 1 — maintenance of oak, beech and other hard leaves: euro/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	605.00	605.00	605.00	605.00	605.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U02_HA - Afforestation investment for nursing and income support amount 2 — Other soft- leaved species and pine nursing: euro/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	328.00	328.00	328.00	328.00	328.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U03_HA - Afforestation investment, nursing and income support unit amount 3 — acacia forest management: euro/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	320.00	320.00	320.00	320.00	320.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U04_HA - Afforestation investment, nursing and income support unit amount 4 — poplar forest management: euro/ha/year (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	320.00	320.00	320.00	320.00	320.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U05_HA - Income replacement support unit amount for afforestation investment (Grant -	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	432.00	432.00	432.00	432.00	432.00	

Uniform)	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
TOTAL	O.16 (unit: Hectares)	0.00	10,000.00	30,000.00	30,000.00	35,000.00	40,000.00	45,000.00	Sum: 190,000.00 Max: 45,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	4,561,593.17	32,494,374.33	26,365,732.00	30,761,040.00	35,199,200.00	39,502,840.00	168,884,779.50
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	2,280,796.58	16,247,187.17	13,182,866.00	15,380,520.00	17,599,600.00	19,751,420.00	84,442,389.75
	Out of which carry-over (Total public Expenditure in EUR)	0.00	4,561,593.17	32,494,374.33	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	69,055,967.50
	Out of which carry-over (Union contribution in EUR)	0.00	2,280,796.58	16,247,187.17	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	34,527,983.75
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements

RD23_G06_NAG_72 - Natura 2000 agricultural land compensation payments

Intervention Code (MS)	RD23_G06_NAG_72
Intervention Name	Natura 2000 agricultural land compensation payments
Type of Intervention	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements
Common Output Indicator	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area of implementation of the intervention is Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.4 Share of utilised agricultural area (UAA) covered by income support and subject to conditionality

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Purpose of the intervention

The Natura 2000 network ensures the conservation of biodiversity through the protection of natural habitat types and species of wild fauna and flora of Community interest and helps to maintain or restore their favourable conservation status.

Payments for Natura 2000 grasslands are intended to compensate farmers and other land users

1. Council Directive 2009/147/EC of 30 November 2009 on the conservation of wild birds

(hereinafter: Birds Directive) and

2. Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (hereinafter: Habitats Directive)

additional costs and revenue foregone resulting from its implementation.

Content of the intervention

Land use in different fields contributes to varying degrees to the maintenance of the living and species of Natura 2000 sites and to the conservation of biodiversity, and therefore the conservation of grassland and forest areas in Hungary has been laid down for these two types of land at the time the compensatory aid is paid, including the mandatory legislation and the district fortress plans for these two types of land. Compensation payments for Natura 2000 forest areas will be developed as a separate intervention (RD23_G06_NAG_72 – *Compensation payments for Natura 2000 agricultural areas*).

No 269/2007 on land **use rules for the maintenance of Natura 2000 grasslands for grassland areas** in the Natura network. Government Decree (X. 18.) (hereinafter: Natura 2000 Land Use Regulation (Natura 2000 Land Use Regulation)) applies uniform land use standards for, inter alia, the following practices:

1. protection of the grassland surface, prevention of damage;
2. nutrient supply regulation;
3. the conservation of grassland-related wildlife;
4. preventing the spread of invasive and off-farm plant species;
5. avoidance of abandonment.

The compensatory allowance shall be determined on the basis of the additional costs resulting from compliance with the above legal provisions, as well as the loss of income, in order to compensate them, which farmers who meet the eligibility criteria may claim each year in the form of non-repayable support.

Given that, at the moment of submission of the CAP Strategic Plan, there is no legislation in force that would impose uniform binding land use standards on agricultural land other than grasslands (e.g. arable land), it is not possible to grant compensatory payments for land under other agricultural use. If the legislation on which the compensation is based is enacted and enters into force, the conditions for compensatory support will also be available and, if necessary, the compensatory allowance may be introduced by amending the CAP Strategic Plan and ensuring an appropriate financial envelope.

Continuation or further development of measure 213 of the New Hungary Rural Development Programme developed and operated during the 2007-2013 period and sub-measure M 12.1 of the Rural Development Programme 2014-2022.

In order to preserve and improve the favourable nature status of the Natura 2000 network, we wish to maintain the three-tier system established in previous periods which delivers the right results both in terms of preserving agricultural diversity in line with Gothenburg's aspirations and in terms of social acceptance of the Natura 2000 network:

1. Level 1: No 275/2004 on areas of conservation of *European Community importance*. Government Decree (X.8) contains the rules on the demarcation of Natura 2000 sites and the basic requirements in accordance with the Directives, compliance with which is mandatory in all designated Natura 2000 sites, irrespective of the way in which they are used. The purpose of the regulation is to preserve the extent of the designated Natura 2000 sites, to reduce the use for purposes other than those carried out at the time of designation (e.g. installation, grassland breakage) and to preserve the basic conditions of the network. In particular, the Government Decree regulates activities which could, where appropriate, jeopardise the natural condition on which the delimitation of Natura 2000 sites is based. The scope of the Decree extends to all Natura 2000 sites regardless of their use and, as requirements 3 and 4 of the SMR, are part of the system of conditionality. Compensation payments for compliance with these requirements cannot be granted, as compliance

with them does not result in direct increases in costs or loss of income affecting agricultural activities.

2. Level 2 a: The regulation of nature conservation land use of grasslands with the highest natural value of the agricultural cultivation and the operation of a payment system to compensate for it. No269/2007 on land use rules for the maintenance of *Natura 2000 grasslands*. *Government Decree* (X. 18.) and the purpose of the compensation is to achieve and preserve the favourable nature status of *Natura 2000* grasslands. The land use specifications are later.
3. Level 2b: In the case of *Natura 2000* areas in forestry, forest managers are eligible for aid to compensate for loss of income and additional costs resulting from compliance with the restrictions in the binding forest plan decisions issued for each forest area (Measure RD23_G06_NAG_72)
4. Level 3: Development type measures – The *Natura 2000* maintenance plans for each *Natura 2000* site include the proposed interventions and conservation management practices for the conservation of habitats and species. These proposals are not legally binding, they are not mandatory and therefore cannot constitute a basis for compensation, but some of the proposed activities can be claimed under the agri-environmental and climate change measures available to land users under a voluntary scheme (RD19_G01_AEC_70), the Forest Environment Programme (RD35_F02_FEC_70) and the agro-ecological non-productive investments and their maintenance for nature conservation (RD21_G04_LCI_73 and RD22_G05_LCP_70). The purpose of these measures is to compensate for habitat development and conservation requirements that improve the natural condition.

Link to other CAP ST interventions:

1. The land use standards for *Natura 2000* grasslands and the *grassland management standards of the DP17_G01_ECOS_16* - Agro-ecological programme (AÖP) partially overlap. In order to avoid overcompensation, compliance with the cost-related requirements in both places can only be compensated under one of the aids. If the farmer intends to apply for both types of aid for the same area, it would be doubled to support the same standards, so the overlapping provisions (see description of the AÖP measure) cannot be selected in *Natura 2000* grasslands when applying for AÖP support.

1. The land use standards for *Natura 2000* grasslands and the AKG grassland management standards overlap in whole or in part. If a farmer wishes to benefit from both types of aid in the same area, it would receive double support for compliance with the same standards. In order to avoid overcompensation, compliance with the cost-related requirements in both areas can only be compensated within the framework of one aid scheme, so in the case of the use of *Natura 2000* grassland aid, the amount of AKG aid for the same area will be reduced by the sub-aid for the “common” standards.

• RD58_A01_TRA_78 – Training and demonstration support

Selection criteria:

We do not plan to introduce a scoring assessment when selecting grant applications.

Any other relevant information:

Given that, at the moment of the submission of the CAP Strategic Plan, there is no legislation in force that would constitute an appropriate basis for the so-called VKI (WFD) compensatory allowance under Article 72(3)(c) and (5)(b) of the STR Regulation, it is not possible to grant compensatory aid for the agricultural areas affected by the river basin management plan. IN POINT 3. The National River Basin Management Plan was adopted on 28 April 2022, but it still does not contain binding land use standards that could form the basis for a WFD compensatory payment. If the legislation on which the compensation is based is enacted and enters into force, the conditions for compensatory support will also be available and, if necessary, the WFD compensatory allowance may be introduced by amending the CAP Strategic Plan and

ensuring an appropriate funding framework.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- Farmer who is covered by Decree 275/2004 on nature protection areas of European Community importance Manages Natura 2000 grassland, including temporary grasslands and wooded meadows and pastures, designated on the basis of Gov. Decree (X. 8.) and delimited in the LPIS
- The area covered by the aid shall be at least 1.0 ha of grassland or arable land with a minimum size of 0.25 ha eligible for support.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Type of aid:

- The aid intensity of the intervention is 100 %.
- Payment shall be made annually per hectare of eligible area.
- Compensation for additional costs and income foregone resulting from the implementation of the Birds Directive and the Habitats Directive, in the amount of the payment per hectare, shall be considered eligible expenditure for the intervention.
- Farmers applying for aid are guaranteed to receive compensation if they meet the eligibility criteria.
- No regional differentiation will be applied in the context of the intervention.
- No scoring system will be introduced during the assessment of applications and applications will not be rejected on the grounds of lack of resources.
- In order to avoid overcompensation, farmers in Natura 2000 grassland areas receive a reduced amount under AEM sub-measures compared to non-Natura 2000 grassland farmers because of the higher baseline requirements for AEM in Natura grasslands.
- In determining the level of compensation, we first defined the land use standards and their agronomic effects, then assessed the impact of the factors causing loss of income/increase or cost reduction/increase, and finally, by summarising the effects of the aforementioned factors, the level of compensation was established.

Liabilities:

- The aid applicant must comply with
 - the requirements laid down in the relevant Natura 2000 Land Use Regulation;
 - Annex III to the Strategic Plan Decree;
 - minimum requirements for the maintenance of the agricultural area.
- The aid applicant must take part in a training course on Natura 2000 grassland.
- Mandatory keeping of the Farming Log for grasslands.
- Tolerance of biodiversity impact monitoring activities under the National Biodiversity Monitoring System.

Land use rules for the maintenance of Natura 2000 grasslands (a. 269/2007. Government Decree No 487/2015 of 18 October 2004 On the basis of a decree – as in force on 19 May 2022)

Section 3(1) grassland shall be used by grazing or mowing.

(2) Only cattle, sheep, goats, asses, horses and buffaloes may be grazed on grassland.

(3) Over-grazing of grassland is prohibited.

(4) Permanent damage to the grassland surface during farming activities is prohibited.

(5) The supply of nutrients may only come from faeces which have died by grazing animals, and manure spreading is prohibited.

Section 4 (1) At least 5 %, up to a maximum of 10 % of the area, including land subject to ad hoc restrictions imposed by an administrative decision in the interest of nature conservation, shall be left unmown in a place varying according to mowing.

(2) Drainage of inland water from grassland and irrigation of grassland is prohibited.

(3) Mechanical work is prohibited from sunset to sunrise.

(4) Natura 2000 grasslands designated as protected natural areas of local importance on Natura 2000 grasslands are subject to authorisation from the notary of the municipality, the chief notary in the capital, which is issued in the exercise of the authority of the nature conservation authority:

(a) for the eradication of reeds, and
grazing from 31 October to 23 April.

(5) The construction of game management facilities and equipment is subject to authorisation from the hunting authority. An application may be submitted to the hunting authority by means of an electronic form.

Section 5(1) The mowing shall be carried out starting from the centre of the area to be mown or at the edge of the table, without limiting the animals living there to the enclosure. During mowing, the use of a wild repellent chain is mandatory.

(2) The establishment and spread of invasive and extraterritorial plant species should be prevented, their herd reduced by mechanical control or specific pesticide application, the use of chemicals in addition to this technology should be prohibited.

(3) The planned mowing date must be notified in writing by the land user to the National Park Directorate of the area of operation at least five working days before the start of the activity. If, during the protection referred to in paragraph (2), the land user is unable to comply with the 5 % limit laid down in Section 4(1), it shall notify this to the National Park Directorate of the area of operation at the same time as the prior notification of the date of mowing.

(4) The storage of fibrous fodder on grassland shall be prohibited more than 30 days after mowing.

O13 What area is eligible?

☒ Natura 2000 agricultural area

☐ Natura 2000 forest area

☐ Other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to the implementation of Article 10 of Directive 92/43/EEC

☐ Agricultural areas included in river basin management plans (Water Framework Directive)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description
GAEC01	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of

	5% compared to the reference year.
GAEC09	Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites

List of relevant mandatory national standards

NJSZ– Sections 6(2), 7(1), 8(1), 16(1), 17(1) and 17(1) of Act LIII of 1996 on nature protection

The conservation of wild organisms, their populations and communities must go hand in hand with the conservation of their habitats, that all activities must be carried out in a manner that preserves natural values and areas in order to preserve the habitats of wild organisms and their biodiversity, as well as to ensure sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural condition of the landscape and to ensure that the natural assets, natural systems and specific landscape features that determine the aesthetic features of the landscape and its nature are maintained, taking into account historically established nature-friendly uses.

Link between GAEC, SMR and national standards with the intervention

Land use rules for the maintenance of NATURA 2000 grasslands (269/2007. Government Decree No 487/2015 of 18 October 2004 Regulation)	Related reference regulation (SMR – statutory economic operator requirements or NJSZ – Other binding requirements laid down in national legislation and GAEC requirements)	Relationship between the reference regulation and the AÖP specifications
Section 3(1) grassland shall be used by grazing or mowing.	NJSZ – Sections 6(2), 7(1), 8(1), 16(1), 17(3) of Act LIII of 1996 on nature protection	The relevant reference elements do not require use by grazing or mowing
(2) Only cattle, sheep, goats, asses, horses and buffaloes may be grazed on grassland.		The relevant reference elements do not require grazing species
(3) Over-grazing of grassland is prohibited.	The conservation of wild organisms, their populations and communities must go hand in hand with the conservation of their habitats, that all activities must be carried out in a manner that preserves natural values and areas in order to preserve the habitats of wild organisms and their biodiversity, as well as to ensure sustainable use, including sustainability, the use of nature-friendly methods and the protection of biodiversity. It is also necessary to preserve the natural and semi-natural condition of the landscape and to ensure that the natural assets, natural systems and specific landscape features that determine the aesthetic features of the landscape and its nature are maintained, taking into account historically established nature-friendly uses.	The relevant reference elements do not address the issue of overgrazing
(4) Permanent damage to the		The relevant reference elements do not

grassland surface during farming activities is prohibited.		address the issue of grass surface damage
(5) The supply of nutrients may only come from faeces which have died by grazing animals, and manure spreading is prohibited.	GAEC 1 – Maintenance of the ratio of permanent grassland at Member State level	The relevant reference elements do not prescribe nutrient management rules.
Section 4 (1) At least 5 %, up to a maximum of 10 % of the area, including land subject to ad hoc restrictions imposed by an administrative decision in the interest of nature conservation, shall be left unmown in a place varying according to mowing.		The relevant reference elements do not impose mowing restrictions.
(2) Drainage of inland water from grassland and irrigation of grassland is prohibited.	GAEC 9 – Prohibition of conversion or ploughing of grassland designated as environmentally sensitive permanent grassland in Natura 2000 sites	The relevant reference elements do not impose restrictions on the drainage of inland water.
(3) Mechanical work is prohibited from sunset to sunrise.		The relevant reference elements do not impose restrictions on night work.
(4) * In the case of Natura 2000 grasslands designated as protected natural areas of local importance, the authorisation of the notary of the municipality and the chief notary in the capital is required by the local authority, which is issued in the exercise of its powers of nature conservation authority:	Minimum requirements for the maintenance of agricultural land pursuant to Article 4(2) of the SPR Regulation:	The relevant reference elements do not contain specifications for the different authorisations.
(a) for the eradication of reeds, and	Permanent grassland shall be considered to be maintained in good condition if it does not have any deterioration (overgrazing) of permanent grassland resulting from an inappropriate grazing method in which the grass becomes thinned in patches as a result of short chewing and adhesion of herbaceous grasses and where at least 50 % of the soil surface is uncovered, and the permanent grassland, if there is no agricultural	

	production in the reference year, predominates grassy grass species, other than cane, and forage crops, and there is no increment remaining in the vegetation period preceding the reference year for which the propagation formulae have been opened.	
grazing from 31 October to 23 April.		
(5) * The construction of hunting facilities and equipment is subject to authorisation from the hunting authority. An application may be submitted to the hunting authority by means of an electronic form.		The relevant reference elements do not contain specifications for the different authorisations.
Section 5(1) The mowing shall be carried out starting from the centre of the area to be mown or at the edge of the table, without limiting the animals living there to the enclosure. During mowing, the use of a wild repellent chain is mandatory.		The relevant reference elements do not impose mowing restrictions.
(2) The establishment and spread of invasive and extraterritorial plant species should be prevented, their herd reduced by mechanical control or specific pesticide application, the use of chemicals in addition to this technology should be prohibited.		The relevant reference elements do not prohibit the use of chemicals and do not constrain the methods of control against invasive and non-domestic plant species to mechanical control or specific pesticide application.
(3) The planned mowing date must be notified in writing by the land user to the National Park Directorate of the area of operation at least five working days before the start of the activity. If, during the protection referred to in paragraph (2), the land user is unable to comply with the 5 % limit laid down in Section 4(1), it shall notify this to the National Park Directorate of the area of operation at the same time as		The relevant reference elements do not impose mowing restrictions.

the prior notification of the date of mowing.		
(4) The storage of fibrous fodder on grassland shall be prohibited more than 30 days after mowing.		The relevant reference elements do not impose restrictions on the storage of fibrous feed.

7 Form and rate of support/amounts/calculation methods

Type of payment

- ☒ unit cost based on additional costs and income foregone
- ☐ transaction cost included
- ☐ one off payment
- ☐ lump sum

Range of support at beneficiary level

The aid intensity is 100 %.

The unit cost shall be EUR 115/ha per year.

Calculation method

Calculation method:

- Compensation for additional costs incurred and income foregone resulting from the implementation of the Birds Directive and the Habitats Directive, in the amount of the payment per hectare, shall be considered eligible costs for the intervention. The payment shall be made annually, per hectare of eligible area.
- In determining the level of compensation, we first determined the agronomic effects of land use standards, then assessed the impact of the factors causing loss of income/increase and/or cost reduction/increase, and finally determined the level of compensation by summarising the effects of the aforementioned factors.
- In order to assess the agronomic impact, data from the Test Plant System (FADN) of the Institute of Agricultural Economics (FADN) on the production value and the costs of certain crops at sectoral level, as well as the research results of the Institute for Agricultural Training of the National Centre for Agricultural Research and Innovation, the current farm labour service fees and expert calculations, were assessed as data sources for the assessment of agronomic impact.
- The calculation shall be based on the determination of the additional costs incurred by the standards and the extent of the loss of income. When calculating the aid amount, the expected income development of compliant farmers is compared with farms where Natura 2000 standards are not applied. This makes it possible to ensure that, in practice, the types of farming that are common are not subsidised, but only the increased standards are the basis for the compensation.
- Foreach standard, the enrolments and costs determining income are grouped into 4 categories.

1. Expected revenue shortfall

2. Expected revenue growth

3. Expected Additional Costs

4. Expected cost reduction

- The calculation was determined separately for each specification using the data sources and expert estimates described above. Where it is not possible to attribute a uniformly identifiable cost increase or loss of revenue to the standard, the compensation of the standard shall be zero. These requirements typically cover restrictions that may occur, which may not affect all areas or farmers, such as the ban on drainage, so that it is not possible to establish a single cost increase or loss of income for all farmers. Requirements that do not generate cost increases or revenue losses are also requirements e.g. reporting obligations.
- In all cases, it is important that, since the payment is made on an annual and per hectare basis, a correction has been applied when determining the level of compensation. As an example, costs

related to livestock fertilisation or soil sampling are carried out once every 3 years and once in the last 5 years. In such cases, the costs were fixed in equal proportions per year.

- The intervention does not apply regional differentiation.

The level of compensation was determined as follows (the detailed calculation methodology is attached as an annex):

Land use rules for maintaining NATURA 2000 grassland (269/2007. Government Decree No 487/2015 of 18 October 2013 On the basis of a Regulation)	Cost increase	Loss of revenue	Total compensation for standard (EUR/ha)
Section 3(1) The grassland shall be used by grazing or mowing.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(2) Only cattle, sheep, goats, asses, horses and buffaloes may be grazed on grassland.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(3) Overgrazing of grassland is prohibited.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(4) Permanent damage to the grassland surface during farming activities shall be prohibited.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(5) Nutrient fertilisation may only come from excrements dead by grazing animals, manure spreading is prohibited.	Cost increase cannot be attributed to the standard	reduction of hay yield due to restrictions on nutrient application	62
Section 4 (1) A minimum of 5 % and a maximum of 10 % of the area, including land subject to ad hoc restrictions in the interest of nature conservation imposed by an administrative decision, shall be left unmown in varying places per mowing.	Cost increase cannot be attributed to the standard	decrease in yield due to mowing restriction	41
(2) Drainage of inland water from grassland and irrigation of grassland is prohibited.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(3) From sunset to sunrise, mechanical work is prohibited.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(4) * In the case of Natura 2000 grasslands classified as protected areas of local importance, Natura 2000 grassland is subject to authorisation by the local authority's notary and the notary in the capital, in accordance with its powers as nature conservation authority: (a) for the destruction of the reed, and (b) grazing between 31 October and 23 April.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(5) * For the construction of farming facilities	Cost increase cannot	Loss of revenue	0

and equipment, authorisation by the hunting authority is required. The application may be submitted to the hunting authority by means of an electronic form.	be attributed to the standard	cannot be attributed to the standard	
Section 5(1) The mowing shall be carried out either from the centre of the area to be mown or from the edge of the plate, without limiting the animals living there to the cover area. The use of a wild repellent chain during mowing is mandatory.	Higher unit cost of machinery	Loss of revenue cannot be attributed to the standard	12
(2) The establishment and spread of invasive and off-site plant species must be prevented, their populations must be reduced by mechanical control or special pesticide application, and the use of chemicals other than this technology is prohibited.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(3) The planned date of mowing shall be notified in writing by the land user to the National Park Directorate of the operational area at least five working days before the start of the activity. If, during the protection referred to in paragraph (2), the land user is unable to comply with the 5 % limit laid down in Section 4(1), he shall notify the national park directorate of the operational area at the same time as his prior notification of the date of mowing.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
(4) On grassland, the storage of forage is prohibited for more than 30 days after mowing.	Cost increase cannot be attributed to the standard	Loss of revenue cannot be attributed to the standard	0
Total			115

Additional explanation

In order to avoid overcompensation, farmers in Natura 2000 grassland areas will receive a reduced amount under the AKG sub-measures compared to farmers in non-Natura 2000 grasslands because the baseline requirements for AKG in Natura grasslands are higher.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid granted under the aid is clearly intended for nature conservation purposes. The aid is intended solely to compensate for the additional costs and income foregone resulting from compliance with the obligations.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 72 - Payments under Article 72	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD23_O13_U01_HA - Natura 2000 agricultural land compensation	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.4; R.7	No

Explanation and justification related to the value of the unit amount

RD23_O13_U01_HA - Natura 2000 agricultural land compensation

In determining the level of compensation, we first determined the land use standards and their agronomic effects, then assessed the impact of the factors causing loss/increase or cost reduction/increase, and finally established the level of compensation by summing up the effects of the aforementioned factors.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD23_O13_U01_HA - Natura 2000 agricultural land compensation (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	115.00	115.00	115.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	115.00	115.00	115.00	0.00	0.00	
	O.13 (unit: Hectares)	0.00	0.00	287,000.00	287,000.00	287,000.00	0.00	0.00	Sum: 861,000.00 Max: 287,000.00
TOTAL	O.13 (unit: Hectares)	0.00	0.00	287,000.00	287,000.00	287,000.00	0.00	0.00	Sum: 861,000.00 Max: 287,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	33,005,000.00	33,005,000.00	33,005,000.00	0.00	0.00	99,015,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	16,502,500.00	16,502,500.00	16,502,500.00	0.00	0.00	49,507,500.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD34_F01_NAF_72 - Natura 2000 compensation payments for forest areas

Intervention Code (MS)	RD34_F01_NAF_72
Intervention Name	Natura 2000 compensation payments for forest areas
Type of Intervention	ASD(72) - Area-specific disadvantages resulting from certain mandatory requirements
Common Output Indicator	O.13. Number of hectares benefitting from support under Natura 2000 or Directive 2000/60/EC
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area of implementation of the intervention is Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.1.1	Predictable basic income for farmers	2	Yes
6.3.1	Conservation or improvement of the natural condition of Natura 2000 and protected forest habitats	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.7 Percentage of additional support per hectare in areas with higher needs (compared to average)

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Targeting: Payments for the Natura 2000 forest network and protected and specially protected forest areas are intended to compensate forest managers under Council Directive 2009/147/EC of 30 November 2009 on the conservation of wild birds (hereinafter: The Birds Directive) and Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (hereinafter: The Habitats Directive) and the additional costs and income foregone resulting from the implementation of Act LIII of 1996 on nature protection.

The application of the intervention is also intended to increase the acceptance of voluntary compliance by forest managers, which can contribute to maintaining and improving the status of habitats and species of community interest or protected status.

The payment of compensation helps to improve habitats, while the absence of payment may lead/may lead to deterioration (if forest managers are not encouraged to comply with conservation measures and other Natura 2000 requirements).

The forest area designated by NATURA in Hungary accounts for 46 % of the total forest area, which, although the country does not have any high mountain regions at all, is twice as high as the European Union average. Hungary's Natura 2000 forest area is 772 008 ha and the area of protected and specially protected forest stands belonging to 1 to 4 naturalness categories is 26 939 ha, or 3.49 %.

Natura 2000 and habitat types of Community interest in protected and specially protected areas (9110 Lime bypass beech forests, 9130 Submontane and montane beech forests, 9150 Szikla beech forests, 9180 Sleeping and supporter gardens, 91E0 softwood geese, alder and ash groves, bogs, 91F0 Hard woody geese, 91G0 Pannonian oak woods, 91H0 Pannonian shoot oaks, 91I0 Euro-Siberian woody woods, 91N0 Pannonian sand junipers, 91K0 Illir beech forests, 91L0 Illir oak oak, 91M0 Pannonian oak oak) and species are sometimes subject to restrictions on forest management activities in order to maintain and maintain favourable conservation status in forests. The relevant provisions shall be laid down by the competent administrative bodies in the district forest plan.

The experience of compensatory support under the CAP to date confirms that it has a very educational effect in private forest management, contributes greatly to voluntary compliance with restrictions and increases the willingness and awareness of the conservation of older, valuable forest stands, and thus of the species and habitats to be protected.

The most common types of farming restrictions are: change of target stock or even mode of operation from cutting to permanent forest cover mode; protection of forest margins; keeping certain tree species intact and maintaining during forest breeding interventions in order to improve the structure and composition of the forest stands; time limits for the use of wood; total or partial restrictions on wood uses; restriction of cleaning, pre-selection thinning; restriction of incrementing thinning in case of stockkeeping use and end use; abandoning and maintaining deadwood; abandoning and maintaining abandonment trees and groups of abandoned trees in the event of end use; removal and maintenance of trees with specific characteristics (breaky, thrust, nesting, etc.).

The competent state administration bodies carried out as a matter of priority the review of the forest plan requirements relating to the area of operation of each forest manager in accordance with the Natura 2000 criteria and Act LIII of 1996 on nature protection. As a result, where Natura 2000 was necessary in a protected or specially protected area, the forest plan requirements were amended and the management activities of the forest manager were restricted.

From 2011 onwards, the competent authority shall draw up a Natura 2000 impact assessment for each district forest plan, taking it into account, and the district forest plan may only be approved. In carrying out their annual forest management activities on the basis of the forest plan requirements, forest managers must therefore ensure, in a manner supervised by the competent authority, the maintenance and maintenance of the favourable conservation status of Natura 2000 and of the habitats and species of Community interest underlying their designation in protected or specially protected forests.

Directives 2009/147/EC and 92/43/EEC and Act LIII of 1996 on nature protection

As a result of the enforcement of Natura 2000 and its provisions on protected or specially protected forest areas, forest management activities can be carried out at different levels of restriction compared to the established practice, resulting in additional costs and income losses for the forest manager. To compensate for this, forest managers receive an area-based compensatory payment.

Selection criteria: not relevant

Relevant legislation:

Act XXXVII of 2009 on forests, forest protection and forest management

Act LIII of 1996 on nature protection

275/2004. Government Decree No 487/2015 of 8 October 2007 on nature protection areas of European Community importance

61/2017. (XII. Decree No 21 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Ordinance No 383/2016 (Decree No 383/2016) On the designation of bodies performing official and administrative tasks in the field of agriculture

Link to other measures:

- forest interventions (RD35, RD41 and RD37) to improve the environment or to adapt to the climate (selection criteria) are favoured for stocks protected or specially protected under NATURA 2000 or national legislation
- in the AKIS-type interventions (RD58, RD59, RD60), one of the key areas for knowledge enhancement and knowledge transfer is to raise awareness of climate-resilient and closer-to-nature forest management methods, as well as to raise awareness of the regulatory and monitoring legislative process expected in the EU and to prepare farmers.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

- registered forest managers
- The forest manager carries out sustainable forest management, i.e. its management complies with Act XXXVII of 2009 on forests, forest protection and forest management and the district forest plan, and is not subject to forest protection or conservation sanctions.

Eligibility criteria:

- the forest section has been designated on the basis of Directive 2009/147/EC or Directive 92/43/EEC as part of the NATURA 2000 network or as part of the NATURA 2000 network, but designated pursuant to Act LIII of 1996 on nature protection, which is natural under Article 7(1)(a)-(d) of Act XXXVII of 2009 and
- the area has a forest plan.
- minimum eligible area 1 ha
- Government Decree No 135/2017 on ligneous plantations is not eligible for aid. (VI. Plantations established on the basis of Government Decree No. 9)

As this measure falls outside the scope of Article 42 TFEU (see point 8), **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 702/2014, with the exception of de minimis aid

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Form of the aid: Unit cost

Obligation: The beneficiary shall comply with the Natura 2000 or protected or highly protected forest management requirements set out in the district forest plan.

O13 What area is eligible?

☐ Natura 2000 agricultural area

☒ Natura 2000 forest area

☒ Other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to the implementation of Article 10 of Directive 92/43/EEC

☐ Agricultural areas included in river basin management plans (Water Framework Directive)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

List of relevant GAEC and SMR

Code	Description

List of relevant mandatory national standards

Act XXXVII of 2009 on forests, forest protection and forest management

Act LIII of 1996 on nature protection

61/2017. (XII. FM Decree on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Government Decree No 383/2016 (XII. On the designation of bodies performing official and administrative tasks in the field of agriculture

275/2004. Government Decree No 487/2015 of 8 October 2004 on nature protection areas of European Community importance

Link between GAEC, SMR and national standards with the intervention

For forest stands protected under NATURA 2000 and under national legislation, the content of the protection and the corresponding restrictive or prescriptive provisions going beyond the sustainable forest management requirements laid down in the Forest Act must be included in the mandatory forest planning process every 10 years. In these cases, the competent authorities (nature protection, environment, water) are required to be involved in the planning process.

7 Form and rate of support/amounts/calculation methods

Type of payment

☒ unit cost based on additional costs and income foregone

☐ transaction cost included

☐ one off payment

☐ lump sum

Range of support at beneficiary level

Natura 2000 forest payment in case of crop forest or tree plantation

Tree stock type group by age group	Support rate in euro/ha/year
1.Oak beech, other hard foliage, Hungus other softwood, Other woods in the age group 0-5	51
2.Oak beechs in the age group 6-20	127
3.Other hardwood between 6 and 20 years old	114
4.Other soft foliage 6 to 20 years old	101
5.Other forest age group 6 to 60	88
6.Oak beech age group 21-60	191
7.Other hardwood up to 21-slaughter age	152

8.Other softwood 21 age bracket up to effective end use (VHK)	139
9.Other forest 61 – actual VHK age group	114
10.Oak-bükk 61- effective VHK age group	255
11.Other hardwood age – effective VHK age bracket	215

Natura 2000 forest and protected and specially protected payments for derivatives and transitional forests

Tree stock type group by age group	Support duty euro/ha/year
12.Oak beech, other hard foliage, Hischionous other softwood, Other woods in the age group 0-5	55
13.Oak beechs in the age group 6-20	138
14.Other hardwood between 6 and 20 years old	123
15.Other soft foliage 6 to 20 years old	110
16.Other forest age group 6 to 60	96
17.Oak beech age group 21-60	206
18.Other hardwood up to 21-slaughter age	165
19.Other soft foliage 21 to effective end use (VHK)	151
20.Other forest 61 – actual VHK age group	123
21.Oak oak bükk 61- effective VHK age group	276
22.Other hardwood age – effective VHK age bracket	233

Natura 2000 forest is also protected and specially protected payments for natural and nature-like forests

Tree stock type group by age group	Grant rate euro equivalent /ha/year
23.Oak beech, other hard foliage, Hischionous other softwood, Other woods in the age group 0-5	60
24.Oak beech between 6 and 20 years old	148
25.Other hardwood between 6 and 20 years old	132
26.Other soft foliage 6 to 20 years old	118
27.Other forest age group 6 to 60	103
28.Oak beech age group 21-60	222
29.Other hardwood up to 21-slaughter age group	178
30.Other soft foliage 21 to effective end use (VHK)	163
31.Other forest 61 – actual VHK age group	132
32.Oak-bükk 61- effective VHK age group	297
33.Other hardwood age – effective VHK age bracket	251

Calculation method

In the period starting in 2023, we make use of the possibility provided by Regulation (EU) 2021/2115 of 5 % of compensatory aid for NATURA 2000 sites that are not Natura 2000 but also protected areas. According to the decision of the Ministry of Agriculture, areas of protected but non-Natura 2000 nature are not eligible for support from areas classified as cultural forests and tree plantations, excluding the area of protected or specially protected forests, calculated as 3.49 %. The development of the categories of unit

costs of support is the separate annexed "CAP Strategic Plan Hungary 2023-2027 cost unit costs prepared by the Forest Science Institute of Soproni University as an expert organisation independent of AM: unit costs).

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The competition rules (State aid rules) apply to aid to the forestry sector.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☒ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☐ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 12 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The support concerns forest areas and is therefore not covered by Annex 2 to the WTO Agreement.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 72 - Payments under Article 72	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD34_O13_U01_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 1	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U02_HA - Forest NATURA 2000 compensation, unit cost EUR/hectare 2	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U03_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 3	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U04_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 4	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U05_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 5	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U06_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 6	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U07_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 7	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U08_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 8	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U09_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 9	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U10_HA - Forest NATURA 2000 compensation, unit cost per hectare 10	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U11_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 11	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U12_HA - Forest NATURA 2000 compensation, unit cost per hectare 12	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U13_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 13	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U14_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 14	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U15_HA - Forest NATURA 2000 compensation, unit cost per hectare 15	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U16_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 16	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U17_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 17	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No

RD34_O13_U18_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 18	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U19_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 19	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U20_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 20	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U21_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 21	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U22_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 22	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U23_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 23	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U24_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 24	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U25_HA - Forest NATURA 2000 compensation, unit cost per hectare 25	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U26_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 26	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U27_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 27	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U28_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 28	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U29_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 29	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U30_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 30	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U31_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 31	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U32_HA - Forest NATURA 2000 compensation, unit cost per hectare 32	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No
RD34_O13_U33_HA - Forest NATURA 2000 compensation EUR/hectare, unit cost 33	Grant	91(3)(b) - 72-HU-50.00%	Uniform		R.7	No

Explanation and justification related to the value of the unit amount

RD34_O13_U01_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 1

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached,

"KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U02_HA - Forest NATURA 2000 compensation, unit cost EUR/hectare 2

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U03_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 3

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U04_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 4

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U05_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 5

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U06_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 6

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U07_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 7

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U08_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 8

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U09_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 9

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U10_HA - Forest NATURA 2000 compensation, unit cost per hectare 10

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U11_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 11

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U12_HA - Forest NATURA 2000 compensation, unit cost per hectare 12

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U13_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 13

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U14_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 14

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State

(capping): EUR 500.000/year.

RD34_O13_U15_HA - Forest NATURA 2000 compensation, unit cost per hectare 15

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U16_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 16

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U17_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 17

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U18_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 18

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U19_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 19

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U20_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 20

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U21_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 21

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the

categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U22_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 22

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U23_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 23

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U24_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 24

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U25_HA - Forest NATURA 2000 compensation, unit cost per hectare 25

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U26_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 26

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U27_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 27

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U28_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 28

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U29_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 29

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U30_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 30

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U31_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 31

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U32_HA - Forest NATURA 2000 compensation, unit cost per hectare 32

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

RD34_O13_U33_HA - Forest NATURA 2000 compensation EUR/hectare, unit cost 33

The UA is determined in a uniform manner. Thus, there will be 33 different UAs, which is the same as the aid unit cost categories. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs). In addition, a maximum category of aid has been established for beneficiaries majority-owned by the Hungarian State (capping): EUR 500.000/year.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD34_O13_U01_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 1 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	51.00	51.00	51.00	51.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U02_HA - Forest NATURA 2000 compensation, unit cost EUR/hectare 2 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	127.00	127.00	127.00	127.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U03_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 3 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	114.00	114.00	114.00	114.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U04_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 4 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	101.00	101.00	101.00	101.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U05_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 5 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	88.00	88.00	88.00	88.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								

RD34_O13_U06_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 6 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	191.00	191.00	191.00	191.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U07_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 7 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	152.00	152.00	152.00	152.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U08_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 8 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	139.00	139.00	139.00	139.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U09_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 9 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	114.00	114.00	114.00	114.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U10_HA - Forest NATURA 2000 compensation, unit cost per hectare 10 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	255.00	255.00	255.00	255.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								

RD34_O13_U11_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 11 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	215.00	215.00	215.00	215.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U12_HA - Forest NATURA 2000 compensation, unit cost per hectare 12 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	55.00	55.00	55.00	55.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)							0.00	Sum: 0.00 Max: 0.00
RD34_O13_U13_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 13 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	138.00	138.00	138.00	138.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U14_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 14 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	123.00	123.00	123.00	123.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U15_HA - Forest NATURA 2000 compensation, unit cost per hectare 15 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	110.00	110.00	110.00	110.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U16_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 16 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	96.00	96.00	96.00	96.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U17_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 17 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	206.00	206.00	206.00	206.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U18_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 18 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	165.00	165.00	165.00	165.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U19_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 19 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	151.00	151.00	151.00	151.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U20_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 20 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	123.00	123.00	123.00	123.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U21_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 21 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	276.00	276.00	276.00	276.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U22_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 22 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	233.00	233.00	233.00	233.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U23_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 23 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	60.00	60.00	60.00	60.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U24_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 24 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	148.00	148.00	148.00	148.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U25_HA - Forest NATURA 2000 compensation, unit cost per hectare 25 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	132.00	132.00	132.00	132.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U26_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 26 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	118.00	118.00	118.00	118.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U27_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 27 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	103.00	103.00	103.00	103.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U28_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 28 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	222.00	222.00	222.00	222.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U29_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 29 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	178.00	178.00	178.00	178.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U30_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 30 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	163.00	163.00	163.00	163.00	0.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U31_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 31 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	132.00	132.00	132.00	132.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U32_HA - Forest NATURA 2000 compensation, unit cost per hectare 32 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	297.00	297.00	297.00	297.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
RD34_O13_U33_HA - Forest NATURA 2000 compensation EUR/hectare, unit cost 33 (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	251.00	251.00	251.00	251.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.13 (unit: Hectares)								
TOTAL	O.13 (unit: Hectares)	0.00	0.00	230,000.00	230,000.00	230,000.00	230,000.00	0.00	Sum: 920,000.00 Max: 230,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	27,497,427.00	27,497,427.00	27,497,427.00	26,996,592.00	0.00	109,488,873.00

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	13,748,713.50	13,748,713.50	13,748,713.50	13,498,296.00	0.00	54,744,436.50
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

INVEST(73-74) - Investments, including investments in irrigation

RD01a_E01_FRM_73 - Development of agricultural holdings

Intervention Code (MS)	RD01a_E01_FRM_73
Intervention Name	Development of agricultural holdings
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.1.9	Adaptation and development of husbandry technology	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The basic objective of the intervention is to increase the competitiveness of farms and the production of added value by supporting the uptake and development of new innovative production, breeding and

production technologies. The intervention contributes to meeting the needs identified in the SWOTs by developing the agricultural sector and improving its competitiveness.

In particular, the intervention shall support the following activities:

- the general modernisation of livestock holdings, including the purchase of technologies to reduce the risk of epizootic diseases on animal holdings, the establishment of new livestock holdings,
- the general modernisation of horticulture plants, the development of horticultural technology involving construction, the purchase of horticultural equipment, planting and modernisation of vineyards, the construction of new horticultural plants,
- installation and modernisation of storage facilities, dryers and cleaners,
- implement farmers' damage prevention investments, including the purchase of technologies and equipment to prevent damage from spring frost damage, rain damage, hail damage.

In order to achieve the cross-action thematic objective (Cross-cutting objective), the independent innovative content or the achievement of an innovation result among the selection criteria ensures that innovation is achieved at the level of intervention.

The needs of each agricultural sector may differ, for example in terms of the activities to be supported or the amounts of support, and therefore separate sector-specific calls for proposals may need to be published in justified cases during the implementation of the intervention.

Principles governing the establishment of selection criteria, which may be partially applied:

Quality of the business plan

Participation in State-recognised cooperation

Cooperation with state recognition of the applicant

Size of the enterprise

Participation in quality schemes

— Regional aspect

– Social enterprises

Development under the Roma inclusion programme

Development with a focus on digitalisation

– Development related to integration

04 04 01 01 – Employment

—Woman applying for support

—Increase space during the investment

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- A farmer, or 'CAP Strategic Plan 4.1.5. Young farmer as defined in the chapter:

—in the financial year preceding the submission of the application, has a minimum holding size of at least EUR 10.000 resulting from agricultural activities in accordance with the standard output (standard value) methodology.

—of which at least 40 % of their turnover in the previous year derives from agricultural activities.

In the case of a consortium, all farmers participating in the group must comply with the eligibility criteria set out above.

— A social cooperative must, on its own, meet the eligibility criteria set out above.

A cooperative of which farmers are members must:

in the closed financial year preceding the submission of the application, the SO must have a farm size of at least EUR 10.000 derived from agricultural activities in accordance with the methodology and at least

40 % of its turnover in the previous year, or
 — the turnover of the members participating in the cooperative in the previous year must be calculated and at least 40 % of the total turnover must come from agricultural activities and proof of holding size of at least EUR 10.000 for at least 40 % of the members of the cooperative.
 Cooperation recognised by the State shall be regarded as a farmer even without proof of the conditions laid down.

— An undertaking engaged in the activity of integrator or processing in connection with crop production is entitled to do so without proof of the conditions laid down.

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (economic associations+cooperatives (particularly social fabric))

Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit companies)

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

the construction, development and modernisation of a plantation intended for agricultural production activities, the construction, development and modernisation of buildings and structures. (the development of plantations from annual crops is not supported)

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

Commitment:

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

- Str Article 83(1)(a), 1(b) and 2 (a)(i)

(1a): In all cases, except for plantation, a cost-based accounting is made.

1(b): Unit cost for plantation

Range of support at beneficiary level

The basic payment shall be limited to 50 % of eligible costs.

Young farmers may benefit from an increased aid intensity of 15 %.

In the case of an economic grant, the aid intensity may be increased by 15 % compared to the basic payment.

In the case of an applicant for aid producing a product certified as an ÖKO, the aid intensity may be increased by 10 % compared to the basic payment.

In the case of collective investment, an increased aid intensity of 10 % may be granted compared to the basic payment.

In the case of recourse to institutional guarantees at preferential rates, the aid intensity may be increased by 5 % compared to the basic subsidy.

In the case of an interest rate subsidy, the aid intensity may be increased by a maximum of 10 % compared to the basic payment.

The maximum aid rate may be further increased up to a maximum of 100 % of eligible costs where the investment concerns the restoration of agricultural potential following natural disasters, adverse climatic events or catastrophic events or appropriate preventive measures.

Maximum grant amount per project: EUR 15 million

Additional explanation

.Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD01a_O20_A01_ON - Unit cost of farm development	Grant	91(2)(d)-HU-43.00%	Average		R.9	No

Explanation and justification related to the value of the unit amount

RD01a_O20_A01_ON - Unit cost of farm development

It is based on historical data, based on experience from the previous programming period. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01a_O20_A01_ON - Unit cost of farm development (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	525,600.00	525,600.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	123.00	124.00	675.00	675.00	675.00	Sum: 2,272.00 Max: 675.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	123.00	124.00	675.00	675.00	675.00	Sum: 2,272.00 Max: 675.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	65,116,279.07	65,116,279.07	0.00	0.00	0.00	130,232,558.14
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	28,000,000.00	28,000,000.00	0.00	0.00	0.00	56,000,000.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD01b_E01_FRM_73 - Support for investments by young farmers

Intervention Code (MS)	RD01b_E01_FRM_73
Intervention Name	Support for investments by young farmers
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: Yes Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.11	Creation of new plantations, refurbishment and modernisation of plantations	2	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.1.8	Improvement of cultivation technology	1	Yes
2.1.9	Adaptation and development of husbandry technology	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The objective of the intervention is to enhance the competitiveness and value-added production of young farmers' farms by supporting the uptake and development of new, innovative and cultivation, breeding and production technologies. The intervention contributes to meeting the needs identified in the SWOTs

by developing the agricultural sector and improving its competitiveness.

In order to achieve the cross-action thematic objective (Cross-cutting objective), the independent innovative content or the achievement of an innovation result among the selection criteria ensures that innovation is achieved at the level of intervention.

The needs of each agricultural sector may differ, for example in terms of the activities to be supported or the amounts of support, and therefore separate sector-specific calls for proposals may need to be published in justified cases during the implementation of the intervention.

Principles governing the establishment of selection criteria, which may be partially applied:

Quality of the business plan

Participation in State-recognised cooperation

Size of the enterprise

Participation in quality schemes

— Regional aspect

– Social enterprises

Development under the Roma inclusion programme

Development with a focus on digitalisation

– Development related to integration

04 04 01 01 – Employment

— Woman applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

“CAP Strategic Plan 4.1.5 A young farmer as defined in Chapter II.’, who fulfils the following conditions:

(a) a natural person aged 18 years or more and up to 40 years of age who:

- State-recognised agricultural know-how;
- keep a holding established for up to 5 years
- have a farm size of 10.000 or more but less than or equal to 50.000 SO.

in the case of a legal person carrying out an agricultural activity not more than 5 years from the date of submission of the application as its main activity:

- the senior official and owner of the legal person is between 18 and 40 years old,
- the chief executive and owner of the legal person have recognised agricultural expertise;
- the juridical person has a plant size of at least 10.000 STE and the manager and owner of the juridical person together have an operating size equal to or less than 50.000 STE.

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

Farmers meeting eligibility criteria:

Natural persons

– Undertakings having legal personality

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

the construction, development and modernisation of a plantation intended for agricultural production activities, the construction, development and modernisation of buildings and structures. (the development of plantations from annual crops is not supported)

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

Commitment:

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

- Str Article 83(1)(a), 1(b) and 2 (a)(i)

(1a): In all cases, except for plantation, a cost-based accounting is made.

1(b): Unit cost for plantation

Range of support at beneficiary level

The basic grant shall not exceed 80 % of the eligible costs.

The maximum aid rate may be further increased up to 100 % of eligible costs where the investment concerns the restoration of agricultural potential following natural disasters, adverse climatic events or catastrophic events and appropriate preventive measures.

In the case of the use of an institutional guarantee at a reduced rate, an aid intensity increased by 5 % compared to the basic grant may be granted

A 10 % subsidy may be taken into account for the interest rate subsidy.

The maximum amount of aid that can be applied for a project is: EUR 1 million

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD01b_O20_A01_ON - Unit cost of support for investments by young farmers	Grant	91(2)(d)-HU-43.00%	Average		R.9	No

Explanation and justification related to the value of the unit amount

RD01b_O20_A01_ON - Unit cost of support for investments by young farmers

It is based on historical data, based on the experience of the pre-existing programming period. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 and M06 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01b_O20_A01_ON - Unit cost of support for investments by young farmers (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	150,000.00	150,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	81.00	81.00	189.00	189.00	189.00	Sum: 729.00 Max: 189.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	81.00	81.00	189.00	189.00	189.00	Sum: 729.00 Max: 189.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	12,116,641.67	12,116,641.68	0.00	0.00	0.00	24,233,283.35
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	5,210,155.92	5,210,155.92	0.00	0.00	0.00	10,420,311.84

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	12,116,641.67	12,116,641.68	0.00	0.00	0.00	24,233,283.35
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	5,210,155.92	5,210,155.92	0.00	0.00	0.00	10,420,311.84

RD01c_E01_FRM_73 - Support for green investments in agricultural holdings

Intervention Code (MS)	RD01c_E01_FRM_73
Intervention Name	Support for green investments in agricultural holdings
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
4.3.3	Increasing efficiency of energy use at operational and technological level	1	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)

R.16 Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

One of the objectives of the intervention is to increase the energy self-sufficiency of agricultural holdings and reduce energy dependency by supporting the reduction of CO2 emissions and energy use on farms by improving energy efficiency and promoting renewable energy sources. Ecological considerations are taken into account through the use of environmentally friendly technologies and the improvement of

energy efficiency. Reducing energy costs, increasing energy efficiency and prioritising renewable energy sources, biomass-based systems and increased use from the use of biogas from agricultural sources will also contribute to strengthening the competitiveness of the agricultural sector. The intervention will also encourage the implementation of projects that follow a circular biomass economy model based on the use of local biomass resources and the use of by-products (e.g.: soil improvement). The objective, expressed on the basis of the country's geological conditions, is to exploit the geothermal thermal energy potential, to which the intervention contributes by supporting farm developments, for example in relation to the heating of greenhouses.

The intervention covers the reduction of energy use on farms by the sector in order to reduce the environmental impact: it improves the energy efficiency of livestock farms and horticultural plants mainly through renovations and renovations in building energy, technical building and energy supply.

Hungary aims to achieve a share of at least 21 % of renewable energy sources in gross final consumption of energy by 2030. The intervention also contributes to Hungary's objective.

The intervention also aims to support investments that encourage other non-food utilisation of agricultural by-products (e.g.: fibre extraction, biorefining, substitution of fossil feedstocks).

Principles governing the establishment of selection criteria, which may be partially applied:

Quality of the business plan

Participation in State-recognised cooperation

Cooperation recognised by the State

– Size of enterprise

Environmental, climate and adaptation aspects (e.g.: improving input efficiency relevant to the environment, reducing emissions per unit of pollutant; re-use or recycling, organic farming, applying a circular biomass economy model, responding to local needs, replacing fossil feedstocks)

Developments leading to increased energy savings and increased use of renewable energy

Participation in quality schemes

Regional perspective

— Social enterprises

Development is carried out under the Roma Inclusion Programme

Development with a focus on digitalisation

Development linked to integration

Provision of reference data

Woman applying for support

04 04 01 01 – Employment

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- Farmer and the CAP Strategic Plan 4.1.5 Young farmer as defined in the chapter:

—in the financial year preceding the submission of the application, has a minimum holding size of at least EUR 10.000 resulting from agricultural activities in accordance with the standard output (standard value) methodology.

—of which at least 40 % of their turnover in the previous year derives from agricultural activities.

In the case of a consortium, all farmers participating in the group must comply with the eligibility criteria set out above.

— A social cooperative must, on its own, meet the eligibility criteria set out above.

A cooperative of which farmers are members must:

in the closed financial year preceding the submission of the application, the SO must have a farm size of at least EUR 10.000 derived from agricultural activities in accordance with the methodology and at least 40 % of its turnover in the previous year, or

— the turnover of the members participating in the cooperative in the previous year must be calculated and at least 40 % of the total turnover must come from agricultural activities and proof of holding size of at least EUR 10.000 for at least 40 % of the members of the cooperative.

Cooperation recognised by the State shall be regarded as a farmer even without proof of the conditions laid down.

— An undertaking engaged in the activity of integrator or processing in connection with crop production is entitled to do so without proof of the conditions laid down.

— Developments related to the use of renewable energy

— Improvements leading to improvements in energy efficiency

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (economic associations+cooperatives (particularly social fabric))

Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit companies)

Aid shall not be granted to a beneficiary under Commission Regulation (EU) No 651/2014

- it qualifies as a firm in difficulty (the concept of firm in difficulty is referred to in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Specified in Section 6(4a) and (4b) of Government Decree No 22/2015) and
- it has not complied with a decision of the European Commission addressed to Hungary requiring the repayment of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

construction, development and modernisation of buildings and structures used to achieve green objectives.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

an increased aid intensity of 15 % may be granted to young farmers.

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitments:

if Anaerobic decomposition (biogas technology) is used, the proportion of cereals used and starch and sugar-containing crops (excluding waste, harvest residues, by-products) shall be less than 50 % of the

input feed.
using Anaerobic digestion or, in case of biorefining, producing and using ferment of quality suitable for soil improvement.
in the case of the use of a biomass-based renewable energy solution of agricultural origin, the feedstock shall only be a by-product of the production and use of Annex I product and Annex I product.
where, in the case of biomass-based energy production of agricultural origin, the primary objective is to produce electricity, at least 25 % of the heat generated above process self-consumption shall be used on the own farm.
maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic payment shall be at least 50 % and no more than 80 % of eligible costs.

Young farmers may benefit from an increased aid intensity of 15 %.

In the case of recourse to institutional guarantees at preferential rates, the aid intensity may be increased by 5 % compared to the basic subsidy.

In the case of an interest rate subsidy, the aid intensity may be increased by a maximum of 10 % compared to the basic payment.

Maximum grant amount per project: EUR 15 million.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

Within this measure, the need to implement EU competition rules should be assessed at the level of individual investments. If the renewable energy and biomass based systems concerned by the investment generate energy beyond the self-consumption of the economy, competition rules (State aid) apply to that investment.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☐ ABER ☐ de minimis

State Aid case number

SA.112040

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD01c_O20_A01_ON - Specific cost of support for green investments in agricultural holdings	Grant	91(2)(d)-HU-43.00%	Average		R.15; R.16	No

Explanation and justification related to the value of the unit amount

RD01c_O20_A01_ON - Specific cost of support for green investments in agricultural holdings

It is based on historical data, based on experience from the previous programming period. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01c_O20_A01_ON - Specific cost of support for green investments in agricultural holdings (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	59,000.00	59,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	1,538.00	1,538.00	1,475.00	833.00	0.00	Sum: 5,384.00 Max: 1,538.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	1,538.00	1,538.00	1,475.00	833.00	0.00	Sum: 5,384.00 Max: 1,538.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	35,821,360.47	35,821,360.47	31,973,752.33	0.00	0.00	103,616,473.27
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	15,403,185.00	15,403,185.00	13,748,713.50	0.00	0.00	44,555,083.50

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD01d_E01_FRM_73 - Farm development to reduce ammonia emissions

Intervention Code (MS)	RD01d_E01_FRM_73
Intervention Name	Farm development to reduce ammonia emissions
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.2	Reduction of GHG and ammonia emissions through technological development of livestock farming	2	Yes
5.4.2	Reducing ammonia emissions from agriculture	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.26 Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The objective of the intervention is to support technological development activities that help reduce ammonia emissions on farms, whereby the agricultural sector contributes to the domestic NH₃ emission reduction target. The intervention may, inter alia, support the purchase of manure application technologies for modern injection and immediate incorporation, the modernisation of manure treatment inside and outside the house, the development of in-houses (e.g. flooring, roof insulation, drainage, air washing equipment), the covering of existing manure storage facilities, the construction of new covered manure storage facilities.

Support under the intervention can achieve environmental goals that reduce ammonia and GHG emissions, improve air quality and the pressures on surface and underground waters.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Environmental, climate and adaptation aspects (e.g.: improving input efficiency relevant to the environment, reducing emissions per unit of pollutant; application of reuse or recycling, continuation of organic farming, development related to the application of BAT precursors, preparation for meeting requirements arising as a result of the amendment of the IED Directive)

Quality of the business plan

Participation in State-recognised cooperation

Cooperation recognised by the State

– Size of enterprise

Participation in quality schemes

Regional perspective

— Social enterprises

Development is carried out under the Roma Inclusion Programme

Development with a focus on digitalisation

Development linked to integration

Provision of reference data

Woman applying for support

04 04 01 01 – Employment

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- Farmer and the CAP Strategic Plan 4.1.5 Young farmer as defined in the chapter:

—in the financial year preceding the submission of the application, has a minimum holding size of at least EUR 10.000 resulting from agricultural activities in accordance with the standard output (standard value) methodology.

—of which at least 40 % of their turnover in the previous year derives from agricultural activities.

In the case of a consortium, all farmers participating in the group must comply with the eligibility criteria set out above.

— A social cooperative must, on its own, meet the eligibility criteria set out above.

A cooperative of which farmers are members must:

in the closed financial year preceding the submission of the application, the SO must have a farm size of at least EUR 10.000 derived from agricultural activities in accordance with the methodology and at least 40 % of its turnover in the previous year, or

— the turnover of the members participating in the cooperative in the previous year must be calculated and at least 40 % of the total turnover must come from agricultural activities and proof of holding size of at least EUR 10.000 for at least 40 % of the members of the cooperative.

Cooperation recognised by the State shall be regarded as a farmer even without proof of the conditions laid down.

- A maintenance obligation of at least 5 years, or at least 3 years for the SME sector

Farmers meeting eligibility criteria:

Natural persons

Enterprises with legal personality (economic associations+cooperatives (particularly social fabric))

Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit companies)

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

the construction, development and modernisation of buildings and structures to reduce ammonia

emissions.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Undertaking

- Annual data on the technologies used by the holding and the agricultural NH₃ output of the holding.
- Investments made in a subsidised way under the intervention or new machinery, equipment and technology procured in a subsidised way must go beyond the legal obligations (e.g. good agricultural practice requirements) or normal practices.
- Developments related to manure management must comply with the Directive concerning the protection of waters against pollution caused by nitrates from agricultural sources (91/676/EC) ("the Nitrates Directive") and in national legislation to comply with the Nitrates Directive, in particular 59/2008. Decree No 27/2006 of 29 April 2006 of the Minister for Agriculture and Rural Development (II. Government Decree No 487/2015.
- Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic payment shall be at least 50 % and no more than 80 % of eligible costs.

In the case of recourse to institutional guarantees at preferential rates, the aid intensity increased by 5 %

compared to the basic subsidy may be granted.

Young farmers may benefit from an increased aid intensity of 15 %.

In the case of an interest rate subsidy, the aid intensity may be increased by a maximum of 10 % compared to the basic payment.

Maximum grant amount per project: EUR 8 million

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD01d_O20_A01_ON - Specific cost of farm development to reduce ammonia emissions	Grant	91(2)(d)-HU-43.00%	Average		R.26	No

Explanation and justification related to the value of the unit amount

RD01d_O20_A01_ON - Specific cost of farm development to reduce ammonia emissions

It is based on historical data, based on experience from the previous programming period. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01d_O20_A01_ON - Specific cost of farm development to reduce ammonia emissions (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	355,530.00	355,530.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	22.00	0.00	44.00	44.00	44.00	Sum: 154.00 Max: 44.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	22.00	0.00	44.00	44.00	44.00	Sum: 154.00 Max: 44.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	4,069,768.00	4,069,767.00	0.00	0.00	0.00	8,139,535.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	1,750,000.00	1,750,000.00	0.00	0.00	0.00	3,500,000.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD01e_E01_FRM_73 - Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector

Intervention Code (MS)	RD01e_E01_FRM_73
Intervention Name	Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.2	Creation of modern generation capacities	2	Yes
2.1.9	Adaptation and development of husbandry technology	1	Yes
9.1.2	Improving general hygiene and biosecurity conditions, increasing food safety	1	Yes
9.1.3	Prevention of animal health problems, development/development of forecasting systems	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.43 Share of livestock units (LU) concerned by supported actions to limit the use of antimicrobials (prevention/reduction)

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Support for investment should not only be seen as an essential tool to increase competitiveness, but also as an opportunity for animal keepers to provide reasonable responses to animal health risks, one of the most pressing issues of today. Supporting the improvement of better animal welfare conditions is therefore a priority of the Hungarian CAP Strategic Plan. This is important because in the case of cattle and pigs in particular, but for other utilised agricultural species, there is an increasing process of production (intensification). Through this intervention, farmers receive support for animal welfare investments that go beyond general farm development and go beyond the rules resulting from generally applied practices.

For example, these investments will give animals more leeway and create suitable places and microclimatic conditions in agricultural facilities to improve animal health, reduce the distress condition and avoid the risk of tail biting in pigs, while reducing the risk of epizootic diseases such as ASF.

Improving animal welfare will have a positive impact on the output of production and the quality of the agricultural products subsequently produced from these animals, and thus indirectly on human health. The intervention complements the interventions “RD01a_E01_FRM_73 – Farm development” and “RD30_G13_AWC_70 – Animal welfare support in the beef sector” for cattle.

The intervention also covers the acquisition of technologies, equipment and the construction and development of related buildings to reduce the risk of epizootic diseases on livestock holdings. Indeed, the likelihood of various epizootic diseases occurring on livestock holdings can be reduced by using a number of available technologies.

The intervention includes two target areas:

- Target area: Support for investments in animal holdings for disease control
- Target B: Development of pig farms to reduce tail docking.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Quality of the business plan

Participation in State-recognised cooperation

Cooperation recognised by the State

– Size of enterprise

Participation in quality schemes

Regional perspective

— Social enterprises

Development is carried out under the Roma Inclusion Programme

Development with a focus on digitalisation

Development linked to integration

04 04 01 01 – Employment

Woman applying for support

In the case of pigs, the prevention of tail docking by increasing the space.

- The intervention will mainly contribute to the objective ‘SO9 Improving the response of EU agriculture to societal demands on food and health, including high-quality, safe and nutritious food produced in a sustainable way, reducing food waste, enhancing animal welfare and combating antimicrobial resistance’. In addition, development contributes to the objective of “SO2 Enhance market orientation and increase the competitiveness of economies in the short and long term, including through a stronger focus on research, technology and digitalisation”.

•

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria – For all target areas:

- A farmer, or ‘CAP Strategic Plan 4.1.5. Young farmer as defined in the chapter:

—in the financial year preceding the submission of the application, has a minimum holding size of at least EUR 10.000 resulting from agricultural activities in accordance with the standard output (standard value) methodology.

—of which at least 40 % of their turnover in the previous year derives from agricultural activities.
 In the case of a consortium, all farmers participating in the group must comply with the eligibility criteria set out above.
 — A social cooperative must, on its own, meet the eligibility criteria set out above.
 A cooperative of which farmers are members must:
 in the closed financial year preceding the submission of the application, the SO must have a farm size of at least EUR 10.000 derived from agricultural activities in accordance with the methodology and at least 40 % of its turnover in the previous year, or
 — the turnover of the members participating in the cooperative in the previous year must be calculated and at least 40 % of the total turnover must come from agricultural activities and proof of holding size of at least EUR 10.000 for at least 40 % of the members of the cooperative.
 Cooperation recognised by the State shall be regarded as a farmer even without proof of the conditions laid down.

Farmers meeting eligibility criteria – For all target areas:

Natural persons

Enterprises with legal personality (economic associations+cooperatives (particularly social fabric))

Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit companies)

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention – for all target areas:

the construction, development and modernisation of buildings and structures used for disease control.

(b) the purchase of new machinery and tools, technologies for disease control, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

For target area A:

Supported activities include, but are not limited to:

Activities related to disease control involving construction, including:

Installation of on-site disinfection gate;

– Layout for on-farm store, hand and foot disinfectant, rubber boot scrubber;

– Connecting plant facilities with a closed corridor;

Construction of a framing system, wheel disinfection pool, animal loader.

Purchase of equipment and machinery to reduce the risk of animal diseases, including:

Purchase of on-site fallen incinerator;

Purchase of disinfectant sprayer, ozone disinfectant, washing equipment, cleaning machines;

Purchase of fogging equipment, UV lamps, air curtains.

For target area B:

Increasing the freedom of movement of pigs by constructing or reconstructing pens to provide more space. Government Decree No 39/2018 on the conditions for granting animal welfare aid to the pig sector (XII. Decree No 7/2015 of the Minister for Agriculture and Decree No 7/2015 on the conditions for receiving animal welfare aid for breeding sows (III. Of 11 December 2008 of the Minister for Agriculture and Rural Development and Council Directive 2008/120/EC laying down minimum standards for the protection of pigs. the provision of at least 20 % more space than required.

or

15 % more space compared to Directive 2008/120/EC, together with at least one of the following commitments:

(a) provision of surplus straw

installation of an air quality and temperature control device,

changes in the composition and method of supply of the feed,

health monitoring,

provision of partly compact flooring.

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic payment shall be up to 70 % of eligible costs.

Aid may be further increased up to a maximum of 100 % of eligible costs if the investment is aimed at restoring agricultural potential following natural disasters, adverse climatic events or catastrophic events or appropriate preventive measures.

Maintenance obligation of at least 5 years and at least 3 years in the case of the SME sector

The maximum amount of aid that can be claimed for a project is: EUR 85000

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible for support for all areas targeted:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD01e_O20_A01_ON - Support for investments in animal holdings for disease control, specific cost of reducing tail docking in the pig sector	Grant	91(2)(d)-HU-43.00%	Average		R.43; R.9	No

Explanation and justification related to the value of the unit amount

RD01e_O20_A01_ON - Support for investments in animal holdings for disease control, specific cost of reducing tail docking in the pig sector

It is based on historical data, based on the experience of the 2014-2020 programming period. When determining the average unit amounts, the applications for funding received and approved in response to calls for proposals under measure M04 (Bruehouses) of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01e_O20_A01_ON - Support for investments in animal holdings for disease control, specific cost of reducing tail docking in the pig sector (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	21,250.00	21,250.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	0.00	200.00	300.00	0.00	0.00	Sum: 500.00 Max: 300.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	0.00	200.00	300.00	0.00	0.00	Sum: 500.00 Max: 300.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	4,000,000.00	4,000,000.00	0.00	0.00	8,000,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	1,720,000.00	1,720,000.00	0.00	0.00	3,440,000.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD02_D01_FRM_73 - Supporting the digital transition of agricultural holdings

Intervention Code (MS)	RD02_D01_FRM_73
Intervention Name	Supporting the digital transition of agricultural holdings
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.7	Technological transition taking into account stricter phytosanitary requirements	1	Yes
2.3.1	Uptake of innovative technologies and sustainable approaches in agriculture	2	Yes
2.3.5	Increasing companies' innovativeness, responsiveness to changing market needs	2	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.4.3	Electronic administration, transparency	1	Partially
CCO.4.4	Development of digital infrastructure for agri-food and forest businesses	1	Yes
CCO.4.5	Development of digital solutions for quality assurance, certification, traceability, marking	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.3 Share of farms benefitting from support for digital farming technology through CAP

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives set and expected impacts:

In order to realise the clear benefits of the digitalisation of agroium, it is necessary that digital technologies, including location-specific forms of farming, precision tools and decision support software and services, are used as widely as possible by farmers. Data generated by the implementation of production processes in place-specific farming are also important for the whole food chain, for example when running production and product traceability systems. The intervention provides farmers with the opportunity to use modern technologies and data-based decision-making to:

- Improve their operational results
- Comply with ever-increasing traceability and sustainability reporting obligations (public administration, lending, trade and purchasers)
- Rationalise and, where appropriate, reduce inputs (pesticides, fertilisers, gas oil, etc.)
- Reduce ammonia and GHG emissions and pressures on surface and underground waters
- Improve nutrient management and thus soil condition
- Contribute to the mitigation of climate change-induced changes in the production area and improve their capacity to adapt

The above activities can be small-scale or large-scale investments.

This intervention can be implemented alone or in conjunction with other interventions as a digital pillar.

Content:

Support for improvements needed to implement a farm-level digitalisation plan, in particular:

Purchase of equipment for digital and precision farming

- adapting existing and newly purchased machinery for site-specific cultivation (e.g. procurement of line guide, automatic steering; purchase of other sensors and sensors; design of precision staging of sprayers; acquisition of hardware and software assets for harvesters' yield measurement; automatic operation/efficiency control)
- construction of agro-meteorological sensors and stations
- digitalisation development of a sorting machine that classifies a post-harvest
- acquisition of sensor technologies in the food industry
- purchase of machinery and equipment for the construction of precision animal husbandry systems (e.g. sensors on scaffolds or in animals: oestrus monitoring for animal health forecasting; detection and automatic control of enclosure conditions (light, sound, air, etc.): cooling, ventilation, energy consumption, etc.)
- purchase of machinery and tools for the development of precision feeding (e.g. automated feeding systems, feed distribution robots, precision feeders, etc.); additionally
- purchase of autonomous robots (capping robots, head-bots, feed distribution robots, etc.), drones and other efficiency-enhancing devices, machinery, which can be used in specific sectors

The establishment of systematic and systematic data collection at operational level, the creation of databases and data links

1.

- integration of island systems
- acquisition of farm management software and management systems for farm-level data management and decision support
- sensor technologies for data collection and analysis according to sector specifications

Implementation and development of digital farm management, plant management, quality management

and monitoring systems

1.

- deployment of ‘smart farm’ systems, including the use of complex plant control systems (e.g. camera systems); automatic control of abiotic environmental factors (e.g. humidity, (LED) lighting, ventilation)
- precision water and nutrient supply in closed growing facilities
- development of precision/energy efficient drying
- storage crop monitoring
- development of food tracking methods, quality assurance

·Use of digital transition services

1.

- precision georeferenced soil sampling and related advisory services
- acquisition and analysis of satellite and near-ground remote sensing data
- delineation of management zones based on different procedures
- preparation of differentiated application plans and maps
- preparation of agro-meteorological and plant protection forecasts (pest, pathogen transmission and drawing monitoring) and related advisory services
- in the case of fruit orchards, identification of ripening group
- development of computer and other ICT software, customisation of an economy
- use of services related to land improvement activities for agricultural land (e.g. 3D map, digital design of the price system, installation of a drain tube, etc.)
- and all other future processes and services supporting digitalisation and precision farming that contribute to the achievement of the objectives set

Selection principles (which may be partially applicable):

- Quality of the digitalisation plan at farm level
- Quality of the business and financial plan
- Cooperation with or participation in State-recognised cooperation
- Participation in quality schemes
- Operation of monitoring systems
- Implementing environmental, climate and adaptation aspects
- Cooperation with EIP Operational Group
- Cooperation with European Digitalisation Innovation Hubs
- Cooperation with precision consultant
- Regional aspects
- Equal opportunities mainstreaming
- Employment
- Size of business with preference for small farms

Relevant legislation:

1470/2019. (VIII.) Government Decision on the promotion and coordination of the digitalisation of Hungarian agroium, Hungary's Digital Agricultural Strategy

38/2021. (II. Government Decree of 2 December 2006 on the flight of unmanned state aircraft

Government Decree No 44/2005 on aerial work in agriculture and forestry Government Decree No 4/2022 of 6 May 2022 amending Joint Decree No 4/2022 of the Minister for Agriculture and Rural Development, GKM-KvVM (II. Regulation of the Minister for Agriculture

Link with other interventions:

The intervention alone contributes to the achievement of digitalisation goals in line with the overarching

objective of the CAP and can be complementary to the relevant intervention of any CAP Strategic Plan.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries (eligible beneficiaries):

1.
 - Farmer or "CAP Strategic Plan 4.1.5. Young farmer", as defined under the heading 'Young farmer'
1. In the case of a consortium, all farmers participating in the group must comply with the eligibility conditions set out above.
2. A social cooperative must, on its own, meet the eligibility criteria set out above.
3. A cooperative which is a member of a farmer must:
 - in the closed financial year preceding the submission of the application, have a farm size resulting from an agricultural activity of at least EUR 10.000 in accordance with the GAEC methodology and at least 40 % of its turnover from agricultural activities in the previous year, or
 - the turnover of the members of the cooperative in the previous year shall be calculated, with at least 40 % of the total turnover coming from agricultural activity and proof of holding of at least EUR 10.000 for at least 40 % of the members participating in the cooperative.
4. Cooperation which has been recognised by the State shall be considered to be a farmer without proof of the conditions laid down.
5. An undertaking carrying out integrator or processing activities in connection with the production of medicinal crops is entitled to do so without proof of the specified conditions.

Specific eligibility criteria linked to an eligible beneficiary:

- Natural persons
- Enterprises with legal personality (companies and cooperatives (in particular social cooperatives))
- Non-profit legal entities (e.g. ecclesiastical entities, foundations, non-profit companies)
- Recognised producer group (PG), producer sales organisation (PO), producer integration organisation (PO)

and

- Have or will have to implement a plant-level digitalisation plan, including individual development targets (environmental, technological, quantitative) and milestones, taking into account a base state.
- Investments for technological transition linked to the taking into account of stricter plant health standards shall be eligible for support for a maximum of 24 months from the date on which the requirements became mandatory for the holding.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs:

1. The purchase of new machinery and equipment, technologies directly related to digital technology, the modernisation of existing machinery and tools, including information and communication technologies, computer software and other ICT developments;
2. General costs linked to the above-mentioned expenditure (such as architect, engineer and consultation fees, public authority fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies).
3. Intangible investment: purchase or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.
4. The purchase of the necessary real estate in relation to point 1 may be eligible for an amount not exceeding 5 % of the total eligible expenditure of the operation concerned and as a contribution in

kind, the value of existing land or real estate essential for the investment, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

5. Institution guarantee at preferential rates

Only costs incurred by the beneficiary on 01/01/2023 and 31/12/2029 at the latest are eligible.

Commitments and other requirements:

- Contribution to the implementation of a plant-level digitalisation plan with the achievement of milestones set by the end of the project
- Maintenance obligation of at least 5 years or 3 years in the case of the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic payment shall be limited to 50 % of eligible costs

Maximum amount of aid:

EUR 1000000/project

Maximum aid rate (intensity):

1. The maximum grant is 65 % of eligible costs.
2. The maximum aid rate may be further increased up to a maximum of 80 % of eligible costs, provided that the investment serves specific environmental and climate objectives and animal welfare improvements.
3. Young farmers may benefit from an increased aid intensity of 15 %.
4. In the case of economic transfers, an increased aid intensity of 15 % may be granted.
5. An increased aid intensity of 10 % may be granted in the case of an applicant for aid producing eco-certified products.
6. In the case of collective investment, an increased aid intensity of 10 % may be granted.
7. In the case of recourse to institutional guarantees at preferential rates, the aid intensity increased by 5 % compared to the basic subsidy may be granted.
8. In the case of an interest rate subsidy, the aid intensity may be increased by a maximum of 10 % compared to the basic payment.

Additional explanation

We calculated on the basis of historical data:

2905 aid applications for a total amount of HUF 212390759712 were submitted in response to call VP2-4.1.8-21 – Support for precision developments linked to the digital transition of agriculture – launched under the Rural Development Programme 2014-2020. Of which one average project size: HUF 73112138, i.e. EUR 200307. However, since the first official submission of the CAP Strategic Plan, inflation has increased the cost of investment components. Therefore, from 2025, we apply twice the rounded value of the previously determined unit amount. Thus, the unit amount is set at EUR 2 x 75000000 = HUF 150000000 (EUR 381679).

EUR 15928640 will be spent on the digital transition over the next period.

Expenditure is eligible in accordance with Article 86(4) of the CAP Strategy Regulation.

Expenditure shall be eligible for a contribution from the EAFRD if it has been incurred and paid by the beneficiary by 31 December 2029. The starting date for the eligibility of costs incurred by the beneficiary may be 1 January 2023.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☐ ABER ☐ de minimis

State Aid case number

SA.112040

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the

framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD02_O20_A01_ON - Supporting the digital transition of agricultural holdings	Grant	91(2)(d)-HU-43.00%	Average		R.3; R.9	No

Explanation and justification related to the value of the unit amount

RD02_O20_A01_ON - Supporting the digital transition of agricultural holdings

It is based on historical data, based on experience from the previous programming period. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

Average unit amount of small-scale investments per project: EUR 136986,3

Average unit amount of large investments per project: EUR 684,931,5

In response to the call VP2-4.1.8-21 – Support for precision developments linked to the digital transition of agriculture under the Rural Development Programme 2014-2020, 2905 aid applications were submitted, an average project size: The average was EUR 200307. The small and large project sizes were established taking into account the upper and lower standard deviations. However, since the first official submission of the CAP Strategic Plan, inflation has led to increased costs for investment components. Therefore, from 2025, we apply twice the rounded value of the previously determined unit amount. Thus, the unit amount is set at $\text{EUR } 2 \times 75000000 = \text{HUF } 150000000$ (EUR 381679).

For the maximum planned unit amounts, we took into account the effectiveness and eligibility of digital solutions with inflation and some innovative elements by approximately 15 %.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD02_O20_A01_ON - Supporting the digital transition of agricultural holdings (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	381,679.00	381,679.00	381,679.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.20 (unit: Operations)	0.00	0.00	24.00	336.00	335.00	0.00	0.00	Sum: 695.00 Max: 336.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	24.00	336.00	335.00	0.00	0.00	Sum: 695.00 Max: 336.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	9,241,450.16	0.00	0.00	0.00	0.00	9,241,450.16
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	3,973,823.57	0.00	0.00	0.00	0.00	3,973,823.57
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD04a_E02_FON_73 - Adding value to agricultural products

Intervention Code (MS)	RD04a_E02_FON_73
Intervention Name	Adding value to agricultural products
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.3	Increasing the level of processing of agricultural raw materials	1	Yes
7.3.2	On-farm/off-farm diversification, with the aim of creating multi-start rural businesses	2	Yes
8.1.1	Increasing the employment rate of women in rural areas	1	Partially
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially
9.3.1	Product development and packaging development that meet consumers' expectations	3	Yes
9.3.2	Use of innovative technological solutions in food production – packaging	2	Partially
9.3.3	Promoting compliance with the	2	Yes

	Packaging and Waste Framework Directive		
9.4.1	Increase the share of organic products in the internal market and related processing capacities	2	Yes
9.8.1	Meeting dietary needs due to specific health or social reasons	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The objective of the intervention is to support investments in technological development to enhance the value added of agricultural products and market access in order to increase the efficiency of food processing in enterprises and to support improvements related to adding value to agricultural products. The intervention contributes to meeting the needs identified in SWOT by adding value to agricultural products and gaining market access, technological development, and increasing the corporate efficiency of food processing.

Support under the intervention will allow for more competitive business, production and product structures, optimisation and market access (including storage and cooling) for higher value-added products, as well as capacity-building based on market demand and/or product track cooperation.



Selection criteria which can be applied in part:

- Quality of the business plan
- Cooperation with public recognition or participation in it
- Participation in quality schemes
- Regional perspective
- Development takes place under the Roma inclusion programme
- Digitalisation development
- Development related to integration
- Employment
- Woman applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Natural persons

Enterprises with legal personality (partners+cooperatives (including social cooperatives))

– Undertakings without legal personality

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies, etc.)

Eligibility criteria:

—Natural and legal persons

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

construction, development and modernisation of buildings and structures directly related to technology or infrastructure for the operation of the plant.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

recourse to institutional guarantees with a reduced premium rate

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitment:

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic grant shall be up to 50 % of the eligible costs.

In the case of an aid application producing an ÖKO qualified product, an aid intensity increased by 10 % compared to the basic aid may be granted.

In the case of collective investment, an aid intensity increased by 10 % compared to the basic aid may be granted.

In the case of the use of an institutional guarantee at a reduced rate, the aid intensity may be increased by 5 % compared to the basic grant.

In the case of an interest rate subsidy, an aid intensity may be increased by up to 10 % compared to the basic aid.

The maximum amount of aid that can be applied for a project is: EUR 15 million

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

This measure supports, in whole or in part, investments and developments in the production of non-Annex I products and therefore the competition rules (State aid) are generally applicable to this.

ABER: SA.112038

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☐ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

SA.107119

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD04a_O24_A01_ON - Specific support for adding value to agricultural products	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD04a_O24_A01_ON - Specific support for adding value to agricultural products

The calculation was based on historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD04a_O24_A01_ON - Specific support for adding value to agricultural products (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	650,959.00	650,959.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.24 (unit: Operations)	0.00	0.00	89.00	89.00	600.00	600.00	600.00	Sum: 1,978.00 Max: 600.00
TOTAL	O.24 (unit: Operations)	0.00	0.00	89.00	89.00	600.00	600.00	600.00	Sum: 1,978.00 Max: 600.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	57,884,676.65	57,884,676.65	0.00	0.00	0.00	115,769,353.30
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	24,890,410.96	24,890,410.96	0.00	0.00	0.00	49,780,821.92

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD04b_E03_FOF_73 - Support for green investments linked to adding value to agricultural products

Intervention Code (MS)	RD04b_E03_FOF_73
Intervention Name	Support for green investments linked to adding value to agricultural products
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
4.3.3	Increasing efficiency of energy use at operational and technological level	1	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)
R.16 Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The objective of the intervention is to support investments in technological development to enhance the value of agricultural products and market access, to increase the efficiency of food processing in

companies, in particular to support improvements in resource and energy efficiency linked to adding value to agricultural products.

One of the objectives of the intervention is to increase the self-sufficiency of energy in the sector and to reduce energy dependency by supporting reductions in CO₂ emissions and energy use in processing plants by improving energy efficiency and promoting renewable energy sources. Ecological considerations are taken into account through the use of environmentally friendly technologies and improvements in energy efficiency. Reducing energy costs, increasing energy efficiency, promoting renewable energy sources, biomass-based systems and increasing the use of biogas from agriculture will also contribute to strengthening the competitiveness of the processing sector. The intervention also encourages the implementation of projects that follow a circular biomass economy model, based on the use of in-situ biomass resources, and the exploitation of by-products is also an important aspect (e.g.: soil improvement).

The intervention shall include a reduction in the energy use of activities linked to adding value to agricultural products in order to reduce the environmental burden caused by the processing sector: it improves the efficiency of the energy use of processing plants, mainly through upgrades and renovations in building energy, technical building and energy supply.

Hungary aims to achieve a share of renewable energy of at least 21 % in gross final energy consumption by 2030. The intervention also contributes to achieving Hungary's objective.

The intervention also aims to support investments that encourage the use of agricultural by-products for other non-food uses (e.g.: fibre extraction, biorefining, substitution of fossil inputs).

●

Selection criteria which can be applied in part:

- Quality of the business plan
 - Cooperation with public recognition or participation in it
 - Mainstreaming environmental, climate and adaptation aspects (e.g. improvement of environmental impact relevant input efficiency, reduction of emissions per unit of pollutant; re-use or recycling, organic farming and/or processing of organic products and/or)
 - Developments leading to increased energy savings and increased use of renewable energy
 - Participation in quality schemes
 - Regional perspective
 - Development takes place under the Roma inclusion programme
 - Digitalisation development
 - Development related to integration
 - Employment
 - A woman seeking support,
- Provision of reference data

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Natural persons

Enterprises with legal personality (partners+cooperatives (including social cooperatives))

– Undertakings without legal personality

Non-profit organisations with legal personality (Church legal persons, foundations, non-profit companies, etc.)

Eligibility criteria:

—Natural and legal persons

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

construction, development and modernisation of a building for the achievement of green objectives.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a discounted premium.

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitments:

if Anaerobic decomposition (biogas technology) is used, the proportion of cereals used and starch and sugar-containing crops (excluding waste, harvest residues, by-products) shall be less than 50 % of the input feed.

using Anaerobic digestion or, in case of biorefining, producing and using ferment of quality suitable for soil improvement.

in the case of the use of a biomass-based renewable energy solution of agricultural origin, the feedstock shall only be a by-product of the production and use of Annex I product and Annex I product.

where, in the case of biomass-based energy production of agricultural origin, the primary objective is to produce electricity, at least 25 % of the heat generated above process self-consumption shall be used on the own farm.

maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic payment shall be at least 50 % and no more than 80 % of eligible costs.

In the case of recourse to institutional guarantees at preferential rates, the aid intensity increased by 5 % compared to the basic subsidy may be granted.

In the case of an interest rate subsidy, the aid intensity may be increased by a maximum of 10 % compared to the basic payment.

Maximum grant amount per project: EUR 13 million.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

This measure supports, in whole or in part, developments in the production of non-Annex I products and therefore the competition rules (State aid) are generally applicable to it.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☐ ABER ☒ de minimis

State Aid case number

N/A

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes

other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD04b_O24_A01_ON - Specific support for green investments linked to adding value to agricultural products	Grant	91(2)(d)-HU-43.00%	Average		R.15; R.16	No

Explanation and justification related to the value of the unit amount

RD04b_O24_A01_ON - Specific support for green investments linked to adding value to agricultural products

The calculation was based on historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD04b_O24_A01_ON - Specific support for green investments linked to adding value to agricultural products (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	81,714.00	81,714.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.24 (unit: Operations)	0.00	0.00	163.00	0.00	57.00	57.00	57.00	Sum: 334.00 Max: 163.00
TOTAL	O.24 (unit: Operations)	0.00	0.00	163.00	0.00	57.00	57.00	57.00	Sum: 334.00 Max: 163.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	6,690,028.67	6,690,028.67	0.00	0.00	0.00	13,380,057.34
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	2,876,712.33	2,876,712.33	0.00	0.00	0.00	5,753,424.66

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD09a_B05_SML_73 - Sustainable development of small farms

Intervention Code (MS)	RD09a_B05_SML_73
Intervention Name	Sustainable development of small farms
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
7.3.1	Business start-up support for people outside the young farmer category	1	Yes
8.1.5	Improving the profitability of small farms	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.42 Number of persons covered by supported social inclusion projects

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The objective of the intervention is to help small farmers, who are able to develop according to their characteristics and ambitions, to earn incomes and increase their economic growth. Boosting income and employment is essential in order to preserve stability and quality of life in rural areas. Support for small farms shall be aimed in particular at achieving the following objectives: stabilising and improving the market position of existing product structures, modernising and diversifying the product structure on the basis of market demand, producing traditional handicrafts by processing raw materials, modernising the production method, increasing environmental efficiency, producing higher value added products,

prioritising digitalisation.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Quality of the business plan, including an advantage:

Professional qualifications

Construction of a product structure with higher labour demand

Mainstreaming environmental, climate and adaptation aspects

Regional perspective

Membership of a producer group or of a producer organisation or of a related interbranch organisation

Agricultural social cooperative or membership thereof

Employment.

● Women applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Meeting the eligibility criteria:

— Natural persons

— Legal person

Eligibility criteria:

— Operating holding.

— Plant size of 5000 or more but less than EUR 10,000 SO.

— Drawing up a business plan.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitments:

Increase in farm size by 50 % by the end of the commitment period.

Implementation of an investment committed in a business plan

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

Str Article 83(1)(a), 1(b) and 2 (a)(i)

1(a) – cost-based accounting in all cases except for plantation

1(b) – unit cost for plantation

Range of support at beneficiary level

—The maximum grant rate is EUR 60,000, i.e. up to 85 % of the total eligible costs of the project.

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD09a_O20_A01_ON - Specific cost of developing the sustainability of small farms	Grant	91(2)(d)-HU-43.00%	Average		R.42; R.9	No

Explanation and justification related to the value of the unit amount

RD09a_O20_A01_ON - Specific cost of developing the sustainability of small farms

The average unit amounts were calculated on the basis of historical data. The average unit amounts were determined taking into account the aid applications received and approved in response to calls for proposals under measures M07 of the Rural Development Programme 2014-2020, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD09a_O20_A01_ON - Specific cost of developing the sustainability of small farms (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	45,000.00	45,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	54.00	54.00	561.00	561.00	561.00	Sum: 1,791.00 Max: 561.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	54.00	54.00	561.00	561.00	561.00	Sum: 1,791.00 Max: 561.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	2,389,295.95	2,389,295.96	0.00	0.00	0.00	4,778,591.91
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	1,027,397.26	1,027,397.26	0.00	0.00	0.00	2,054,794.52

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD09b_R14_OGR_73 - Support for small enterprises in the ornamental horticulture sector

Intervention Code (MS)	RD09b_R14_OGR_73
Intervention Name	Support for small enterprises in the ornamental horticulture sector
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.3.2	On-farm/off-farm diversification, with the aim of creating multi-start rural businesses	2	Yes
8.1.5	Improving the profitability of small farms	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

They form an integral part of the ornamental gardening sector and the expansion of agricultural production is facilitated by activities carried out by operators which do not qualify as agricultural production. The latter often exceed 50 % of the total turnover and could not benefit from farm development measures. This problem occurred mainly in the small-scale rural business segment, which tends to be the hardest to access to investment on a market-based basis.

The targeted beneficiaries will primarily provide the local population with liveable, healthy living plant material and related services, thus contributing to the population-retaining power of rural Hungary while significantly increasing local employment. The marketing of own-grown crops either directly or in the form of gardening services improves the effectiveness of small businesses and their resilience to crisis

situations, which has recently gained great importance.

In the selection process, preference should be given to enterprises employing workers with the right skills or substantial professional experience, as this will ensure long-term satisfaction and confidence of consumers.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

Quality of the business plan

– Professional qualifications

Proven professional experience

Proof that activities in the ornamental plant sector have been carried out during the two full calendar years preceding the date of submission

- Mainstreaming environmental, climate and adaptation aspects

— Regional aspect

Membership of one of the member organisations of the Interbranch Organisation of Hungarian Architects

04 04 01 01 – Employment

-The woman applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries

Undertakings that meet eligibility criteria and are engaged in the trading of ornamental plants or the management of green areas

Eligibility criteria:

- Act XVII of 2007 on certain aspects of the procedure relating to agricultural, rural development and fisheries aid and other measures (hereinafter: Economic operator holding a client identifier (Single Agricultural Client Registration System) in accordance with Section 28 of Act XVII of 2007

- Agricultural turnover not exceeding 40 % or forestry turnover not exceeding 50 % at the time of application for aid

- For at least the two years preceding the submission of the application, the undertaking's activity shall consist of at least one of the following: management of green spaces, retail trade services of ornamental plants and wholesale trade services of ornamental plants

— Classified as a micro or small enterprise

Project in rural areas

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

construction, development and modernisation of buildings and buildings.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitments:

– The enterprise's turnover increases

Implementation of the investment undertaken in the business plan.

—Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

Maximum aid intensity: EUR 100,000

- The maximum aid rate is 65 % of eligible costs

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The ornamental horticulture sector does not fall within the scope of Article 42 TFEU and therefore the competition rules (State aid rules) apply to this measure.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☐ ABER ☒ de minimis

State Aid case number

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD09b_O24_A01_ON - Unit cost of supporting small enterprises in the ornamental horticulture sector	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD09b_O24_A01_ON - Unit cost of supporting small enterprises in the ornamental horticulture sector

The calculation was based on historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M04 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD09b_O24_A01_ON - Unit cost of supporting small enterprises in the ornamental horticulture sector (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	10,969.00	0.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.24 (unit: Operations)	0.00	37.00	121.00	121.00	121.00	0.00	0.00	Sum: 400.00 Max: 121.00
TOTAL	O.24 (unit: Operations)	0.00	37.00	121.00	121.00	121.00	0.00	0.00	Sum: 400.00 Max: 121.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	411,063.00	0.00	0.00	0.00	0.00	0.00	411,063.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	176,757.09	0.00	0.00	0.00	0.00	0.00	176,757.09

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD11_B07_DVF_73 - Diversification of activities of farmers

Intervention Code (MS)	RD11_B07_DVF_73
Intervention Name	Diversification of activities of farmers
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.3.2	On-farm/off-farm diversification, with the aim of creating multi-start rural businesses	2	Yes
8.1.1	Increasing the employment rate of women in rural areas	1	Partially
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The setting-up and further development of start-up or existing non-agricultural or forestry activities of farmers or forest managers in rural areas can create more economic jobs. Actions that are in some way linked to an agricultural or forest management activity are eligible for support under the intervention. The intervention shall support investments in the development of non-agricultural or forest-farming production and service activities.

Principles governing the establishment of selection criteria, which may be partially applied (selection

criteria):

- Quality of the business plan
- Professional qualifications
- Proven professional experience
- Mainstreaming environmental, climate and adaptation aspects
- Regional perspective
- Social enterprises benefit from scoring
- Participation in a quality or certification system
- Employment
- Young farmers or young forest start-up entrepreneurs are given priority in scoring
- Woman applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Farmers or forest managers meeting eligibility criteria

Eligibility criteria:

Operating agricultural holding or registered forest manager

– Agricultural and forestry turnover exceeding 40 % at the time of the aid application

Project in rural areas

As this measure falls outside the scope of Article 42 TFEU (see point 8), **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014, with the exception of the minimis aid

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

construction, development and modernisation of buildings and buildings.

(b) Purchase of new machinery and devices, technologies, modernisation of existing machinery and equipment, including information and communication technologies.

general costs related to the abovementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

the purchase of immovable property required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee with a reduced premium rate

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or

31.12.2029 at the latest.

Commitments:

Turnover from non-agricultural or forestry activities increases

The turnover from non-agricultural or forestry activities related to the project subject to the application must reach at least 10 % of the total cost of the project by the end of the commitment period

-A maintenance obligation of at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

- Aid intensity up to 65 %
- Direct grant
- In the case of the use of an institutional guarantee at a reduced rate, an aid intensity increased by 5 % compared to the basic grant may be granted
- Maximum aid intensity: EUR 500,000

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

This measure falls outside the scope of Article 42 TFEU and is therefore subject to competition rules.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

SA.107119

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

Investment component or acquisition for agricultural or forestry activities with a turnover of at least 40 % of the holder.

Ineligible irrigation development in any form

The following investments are not eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD11_O24_A01_ON - Specific cost of aid for diversification of off-farm activities	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD11_O24_A01_ON - Specific cost of aid for diversification of off-farm activities

Calculated on the basis of historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M06 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD11_O24_A01_ON - Specific cost of aid for diversification of off-farm activities (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	150,000.00	150,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.24 (unit: Operations)	0.00	0.00	57.00	57.00	190.00	190.00	190.00	Sum: 684.00 Max: 190.00
TOTAL	O.24 (unit: Operations)	0.00	0.00	57.00	57.00	190.00	190.00	190.00	Sum: 684.00 Max: 190.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	8,601,465.43	8,601,465.44	0.00	0.00	0.00	17,202,930.87
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	3,698,630.13	3,698,630.14	0.00	0.00	0.00	7,397,260.27

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD12_W01_WTO_73 - On-farm investment to improve irrigation and water efficiency

Intervention Code (MS)	RD12_W01_WTO_73
Intervention Name	On-farm investment to improve irrigation and water efficiency
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.1.1	Increasing operational and business efficiency of production	1	Yes
2.1.4	Management of water scarcity in arable crops	1	Yes
5.1.2	Reducing nutrient losses, preventing nutrient leaching	1	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.26 Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource

R.9 Share of farmers receiving investment support to restructure and modernise, including to improve resource efficiency

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Target area 1: Support investments to improve the efficiency of irrigation water use
In the last few years, the frequency and severity of droughts have increased in a significant part of Europe. The effects of climate change, changes in land use and water abstraction will have to increase in the future and will have significant social, economic and environmental consequences.
The objective to be achieved in the agricultural areas most vulnerable to climate change is to ensure the

supply of water, for which irrigation is an essential tool. The increase in irrigated areas does not necessarily imply an increase in irrigation water. The intervention also aims to support the introduction of water-efficient irrigation technologies, the optimisation of water use in irrigation systems, the development and reconstruction of water-efficient irrigation infrastructure and related structures, and the creation of new irrigation water supply works and systems. Under optimal water use and targeted efficiency, it is understandable to introduce a complex method of water saving, which takes into account the specific characteristics of the area to be irrigated (soil conditions, crops, topography and precipitation conditions) and predicts the need for irrigation and the amount of irrigation water, and the automation of the irrigation system. These can be achieved through the acquisition, development and expert advice of computer software, supported by the intervention. If irrigation is tailored to the area to be irrigated, it will in any event have a positive impact on the conservation of water resources in the long term. Support should also be given to the introduction of energy-saving irrigation technologies and the optimisation of the energy use of irrigation systems.

Through the intervention, a drought monitoring station can also be built. A complex examination of the underlying causes of drought damage aims to identify water scarcity or surpluses in soil in order to take the necessary measures to prevent damage.

The investments supported will help secure production, prevent water scarcity and droughts in dry years, and adapt to the expected adverse impacts of climate change.

Within the target area, it is possible to set up smaller reservoirs than medium reservoirs to meet technological needs and improve the quality of irrigation water. The quality of irrigation water has a significant impact on the development of the irrigated culture, the development of its intrinsic values and the maintenance of the plant's resilience. It also has an impact on preserving and improving optimal soil status. The high salinity of irrigation water contributes to the development of salinisation. For example, low salinity water with a high sodium ratio may lead to slowing of water infiltration and the formation of oxygen depletion, which can lead to root suffocation. Pre-treatment of surface water or groundwater may be necessary to avoid negative effects, such as: desalination, chemistry adjustment, sedimentation before they are applied.

A reservoir of less than medium size is suitable for up to 10 thousand m³ water.

Target area 2: Support for water retention facilities by ensuring the sustainable management of water resources

The target area aims to support the technical solutions necessary for collecting and storing rainwater, which causes more damage than tolerable damage from cultivated areas, and contributes to reducing the volatility of agricultural production through the draining and utilisation of surplus waters, and to ensuring water efficiency and sustainable management of water resources.

Storm water management requires, on the one hand, the reduction of nutrient loads of water streams that receive water collected in ditches, including through the establishment of natural filtration fields, before the discharge of the collected waters into the receiver. On the other hand, the collection and storage of surplus waters that are harmful to farming, allowing irrigation from water collected in reservoirs during drier periods, are collected and stored.

Reservoirs improve the region's resilience to climate change, reduce climate change risks, damage, losses, and balance water scarcity and water surpluses, and establish buffer zones to achieve water quality and quantity targets.

It is necessary to support the development of medium reservoirs, the size of which already allows irrigation water to be exempted. In addition, in order to ensure that excess and harmful surface water is drained and exploited on the basis of water-saving criteria, it is also possible, through the intervention, to implement lined water collection and storage facilities (vacuums) that can be cultivated and interoperable.

The medium-sized reservoir can contain^{between} 10 thousand m³ (1 ha in a plane) and 1 million m³.

Drainage is intended solely for the draining of excess rainwater that is suddenly crushing, which specifically damages the soil. The filling of rainwater reservoirs from surface water or groundwater is forbidden; this has not previously been done (in projects funded by the VP) and no such permitted activity is planned thereafter.

Target area 3: Support for improvement of land use and water efficiency

The target area typically supports land-related land on the farm and the development of improvement pathways. Rainwater, which falls in large quantities, has a physical, rarely chemical effect on agricultural land roads, which must be protected by appropriate drainage solutions and the stability of the road's track structure.

The agricultural road, as a technical installation, must be free from the negative impact of water, but account must also be taken of the fact that the area of construction of the road is an area of land which cannot be allowed to be dried. Water management should aim at retaining usable water and ensuring that only surplus, non-storable water is decoupled. Agricultural water management is responsible, inter alia, for intervention to prevent water damage.

The objective of support is to develop small on-farm infrastructure to ensure tillage, harvesting, other coupled transport and safe and rapid access to land (e.g.: design of unencumbered track with beetle or unidirectional gradient, sparking and/or drainage). The soil is the largest aquifer and, in order to fulfil this function, it is also necessary to rehabilitate the natural geological and soil conditions of the area. As a result of cultivation, the resulting watertight layer must be loosened in order to allow the soil to store the rainwater. The intervention can significantly reduce the damage caused by water scarcity and excess water.

All target areas take into account the recommendations of the River Basin Management Plan (VGT 2, VGT 3 from 2022) on agricultural measures. Accordingly, the basic objective of the intervention is to support the measures necessary to bring and/or maintain the good status of surface and subsurface water bodies, including water retention, the sustainable management of our water resources, the uptake of saving irrigation technologies, climate-resilient production methods and sustainable land use.

All three target areas serve ecological objectives while contributing to a more balanced agricultural production. The farmer, as a water user, is undoubtedly a key player in water management. Therefore, encouraging farmers to develop up-to-date water use can only be effective if there is also a quantifiable production benefit at farm level.

A nationwide cadastral database (National Melioration Cadastre) containing the spatial location and descriptive data of the melioration works is being developed in order to expand the information and data on the exact location and technical status of the melioration works.

The Hungarian authorities clearly aim to spread sustainable water management through the water licensing criteria. As a result, the increase in irrigated areas does not result in a necessary or straight increase in water use (volume of water irrigated). In the case of irrigation farming, priority should be given to technical solutions that take into account the scarcity of surface water and groundwater resources and thus lead to maximum water savings.

The legislation required for the permit-granting process ensures that the operation of irrigation systems takes into account climate impacts (impacts of climate change).

The promotion of energy efficient irrigation systems using renewable energy sources will therefore be an important aspect of support decisions.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

—Quality of business plan

- in order to reduce water use higher than mandatory, priority should be given to projects achieving the highest possible water savings in the case of renovation or modernisation of the existing irrigation system
- priority should be given to projects on water bodies under stress for quantitative reasons

—Participation in state-recognised cooperation

—Company size

-Mainstreaming environmental, climate protection, landscape management and adaptation aspects (e.g. improving input efficiency relevant to environmental pressures, reducing per unit of pollutant emissions;

use of reuse or recycling, continuation of organic farming)

—Participation in quality schemes

Investments in inland water sensitive areas/Investments in sensitive areas, vulnerable area according to flood risk map (climate change adaptation (drift risk mitigation))

—Developments leading to energy savings

—The development is directly or indirectly linked to the use of renewable energy

—Reduction of water use higher than mandatory

—Applied self-handling technology

—Regional aspect

—Compliance with the status of young farmer

—Development focusing on digitalisation and innovation

—Integration development

—Employment

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- IN CASE 269/2007. The irrigation of Natura 2000 grasslands is prohibited under Section 4(2) of Government Decree No 487/2015 of 18 October 2000 on land use rules for the maintenance of Natura 2000 grasslands, and therefore investment in irrigation in these areas is not eligible. In Natura 2000 land for the protection of hostages, the irrigation investment is also not an activity to be supported, as it has a significant negative impact on hostages as a flag species. In accordance with Section 8(1)(b) of Act LIII of 1996 on nature protection, in a protected natural area, the authorisation of the nature conservation authority is required, in particular, for irrigation, so the existence of a permit is a prerequisite for the start of the project.
- Farmer or young farmer:
 - have a minimum farm size from agricultural activities of at least EUR 10.000 in the closed financial year preceding the submission of the tender, in accordance with the Standard Output Value (SPO) methodology.
 - ofwhom at least 40 % of the turnover in the preceding year derives from agricultural production.
- In the case of a consortium, all farmers in the group must comply with the eligibility conditions.
- A social cooperative must in itself fulfil the eligibility criteria set out above.
- Farmers' cooperatives must:
 - have a farm size of at least EUR 10,000 resulting from agricultural activity in the closed financial year preceding the submission of the application, in accordance with the SO methodology, and at least 40 % of its turnover in the preceding year must come from agricultural activities, or
 - the turnover of the members of the cooperative in the preceding year shall be aggregated and at least 40 % of the total turnover shall come from agricultural activities, and at least 40 % of the members participating in the cooperative shall be certified as having a holding size of at least EUR 10,000.
- Co-operation with state recognition is considered to be a farmer without the need to justify the conditions laid down.
- A sustainable water management community recognised in the intervention by the minister responsible for agricultural policy is also entitled to carry out collective investment, and a sustainable water management community is considered to be a farmer without justifying the conditions laid down.
- An undertaking engaged in integrator or processing activities related to the cultivation of herbs is eligible without proof of the size of the holding or turnover, but it is required to certify the turnover from the production of herbal products and to substantiate its activity by means of a

cultivation and/or purchase contract.

- Investments in the development of irrigation are eligible only if they comply with the requirements of Article 74 of the Strategic Plan Regulation.
- Investments in the development of existing irrigation installations or parts of existing irrigation systems shall only be eligible if the ex-ante assessment concludes that they will result in at least 10 % potential water savings for micro-irrigation based on the technical parameters of the existing installation or system, and at least 15 % for liners and reeling drums.
- Where the investment concerns a body of groundwater or surface water that has been rated less than good in the relevant river basin management plan for reasons related to water quantity, the investment shall also comply with the following cumulative conditions:
 - the project must ensure that, for irrigation installations or irrigation systems concerned by the project, actual water consumption is reduced by at least 50 % of the potential water savings identified by the ex-ante assessment of the project; and
 - where the project concerns only part of the irrigated area of a holding, the total water consumption of the holding at farm level shall be reduced by at least 50 %. The total water consumption of the holding shall include the quantities of water sold by the holding or transferred by any other means for irrigation.
 - None of the specified conditions shall apply to investments in existing irrigation installations which only concern energy efficiency, to investments in the creation of reservoirs or to investments in the use of reclaimed water that do not affect a body of groundwater or surface water.
- Aid for investments resulting in a net increase in irrigated areas and affecting specific bodies of groundwater or surface water (including investments defined in target area 2 of the intervention) shall only be granted if the water body concerned has not been classified less than good in the relevant river basin management plan for reasons relating to water quantity; and an environmental impact analysis demonstrates that the investment does not have significant negative effects on the environment. Such an environmental impact analysis shall be either carried out by or approved by the competent authority and may also refer to groups of holdings. (Article 74(6) of the Strategic Plan Regulation)
- In the case of investments resulting in a net increase in the irrigated area (including investments defined in target area 2), irrespective of the size of the area affected by the project, Article 74(6) of the Strategic Plan Decree 314/2005 on the environmental impact assessment and the uniform environmental use permit procedure. (XII. 25) Decree of the Government (hereinafter: 314/2005. (XII. Government Decree No 25/2000) requires **at least one of the regulated environmental impact assessment procedures**. For the purpose of determining the procedure to be carried out, Decree 314/2005. (XII. The conditions and thresholds set out in Annexes 1 and 3 to Government Decree No 25/2000 shall apply. If the activity is subject to a water-right permit, the environmental authority's opinion issued in the course of the water-law authorisation procedure shall prevail.
- The eligibility condition for the establishment of reservoirs is 314/2005. (XII. The **carrying out of at least one of the environmental impact assessment procedures** laid down in Government Decree No 25/2000, even if the project does not result in an increase in the irrigated area and irrespective of the size of the area affected by the project. For the purpose of determining the procedure to be carried out, Decree 314/2005. (XII. The conditions and thresholds set out in Annexes 1 and 3 to Government Decree No 25/2000 shall apply. If the activity is subject to a water-right permit, the environmental authority's opinion issued in the course of the water-law authorisation procedure shall prevail.
- Under Article 74(5) of Regulation (EU) No 2115/2021, Member States may grant support for investments in the use of reclaimed water as an alternative water supply only if the supply and use of such water complies with Regulation (EU) 2020/741 of the European Parliament and of the Council.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

the reconstruction, construction or improvement of water facilities and related structures;

(b) Purchase of new machinery and equipment, modernisation of existing systems, including computer software, ICT developments;
 general costs linked to the expenditure referred to in points (a) to (b), such as architects', engineers' fees, administrative fees, consultancy and project management costs;
 the following intangible investments: the acquisition or development of computer software and the acquisition of patents, licences, copyrights and trademarks or procedures;
 the purchase of real estate required in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the project concerned and the value of existing land or real estate essential for the investment shall be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land;
 the cost of purchasing and installing water meters.
 (g) Institutional guarantee with a reduced premium rate

Costs are eligible only if they are incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitment:

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The basic grant shall be up to 50 % of the eligible costs.

The maximum aid rate shall be up to 70 % of the eligible costs for the development of an existing irrigation installation or element of irrigation infrastructure.

Young farmers may be granted an aid intensity increased by 15 % compared to the basic payment.

In the case of farm transfer, an aid intensity increased by 15 % compared to the basic payment may be granted.

In the case of an aid application producing an ÖKO qualified product, an aid intensity increased by 10 % compared to the basic aid may be granted.

In the case of collective investment, an aid intensity increased by 15 % compared to the basic aid may be granted.

In the case of an interest rate subsidy, an aid intensity may be increased by up to 10 % compared to the basic aid.

In the case of the use of an institutional guarantee at a reduced rate, the aid intensity may be increased by 5 % compared to the basic grant.

The maximum amount of aid that can be applied for a project is: EUR 15 million.

Additional explanation

.Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

For investments in the development of existing irrigation installations, the potential water savings needed are:

According to Commission observation 324, water savings of at least 10 % for 'micro-irrigation' and 15 % for rainfall irrigation should be achieved. Only one value can be included in the SFC field below, so the two data are recorded here.

Does the investment contain irrigation?

☒ Yes ☐ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

10 %

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

50 %

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 11 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD12_O20_A01_ON - On-farm investment improving water efficiency: unit cost of modernisation of existing irrigation systems	Grant	91(2)(d)-HU-43.00%	Average		R.26	No
RD12_O20_A02_ON - On-farm investment improving water efficiency: unit cost of net growth of irrigated area	Grant	91(2)(d)-HU-43.00%	Average		R.9	No

Explanation and justification related to the value of the unit amount

RD12_O20_A01_ON - On-farm investment improving water efficiency: unit cost of modernisation of existing irrigation systems

Calculated on the basis of historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

RD12_O20_A02_ON - On-farm investment improving water efficiency: unit cost of net growth of irrigated area

The calculation was based on historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD12_O20_A01_ON - On-farm investment improving water efficiency: unit cost of modernisation of existing irrigation systems (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	120,488.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	47.00	233.00	234.00	0.00	0.00	Sum: 514.00 Max: 234.00
RD12_O20_A02_ON - On-farm investment improving water efficiency: unit cost of net growth of irrigated area (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	222,862.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.20 (unit: Operations)	0.00	0.00	51.00	253.00	252.00	0.00	0.00	Sum: 556.00 Max: 253.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	98.00	486.00	486.00	0.00	0.00	Sum: 1,070.00 Max: 486.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	17,202,930.87	0.00	0.00	0.00	0.00	17,202,930.87
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	7,397,260.27	0.00	0.00	0.00	0.00	7,397,260.27
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD18_I03_JGR_73 - Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System

Intervention Code (MS)	RD18_I03_JGR_73
Intervention Name	Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.20. Number of supported on-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The agricultural hail mitigation system covers the entire territory of the country.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Hungary has a complex **four-pillar agricultural risk management system**. The **third pillar** of this scheme is the **national hail mitigation system**, which focuses specifically on one of the most harmful weather events in Hungary.

The National Chamber of Agricultural Economics (hereinafter: With **986 soil generators**, the **national hail mitigation system set up by the** European Parliament started operating in May 2018. The system, which fully covers the territory of Hungary, uses equipment installed along a grid of approximately 10 x 10 km to mitigate hail damage using the **active substance silver iodide acetone**. A larger proportion of equipment, **767 manually** operated equipment requiring human resources, while **219 automatic machines** operate remotely without human intervention. Operation of the ground generators during the **protection period: between 15 April and 30 September**.

Distribution of soil generators by region

Region	Manual ground generator	Automatic ground generator
North Transdanubia	180 items	39
Central Hungary	232 items	97
East Hungary	178 items	64
South Transdanubia	177 items	19

In the years 2018-2021, based on the damage statistics submitted to the Compensation Fund, it can be shown that hail damage **decreased by 43 %** compared to 2015-2017, despite the more extreme weather conditions due to climate change in all four protected years.

During the years of operation of the hail mitigation system, the National Meteorological Service issuing the alerts and the Chamber are continually improving the **use of the active substance in a more economical** way. Despite this reduction in active substance consumption, the price of raw materials on the world market means that much more needs to be spent every year on the purchase of active substances. In 2022, we estimate that we will use HUF 900 million of active substances, which is sixty percent of the annual budget. The purchase of this year's quantity would have been HUF 460 million in 2018. Therefore, compared to the annual operating cost calculated before the start of 2018, it has significantly increased due to the cost of running the current system, inflation, the minimum wage and the doubling of the active ingredient price.

Manual generator operators play an important role in the operation of the ground-generator icemitigation system, who are 15 April during the control period. from 30 September to 30 September (for 169 days per year). It is also a problem that manual generator operators are increasingly fluctuating and having to replace operators due to their age and low fees.

On the basis of the above, it can be seen that the current **operating environment cannot be maintained in the medium term without** changing the current operating environment.

Therefore, in order to ensure the continued and long-term functioning of the system, while maintaining the current system, the aim is to implement a new development within the CAP Strategic Plan by which a modern automated system will be built.

Automation can increase operational efficiency, while more precise operation can reduce the amount of active substance emitted and fuel used in maintenance. Furthermore, as detailed below, while reducing the system's ecological footprint, the costs of operation remain controllable in the long term.

As a result of the more precise switch-on and switch-offs due to the operating mechanism of automatic generators, savings in the use of materials can be expected to be in the order of 10 %. Based on the operational experience of recent years, we can identify a more advanced alternator, which could lead to additional savings of 10-20 %. The lower number of active substances used also represents a lower environmental impact, which is an important factor despite the fact that the active substance is not harmful to the environment. The cost of active substances accounts for the largest part of the costs, i.e. around 40 %, thus saving between 10 % and 20 % would result in significant cost-effectiveness.

In terms of logistics costs, 55 % savings can be achieved, as the number of exits to generators is expected to be reduced by 43 % by automatic alternators. This is because due to more efficient operation, less active substances are used and therefore need to go to the alternator for refilling. As a result, both fuel costs and vehicle service costs (less km) are reduced.

The **objective of the RD18_I03_JGR_73 intervention is therefore to** build a fully automated national hail mitigation system based on state-of-the-art technology.

Requirements for newly developed automatic ground generators:

– Exact switch-on and deactivation

Reduction of the consumption of the active substance by means of meteorological instruments installed on equipment

Moderate maintenance needs

Environmentally friendly operation with renewable energy sources

A high level of system security

Principles governing the establishment of selection criteria, which may also be partially applied (selection criteria):

Selection criteria are not applied.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

The National Chamber of Agriculture, which operates the national hail mitigation system.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

the purchase of new automatic ground generators and motor vehicles in order to ensure the sustainable operation of the national hail mitigation system, and the expansion of regional sites;

general costs related to the aforementioned expenditure, such as architects, engineers, consultation fees, administrative procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(C) Intangible investments: acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

(D) Institutional Guarantee with Reduced Premium

Only costs that are eligible are those incurred by the beneficiary at the earliest on 01/01/2023 or 31.12.2029 at the latest.

Commitment:

Maintenance obligation for at least 5 years, or at least 3 years for the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☒ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The maximum rate of aid is 100 % of eligible costs.

Additional explanation

.Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

It is an infrastructure service within the meaning of point 2(g) of Annex II to the WTO Agreement on Agriculture.

(g) infrastructural **services**, including: electricity reticulation, roads and other means of transport, market and port facilities, water supply facilities, Dams and drainage schemes, and infrastructural works associated with environmental programmes. In all cases the expenditure shall be directed to the provision or construction of capital works only, and shall exclude the subsidised provision of on-farm facilities other than the reticulation of **generally available public utilities**. It shall not include subsidies to inputs or operating costs, or preferential user charges.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD18_O20_A01_ON - Agricultural Risk Management - unit cost of the digital transition of the National Agricultural Hail Mitigation System	Grant	91(2)(d)-HU-43.00%	Average		R.27	No

Explanation and justification related to the value of the unit amount

RD18_O20_A01_ON - Agricultural Risk Management - unit cost of the digital transition of the National Agricultural Hail Mitigation System

The aid will contribute to the conversion of 767 soil generators currently operating manually into vending machines and to the refurbishment of 219 automatic generators.

· Device park upgrades, newly developed automatic soil generators: approx. EUR 12.5 million

· Acquisition of cars: approx. EUR 400 thousand

· Development and upgrading of space: approx. EUR 540 thousand

These amounts are estimated on the basis of the information currently available and we can finalise the exact distribution when preparing implementation.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD18_O20_A01_ON - Agricultural Risk Management - unit cost of the digital transition of the National Agricultural Hail Mitigation System (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	1,592,863.97	1,592,863.97	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.20 (unit: Operations)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00
TOTAL	O.20 (unit: Operations)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00

	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	796,431.98	796,431.99	0.00	0.00	0.00	1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	342,465.75	342,465.76	0.00	0.00	0.00	684,931.51
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD21_G04_LCI_73 - Non-productive investments in Agro-ecological

Intervention Code (MS)	RD21_G04_LCI_73
Intervention Name	Non-productive investments in Agro-ecological
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.21. Number of supported on-farm non-productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area of implementation of the intervention is Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.1.1	Improving the carbon sequestration capacity of soils and ecosystems	1	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
5.1.3	Restoring degraded soils and improving their water management	1	Yes
5.1.4	Protection of arable land by agroforestry systems	2	Yes
5.2.1	Sustainable use of surface and groundwater	1.	Yes
5.2.2	Appropriate vegetation (invasive species, background pollution)	2	Yes
5.2.3	Rehabilitation of type-dependent zoning in the coastal zone of waters, establishment of a buffer zone	2	Yes
5.3.1	Promoting water retention in soil and landscape	1	Yes

6.1.1	Conservation or improvement of the natural condition of Natura 2000 farmland habitats	1	Yes
6.1.2	Maintenance or improvement of the natural condition of high nature value sites	1	Yes
6.1.3	Maintenance and development of grasslands in good ecological status and species richness	2	Yes
6.2.3	Ensuring ecological interoperability and biodiversity between cultivated areas by means of intermediate zones	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description	Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.17 Area supported for afforestation, agroforestry restoration, including breakdowns	
R.26 Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource	
R.32 Share of farms benefitting from CAP investment support contributing to biodiversity	

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Non-productive investments can be implemented under the intervention and do not lead directly to an increase in production value.

Agricultural land and associated habitats and landscape features are a crucial part of ecosystem systems and have a significant capacity to provide ecosystem services. They influence, for example, climate conditions, rainfall, soil and landscape water balances due to their regulatory effect. But they support soil protection, nutrient cycling and habitat, and can serve as feeding grounds for many agricultural-related and beneficial plant and animal species, such as pollinators, birds of prey, etc.

However, in recent decades, these habitats, which are part of the green infrastructure network, have been largely eradicated and disappeared with the transformation of landscape use, due to the growth of greenfield investments and the intensification of agricultural production. The restoration and development of grass roots, hedgerows, forest strips, tree rows and other semi-natural elements, thus disappearing, has become essential in order to combat pollination or pests, improve the water balance of agricultural areas, protect the quality of surface and groundwater, protect soil, improve local climatic conditions and increase the reduction of GHG emissions by agricultural means.

In order to protect our natural resources as a result of the increase in drought periods and changes in the intensity and distribution of precipitation and the rise in erosion phenomena, the preservation of excess water in the areas concerned for as long as possible and the establishment of certain erosion control facilities and buffer zones for watercourses are crucial. These activities make a major contribution to balancing small-scale climatic conditions in agricultural areas and carbon sequestration (SO4), protecting soil stocks and reducing nutrient loads and pollution in their waters (SO5), but the resulting habitats also contribute to the protection of biodiversity and the protection and improvement of landscape features (SO6).

The re-diversification of habitats and the restoration of landscape features, as well as the creation of elements to protect water and control erosion, will therefore help to mitigate and adapt to adverse climatic changes caused by agriculture, to protect biodiversity but also to protect soil, water and air, and to preserve and restore landscape features. At the same time, these activities do not ‘only’ serve environmental and conservation interests, but also – perhaps primarily in the eyes of farmers – sustainable agricultural production. Stability of yields, greater crop security, conservation and restoration of the natural resources needed for production.

These objectives can be achieved through non-productive investments that do not directly affect the value of farms and their ability to generate income, but which greatly increase their natural and public welfare value, ecosystem service capacity, but are designed and maintained as a small income and cost increase and require additional activity from farmers.

The effectiveness of habitats, landscape or protection features created by non-productive investments and farmers’ willingness is enhanced by the fact that the habitats, landscape or protection elements thus created do not lose their eligibility for support and thus remain eligible for BISS support. Furthermore, under Article 70, we intend to establish multi-annual maintenance support independent of the agri-environmental management programme (AKG) for certain non-productive investments, while the maintenance of certain elements is eligible for the agro-ecological programme and AEM.

Areas of intervention:

Within the scope of the intervention, support may be granted for non-productive investments in the following targeted areas:

A. Non-productive investments facilitating land use change and habitat restoration

(a) Installation of perennial crops for biodiversity protection

- I. stand-alone arable land parcels
- II. permanent crops, between rows
- III. on field tables or ecological boundaries of permanent crops

The planting of perennial crops for biodiversity protection aims to develop habitats favourable to pollinators, small wild game species, farmland bird species and other animal species, to develop Natura 2000 and High Nature Value Areas (HNV) areas, to support the functioning of ecosystems, and to improve habitat networking.

(b) establishment of grassland strips for erosion control on arable land and permanent crops

- I. on field tables or ecological boundaries of permanent crops
- (II) run-off routes parallel to the stratum lines and showing erosion notes within the tables
- III. permanent crops between rows

Grassland strips for erosion in arable land and permanent crops primarily serve to protect against soil erosion, while also contributing to the development of habitats for pollinators, small wild game species, farmland-bound bird species and other animal species, as well as Natura 2000 and High Nature Value (HNV) areas, to support ecosystems and improve habitat networking.

(C) Creation of scrub strips on arable land

- I. on the ecological boundary of the parcels
- II.a on run-off routes parallel to the stratum lines and showing erosion notes within the tables

The creation of grassland and scrub strips on arable land will also contribute to the development of habitats favourable to pollinators, small wild game species, farmland-bound bird species and other animal species, Natura 2000 and High Nature Value Areas (HNV) areas, to the functioning of ecosystems and to improve habitat networking.

(D) grassland planting in arable land

I. grassland planting for soil protection purposes

II. Creation of close-to-nature grasslands

Grassland planting on arable land aims at soil protection and, in the case of conservation objectives, habitat development, thus contributing to the development of habitats favourable to pollinators, small wild game species, farmland-bound bird species and other animal species, as well as Natura 2000 and High Nature Value Areas (HNV) areas, contributing to the functioning of ecosystems and improving habitat networking. One of the priority areas for grassland planting is the area of *kunhalms* classified as protected landscape features.

B. Installation of agroforestry systems for environmental or climate purposes

(a) installation of cellular tree rows

The planting of tree rows for crop protection contributes to the protection of soils against wind erosion and has a significant impact on habitat development and protection of surface water against leaching. Emerging new habitats contribute to the development of habitats favourable to pollinators, small wild game species, farmland bird species and other animal species, Natura 2000 and High Nature Value Areas (HNV) areas, ecosystems and habitat networking.

(b) Deployment of a series of trees and shrubs of plant protection forest strips

The planting of plant protection forest strips consisting of several rows of trees and shrubs contributes to the protection of soils against wind erosion and has a significant impact on the development of habitats, the development of favourable microclimates and the protection of surface water against leaching. Emerging new habitats contribute to the development of habitats favourable to pollinators, small wild game species, farmland bird species and other animal species, Natura 2000 and High Nature Value Areas (HNV) areas, ecosystems and habitat networking.

(C) Designation of woody pasture or woody hay on grassland

The creation of woody pastures or woody mowners on grasslands is primarily beneficial for animal welfare and habitat by providing shade. Emerging new habitats contribute to the development of habitats favourable to pollinators, small wild game species, farmland bird species and other animal species, Natura 2000 and High Nature Value Areas (HNV) areas, ecosystems and habitat networking.

C. Non-productive investments for water protection

C/I Non-productive investments for water protection – area-related

(a) Developing and developing a Partial Water Protection Buffer Zone

grassland with a width of 40 m, or

(II) establishment of a grass scrub protection area with a width of 20 m

In river basins that typically use agricultural land, it is common for cultivated plots to extend to the shores of watercourses. If the watercourse is not protected by dressing or depots, rainwater discharged from the fields or livestock holdings after precipitation events shall contaminate the watercourse with suspended matter and dissolved plant nutrients which have been washed by erosion. The establishment and development of a coastal water protection buffer zone with suitable vegetation and not under arable cultivation contributes to reducing the nutrient and pesticide load of water, by filtering out and depositing the washed suspended matter, by collecting and processing plant nutrients. The buffer strip also protects the watercourse from the effects of deflation and reduces the contaminated basic yield of the underground run-off. The investment will also contribute to the development of habitats, improving the connectivity of habitats and supporting the functioning of ecosystems. The development of floodplain vegetation typical of watercourses improves its nutrient flow by shielding the water surface.

(b) Establish habitats by retaining excess water on the site or re-humidating the sites

Establishment of open water or intermittent areas on agricultural land less suitable for arable or grassland farming, delineated by paludiculture, marshland, coastal vegetation and buffer zones. The creation of wetlands by retaining excess water in less suitable areas and by re-humidification of the land serves both climate protection by abandoning carbon-rich soils from cultivation and the creation of a favourable microclimatic environment through water retention. Emerging new habitats contribute to the development of habitats favourable to pollinators, small wild game species, farmland bird species and other animal species, Natura 2000 and High Nature Value Areas (HNV) areas, ecosystems and habitat networking.

C/II. Non-productive investments for water protection – area-based

(a) Developing and developing water retention facilities in deep water retention areas by ensuring that waters are pooled and maintained for as long as possible, creating temporary or permanent open water surfaces

These activities only contribute to the surface assembly of surplus waters, e.g. by steering waters into a certain area, but not by introducing them into watercourses. In other words, the quantity of water remains in the area for a certain period of time, concentrated in only one part of the area, thus optimising the cultivation of land. At the same time, the waters thus collected are not suitable for irrigation, serve only infiltration and evaporation and may develop favourable habitats.

development of water steering works: construction of drainage ditches, sewers, removable apples towards an area suitable for water retention

(II) design of a structure for water retention

(III) establishment of an area suitable for water retention

(IV) Designation of small gauge revolvable localisation charge

Part of non-productive investments for water protection aims to improve microclimatic conditions and groundwater resources by retaining surplus water. The water resources collected in this way cannot be used for irrigation.

(b) establishment and improvement of erosion control facilities

Support for non-productive investments (in particular: terraces, dresses, benches, ridges, capturing dams, grassland collectors, water scrubbers, which reduce the leaching of applied materials and contribute to the reduction of nutrient loads from erosion from land use.

The mandatory maintenance period is 5 years.

The development and development of technical facilities to ensure erosion control is designed to protect against soil erosion.

Selection criteria, which may be partially applied:

In the selection process of grant applications, priority shall be given to:

For target areas A and B

- Environmental added value of the chosen activities
- Areas of development proposed by the green infrastructure development project
- Natura 2000 areas
- Nitrate vulnerable zones
- Surface and floodplain areas
- Erosion-sensitive areas
- Inland water sensitive areas
- Drought-sensitive areas
- Areas with a slope above 12 %
- Use of tree and shrub species suitable for uterus or bee pasture
- Scale of housing
- Multiplication effect
- Above 100 ha of slab size
- In addition, for target area A.d, the areas of kunhalms classified as farming-related landscape features will be prioritised.

Participation in the work of the Test Plant Information Network (Test Plant System)

For Target Areas C/I and C/II:

- Environmental added value of the chosen activities
- Nitrate vulnerable zones
- The activity takes place in the catchment area of a body of surface water with a lower ecological and/or chemical status than good;
- The activity takes place on a body of near-surface groundwater with less than good qualitative and/or quantitative status
- And drought-sensitive areas for target area C/II.a.
- More favoured for Target Area C/I
- o Development areas proposed by the green infrastructure development project
- o Terminal and ramp areas
- o Natura 2000 sites

· In the case of target area C/I.b., the area of reservoirs under the 'Development of the Vásárhelyi Plan' programme

Participation in the work of the Test Plant Information Network (Test Plant System)

Link to other legislation:

- Act CXXIX of 2007 on the protection of agricultural land
- Act LIII of 1996 on nature protection
- 1155/2016. (III. Government Decision of 31 December 2006 on the revised 2015 river basin management

plan of Hungary

·23/2018. (X.31) OGY Resolution on the Second National Climate Change Strategy 2018-2030 with a 2050 perspective

Link to other CAP ST measures:

·The non-productive element created under the target areas A.a), A.b), A.c), B.a), B.b) and C/I.a. and C/I.b) of this investment shall not be eligible for the implementation of the relevant requirement of the DP17_G01_ECOS_16 – Agro-ecological programme in the year of construction.

Aid for the maintenance of a non-productive element created under target areas A.a), A.c), A.d), B.a), B.c) and C/I.a. and C/I.b. of this investment may be claimed under RD22_G05_LCP_70 – Agro-ecological land use change incentive payment

Link to other instruments outside the CAP:

Environment and Energy Efficiency Operational Programme (KEHOP) Plus

3. Creating ecological and infrastructural conditions for the conservation and management of Natura 2000 sites and green infrastructure

The measures aim to create the necessary conditions for the conservation, healthy functioning and maintenance of natural ecosystems in protected natural areas and Natura 2000 sites – wetlands, aquatic communities, grasslands and forest areas – which are key elements of the green infrastructure in the outskirts, and to improve the conservation status of species and habitats of Community interest in line with the National Natura 2000 Prioritised Action Plan and to improve the status and management of Natura 2000 sites and protected natural areas, and to preserve in-situ/ex-situ the components (species, habitats) of the biodiversity (species, habitats) attached to them and playing a role in their survival. Thus, the following are eligible in particular:

- Rehabilitation of habitats in bad natural areas.
- Reconstruction of habitats to develop ecological links between the periphery of green infrastructure.
- Targeted conservation interventions.
- Improve nature conservation site management and guarding conditions and infrastructure.

Planned output indicator for the intervention field:

- Size of Natura 2000 sites subject to conservation and restoration measures: 100 000 ha

Planned allocation of funds for the intervention field:

- EUR 80 961 965

KEHOP Plus typically provides support opportunities for medium- and larger-scale State-owned and operated infrastructure development, while support opportunities are provided under this measure of the CAP Strategic Plan on a smaller scale and for other target groups (farmers).

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- Farmer
- Availability of an eligible area
- In the case of target area A/b, it is situated in an area sensitive to erosion and is situated in an area with a slope of more than 12 %
- In the case of C/I b, the area is located in an inland water vulnerable area
- The area in Target Area C/IIb is located in an erosion-sensitive area
- In the case of nature-protected sites or Natura 2000 sites, a statement of support from the competent

National Park Directorate on the eligibility of the investment for nature conservation purposes and its alignment with the management plan or Natura 2000 maintenance plan in place (if the plan has been completed).

The objects created in the context of the investment go beyond the obligations of the economic operator laid down in law or as a result of conditionality.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Type of aid:

Non-repayable grant.

The unit cost per hectare for the target areas, including the costs of preparatory and planting works for the first export, as well as the costs of propagating material of the species to be planted. The investment elements related to pastoral farming (teaching design, turf well design and wing design) have been determined on a unit cost basis.

For target areas B.a. and B.c., unit cost (pieces) based on the costs of preparatory and planting works for the first export, as well as the costs of propagating material of the species to be planted.

For target area B.b, the unit cost per linear metre, including the costs of preparatory and planting works for the first export, as well as the costs of propagating material of the species to be planted.

For the C.I target areas, a unit cost per hectare, including the costs of preparatory and planting works for the first export, as well as the costs of propagating material of the species to be planted.

In the case of non-productive investments in target area C.II for water protection purposes, the construction measures require, in the first place, investments in infrastructure and therefore the eligible costs actually incurred by the beneficiary during the aid will be reimbursed.

Within the scope of the intervention, support may be granted for non-productive investments in the following targeted areas:

A. Non-productive investments facilitating land use change and habitat restoration

(a) Installation of perennial crops for biodiversity protection

I. stand-alone fields of arable land,

(II) between rows of permanent crops,

III. on field tables or ecological boundaries of permanent crops

Implementation requirements:

- Planting of a multi-annual crop consisting of at least 6 species, including at least 1 butterfly, partially re-sown and providing pollinator insects with adequate food for as long as possible
- The use of fertilisers and pesticides is prohibited during planting.

Optional additional activity: T installation of sitting trees

The mandatory maintenance period is 7 years.

(b) establishment of grassland strips for erosion control on arable land and permanent crops

I. on field tables or ecological boundaries of permanent crops

II.a on run-off routes parallel to the stratum lines and showing erosion notes within the tables

III. permanent crops between rows

Implementation requirements:

- Deploying a mixture of at least 3 native grass species typical of the production area, meeting both environmental and conservation needs.
- The grassland planted must be used by mowing or grazing.
- The use of fertilisers and organic fertilisers for grassland planting is allowed up to 90 kg nitrogen per hectare. Grazing is prohibited in the year of planting.

Optional additional activity: T installation of sitting trees

The mandatory maintenance period is 7 years.

(C) Creation of scrub strips on arable land

I. on the ecological boundary of the parcels

II.a on run-off routes parallel to the stratum lines and showing erosion notes within the tables

Optional additional activity: T installation of sitting trees and birds

The mandatory maintenance period is 7 years.

Implementation requirements:

- The planting of a mixture of at least 3 native grass species and hedges of at least 3 native scrub species that meet both environmental and conservation needs.
- The width of the hedge may be 1.5 m or more but not more than 3 m, with a grass liquor on its two edges 1 to 1 m wide.

(D) grassland planting in arable land

I. grassland planting for soil protection purposes

II.Creation of close-to-nature grasslands

Optional additional activity: T installation of sitting trees

The mandatory maintenance period is 7 years.

Implementation requirements:

- The planting of a mixture of at least 3 semi-natural grasslands typical of the production area, consisting of 8 native grass species or other grassing species, meeting both environmental and nature conservation needs.
- Use the planted grassland by mowing or grazing.
- The use of fertilisers and organic fertilisers for grassland planting is allowed up to 90 kg nitrogen per hectare.
- Grazing is prohibited in the year of planting.

B. Installation of agroforestry systems for environmental or climate purposes

(a) installation of cellular tree rows

Implementation requirements:

- at least 0.5 ha of agricultural land
- Row 1 tree installation
- up to 35 individuals/ha can be installed

- Prepare planting 10 metres in width
- Planting: at a distance of at least 3 metres from the adjacent property, with a size of at least 1 m, railway min. 3 – max. 5 m
- individual tree strain protection

The mandatory maintenance period is 7 years, during which the maintenance of the tree row and the replacement of the trees are mandatory. RD22_G05_LCP_70 – Agro-ecological land use change incentive payment under intervention

(b) Installation of several rows of crop protection forest strips on arable land, consisting of trees and shrubs

Implementation requirements:

- at least 0.5 ha of agricultural land
- Installation of 5 rows of trees and 2 rows of shrubs over a 20 m wide area
- Preparation of planting at least 20 metres in width
- Planting: at a distance of at least 3 metres from the adjacent property, with a size of at least 1 m, sorband max. 2.5 m, spacing max. 3 m for trees, max. 1 m for shrub
- maximum 100 linear metres/ha and 165 trees/ha can be installed

The mandatory maintenance period is 7 years, during which the maintenance of the wooded strip and the replacement of trees and shrubs are mandatory and eligible for support under RD22_G05_LCP_70 – Payment to encourage agro-ecological land use change

(C) Designation of woody pastures or woody mowers on grasslands

Implementation requirements:

- Planting of at least 0.3 ha of grassland, with a maximum of 100 trees/ha
 - Soil preparation, measured at a distance of at least 3 m from neighbouring property, with a size of at least 1 m
 - group protection or microfence
- Optional additional elements:
- establishment of covered wings
 - establishment of a guide
 - establishment of a galley

The mandatory maintenance period is 7 years, during which the maintenance and replacement of trees is mandatory and eligible under RD22_G05_LCP_70 – Payment for agro-ecological land use change

C. Non-productive investments for water protection

C/I Non-productive investments for water protection – area-related

(a) Developing and developing a Partial Water Protection Buffer Zone

grassland with a width of 40 m, or

(II) establishment of a grass scrub protection area with a width of 20 m

The mandatory maintenance period is 5 years.

Implementation requirements:

for point (i)

- the planting of a mixture of grasslands, consisting of at least 3 native grass species or other grass forming species specific to the production area, meeting both environmental and nature protection needs, on the basis of a grassland planting guide.
- Use the planted grassland by mowing or grazing.
- The use of fertilisers and organic fertilisers for grassland planting is allowed for up to 90 kg nitrogen per hectare with immediate incorporation.
- Grazing is prohibited in the year of planting.

for point (ii)

- Establishment of a mixture of at least 3 native grass species and at least 3 native floodplain shrubs and tree species, meeting both environmental and nature conservation needs, so that a 5 m wide grass-based maintenance path on the coast side must be maintained.
- The use of fertilisers and livestock manure for planting is allowed for up to 90 kg nitrogen per hectare with immediate incorporation.

(b) Establish habitats by retaining excess water on the site or re-humidating the sites

Establish areas with open water or intermittent presence on agricultural land less suitable for arable or grassland farming, delineated by paludiculture, marshland, coastal vegetation and buffer zones, by retaining the excess water that emerges and by re- humidating the areas.

The mandatory maintenance period is 5 years.

C/II. Non-productive investments for water protection – project-based

(a) Developing and developing water retention facilities in deep water retention areas by ensuring that waters are pooled and maintained for as long as possible, creating temporary or permanent open water surfaces

These activities only contribute to the surface assembly of surplus waters, e.g. by steering waters into a certain area, but not by introducing them into watercourses. In other words, the quantity of water remains in the area for a certain period of time, concentrated in only one part of the area, thus optimising the cultivation of land. At the same time, the waters thus collected are not suitable for irrigation, serve only infiltration and evaporation and may develop favourable habitats.

development of water steering works: the construction of drainage floods, sewers and transplantable apples towards an area suitable for water retention, which are designed solely for environmental purposes and are designed for a definitely non-productive purpose.

(II) design of a structure for water retention

(III) establishment of an area suitable for water retention

(IV) Designation of small gauge revolvable localisation charge

The mandatory maintenance period is 5 years.

(b) establishment and improvement of erosion control facilities

Support for non-productive investments (in particular: terraces, ditches, benches, ridges, capturing dams,

grassland collectors, water scrubbers, which reduce the leaching of applied materials and contribute to the reduction of nutrient loads from erosion from land use.

The mandatory maintenance period is 5 years.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The payment shall be made in accordance with Article 83(1)(a), 1(b) and 2(a)(i) of the STR.

1(a): For target area C/II

1(b): For target areas A,B and C/I

In the case of target areas A, B and C/I:

Unit cost on the basis of a calculation, including the costs of preparatory and planting works for the first export as well as the costs of propagating material of the species to be planted.

Objective 1	Investment	Unit cost
A. Non-productive investments facilitating land use change and habitat restoration	(a) Installation of perennial crops for biodiversity protection	
	on stand-alone fields or their ecological boundaries	EUR 1020/ha
	permanent crops between rows or their ecological boundaries	EUR 333/ha
	(b) establishment of grassland strips for erosion control on arable land and permanent crops	
	on the ecological boundary of arable land parcels	EUR 1026/ha
	permanent crops between rows or their ecological boundaries	EUR 340/ha
	run-off routes parallel to the stratum lines or showing erosion notes within the tables	EUR 1026/ha
	(C) Creation of scrub strips on arable land	
	in the ecological boundary zone of tables	EUR 514/100m

	run-off routes parallel to the stratum lines or showing erosion notes within the tables	EUR 514/100m
	(D) grassland planting in arable land	
	grassland planting for soil protection purposes	EUR 1033/ha
	creation of semi-natural grasslands	EUR 1075/ha
B. Installation of agroforestry systems for environmental or climate purposes	(a) installation of cellular tree rows	EUR 38/number
	(b) planting of protective forest strips	EUR 12 per linear metre
	(a) construction of woody pastures or mowners	EUR 38/number
	Additional elements	
	covered wings	EUR 180/number
	waterer	EUR 135/number
	goose well	EUR 297/number
C/I Non-productive investments for water protection	(a) Developing and developing a Partial Water Protection Buffer Zone	
	grassland with a width of 40 m, or	895
	(II) establishment of a grass scrub protection area with a width of 20 m	1 220
	(b) Establish habitats by retaining excess water on the site or re-humidating the sites	958

For Target Areas C/II:

In the case of non-productive investments in target area C.II for water protection purposes, the design measures require, in the first place, investments in infrastructure, so the eligible costs actually incurred by the beneficiary during the aid are reimbursed in a project-based accounting procedure on the basis of an invoice. The costs of planning, purchase of equipment, implementation of land-use requirements and development of water infrastructure are eligible during the implementation of the activities.

Range of support at beneficiary level

The aid intensity is 100 % based on Article 73(4)(c)(i) of Regulation (EU) 2021/2115 of the European Parliament and of the Council.

●

Additional explanation

Background calculation of unit costs in target areas A and C/I for agro-ecological non-productive investments:

The calculation methodology was based on the use of the Test Operating System of the Institute of Agricultural Economy (FADN) and the Central Statistical Office (HCSO) databases and expert estimates. From the test scheme, data on production value and the costs of certain crops at sectoral level have been taken into account in particular. The test scheme collects sectoral data on the most important crops each year for more than 90 % of farmland, which is an important basis for background calculations, in arable

land, grassland, vegetables and permanent crops.

Target area b/a-Bb-B/c: for the installation of agro-forestry systems for environmental or climate protection, the development of unit cost categories of support is a separate annexed "CAP Strategic Plan Hungary 2023-2027 cost options prepared by the Forest Science Institute of Sopron University as an expert organisation independent of AM: unit costs).

The calculation shall be based on the determination of the additional costs incurred by complying with the requirements and the amount of loss of income. In calculating the aid amount, the expected income development of compliant farmers is compared to previous farming practices without making any investment. For each standard, the expected loss of revenue and the expected additional costs are taken into account. The value of the compensation was determined by aggregating the expected revenue losses and the expected additional costs under each provision. The investment elements related to pastoral farming (draining design, pomace well design and wings) are defined on a unit cost basis.

For target area C.II, the average unit amounts were determined on the basis of historical data. M04 – VP4-4.4.2.1-16 Non-productive investments for water protection: the design and development of facilities were based on projects with approved aid amounts among the grant applications received in the 2014-2020 period. The average value of the small number of samples was taken as the average unit amount for which we calculated for inflation. The maximum value shall be the rate of the highest approved project amount calculated in the form of inflation. The exchange rate used for the conversion of forint euros was 365 HUF/EUR

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

This measure falls outside the scope of Article 42 TFEU and is therefore subject to the competition rules.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

- cost of purchasing machinery
- costs of constructing or renovating buildings

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Agro-ecological non-productive investments under the measure are not linked to production and the aid is intended only to compensate for incurred costs.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 73 - Support for non-productive investments referred to in Article 73	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD21_O21_A01_ON - Agro-ecological non-productive investments — Non-productive investments in water protection	Grant	91(3)(b) - 73-HU-50.00%	Average		R.26; R.32	No
RD21_O21_U01_HA - Agro-ecological non-productive investments in biodiversity planting perennial crops on stand-alone arable land on ground fields or in their ecological boundary zone	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U02_HA - Agro-ecological non-productive investments in the planting of perennial crops for biodiversity protection in permanent crop spacing or in the ecological boundary band thereof in plantations	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U03_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes in the ecological boundary of arable fields	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U04_HA - Agro-ecological non-productive investments in grassland strips to protect erosion in permanent crop spacing or in their ecological boundary strips in plantations	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U05_HA - Agro-ecological non-productive investments in grassland, scrub strips on arable land in ecological boundaries of fields	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U06_HA - Agro-ecological non-productive investments in grassland for soil protection	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U07_HA - Agro-ecological non-productive investments in the creation of semi-natural grasslands	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U08_HA - Agro-ecological non-productive investments planting a protective tree line	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.17; R.26; R.32	No
RD21_O21_U09_HA - Agro-ecological non-productive investments planting a protective forest strip	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.17; R.26; R.32	No
RD21_O21_U10_HA - Agro-ecological non-productive investments in the construction of wooded pasture or meadows	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.17; R.26; R.32	No
RD21_O21_U11_HA - Agro-ecological non-productive investments establishing grassland protection areas in coastal water buffer zones	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U12_HA - Agro-ecological non-productive investments establishing a grassland-shrub protective area in coastal water protection buffer zone	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U13_HA - Agro-ecological non-productive investments - creation of water habitats	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No
RD21_O21_U14_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes within the fields on run-off paths parallel to the contour lines and erosion features	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No

RD21_O21_U15_HA - Agro-ecological non-productive investments in grassy scrub strips on arable land along run-off paths parallel to the strata and erosion notes within the fields	Grant	91(3)(b) - 73-HU-50.00%	Uniform		R.26; R.32	No

Explanation and justification related to the value of the unit amount

RD21_O21_A01_ON - Agro-ecological non-productive investments — Non-productive investments in water protection

The average unit amount was determined on the basis of historical data.

M04 – VP4-4.4.2.1-16 Non-productive investments for water protection: the design and development of facilities was requested on the basis of the applications for funding received in the 2014-2020 period, based on projects with approved aid amounts.

We took a rebalancing of the average unit amount for the small number of samples, for which inflation was calculated.

The maximum approved project amount, calculated on the basis of inflation, can be considered as a maximum value.

We calculated the exchange rate of HUF 365/EUR when converting the forint euro.

RD21_O21_U01_HA - Agro-ecological non-productive investments in biodiversity planting perennial crops on stand-alone arable land on ground fields or in their ecological boundary zone

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U02_HA - Agro-ecological non-productive investments in the planting of perennial crops for biodiversity protection in permanent crop spacing or in the ecological boundary band thereof in plantations

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U03_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes in the ecological boundary of arable fields

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U04_HA - Agro-ecological non-productive investments in grassland strips to protect erosion in permanent crop spacing or in their ecological boundary strips in plantations

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U05_HA - Agro-ecological non-productive investments in grassland, scrub strips on arable land in ecological boundaries of fields

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U06_HA - Agro-ecological non-productive investments in grassland for soil protection

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

RD21_O21_U07_HA - Agro-ecological non-productive investments in the creation of semi-natural grasslands

The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U08_HA - Agro-ecological non-productive investments planting a protective tree line
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U09_HA - Agro-ecological non-productive investments planting a protective forest strip
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U10_HA - Agro-ecological non-productive investments in the construction of wooded pasture or meadows
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U11_HA - Agro-ecological non-productive investments establishing grassland protection areas in coastal water buffer zones
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U12_HA - Agro-ecological non-productive investments establishing a grassland-shrub protective area in coastal water protection buffer zone
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U13_HA - Agro-ecological non-productive investments - creation of water habitats
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U14_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes within the fields on run-off paths parallel to the contour lines and erosion features
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.
RD21_O21_U15_HA - Agro-ecological non-productive investments in grassy scrub strips on arable land along run-off paths parallel to the strata and erosion notes within the fields
The unit amount was determined on the basis of the unit costs of each target area. See the methodology for the calculation of unit costs in point 7.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD21_O21_A01_ON - Agro-ecological non-productive investments — Non-productive investments in water protection (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	212,997.71	233,267.50	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	268,257.63	0.00	0.00	0.00	0.00	
	O.21 (unit: Operations)								

RD21_O21_U01_HA - Agro-ecological non-productive investments in biodiversity planting perennial crops on stand-alone arable land on ground fields or in their ecological boundary zone (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	938.00	1,020.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U02_HA - Agro-ecological non-productive investments in the planting of perennial crops for biodiversity protection in permanent crop spacing or in the ecological boundary band thereof in plantations (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	375.00	333.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U03_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes in the ecological boundary of arable fields (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	898.00	1,026.00	0.00	0.00	0.00		
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U04_HA - Agro-ecological non-productive investments in grassland strips to protect erosion in permanent crop spacing or in their ecological boundary strips in plantations (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	335.00	340.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U05_HA - Agro-ecological non-productive investments in grassland, scrub strips on arable land in ecological boundaries of fields (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,223.00	514.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								

RD21_O21_U06_HA - Agro-ecological non-productive investments in grassland for soil protection (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	898.00	1,033.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U07_HA - Agro-ecological non-productive investments in the creation of semi-natural grasslands (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	938.00	1,075.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U08_HA - Agro-ecological non-productive investments planting a protective tree line (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	11,400.00	11,400.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U09_HA - Agro-ecological non-productive investments planting a protective forest strip (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	4,800.00	4,800.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U10_HA - Agro-ecological non-productive investments in the construction of wooded pasture or meadows (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	2,850.00	2,850.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								

RD21_O21_U11_HA - Agro-ecological non-productive investments establishing grassland protection areas in coastal water buffer zones (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	895.00	895.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U12_HA - Agro-ecological non-productive investments establishing a grassland-shrub protective area in coastal water protection buffer zone (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,220.00	1,220.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U13_HA - Agro-ecological non-productive investments - creation of water habitats (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	958.00	958.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U14_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes within the fields on run-off paths parallel to the contour lines and erosion features (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,026.00	1,026.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								
RD21_O21_U15_HA - Agro-ecological non-productive investments in grassy scrub strips on arable land along run-off paths parallel to the strata and erosion notes within the fields (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	514.00	514.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.21 (unit: Hectares)								

TOTAL	O.21 (unit: Operations)	0.00	24.00	24.00	0.00	0.00	0.00	0.00	Sum: 48.00 Max: 24.00
	O.21 (unit: Hectares)	0.00	6,887.50	6,887.50	0.00	0.00	0.00	0.00	Sum: 13,775.00 Max: 6,887.50
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	9,955,174.62	9,955,174.63	0.00	0.00	0.00	0.00	19,910,349.25
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	4,977,587.31	4,977,587.32	0.00	0.00	0.00	0.00	9,955,174.63
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD38_F05_AFI_73 - Support for investments in afforestation and creation of woodland

Intervention Code (MS)	RD38_F05_AFI_73
Intervention Name	Support for investments in afforestation and creation of woodland
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.2.2	Reduction of GHG and atmospheric load gases emissions using forestry tools	2	Yes
4.4.2	Review of the use of arable land at the boundary of economics	2	Yes
4.4.3	Improving the water retention capacity of soils and ecosystems by encouraging land-use change	1	Yes
5.1.4	Protection of arable land by agroforestry systems	2	Yes
6.3.2	Increasing the share of forest land under forest management with continuous cover	1	Yes
6.4.1	Developing up-to-date data collection and monitoring systems for measuring biodiversity	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.16 Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to the production of renewable energy or biomaterials

R.17 Area supported for afforestation, agroforestry restoration, including breakdowns
R.18 Total investment to improve the performance of the forestry sector
R.26 Share of farms benefitting from CAP productive and non-productive investment support related to care for the natural resource
R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas
R.32 Share of farms benefitting from CAP investment support contributing to biodiversity

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives:

- facilitating land-use change;
- carbon sequestration,
- providing a sustainable feedstock for the bio-based economy

The purpose of the intervention is to:

The increase of forest cover and the creation of woodland contribute to land-use change. In the first place, in the case of marginal agricultural land, e.g. steep slope, poor fertility, erosion degradation or risk of erosion. Afforestation or creation of woodland decreases and then completely ceases to disturb the soil, use chemicals and provide habitats for a more diverse life.

Afforestation and creation of woodland significantly increases organic carbon sequestration both in the growth of trees and in the way they are bound in the stands.

One of the stated aims of the European Forest Strategy is to reduce the carbon footprint in industrial and construction material use, to improve the share of carbon stored in materials for long periods of time, and to increase the use of wood. Afforestation and creation of wood for industrial purposes can also ensure that the increased demand for timber is served in a sustainable way, while preserving ecological values

Target Area 1: forestation

The forest created in the course of conventional afforestation will later be forested land for which, after the first use of trees, pursuant to Act XXXVII of 2009 on forests, forest protection and forestry, the forest manager must renovate the forest and continue to manage it on a permanent basis in accordance with the rules on sustainable forest management.

Target Area 2: planting of woody plantations for the supply of raw materials for industrial purposes

In the case of woody plantations for industrial purposes, the requirement that planting may only take place in a manner that meets the conditions of the place of production and does not harm the natural environment will be validated in the licensing forestry authority procedure. Woody plantations for industrial purposes offer the land user an alternative source of income in a shorter and more predictable period than the transition to a forest with very long-term and high uncertainty. In addition, plantations with typical rotations of 20 years or more preserve the soil, have a water retention and microclimate effect and, in any event, give rise to higher biodiversity than intensive tillage.

No aid shall be granted for the planting of short rotation coppice, Christmas trees and trees for energy purposes of fast-growing species.

Ineligible:

with intensively spreading tree species

afforestation, creation of woodland or planting of ligneous plants established in accordance with separate

legislation

natural forest or natural forest within 100 metres of forest in natural status and within the area of any protected or Natura 2000 site and 100 m around it

Headline target: the intervention offers farmers the opportunity to make a long-term commitment to forestry or diversify their market-based incomes in the medium term. It also gives all eligible land users the possibility to install even dedicated ecosystem service forces (green belt function, water retention, soil protection, public welfare, etc.)

Selection Criteria.

- protective or public amenity purpose
- high naturalness category
- low-forested area
- regional aspect: climate adaptation adequacy
- low value food and feed land conversion;
- establishment of forest edges

Relevant legislation:

Act XXXVII of 2009 on forests, forest protection and forestry

61/2017. (XII. Decree No 21 of 21 October 2009 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forestry

Decree No 383/2016 (XII.) On the designation of bodies carrying out the functions of the agricultural authority and administration

135/2017 (VI. Reg. 9.) on woody plantations

Synergies with other interventions: continuous availability of knowledge transfer and advice is necessary for the social promotion of the intervention and for the delivery of sub-measures of sufficient quality

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiary:

eligible land user

1. for target area 1, the applicant shall have approved afforestation plan documentation and permit
2. in the case of target area 2, it must be provided for in Section 135/2017. (VI. With a certificate in accordance with Government Decree No 487/2015

Minimum eligible land of 0.5 ha.

As this measure falls outside the scope of Article 42 TFEU (see point 8), **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 702/2014, with the exception of de minimis aid

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.
- **The planting of non-eligible natural forest or natural forest, forest in natural condition, forest with non-forest cultivation, protected or Natura 2000 nature area and forest, creation of trees**

or plantations of ligneous plants planted with woody species within the area of a protected or Natura 2000 site and within 100 metres of it shall be planted in accordance with separate legislation.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

In the case of target area 1, the cultivation of the land must be changed to 'forest' cultivation.

In the case of target area 2, it is obliged to carry out the stock shooting until 5 years after completion of the planting.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The use of standard scales of unit costs is based on the CAP support scheme developed and applied since 2005 for the same intervention, which is constantly reviewed and valorised.

The unit cost calculation is carried out by the Forest Science Institute on the basis of the figures of previous years and its own data collection and analytical methodology. The Forestry Science Institute is organisationally and financially independent from the Ministry of Agriculture.

Unit cost calculation based on Art. 83(1)(b) and 2(a)(i) STR

Range of support at beneficiary level

Basic payment (first export) by stock type/ha

Unit cost of support – first export	euro/ha
Oak, beech and other hard foliage	3 920
Other soft foliage and pine	2 885
Acacia	2 628
Noble mink	2 299
Acacia plantation for industrial use	2 233
Industrial noble summer plantation (year 1 without care)	2 329

Unit cost of supplementary elements:

Additional activity	quantity unit	Equivalent forint amount/quantity unit in euro
fence	FM	8 but not more than EUR 1600/ha

electric fence energisers	FM	5 but not more than EUR 518/ha
adhesives	FM	But not more than EUR 749/ha
chalky chalks	DB	8
wood and shrub forest edge*	FM	2
Creation of a pool of 10 %	if	500
Creation of a pool of 30 %	if	1000
Planting rare blends (min. 100/ha) in afforestation only	if	1800
Afforestation on 10 % or more gradient	if	+ 10 %

The additional activity “planting of rare blends” can only be supported in combination with the elements “creation of a 10 % mixed stock” or “creation of a 30 % mixed stock”.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The competition rules (State aid rules) apply to aid to the forestry sector.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

No aid shall be granted for the planting of short rotation coppice, Christmas trees and trees for energy purposes of fast-growing species.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 8 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The supported interventions are aimed at achieving land-use change in combination with the increase of forest and wooded stands, as set out in the National Forest Strategy. The aid is aimed at the alternative use of areas less suitable for agriculture, the creation of public forests (green indoor, social function) and the implementation of international CO2 emission reduction commitments at national level. The amount of the aid is determined solely on the basis of the costs actually incurred and is paid only for the time necessary to carry out the investment.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD38_O24_A01_HA - Area of projects involving afforestation or creation of woodland for industrial purposes	Grant	91(2)(d)-HU-43.00%	Average		R.16; R.17; R.18; R.26; R.27; R.32	No

Explanation and justification related to the value of the unit amount

RD38_O24_A01_HA - Area of projects involving afforestation or creation of woodland for industrial purposes

The unit amount calculation is based on data for 2014-2021.

On average per year, we plan to pay for the planting of 5.000 hectares of new forest, with a total of 20 000 hectares, of which a total of approximately 2000-3000 industrial trees are planned to be planted. An application received on average 9.7 ha in the last 7 years, but the dispersion of the area to be afforested in a project is very wide: Between 0.5 ha and 25 ha.

Around 94 % of the applications were afforestation and less than 6 % were wooded.

Approximately 61 % of afforestation stands are native stands, of which 58 % are oak-beech stands, coupled with higher unit planting costs due to the costs of additional elements. The payment is an ex-post and a lump sum (100 % after completion), therefore it is possible to plan for approximately continuous and steady use of resources per year from 2024 onwards (excluding weather dependency).

When calculating the average unit amount, we calculate a cost of EUR 4.146/ha using a weighted average method based on the actual and internal ratios of the VP and the new unit cost values and expected rates to be used in the CAP Strategy.

Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs).

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD38_O24_A01_HA - Area of projects involving afforestation or creation of woodland for industrial purposes (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	4,146.00	4,146.00	4,146.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.24 (unit: Hectares)	0.00	0.00	0.00	5,000.00	5,000.00	5,000.00	0.00	Sum: 15,000.00 Max: 5,000.00

TOTAL	O.24 (unit: Hectares)	0.00	0.00	0.00	5,000.00	5,000.00	5,000.00	0.00	Sum: 15,000.00 Max: 5,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	15,912,534.30	15,912,534.30	15,912,534.30	0.00	47,737,602.90
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	6,842,389.75	6,842,389.75	6,842,389.75	0.00	20,527,169.25
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD40_F07_INP_73 - Investments for competitive forestry (for-profit)

Intervention Code (MS)	RD40_F07_INP_73
Intervention Name	Investments for competitive forestry (for-profit)
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.24. Number of supported off-farm productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.2.1	Maintaining the carbon balance of forest stands and promoting climate adaptive renewal	2	Yes
8.6.1	Increase the scope and added value of forest benefits, improve profitability	3	Yes
8.6.2	Production of forest reproductive material to increase forest stands and to adapt them to climate change	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.18 Total investment to improve the performance of the forestry sector

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives: In addition to the adaptation challenges arising from climate change, Hungary's forestry sector, as a specific rural agricultural sector, also faces very serious challenges in terms of competitiveness and sustainability, which can only be achieved by encouraging the necessary business development at every point in the sector's product conversion. The objective of the intervention is therefore to improve the competitiveness of the entire forestry business, in line with sustainability considerations: continuous supply of quality propagating material, efficiency of primary choice production, higher added value product production

Content: the intervention consists of 5 target areas, thus giving all farmers the opportunity to improve competitiveness in their activities: from propagating material production to silviculture and primary processing.

Target area 1: Development of forest reproductive material production: site and technology development

The production of forest reproductive material is the basis for afforestation, creation of woodland, establishment of agroforestry systems and reforestation and restructuring. Propagating material appropriate to the production area, which is reliable and predictable in terms of quality and quantity, is essential for forest management. The production of propagating material is a very high risk, labour and resource demanding activity. Reducing risks, improving production security and efficiency requires that forest chimney producers should be able to co-exist with the latest advances of the time, both in technology and in the development of the production site as a site of production.

Target area 2: Development of the basic forest management activity: site and technology development

Forest management has to meet an increasing number of conditions and expectations in an ever-changing business environment. Adapting to market expectations also requires that they can operate in a predictable and efficient manner. The direction of development is therefore on the one hand the continuous improvement of field technologies, but it may also be necessary and justified to improve the forest manager's site in order to reduce costs (maintenance on site, energy efficiency or renewable energy development) or to increase revenue (storage, drying capacity, site servicing, extension of choice, etc.).

Target area 3: Development of the added value of products from forestry (except food products): site and technology development

It is important not only for undertakings active in the forestry sector that the main and by-products of forest management are sold in as much processing as possible and that processing takes place as close as possible to the production area. This benefits the farmer, the local economy and the lack of unnecessary transport of raw materials saves the environment. We therefore offer incentives for both forest managers and first processors to develop product processing, either technologically or in the form of site development where processing activities are carried out.

Target area 4: Digitalisation improvements needed to improve the efficiency of modern forest management: specialised tools, software, services

Digital instruments and tools to improve the efficiency of forest management are already available in a wide variety and are still poorly used in domestic forest management. We therefore support the purchase of more accurate measurement, design, record keeping and digital tools to support entrepreneurship.

Target area 5: Mobilisation of forest production potential: completed nursing, cleaning, tribe type intervention

The incentive to carry out the functions of increasing the yield and value of forests has been proven and we plan to continue as usual.

Selection criteria, which may be applied in part:

1. quality of the business plan

Environmental, climate and adaptation aspects, e.g. higher processing levels, production of sustainable substitute products

3. regional aspect e.g. area with lower labour market activity

4. utilisation of digital tool (e.g. undertaking services to other forest managers)

Relevant legislation:

Act XXXVII of 2009 on forests, forest protection and forest management

61/2017. Decree No XXXVII of 21 December 2009 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Government Decree No 383/2016 of 2 December 2016 designating bodies performing official and administrative tasks in the field of agriculture

Link with other measures: the continuous availability of modern knowledge transfer and advice is needed first to learn about market trends, bio-economic RDI innovations and opportunities, to share information, best available technologies and best practices, business development and business best practices, and the

CAP network.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

The forest manager is engaged in sustainable forest management, i.e. it is managed in accordance with Act XXXVII of 2009 on forests, forest protection and forest management and in the district forest plan, and is not subject to forest protection or conservation sanctions.

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it qualifies as a firm in difficulty (the concept of firm in difficulty is referred to in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Specified in Section 6(4a) and (4b) of Government Decree No 22/2015) and
- it has not complied with a decision of the European Commission addressed to Hungary requiring the repayment of State aid within the meaning of EU competition law.

Target Area 1:

- a primary producer or undertaking holding a licence in accordance with Section 17 of Decree No 110/2003 of 21 October 2003 of the Minister for Agriculture on forest reproductive material and listed in the professional register as a distributor of propagating material pursuant to Section 21 of the same Decree
- more than 50 % of its turnover in the year preceding the submission of the aid application or on average over the preceding three years derives from the production of forest reproductive material and forestry, or
- on average over the previous three years, the turnover from the production of forest reproductive material was at least HUF 3.000.000
- submission of a simplified business plan or a business plan

Target Area 2:

- forest manager registered by the forestry authority, whose average turnover over the three years preceding the submission of the aid application was more than 50 % of its turnover from forest management (TEÁOR 2) and, on average, over the previous three years, the turnover from forest management (TEÁOR 2) was at least HUF 3.000.000

or

- an undertaking with an average of at least 50 ha over the last three years and an average turnover of at least HUF 3.000.000 from forest management (TEÁOR 2) over the last three years
- submission of a simplified business plan or a business plan

Target Area 3:

- a forest manager registered by the forestry authority or an undertaking with an average turnover of at least HUF 3.000.000 from forest management (TEÁOR 2) and/or sawn timber production (TEÁOR 16.1) over the previous three years
- submission of a business plan or a simplified business plan

Target Area 4

Forest manager registered by the forestry authority or an undertaking whose turnover in the three years preceding the submission of the aid application was more than 50 % derived from forest management (TEÁOR 2) and/or logging (TEÁOR 16.1) and its turnover. The resulting amount in the previous three years was at least HUF 3000000 on average

- submission of a business plan or a simplified business plan

Target Area 5: forest manager registered by a forestry authority

Commission Regulation (EU) No 702/2014 provides that no aid may be granted under an intervention to undertakings which are subject to an outstanding recovery order following a Commission decision declaring the aid illegal and incompatible with the internal market or to undertakings in difficulty.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments

Target Area 1:

- Implementation of the development undertaken in the business plan for the development of forest reproductive material production,
- 5 years of maintenance obligation

Target Area 2:

- Implementation of the development undertaken in the business plan for the development of the basic forest management activity,
- 5 years of maintenance obligation

Target Area 3:

- Implementation of the development undertaken in the business plan to develop the value added value of forestry products (excluding food products) 5 years maintenance obligation

Target Area 4:

- Implement the development undertaken in the business plan for the digitalisation development needed to improve the efficiency of modern forest management;
- 3 years maintenance obligation

Target Area 5:

- Carrying out activities undertaken with a view to mobilising forest production potential,
- 5 years maintenance obligation (stock cannot be produced)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

Payment based on Article 83(1)(a), 1(b), 1(d) and 2(a)(i) STR

1(a): 1 to 4 investments

1(b): 5 target areas

1(d): Overheads up to 10 % for 1-4 target areas

For target area 5, the unit aid rates have been established on the basis of data collection and calculations by the Forest Science Institute, similar to the methodology used in the last 15 years. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an

expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs).

Use of flat-rate financing: overhead costs related to investments in target areas 1 to 4, which in total are eligible up to a maximum of 10 %. Physical support: costs declared on an item-by-item basis in similar investment schemes under the Rural Development Programme.

Target area 5 (previous operation VP-8.6.2) will continue to be supported on a unit cost basis.

Range of support at beneficiary level

Target areas 1 to 5: A maximum of 65 % of eligible expenditure is eligible.

Maximum grant: EUR 1.000.000

Unit costs for Objective 5

Operation	Unit cost of grant (EUR/ha)
Completed care – manual	193
Completed nursing – mechanical	120
Cleaning in natural, transitional and derivative forests	193
cleaning of wood plantations and cultivated forests in natural state forests	99
high torso hollow (5 m)	147

The amounts indicated in the table include a 65 % subsidy for eligible costs.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

Since the forestry sector is a sector outside the scope of Article 42 TFEU, the aid granted to it is subject to the competition rules (State aid rules).

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112040

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

Purchase of land

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The aid was designed on the basis of criteria clearly defined by the State in order to achieve the objectives set out in the National Forest Strategy. It aims to reduce the exposure of forest managers, first processors and service providers to the timber market through improvements, reducing their technological and digitalisation disadvantages. The aid does not exceed the time necessary for the investment concerned to take place.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD40_O24_A01_ON - Unit amount of income-generating investments improving the competitiveness of forestry	Grant	91(2)(d)-HU-43.00%	Average		R.18	No
RD40_O24_U01_HA - Income-generating investment to improve the competitiveness of forestry: unit amount of manually completed care	Grant	91(2)(d)-HU-43.00%	Uniform		R.18	No
RD40_O24_U02_HA - Unit amount of investment to improve the competitiveness of forestry - machine-completed care	Grant	91(2)(d)-HU-43.00%	Uniform		R.18	No
RD40_O24_U03_HA - Unit amount of income-generating investment to improve the competitiveness of forestry selection in natural, transitional forests	Grant	91(2)(d)-HU-43.00%	Uniform		R.18	No
RD40_O24_U04_HA - Unit cost of selection in forests of natural status to improve income generation capacity and competitiveness of forestry	Grant	91(2)(d)-HU-43.00%	Uniform		R.18	No
RD40_O24_U05_HA - Income-generating investment to improve the competitiveness of forestry: unit cost of coppicing	Grant	91(2)(d)-HU-43.00%	Uniform		R.18	No

Explanation and justification related to the value of the unit amount

RD40_O24_A01_ON - Unit amount of income-generating investments improving the competitiveness of forestry

There can be a wide range of realistic project sizes and support in each target area, so the average project size has been planned partly based on the 2014-2020 experience numbers and on the basis of consultations with potential beneficiaries of new opportunities to be introduced from 2023.

Part of the calculation is based on the average project size supported by the RDP, which was around EUR 50000. This has been modified by three major new features:

- (a) in the period from 2023 onwards, the single “investment” intervention tool does not limit investment in machinery/technology only, therefore higher resource needs for site infrastructure developments are taken into account;
- (b) public undertakings will not be excluded in the new period;
- (C) an increase in the total resources available for this purpose and an average annual inflation of 5 %.

RD40_O24_U01_HA - Income-generating investment to improve the competitiveness of forestry: unit amount of manually completed care

For Target Area 5, uniform unit amounts are shown, which are the same as the calculated unit costs for support. The UA is defined in a ‘single’ manner, which is the value of the unit cost of support. . The establishment of the calculation of the unit cost of the grant is set out in a separate attached document prepared by the University of Sopron’s Forest Science Institute as an expert body independent of the AM.

RD40_O24_U02_HA - Unit amount of investment to improve the competitiveness of forestry - machine-completed care

For Target Area 5, uniform unit amounts are shown, which are the same as the calculated unit costs for support. The UA is defined in a ‘single’ manner, which is the value of the unit cost of support. . The development of the calculation of the unit cost of the grant is set out in a separate attached document prepared by the University of Sopron’s Forest Science Institute as an expert body independent of the AM.

RD40_O24_U03_HA - Unit amount of income-generating investment to improve the competitiveness of forestry selection in natural, transitional forests

For Target Area 5, uniform unit amounts are shown, which are the same as the calculated unit costs for support. The UA is defined in a ‘single’ manner, which is the value of the unit cost of support. . The development of the calculation of the unit cost of the grant is set out in a separate attached document prepared by the University of Sopron’s Forest Science Institute as an expert body independent of the AM.

RD40_O24_U04_HA - Unit cost of selection in forests of natural status to improve income generation capacity and competitiveness of forestry

There can be a wide range of realistic project sizes and support in each target area, so the average project size has been planned partly based on the 2014-2020 experience numbers and on the basis of consultations with potential beneficiaries of new opportunities to be introduced from 2023.

Part of the calculation is based on the average project size supported by the RDP, which was around EUR 50.000. This has been modified by three major new features:

(a) in the period from 2023 onwards, the single “investment” intervention tool does not limit investment in machinery/technology only, therefore higher resource needs for site infrastructure developments are taken into account;

(b) public undertakings will not be excluded in the new period;

(C) an increase in the total resources available for this purpose and an average annual inflation of 5 %.

For Target Area 5, uniform unit amounts are shown, which are the same as the calculated unit costs for support. The UA is defined in a ‘single’ manner, which is the value of the unit cost of support. . The development of the calculation of the unit cost of the grant is set out in a separate attached document prepared by the University of Sopron’s Forest Science Institute as an expert body independent of the AM.

RD40_O24_U05_HA - Income-generating investment to improve the competitiveness of forestry: unit cost of coppicing

There can be a wide range of realistic project sizes and support in each target area, so the average project size has been planned partly based on the 2014-2020 experience numbers and on the basis of consultations with potential beneficiaries of new opportunities to be introduced from 2023.

Part of the calculation is based on the average project size supported by the RDP, which was around EUR 50.000. This has been modified by three major new features:

(a) in the period from 2023 onwards, the single “investment” intervention tool does not limit investment in machinery/technology only, therefore higher resource needs for site infrastructure developments are taken into account;

(b) public undertakings will not be excluded in the new period;

(C) an increase in the total resources available for this purpose and an average annual inflation of 5 %.

For Target Area 5, uniform unit amounts are shown, which are the same as the calculated unit costs for support. The UA is defined in a ‘single’ manner, which is the value of the unit cost of support. . The development of the calculation of the unit cost of the grant is set out in a separate attached document prepared by the University of Sopron’s Forest Science Institute as an expert body independent of the AM.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD40_O24_A01_ON - Unit amount of income-generating investments improving the competitiveness of	Planned unit amount (Total Public Expenditure in EUR)		90,000.00	90,000.00	90,000.00	90,000.00	90,000.00		

forestry (Grant - Average)	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)		50.00	100.00	150.00	300.00	200.00		Sum: 800.00 Max: 300.00
RD40_O24_U01_HA - Income-generating investment to improve the competitiveness of forestry: unit amount of manually completed care (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		193.00	193.00	193.00	193.00	193.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		2,000.00	4,000.00	5,000.00	6,000.00	6,000.00		Sum: 23,000.00 Max: 6,000.00
RD40_O24_U02_HA - Unit amount of investment to improve the competitiveness of forestry - machine-completed care (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		120.00	120.00	120.00	120.00	120.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		2,000.00	3,000.00	3,000.00	3,000.00	1,000.00		Sum: 12,000.00 Max: 3,000.00
RD40_O24_U03_HA - Unit amount of income-generating investment to improve the competitiveness of forestry selection in natural, transitional forests (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		193.00	193.00	193.00	193.00	193.00		
	Maximum planned average unit amount (where applicable) (EUR)								

	O.24 (unit: Hectares)		1,000.00	4,000.00	4,000.00	2,000.00	1,000.00		Sum: 12,000.00 Max: 4,000.00
RD40_O24_U04_HA - Unit cost of selection in forests of natural status to improve income generation capacity and competitiveness of forestry (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		99.00	99.00	99.00	99.00	99.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		1,000.00	3,000.00	3,000.00	2,000.00	1,000.00		Sum: 10,000.00 Max: 3,000.00
RD40_O24_U05_HA - Income-generating investment to improve the competitiveness of forestry: unit cost of coppicing (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)		147.00	147.00	147.00	147.00	147.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		500.00	600.00	800.00	600.00	500.00		Sum: 3,000.00 Max: 800.00
TOTAL	O.24 (unit: Operations)		50.00	100.00	150.00	300.00	200.00		Sum: 800.00 Max: 300.00
	O.24 (unit: Hectares)		6,500.00	14,600.00	15,800.00	13,600.00	9,500.00		Sum: 60,000.00 Max: 15,800.00
	Annual indicative financial allocation (Total public expenditure in EUR)		236,868.00	948,968.00	1,420,368.00	1,183,668.37	988,716.00		4,778,588.37

	Annual indicative financial allocation (Union Contribution in EUR)		101,853.24	408,056.24	610,758.24	508,977.40	425,147.88		2,054,793.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD41_F08_INN_73 - Investments for the environmental sustainability of forestry (non-profit)

Intervention Code (MS)	RD41_F08_INN_73
Intervention Name	Investments for the environmental sustainability of forestry (non-profit)
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.23. Number of supported off-farm non-productive investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: Yes ES rebate system: Yes LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.2.1	Maintaining the carbon balance of forest stands and promoting climate adaptive renewal	2	Yes
4.2.2	Reduction of GHG and atmospheric load gases emissions using forestry tools	2	Yes
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.18 Total investment to improve the performance of the forestry sector

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives:

Due to rapidly changing climatic conditions and associated environmental impacts, forest stands face major challenges. The speed of climate change exceeds what tree species can adapt through natural processes and therefore requires active interventions. The factors that most affect the health status of forest stands and the ecosystem's ability to provide services and the development policy responses to them

are: counteracting the spread of new biotic pathogens and pests, including forest and vegetation fires due to water scarcity and drought, frost damage and storm damage, both by preventing damage to the forest potential and by restoring them in a more resilient way, while avoiding damage to forests and restoring damage to forests, the same priority is given to the long-term qualitative renewal of forests.

Forest restructuring can improve the age structure, unification and biodiversity of power stocks, thus improving the resilience and environmental value of forest ecosystems.

Eligible interventions must go beyond Act XXXVII of 2009 on forest protection and forest management in terms of resilience and environmental value. The mandatory requirements laid down in Sections 51-55 and its implementing rules.

Content:

Target area (a): prevention of biotic and abiotic damage to forest potential

A/1: establishment and development of firefighting, fire water storage and water retention facilities (stores);

A/2: control of biotic pests and pathogens, for example: biological or chemical control, bark beetle control in reforestation;

A/3 Absorption of waste cleaning material;

A/4: shredding or shredding in soil in high fire risk stands

(B) target area: restoring forest potential after abiotic or biotic damage;

(C) target area: Enhancing the resilience, adaptation or environmental value of forest ecosystems to climate change:

C/1: Forest restructuring;

C/2: Improved renovation by increasing blends;

C/3: Refurbishment with climate-resistant material.

Principles for selection:

- stock classified in the higher flammability category
- Natura 2000 population
- protective or public amenity purpose
- degree of naturalness of the forest concerned
- territorial aspect (e.g. proximity to a municipality or a national tour route or a special holiday area)
- quality of propagating material used
- creation of a mixed pool
- intensively spreading alien species are also contained without specific support
- indigenity of the population concerned

Relevant legislation:

Act XXX VII of 2009 on Forests, Forest Protection and Forest Management

61/2017. (XII. Decree No 21 of 2009 of the Minister for Agriculture on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Decree No 383/2016 (XII. On the designation of bodies to carry out administrative and administrative tasks in the field of agriculture

1537/2016. National regulations contributing to the National Forest Strategy 2016-2030.

The most relevant pests for forest damage prevention are:

- Woollepke (*Lymantria dispar*)
- Cracking butterfly (*Operophtera*, *Erannis*, *Colotois*, *Agriopis*)
- Sodrómours (*Tortricidae*)
- Oak butterfly (*Thaumetopoeas processionea*)
- Gold-tailed Pille (*Euproctis chrysorrhoea*)
- Bark beetles on conifers, in particular the spruce bark beetle (*Ips typographus*)
- Exchange beetle species (*Melolontha* sp.)
- Native ornamental beetles on foliage trees (*Agrilus biguttatus*, *Agrilus viridis*, etc.)
- Flourdew species (*Erysiphe* sp.)
- High ash mortality (*Chalara fraxinea*)
- Acacia bark (*Phomopsis oncostoma*)

Potentially hazardous species:

- Alpine ash (*Agrilus planipennis*)
- Smooth-backed star beetle (*Anophlophorag labripennis*)
- Pine wood nematode (*Bursaphelenchus xylophilus*)
- Sudden oak mortality (*Phytophthora ramorum*)
- Other *Phytophthora* species on deciduous trees (*Fagus*, *Alnus*, etc.)
- ‘charcoal disease’ (*Biscogniauxia mediterranea*)

Complementarity with other interventions: continuous access to knowledge transfer and advice is necessary for the social promotion of the intervention and for the implementation of the sub-measures of sufficient quality

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

- eligible forest managers who have an approved forest plan for the forest section concerned

The forest manager is engaged in sustainable forest management, i.e. its management complies with the provisions of Act XXXVII of 2009 on forests, forest protection and forest management and the district forest plan, and is not subject to forest protection or conservation sanctions.

Minimum eligible area: 0.5 ha

Aid shall not be granted to an applicant for aid:

- on the basis of Commission Regulation (EU) No 651/2014 and Commission Regulation (EU) No 702/2014, 37/2011 on the procedure concerning State aid for the purposes of European Union competition law and the regional aid map. (III. Government Decree No 22/2000 of 22 October 2004 (hereinafter: 37/2011. (III. It qualified as an undertaking in difficulty pursuant to Section 6(4a) and (4b)(7) of Government Decree No 22,
- failed to comply with the decision of the European Commission, addressed to Hungary, requiring the recovery of State aid in the sense of EU competition law.

Specific eligibility criteria:

Target area (a): submission of a forest price prevention plan on the basis of which the competent authority confirms that the planned intervention will result in an improvement in the climate and/or environmental quality and/or biological diversity of the forest stands concerned.

(B) the competent authority has officially confirmed the occurrence of the natural disaster and that the disaster or measures adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant

disease, pathogen or pest has caused the destruction of at least 50 % of the relevant forest potential.

(C) target area: on the basis of a reforestation or conversion plan, the competent authority confirms that the planned intervention will result in an improvement in the environmental quality, climate resistance or adaptation capacity or nature of the forest population concerned

According to Commission Regulation (EU) No 702/2014, aid under the intervention may not be granted to undertakings which are subject to an outstanding recovery order by a Commission decision declaring the aid illegal and incompatible with the internal market, or to undertakings in difficulty.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Standard scale of unit costs (unit cost/ha)

Commitments:

Target area: investment undertaken to prevent biotic and abiotic damage endangering forest potential

5 years maintenance

Target area: investment undertaken to restore forest potential after abiotic or biotic damage

5 years maintenance

Target area: Investment undertaken to increase the resilience, adaptation or environmental value of forest ecosystems to climate change

5 years maintenance

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

Payment based on Article 83(1)(b) and 2(a)(i) STR

The intervention was created by merging and extending sub-measures 8.3, 8.4 and 8.5 of the VP 2014-2020. The calculation of unit costs for grants is essentially done by reviewing and valorising the subsidies already applied and accounted for. The unit cost calculation includes all costs necessary to carry out the operation (e.g. planning, authorisation, materials and fees). The unit cost does not include a compensation element of revenue foregone.

The calculation of the average type of unit amount was based partly on the facts of the VP and, for the new elements, on the calculation of the unit cost of the Scientific Forest Institute. Damage events cannot be calculated in advance, empirical numbers (2016-2020): Between 648 and 2.200 hectares, the compensation payment ranged between HUF 352 mt/year and HUF 1 270 m/year. On an annual average basis, the loss event concerned 1 200 hectares. However, in the next period, higher activity is expected on the side of the public forest managers (they applied for the VP only from 2020 on the basis of a management decision), and the average annual waiting rate is therefore increased to 1 700 hectares.

The unit aid rates have been established on the basis of data collection and calculations by the Forestry

Science Institute, similar to the methodology used in the last 15 years. Development of the categories of unit costs of support, prepared by the University of Sopron's Forest Science Institute as an expert organisation independent of AM, attached, "KAP Strategic Plan: unit costs).

Range of support at beneficiary level

A./Prevention of biotic and abiotic damage to forest potential

A/1 prevention of fire damage

Activities supported	Grant rate
	EUR/fm/year
Design and maintenance of a narrow type A fire scan	0,1
Maintenance of the development of a narrow firebreak type A to type B or C	0,4
Design and maintenance of type B accessible firepass	0,5
Establishment and maintenance of a type C wide fire strip	0,5
	EUR/unit
Type 1 for the construction of a type A drainage: if watertight soil is used	40.030
Type 2 for the construction of a type A source: for other insulation	46.750
Type 1 for the construction of a type B drainage: if watertight soil is used	47.140
Type 2 for the construction of a type B drainage: for other insulation	54.930
For type C drainage type 1: if watertight soil is used	60.230
For type C drainage type 2: for other insulation	69.000
Design of type A monkeys	40.030
Construction of type B monkeys	47.140
Construction of type C monkeys	60.230
	EUR/m ³
For the removal of pine pine pine cleaning material from the purification of stands of the main species pine (m ³ : gross fat volume to be extracted from a forest plan)	25
Grooves or shredders in the soil	25
	up to EUR 915/ha

A./2 Prevention of damage to biotic pests and pathogens

Activities supported	Grant rate
	EUR/ha
Chemical control of powdery powder (years)	110
Control of the bark beetle	
Installation of chemical application tubes; Additional installation costs (4000 tubes/ha) and	938
Annual irrigation (chemical application) during the first reforestation export and the following 3 years, 3 times per year (water, product, application) (per year) or	654

Single application of soil disinfectant	150

B. Restoration following abiotic or biotic damage to the forest potential

When determining the unit costs for the intervention for the restoration of damaged forest land, the unit costs of support for afforestation were used. Accordingly, the following amounts of aid have been determined.

(a) Restoration by planting: In completed or older stands, where the damaged area can be delimited as a sub-forest section and the damage to the tree stands of at least 50 % or the damage to the tree stands of the entire forest section is at least 70 %:

Target stock type group in completed flock	Total Recovery
Oak, beech and other hard foliage	EUR 4692/ha
Other soft foliage and pine	EUR 2999/ha
Acacia	EUR 2628/ha
Noble mink	EUR 2888/ha

Additional element: Clean-up of damaged wood in a stand closed after 70 % fracture damage (wind, snow, ice), wind-casting or fire damage: **EUR 1300/ha**

(b) Recovery by root shooting

In stands of completed age or over, where the damaged area can be delimited as a sub-forest section and the loss of the tree stands is at least 50 %, or the damage to the tree stands of the entire forest section is at least 70 %:

Root shooting in completed herd: **EUR 788/ha**.

Additional element: Clean up damaged wood after breakage (wind, snow, ice), wind-casting or fire damage in stands exceeding 70 %: **EUR 1300/ha**

(C) Recovery in herds completed or older by restocking

Where the damaged area can be delimited as a part forest section and the damage to the tree stands of more than 70 % or the damage to the tree stands of the entire forest section exceeds 50 %:

	Target stock type group			
	Oak, beech and other hard foliage	Other soft foliage and pine	Acacia	Noble mink
Aid (EUR/ha)	2089	1643	1438	1433

(D) Repair with replacement: In continuous stands, if the area delimited as a sub-forest section or the damage to the tree stands of the entire forest section reaches 50 %:

	Target stock type group			
	Oak, beech and other hard foliage	Other soft foliage and pine	Acacia	Noble mink
Aid (EUR/ha)	954	954	954	954

Additional elements for cases B/a to B/d:

Establishment of a bench in a gradient of more than 10 degrees: EUR 0,17 per linear metre with a maximum of EUR 749/ha;

- The construction of a russet or a dam on a slope of more than 15 degrees: EUR 1.2 per linear metre with a maximum of EUR 200/ha.

C/Increasing the resilience, adaptation or environmental value of forest ecosystems to climate change

C/1 forest restructuring

Target stock type group	Conversion of forest structures		Total EUR/ha
	Cost of first export	1st year nursing cost	
	euro/ha	euro/ha	
Oak, beech and other hard foliage	3 427	356	3.783
Other soft foliage	2 392	356	2.720

Additional elements:

In the case of conversion of forest structure from a variety of acacia trees, aid amounts increased by 10 % shall be applied!

C/2 Improved renovation by increasing blending:

The objective of the improved renovation area is to increase the diversity of forest renovations following clear-cutting, as set out in Article 61/2017. (XII. (21) The use of tree species, as defined in Annex 2 to Decree No 21/2001 of the Minister for Agriculture, which are native to certain forest landscapes, as mixed tree species.

Aid may be granted for artificial reforestation where a minimum of two mixed species are present at the time of the first export in a specified proportion of a mixture.

The unit cost resulting from the cost analysis of the extra technological elements and material (chips) is as follows:

Supported activity	Grant rate (euro/ha)
Improved renovation by increasing blending	954

C/3 Conversion with climate-resistant material

Activities supported	Grant rate EUR/ha
with chalky	1.326
oak monks	1.145

Cser makate	1.083
beech	1.733

C/1 – Additional elements as a one-off payment for target area C/3:

Establishment of a bench in a gradient of more than 10 degrees: EUR 0,17 per linear metre with a maximum of EUR 749/ha;

The construction of a russet or a dam on a slope of more than 15 degrees: EUR 1.2 per linear metre with a maximum of EUR 200/ha.

Metal fencing: EUR 8 per metre with a maximum of EUR 1600/ha.

Electric shepherds: EUR 5 per metre with a maximum of EUR 518/ha

Additional explanation

The unit subsidy rates, similar to the methodology applied in the last 15 years, have been established on the basis of the data collection and calculations of the Forest Science Institute. The development of the grant unit cost categories is a separate annexed "CAP Strategic Plan Hungary 2023-2027 Symplified cost options prepared by the Forest Science Institute of Sopron University as an expert organisation independent of AM: unit costs).

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The beneficiary of this scheme is not a farmer and the aid does not contribute to agricultural production and therefore the competition rules (State aid rules) apply.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

No aid may be granted to an applicant for aid:

- pursuantto Commission Regulation (EU) No 651/2014 and Commission Regulation (EU) No 702/2014 of 37/2011 on the procedure for State aid for the purposes of European Union competition law and on the regional aid map. (III. Government Decree No 22/2015 of 22 December 2006 (hereinafter: 37/2011. (III. Section 6(4a) and (4b)(7) of the Government Decree,
- it failedto comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 8 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The objective of this intervention is to support the prevention of forest degradation or the restoration of degraded stocks in the face of natural disasters (biotic or abiotic), and to ensure better future resilience and higher biodiversity through stock conversion. The presence of the pest or harmful event shall be confirmed by an authority. The aid covers only compensation, up to a maximum of 100 %, and is not linked to any other risk management tool.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD41_O23_A01_ON - Unit cost for non-productive investment for climate and environmental sustainability of forestry	Grant	91(2)(d)-HU-43.00%	Average		R.18; R.27	No

Explanation and justification related to the value of the unit amount

RD41_O23_A01_ON - Unit cost for non-productive investment for climate and environmental sustainability of forestry

The UA is determined on an 'average' basis, based on the facts of the Rural Development Programme. Operations 8.3, 8.4 and 8.5.1 of the Rural Development Programme had a total envelope of EUR 72,229 million. 1254 applications were covered by a grant commitment, resulting in an average grant value per application of EUR 33392. Both public and private forest managers are eligible for the schemes, so there is no change in the target group. Funding framework for this intervention: EUR 65 495 600 million, so we expect successful grant applications of a similar size and average value.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD41_O23_A01_ON - Unit cost for non-productive investment for climate and environmental sustainability of forestry (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.23 (unit: Operations)	0.00	500.00	500.00	300.00	200.00	0.00	0.00	Sum: 1,500.00 Max: 500.00
TOTAL	O.23 (unit: Operations)	0.00	500.00	500.00	300.00	200.00	0.00	0.00	Sum: 1,500.00 Max: 500.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	947,700.00	1,898,400.37	947,700.00	984,788.00	0.00	0.00	4,778,588.37
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	407,511.00	816,312.16	407,511.00	423,458.84	0.00	0.00	2,054,793.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD42_R01_RAN_73 - Rural infrastructure development in schools

Intervention Code (MS)	RD42_R01_RAN_73
Intervention Name	Rural infrastructure development in schools
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.22. Number of supported infrastructures investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.3.1	Reducing regional disparities in rural transport infrastructure	3	Partially
8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)

R.41 Share of rural population benefitting from improved access to services and infrastructure through CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

Improving the quality of life in rural settlements, increasing sustainability by supporting the development of small-scale infrastructure that contributes to increasing energy efficiency, the development of the local economy and the supply of basic infrastructure.

The main purpose of the intervention is to improve the standard of living of those who live on the farm.
The intervention includes the following sub-measure:

Applications may be submitted for household-scale activities and investments aimed at achieving the following objectives:

- electricity,
- renewable energy use
- water supply;
- wastewater treatment improvements;
- creating and building an internet or internet network.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- Maintenance and operations plan quality: justification, cost-effectiveness, innovation, sustainability
- Regional aspect
- Developments related to the use of renewable energy
- Improvements leading to improved energy efficiency
- Development preparation/planned with community involvement
- Development objectives/functions targeted at the most deprived populations
- Developments in a small municipality (less than 1000 inhabitants) or in a town of cherry
- Female applying for support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

- Individuals
- Municipalities

Eligibility criteria:

- preparation of a maintenance and operation plan
- municipalities located in rural areas

The delineation of the intervention with the operational programmes has been described in detail under CAP ST 4.5 “Review of the coordination and demarcation of competences between the EAFRD and other Union funds operating in rural areas and their complementarity”. As a general principle of demarcation, the CAP MA requests the TOP MA to provide information on overlapping interventions (detailed below) before opening a tender, giving priority to the identification of the municipality and the place of implementation. Furthermore, the CAP MA states in the call for proposals that it does not allow the same development in the same municipality. Thanks to these two measures, the CAP and TOP+ are delineated at programme level.

The purpose of the RD42a closed garden, rural infrastructure RD43 and RD57 LEADER interventions is that the CAP MA states in the call for proposals that a beneficiary may receive support for the same development only on the basis of one call.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

· is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid under EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or

- which failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

Tanya sub-measure:

(a) Construction, development and modernisation of buildings and structures.

(b) Acquisition of new machinery and equipment, technology, modernisation of existing machinery and equipment, including information and communication technologies.

(C) General costs linked to the aforementioned expenditure, such as architect, engineer and consultation fees, public authority procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.

(D) Intangible investments: purchase or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.

(e) Acquisition of real estate necessary in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned, and as contributions in kind, may be accounted for by the value of existing land or real estate essential for the investment, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.

(F) Institutional guarantee at preferential rates

Only costs incurred by the beneficiary on 01/01/2023 and 31/12/2029 at the latest are eligible.

Commitment:

At least 5 years

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

Aid intensity:

Up to 95 % for both individuals and municipalities.

Up to 80 % for renewable energy developments.

Maximum aid amount of HUF 25.000.000

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The intervention falls outside the scope of Article 42 TFEU, since it is intended to support the development of small-scale infrastructure which contributes to increasing energy efficiency, the development of the local economy, waste water treatment and the supply of basic infrastructure, so that competition rules are generally applicable to it.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee

subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

It is a development within the meaning of paragraph 11 of Annex II to the WTO Agreement on Agriculture. We chose this because, in our view, the farm is considered to be an on-farm.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD42_O22_A01_ON - Unit cost of rural infrastructure development on homesteads	Grant	91(2)(d)-HU-43.00%	Average		R.15; R.41	No

Explanation and justification related to the value of the unit amount

RD42_O22_A01_ON - Unit cost of rural infrastructure development on homesteads

Historical data were used. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M07 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD42_O22_A01_ON - Unit cost of rural infrastructure development on homesteads (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	13,400.00	13,400.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.22 (unit: Operations)	0.00	0.00	416.00	416.00	743.00	743.00	743.00	Sum: 3,061.00 Max: 743.00
TOTAL	O.22 (unit: Operations)	0.00	0.00	416.00	416.00	743.00	743.00	743.00	Sum: 3,061.00 Max: 743.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	5,575,024.00	5,575,024.00	0.00	0.00	0.00	11,150,048.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	2,397,260.32	2,397,260.32	0.00	0.00	0.00	4,794,520.64

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD42a_R01_RAN_73 - Rural infrastructure development in closed garden areas

Intervention Code (MS)	RD42a_R01_RAN_73
Intervention Name	Rural infrastructure development in closed garden areas
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.22. Number of supported infrastructures investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.41 Share of rural population benefitting from improved access to services and infrastructure through CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

The intervention facilitates the return of neglected areas to care and access to areas. Improvements to facilitate the agricultural use of properties entered in the land register as closed gardens, as well as the maintenance of the form of life associated with closed garden properties, require the regularisation and comprehensive infrastructure development of closed garden areas. The cultivation of gardens/vines makes it possible to preserve existing genetic diversity. Traditional closed garden farming is of particular importance to catch up in disadvantaged areas and to improve the conditions for self-sufficiency, self-care and food production for the local population. It is also important to enhance the capacity to generate value and income.

The purpose of the intervention is to develop the infrastructure of municipalities with closed garden areas. Closed garden properties are those listed as such in the public land register. Closed gardens are small-scale horticultural areas situated in the outskirts of the municipalities, usually agricultural land, which are located in blocks markedly separate from the areas used for large-scale production. Block-like parts are known as closed garden areas.

Applications may be submitted for activities and investments aimed at achieving the following objectives:

- construction and renovation of a road for access to closed gardens, landways and improvements to the sewerage network for the drainage of rainwater associated with the road section;
- the construction of a water source point through the construction of a well and the construction of small-scale water storage capacity related to water retention;
- developments related to electricity supply;
- development of waste water treatment, establishment of a wild fence, construction of game management/protecting elements;
- renovation of small monuments of local importance (rock cross, sculpture, etc.) where a community management function is associated with the renovation

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- Quality of the maintenance and operation plan: justification, cost-effectiveness, innovation, sustainability
- Regional perspective
- The closed garden area, or most of it, is certified as being in agricultural production
- Improvements leading to energy efficiency improvements
- Development preparation/planning with community involvement
- Development goals/functions targeted at the most deprived populations

Developments in small municipalities (less than 1000 inhabitants) or in a town of less than 10.000 inhabitants

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

- Municipalities

Eligibility criteria:

- development takes place in rural areas
- owners of properties in the closed garden area to be developed certify that they carry out agricultural production
- preparation of a maintenance and operation plan

The delineation of the intervention with the operational programmes has been described in detail under CAP ST 4.5 “Review of the coordination and demarcation of competences between the EAFRD and other Union funds operating in rural areas and their complementarity”. As a general principle of demarcation, the CAP MA requests the TOP MA to provide information on overlapping interventions (detailed below) before opening up the possibility of applying to municipalities, giving priority to the identification of the municipality and the place of implementation. Furthermore, the CAP MA states in the call for proposals that it does not allow the same development in the same municipality. Thanks to these two measures, the

CAP and TOP+ are delineated at programme level.

The delineation of the RD42 farm development, RD43 rural infrastructure and RD57 LEADER interventions is served by the fact that the CAP MA states in the call for proposals that one beneficiary may receive support for the same development only on the basis of one call.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid within the meaning of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or

it failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

1. Investments
2. General costs linked to expenditure, such as architect, engineer and consultation fees, public procedure fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.
3. Institution guarantee at preferential rates

Only costs incurred by the beneficiary on 01/01/2023 and 31/12/2029 at the latest are eligible.

Commitment:

Maintenance obligation of at least 5 years

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

Aid intensity:

- not more than 95 %

Maximum aid amount of HUF 50.000.000

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The intervention falls outside the scope of Article 42 TFEU, since it is intended to support the development of small-scale infrastructure which contributes to increasing energy efficiency, the development of the local economy, waste water treatment and the supply of basic infrastructure, so that competition rules are generally applicable to it.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

1. purchase of agricultural production rights;
2. purchase of payment entitlements;
3. purchase of land for an amount exceeding 10 % of the total eligible expenditure for the operation concerned, with the exception of land purchase for environmental conservation and carbon-rich soil preservation or land purchased by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;
4. purchase of animals, and purchase of annual plants and their planting. for a purpose other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;
5. interest on debt, except in relation to grants given in the form of an interest rate subsidy or guarantee fee subsidy;
6. investments in large-scale infrastructure, as determined by Member States in their CAP Strategic Plans, not being part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, except for broadband and flood or coastal protection preventive actions aimed at reducing the consequences of probable natural disasters, adverse climatic events or catastrophic events;
7. investments in afforestation which are not consistent with environmental and climate-related objectives in line with sustainable forest management principles, as developed in the Pan-European Guidelines for Afforestation and Reforestation.

investments in Irrigation

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 11 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

This is a development within the meaning of paragraphs 2 (g) and 11 of Annex II to the WTO Agreement on Agriculture.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD42a_O22_A01_ON - Unit cost of rural infrastructure development in closed garden areas	Grant	91(2)(d)-HU-43.00%	Average		R.41	No

Explanation and justification related to the value of the unit amount

RD42a_O22_A01_ON - Unit cost of rural infrastructure development in closed garden areas

Historical data were used. The average unit amounts were determined taking into account grant applications received and approved in response to a call for proposals launched in 2021 from the national budget. The unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD42a_O22_A01_ON - Unit cost of rural infrastructure development in closed garden areas (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	55,000.00	55,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.22 (unit: Operations)	0.00	0.00	50.00	50.00	90.00	90.00	90.00	Sum: 370.00 Max: 90.00
TOTAL	O.22 (unit: Operations)	0.00	0.00	50.00	50.00	90.00	90.00	90.00	Sum: 370.00 Max: 90.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	232,558.00	0.00	0.00	0.00	0.00	232,558.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	100,000.00	0.00	0.00	0.00	0.00	100,000.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD43_R02_LOC_73 - Rural infrastructure development in small settlements

Intervention Code (MS)	RD43_R02_LOC_73
Intervention Name	Rural infrastructure development in small settlements
Type of Intervention	INVEST(73-74) - Investments, including investments in irrigation
Common Output Indicator	O.22. Number of supported infrastructures investment operations or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.3.1	Reducing regional disparities in rural transport infrastructure	3	Partially
8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially
8.4.1	Provision of small villages with child protection, health and education services	3	Partially
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of

this intervention are displayed in bold

R.41 Share of rural population benefitting from improved access to services and infrastructure through CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The purpose of the intervention is to:

Improving the quality of life of people living in rural settlements, increasing sustainability by supporting the development of small-scale infrastructure that contributes to increasing energy efficiency, the development of the local economy, wastewater treatment and the provision of basic infrastructure. The measure contributes to strengthening rural population retention capacity. The most effective way to reintegrate long-term inactive people into society is to involve them in municipal development/maintenance activities, preferably in normal employment. Local development is therefore of an extraordinarily important nature.

Elements of the built environment and/or infrastructure of municipalities that have a real community or economic use/function, adapted to the extent of local needs, can be developed. Among these, we also highlighted multifunctional community spaces, in particular for child protection, health and education, think tanks, sports facilities and tourism development.

The quality of public spaces and services in rural areas is generally lower than in more urbanised areas. The role of local authorities is, inter alia, to develop and expand the spaces for social organisation and to ensure equal access to them for the general public.

As in previous programme periods, we will continue to support the development of local markets, but we want to put more emphasis on the sale of locally produced products, including the use of the widest range of digital opportunities (shopping communities, online marketing, etc.).

Geographical mobility, ease of access to employment, redevelopment of urban roads to help them manage and access services are, in most cases, the main determinants of quality of life on the part of the local population. Therefore, under the CAP Strategic Plan, we are supporting a larger-scale road renovation than before.

The development of local mass caterers contributes not only to the provision of healthy, high-quality food to the population, but also to the development of the local economy through the use of local raw materials.

The creation and maintenance of property security is a crucial element of the liveability of individual municipalities. The provision of motor vehicle and equipment investments by the various watches will thus certainly contribute to meeting the needs.

The establishment of village curatorship is well established as a means of ensuring everyday mobility (shopping, physician, hot meals, administration, etc.) in areas where access is difficult. Securing the investments of these services therefore brings particular social benefits.

As the smart village strategies in Hungary have been completed in a very small number of municipalities, we would like to focus on their preparation and the subsequent implementation of the investments contained therein. Broadband infrastructure is already available in most Hungarian municipalities, for which there would be a high demand, the deployment of a WIFI signal service throughout the municipality.

Target area:

- the transition of renewable energy based primarily on local biomass in local public services: the modernisation of installations performing community functions, the use of forestry (firewood) and other in-situ biomass and the possibility of biogas production;

— energy upgrades and related external reconstruction of buildings that define urban landscapes;

- development and acquisition of equipment for multifunctional community spaces/service centres: the delivery and operation of at least 3 different community services as a result of the development, in particular child protection, health and education services;

construction and renovation of cemeteries with a public function;

— creation of sport and recreational spaces, development of existing ones and/or acquisition of

equipment;

— tourism valorisation and development of cultural, built and natural heritage of local, regional importance and attractiveness for tourism/eco-tourism (information services, sale of local products, introduction of programmes for tourists)

— energy upgrade of facilities performing community functions that do not involve state or municipal functions.

Target B:

establishment and development of infrastructure for local sales of goods and fairs;

— supporting the creation of points of sale for local products and creating opportunities for local distribution;

— regional cooperation supporting local sales of goods (e.g. trademark network, local consumer basket, shopping community, parks, etc.), infrastructure investments;

purchase of equipment and/or on- and off-line marketing tools for cooperation supporting the sale of local, rural quality-enhancing products and services

Target Area C:

development and maintenance of outlying local roads (only roads with a topographical number, owned or managed by the aid applicant);

— purchase of power and work equipment for the management, repair and maintenance of municipal and asset-managed roads;

Target D:

— in municipalities of less than 2000 p.e. (p.e.) not included in the list of agglomerations defined in Annex 1 to Government Decree No 25/2002 of 27 February 2002, or in isolated parts or outlying areas of municipalities listed in Annex 1 to Government Decree No 25/2002 of 27 February 2002 alone, with an appropriate level of wastewater disposal and treatment and the implementation of sewage sludge treatment through the implementation of near-autonomous waste water treatment solutions or individual small waste water treatment facilities

This target area:

- the establishment and improvement of the kitchen of mass caterers and associated storage and/or preparatory premises (including: purchase and installation of machinery, equipment and equipment) and local sourcing of raw materials for supply

Target area F:

- developments for public and property security: free vehicles and equipment purchases by citizens, field guards, voluntary fire-fighting services, other public bodies;

— development of village and farm care services by purchasing vehicles and equipment free of charge

Target area g:

— support the development of infrastructure for smart village projects, where necessary, roll-out/development of broadband internet;

— roll-out of rural WIFI networks

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- Maintenance and operation plan, quality of feasibility study: justification, cost-effectiveness, innovation, sustainability
- Regional aspect.

- Development of renewable energy
- Improvements leading to energy efficiency improvements
- Priority will be given to projects with components aimed at digitalisation and awareness-raising of applicants.
- Cooperative or collective development
- Development and renovation of a protected building
- Increasing the employment impact
- Building for community functions not located in the municipality
- Development preparation/planning with community involvement
- Development goals/functions targeted at the most deprived populations
- Development in a small municipality (less than 1000 inhabitants) or in a town of cherry

— Development in or with the participation of municipalities with a population of 1000 inhabitants or more in the case of outlying road development

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Undertakings with legal personality

– Undertakings without legal personality

— Budgetary and administrative bodies (local government budget management and budgetary bodies)

Associations

— Non-profit legal entities (e.g. ecclesiastical entities, foundations, non-profit companies)

Eligibility criteria:

Preparation of a maintenance and operation plan

— The ownership, use (management) or maintenance relationship relating to the subject-matter of the development continues at least until the end of the maintenance period;

— Municipalities located in rural areas

Territorial scope: Continuing the practice of the 2014-2020 programming period, the territorial scope of the intervention covers all rural municipalities in the country (a municipality where, regardless of administrative status (city/municipality) is defined as a rural area:

a residential population of less than 10 thousand; with a population of over 10 thousand inhabitants

the outskirts of the observatory municipalities; in spite of the above characteristics, you are not entitled to: Budapest and the municipalities belonging to the Budapest agglomeration.

The delineation of projects with other operational programmes has been described in detail in the chapter 4.5 Review of the coordination and demarcation of competences between the EAFRD and other Union funds operating in rural areas and the complementarity of those funds.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid within the meaning of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or
- it failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

- (a) Construction, development and modernisation of buildings and structures.
- (b) Acquisition of new machinery and equipment, technology, modernisation of existing machinery and equipment, including information and communication technologies.
- (C) General costs linked to the aforementioned expenditure, such as architect, engineer and consultation fees, public authority procedural fees, consultancy and project management costs, fees related to advice on environmental and economic sustainability, including feasibility studies.
- (D) Intangible investments: purchase or development of computer software and acquisition of patents, licences, copyrights, trademarks, etc.
- (e) The purchase of the necessary real estate in relation to point (a) up to a maximum of 5 % of the total eligible expenditure of the operation concerned and the value of existing land or real estate essential for the investment may be eligible as contributions in kind, provided that it does not exceed 5 % of the total eligible expenditure of the operation concerned. Up to 10 % of the investment is eligible for the purchase of new land.
- (F) Institutional guarantee at preferential rates

Only costs incurred by the beneficiary on 01/01/2023 and 31/12/2029 at the latest are eligible.

Commitment:

Maintenance obligation of at least 5 years or 3 years in the case of the SME sector

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

—Maximum aid intensity: 100 %

In the case of the use of an institutional guarantee at a reduced rate, an aid intensity increased by 5 % compared to the basic grant may be granted

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The intervention aims to improve the quality of life of people living in rural settlements, increase sustainability by supporting small-scale infrastructure development that contributes to increasing energy efficiency, developing the local economy, wastewater treatment and its supply with basic infrastructure. In the light of the foregoing, that measure falls outside the scope of Article 42 TFEU and is therefore subject

to the competition rules (State aid rules).

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

SA.107119

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is not eligible for support?

The following investments shall not be eligible:

(a) the purchase of agricultural production rights;

(b) purchase of payment entitlements;

(C) the purchase of land for an amount exceeding 10 % of the total eligible expenditure of the operation concerned, excluding the purchase of land for environmental purposes, the purchase of land for the conservation of carbon-rich soil and the purchase of land by young farmers through the use of financial instruments; in the case of financial instruments, that ceiling shall apply to the eligible public expenditure paid to the final recipient, or, in case of guarantees, to the amount of the underlying loan;

(D) the purchase of animals, the purchase of annual plants and the planting of such plants for purposes other than: agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events, or the protection of livestock against large carnivores or the use of animals in forestry instead of machinery, or the rearing of endangered breeds as defined in point (24) of Article 2 of Regulation (EU) 2016/1012 of the European Parliament and of the Council (45) under the commitments referred to in Article 70; or the conservation of plant varieties threatened with genetic erosion in the framework of the commitments referred to in Article 70;

(e) interest on loans, except in the case of grants in the form of interest rate subsidies or guarantee fee subsidies;

(F) investment in large-scale infrastructures, as defined by Member States in their CAP Strategic Plans, that are not part of the community-led local development strategies set out in Article 32 of Regulation (EU) 2021/1060, with the exception of broadband systems and preventive measures for flood and coastal protection aimed at mitigating the consequences of likely natural disasters, adverse climatic events or catastrophic events;

(g) investments in afforestation that do not meet environmental and climate objectives in line with the principles for sustainable forest management set out in the Pan-European Guidelines for Afforestation and Reforestation.

Does the investment contain irrigation?

☐ Yes ☒ No

Investments in the improvement of existing irrigation installations, what is the potential water saving(s) required (expressed in %)

N/A

Details on different potential water savings according to the type of installation or infrastructure (where applicable)

Investments in the improvement of existing irrigation installations (affecting water bodies whose status is less than good) what is/are the requirement(s) for an effective reduction in water use - expressed in %)

N/A

Regional breakdown

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

This is the creation of a dedicated rural infrastructure service within the meaning of point 2(g) of Annex II to the WTO Agreement on Agriculture.

(g) infrastructural **services**, including: electricity reticulation, roads and other means of transport, market and port facilities, water supply facilities, Dams and drainage schemes, and infrastructural works associated with environmental programmes. In all cases the expenditure shall be directed to the provision or construction of capital works only, and shall exclude the subsidised provision of on-farm facilities other than the reticulation of generally available public utilities. It shall not include subsidies to inputs or operating costs, or preferential user charges.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD43_O22_A01_ON - Specific cost of rural infrastructure development in small settlements	Grant	91(2)(d)-HU-43.00%	Average		R.41	No

Explanation and justification related to the value of the unit amount

RD43_O22_A01_ON - Specific cost of rural infrastructure development in small settlements

Historical data were used. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M07 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD43_O22_A01_ON - Specific cost of rural infrastructure development in small settlements (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	143,430.00	143,430.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.22 (unit: Operations)	0.00	0.00	243.00	242.00	360.00	360.00	360.00	Sum: 1,565.00 Max: 360.00
TOTAL	O.22 (unit: Operations)	0.00	0.00	243.00	242.00	360.00	360.00	360.00	Sum: 1,565.00 Max: 360.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	34,847,322.71	34,847,322.72	0.00	0.00	0.00	69,694,645.43
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	14,984,348.77	14,984,348.77	0.00	0.00	0.00	29,968,697.54

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up

RD05_B01_YFS_75 - Generational renewal with start-up support for young farmers

Intervention Code (MS)	RD05_B01_YFS_75
Intervention Name	Generational renewal with start-up support for young farmers
Type of Intervention	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up
Common Output Indicator	O.25. Number of young farmers receiving setting-up support
Contributing to ringfencing requirement for/on	Generational Renewal: Yes Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas
SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes
7.1.3	Easing access to land for young farmers	2	Partially
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
7.2.2	Attracting young generations to farming	1	Yes
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold
R.36 Number of young farmers benefitting from setting up with support from the CAP, including a gender breakdown
R.37 New jobs supported in CAP projects

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Purpose of the intervention: In order to halt the ageing of agriculture, encourage agro-generational change and reduce the rural exodus of young people, it is also necessary to provide support through the instruments of the Common

Agricultural Policy to facilitate the start-up of farmers who wish to manage agricultural production on a lifelong basis. The setting-up of an agricultural activity presupposes the existence of basic know-how and production potential (land area, livestock, etc.) on which the start-up can rely on in order to achieve the objectives set out in its business plan.

A fundamental feature of the younger generation is that they typically have no or lower accumulated capital due to their age characteristics, which also justifies their support.

Principles governing the establishment of selection criteria, which may also be partially applied (selection criteria):

quality of the business plan,
level of professional qualifications,
previous professional experience,
higher value-added farming activity or farming mode,
—continuation of organic farming,
employment impact,
a woman applying for support,

Link to other interventions:

[RD58_A01_TRA_78 – Training and demonstration schemes](#)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

Natural persons

– Undertakings having legal personality

Eligibility criteria:

“CAP Strategic Plan 4.1.5 Young farmer as defined in the chapter:

(a) a natural person aged 18 years or more and up to 40 years of age who:

- State-recognised agricultural know-how;
- keep a holding established for up to 5 years
- have a farm size of 10.000 or more but less than or equal to 50.000 SO.

in the case of a legal person carrying out an agricultural activity not more than 5 years from the date of submission of the application as its main activity:

- the senior official and owner of the legal person is between 18 and 40 years old,
- the chief executive and owner of the legal person have recognised agricultural expertise;
- the juridical person has a plant size of at least 10.000 STE and the manager and owner of the juridical person together have an operating size equal to or less than 50.000 STE.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- start implementing the business plan within a maximum of 9 months from the grant decision,
 - compliance with the commitments made in the business plan by the end of the 4th management year at the latest,
 - the manager and owner of the beneficiary or legal entity at the end of the period agreed in the business plan, at the latest in the 4th closed farming year of the aid, earned at least the minimum wage in the previous year, and must manage his holding with personal assistance,
 - submit annual accounts,
 - cooperation with a special adviser
- Reserve a minimum SO of EUR 10000 until the end of the 5th year.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

- Str Article 83(1)(c) and 2 (a)(i)

The maximum amount of aid shall be EUR 40.000.

Range of support at beneficiary level

The maximum aid rate is EUR 40.000.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(a) - Less developed regions	85.00%	20.00%	85.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD05_O25_U01_BN - Specific number of generational renewal with start-up support for young farmers	Grant	91(2)(a)-HU-85.00%	Uniform		R.36; R.37	No

Explanation and justification related to the value of the unit amount

RD05_O25_U01_BN - Specific number of generational renewal with start-up support for young farmers

Calculated on the basis of historical data. When determining the average unit amounts, the aid applications received and approved in response to calls for proposals under measures M06 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD05_O25_U01_BN - Specific number of generational renewal with start-up support for young farmers (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	40,000.00	40,000.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.25 (unit: Beneficiaries)	0.00	1,298.00	1,297.00	25.00	25.00	25.00	25.00	Sum: 2,695.00 Max: 1,298.00
TOTAL	O.25 (unit: Beneficiaries)	0.00	1,298.00	1,297.00	25.00	25.00	25.00	25.00	Sum: 2,695.00 Max: 1,298.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	51,901,692.18	51,901,692.19	0.00	0.00	0.00	0.00	103,803,384.37
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	44,116,438.35	44,116,438.36	0.00	0.00	0.00	0.00	88,232,876.71

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	51,781,606.80	51,781,606.80	0.00	0.00	0.00	0.00	103,563,213.60
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	44,014,365.79	44,014,365.78	0.00	0.00	0.00	0.00	88,028,731.57

RD06_B02_YFY_75 - Generational renewal with support for the economy

Intervention Code (MS)	RD06_B02_YFY_75
Intervention Name	Generational renewal with support for the economy
Type of Intervention	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up
Common Output Indicator	O.27. Number of rural businesses receiving support for start up
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The area under which the intervention is implemented is Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes
7.1.2	Support intergenerational cooperation	2	Yes
7.1.3	Easing access to land for young farmers	2	Partially
7.1.5	Reducing the administrative burden of intergenerational transfer of agricultural enterprises	2	Partially
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
7.2.2	Attracting young generations to farming	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Purpose of the intervention:

The objective of the intervention is to take over one or more holdings from the transferor of a holding in operation and the corresponding payment entitlements and all the obligations. The intervention supports the recipient of the holding with the aim of acquiring the holding, in the form of an initial grant.

The continued operation and development of existing and competitive farms contributes to maintaining

and improving the competitiveness of agriculture. Younger farmers who are close to retirement age will benefit generational renewal.

Support for generational renewal is aimed at improving the age structure of farmers, but in addition to generational renewal, it is also an important objective not to close operational farms.

Principles governing the establishment of selection criteria, which may be partially applied:

For the recipient(s):

content and quality of the project plan (In particular: environmental and climate adaptation, environmental and climate adaptation, undertaking to participate in a quality scheme or quality assurance or quality management system, organic farming, employment impact (including: employment of people with disabilities).

the level of professional qualifications,

previous professional experience,

co-operation with the Adviser managing the takeover,

higher value-added farming activity or farming mode

Relevant legislation:

Act CXLIII of 2021 on the transfer of agricultural holdings

Link to other interventions:

“ RD07_B03_YFO_77 – Generational renewal, cooperation on economic transfers” – intervention.

[RD58_A01_TRA_78 – Training and demonstration schemes](#)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

- The person who takes over the holding and its obligations.
- Commercialisation can only be created between natural persons.

Eligibility criteria:

- The farm transfer contract in force at the time of submission of the aid application.
- Project Plan
- The transferee shall be a primary farmer or self-employed person engaged in agricultural or agricultural or forestry activities at least ten years younger than the farm transferor, who is at least 18 years old and less than 50 years old, and who fulfils the conditions laid down by law for the operation of the holding to be taken over
- The holding to be transferred has a minimum farm size of EUR 10000 or an agricultural turnover of EUR 10000.
- In the case of the transferee of the holding, a professional qualification.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

- Participation in compulsory training

- The takeover of the holding shall operate the holding taken over for at least 5 years, during which the holding size or agricultural turnover shall not fall below the size of the holding or the agricultural turnover at the time of transfer.

— The transfer of the holding must end no later than 5 years after the decision to grant support.

— The transferee of the holding shall not transfer the ownership or use of the land received to another person within five years of acquiring the ownership or use of the land received, shall not use it for any other purpose and shall comply with the obligation to use the land laid down in the Act on the Protection

of Land.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

- Str Article 83(1)(c) and 2 (a)(i)

The type of payment is a flat-rate grant.

The aid that may be awarded may be differentiated on the basis of objective criteria.

Range of support at beneficiary level

In the case of the transferee, the aid amounts are:

Between EUR 10000 and EUR 19999 SA: EUR 10000

Between EUR 20000-29999, EUR 999: EUR 15000

Between EUR 30000-39999 SO: EUR 20000

Between EUR 40000-49999 SO: EUR 25000

Between EUR 50000 and EUR 59999 SA: EUR 30000

Between EUR 60000 and EUR 69999 SA: EUR 35000

Between EUR 70000 and EUR 79999 SA: EUR 40000

Between EUR 80000 and EUR 89999: EUR 45000

Above EUR 90000 SU: EUR 50000

For agricultural turnover:

Between EUR 10000 and EUR 1999: EUR 10000

Between EUR 20000-28999 and EUR 999: EUR 15000

Between EUR 30000-39999: EUR 20000

Between EUR 40000-49999: EUR 25000

Between EUR 50000 and EUR 59999: EUR 30000

Between EUR 60000 and EUR 69999: EUR 35000

Between EUR 70000 and EUR 79999: EUR 40000

Between EUR 80000 and EUR 89999: EUR 45000

Above EUR 90000: EUR 50000

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

SA.107119

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD06_O27_A01_BN - Unit amount of intervention with support for generational renewal by the takeover of young farmers	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD06_O27_A01_BN - Unit amount of intervention with support for generational renewal by the takeover of young farmers

Historical data are not available for the calculation and funding is planned on a flat-rate basis, so the average unit amount is determined on the basis of a medium average (EUR 30.000).

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD06_O27_A01_BN - Unit amount of intervention with support for generational renewal by the takeover of young farmers (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	30,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.27 (unit: Beneficiaries)	0.00	0.00	0.00	117.00	448.00	448.00	448.00	Sum: 1,461.00 Max: 448.00
TOTAL	O.27 (unit: Beneficiaries)	0.00	0.00	0.00	117.00	448.00	448.00	448.00	Sum: 1,461.00 Max: 448.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	3,504,311.00	0.00	0.00	0.00	3,504,311.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	1,506,853.73	0.00	0.00	0.00	1,506,853.73

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD08_B04_BIS_75 - Generational renewal by supporting start-up rural and young forest entrepreneurs

Intervention Code (MS)	RD08_B04_BIS_75
Intervention Name	Generational renewal by supporting start-up rural and young forest entrepreneurs
Type of Intervention	INSTAL(75) - Setting up of young farmers and new farmers and rural business start-up
Common Output Indicator	O.27. Number of rural businesses receiving support for start up
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Entire country

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.1.1	Encouraging business start-ups in agriculture and forestry among young people	1	Yes
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.37 New jobs supported in CAP projects

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Target Area 1: The objective of the intervention is to promote the start-up of commercial or service businesses in rural areas that serve local needs, with a particular focus on business development in farmya settlements and small wallworm areas with a lack of business. The intervention is support for business start-ups in rural areas, which contributes to making rural settlements more liveable and attractive.

Targetarea2: In line with the unfavourable age structure of agricultural businesses, forest managers are ageing, and it is therefore necessary to provide targeted incentives for young professionals to start up their

own businesses. Members of the younger generation of foresters tend to have no or lower accumulated capital due to their age characteristics, which also justifies their specific support. An incidental objective is the professionalisation of unmanaged forests as far as possible. It is also extremely difficult for young professionals with qualified experience and meeting the requirements of 'eligible professionals' to set up a self-employed forest management company. The very long payback time for forest management and the capital and debt to reach rational plant sizes are extremely difficult.

Content: facilitating the start-up of young forest professionals with special lump sum support.

Principles governing the establishment of selection criteria, which may be partially applied:

- Business plan quality
- Regional perspective
- Social enterprises benefit from scoring
- Employment
- Professional qualifications
- Management of non-farmed forests
- Connection to a Quality Certification Scheme (PEFC, FSC)
- Participation in a mentoring programme

Link to legislation:

Act XXXVII of 2009 on Forest, Forest Protection and Forest Management

61/2017. Decree No. XXXVII of 21 December 2009 of the Minister for Agriculture implementing Act XXXVII of 2009 on forests, forest protection and forestry

Decree No 383/2016 of 2 December 2016 on the designation of bodies performing official and administrative tasks in the field of agriculture

Government Decree No 244/2020 of 28 May 2020 laying down rules on the activities and registration of forestry personnel and forestry management undertakings and on the further training of forestry personnel

Objective of the intervention: support for young rural start-ups and young foresters

Link to other interventions: information, professional development (first line business management, special mentoring (supported consultancy topic), EIP, AKIS

RD58_A01_TRA_78 – Support for training and demonstration facilities

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Target area 1

Natural persons

Enterprises with legal personality (economic associations + cooperatives (particularly social cooperatives)

Undertakings without legal personality

– Non-profit organisations with legal personality (ecclesiastical legal persons, foundations, non-profit business associations)

2 target areas

In the case of an individual: eligible forestry specialists aged 18 years or over and under 40 years of age

In case of a legal person:

not more than 5 years from the date of submission of the application, carry out forest management activities as its main activity

the senior official and majority owner of the legal person with the right to sign independently is 40 years old or less,

the chief executive officer and majority owner of the legal person who has the right to sign independently is entitled to forestry

Eligibility criteria:

Target area 1

proof of normal residence in a rural area during the 12 months preceding the submission of the application, or, in the case of a legal person, the registered office of the legal person is located in a rural area during the 12 months preceding the submission of the application and its owners and managers have their place of residence in rural areas during the 12 months preceding the submission of the application.

development of non-agricultural activities in rural areas.

a natural person or a sole trader who, during the 12 months prior to the submission of the application, has/have been owned by a sole trader in an enterprise/who has been a member of a partnership which has carried out the activity covered by the application may not apply.

(D) No legal entity may apply if it has carried out the activity covered by the application in the 12 months preceding the submission of the application.

an applicant who has been awarded an application for the same action in the same municipality in the last five years under the LEADER or other Fund-funded Operational Programme shall not be eligible.

applicants must have at least secondary vocational education

submission of business plan

2 target areas

Submission of a business plan

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it qualifies as a firm in difficulty (the concept of firm in difficulty is referred to in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Specified in Section 6(4a) and (4b) of Government Decree No 22/2015) and
- it has not complied with a decision of the European Commission addressed to Hungary requiring the repayment of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

Target area 1

- implementation of a business plan by the end of the commitment period.

Target area 2

- start implementing the business plan no later than 9 months after the grant decision;
- become a forest manager entitled to at least 20 hectares of forest by the end of the 4th management year from the start at the latest
- compliance with the commitments made in the business plan by the end of the 4th management year at the latest,
- at the latest in the 4th closed management year of the aid, the beneficiary's income from forestry activities is at least equal to the previous year's statutory minimum wage and must manage the undertaking with personal involvement;
- submission of an annual technical report,
- cooperation with a special adviser, compulsory participation in a total of five training sessions per year
- mandatory investment within 4 years, with a minimum value of EUR 30,000,

- the sponsored person or, in the case of a legal person, its executive officer and the majority owner with independent signature rights may not change (except in the case of inheritance)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

Str Article 83(1c) and 2(a)(i)

Range of support at beneficiary level

1. target area: Flat-rate grant up to EUR 30,000.

2. target area: The maximum aid rate is EUR 100.000, as follows:

1. flat-rategrant for 5 years EUR 40,000

+ compulsory investment by the end of the 4th closed management year with a minimum value of EUR 30,000

+ additional flat-rate grant of EUR 30,000 for an additional 5 years maintenance period during which the eligible forest area cannot be reduced

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The forestry sector falls outside the scope of Article 42 TFEU, so that aid granted to it is subject to competition rules (State aid rules).

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Amber Box

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

Not relevant.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD08_O27_A01_BN - Unit cost of generational renewal by supporting rural start-ups	Grant	91(2)(d)-HU-43.00%	Average		R.39	No
RD08_O27_A02_BN - Unit amount of start-up aid for young forest managers	Grant	91(2)(d)-HU-43.00%	Average		R.37; R.39	No

Explanation and justification related to the value of the unit amount

RD08_O27_A01_BN - Unit cost of generational renewal by supporting rural start-ups

Based on historical data, the Rural Development Programme was calculated on the basis of the relevant operations of measure M6.

RD08_O27_A02_BN - Unit amount of start-up aid for young forest managers

Justification for Target Area 2 (FIEG) 'average' UA (EUR 100.000): experience with start-up aid for young mg (VP6.1): with few exceptions, all applicants applied for the maximum amount that can be claimed.

In the case of a young start-up forest manager, we estimate the order of EUR 100.000 because:

(a) the maximum amount may be obtained by undertaking 5 + another 5 years of farming;

(b) in the case of forest management, it has no rationality to calculate a business period of less than 10 years.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD08_O27_A01_BN - Unit cost of generational renewal by supporting rural start-ups (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	30,000.00	30,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.27 (unit: Beneficiaries)	0.00	0.00	48.00	48.00	181.00	181.00	181.00	Sum: 639.00 Max: 181.00
RD08_O27_A02_BN - Unit amount of start-up aid for young forest managers (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	

	Maximum planned average unit amount (where applicable) (EUR)	0.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	
	O.27 (unit: Beneficiaries)	0.00	70.00	30.00	0.00	0.00	0.00	0.00	Sum: 100.00 Max: 70.00
TOTAL	O.27 (unit: Beneficiaries)	0.00	70.00	78.00	48.00	181.00	181.00	181.00	Sum: 739.00 Max: 181.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,433,577.57	1,433,577.57	0.00	0.00	0.00	2,867,155.14
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	616,438.35	616,438.36	0.00	0.00	0.00	1,232,876.71
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RISK(76) - Risk management tools

RD14_I03_DMMF_76 - Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund

Intervention Code (MS)	RD14_I03_DMMF_76
Intervention Name	Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund
Type of Intervention	RISK(76) - Risk management tools
Common Output Indicator	O.9. Number of units covered by supported CAP risk management tools
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Hungary

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The Agricultural Damage Mitigation Risk Management Fund (hereinafter: The rules governing the operation of the Compensation Fund) were notified by the Ministry of Agriculture in 2011 (SA. 61783), approved by the EU Commission. The Compensation Fund in its current form was launched in 2012. The Damage Fund covers part of the compensation for losses in yields caused by drought, frost (winter, spring, autumn), agricultural flooding, inland water, cloud rupture, storm and hail. Since the start of the measure, the number of participants in the risk pool ranged from 72 to 75 thousand, and the area covered by the measure was 3.7 million hectares (around 86 % of the total arable land, vine and plantation area).

The purpose of the intervention is to: Hungary operates the Damage Fund to mitigate economic damage to farmers as a result of weather and other natural risks and to encourage willingness to take out insurance.

The measure aims to address the protection and weather risks of certain crop sectors (arable crop

production, arable vegetable production and cropyards).

The Hungarian State Treasury, as the agricultural damage control body, the National Food Chain Safety Office, as the agricultural administration body and the county government office, is involved in the operation of the Damage Fund. The financial resources of the Compensation Fund are as follows:

(a) the amount of compensation contributions paid annually by farmers who are members of the compensation fund (approximately 30 % of the total annual new resources of the Fund)

(b) cash from the national budget (at least 30 % of the total resources of the Fund) supplementing each HUF 1 producer's contribution by at least HUF 1

(C) CAP ST funds (intervention RD14)(up to 40 % of the total resources of the Fund, but

Combined with the resources referred to in points (b) and (c), up to 70 % of the total new annual resources of the Fund)

(D) Residual of the Fund's resources not used for compensation to producers in previous years.

The level of compensation contributions depends on the crop sector, the amount of the contribution is HUF 4500 per hectare for vegetable and plantation production on arable land (HUF 5400 per hectare as of 2024) and HUF 1500 per hectare for other arable production (1 800 HUF/ha as of 2024). Members of the Compensation Fund may, subject to payment of the compensation contribution, receive a compensation allowance in the event of a reduction of more than 30 % or a reduction (product of yield and price) of more than 30 % of the reference yield at crop level over the past 5 years, excluding the lowest and the highest value. The mitigation allowance shall be limited to 80 % of the reduction in the value of the return if the producer has appropriate plant insurance (or crisis insurance from 2024). In the absence of insurance, only 40 % of the reduction in yield value can be compensated by the producer

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Beneficiaries: The beneficiary of the compensation is the Compensation Fund and the final beneficiary is the producers that are members of the Fund. It is mandatory to join the Compensation Fund for active farmers who are eligible for the basic income support (BISS) and have submitted a single application (EC) and:

they have at least 1 hectare of plantation in the EC submitted,

the area of arable vegetables in the EC submitted is 5 hectares,

they have an area of 10 hectares of other arable crops in the EC submitted,

the combined area of arable vegetables and the area of plantation used for cultivation in the EC submitted reaches 5 hectares,

the area of arable vegetables and other arable crops and their area of plantation in the EC submitted is 10 hectares.

A farmer with land smaller than the above-mentioned size may join the Compensation Fund voluntarily, with a separate declaration made in the EC for the current year, on the basis of 3 years' continuous membership. May be entitled to a compensatory allowance, who:

— has suffered at least 30 % of the reference return and has declared the incident on the electronic interface set up for this purpose in due time,

at farm level, it has suffered a reduction in yield of at least 15 % compared to its reference yield for the crop affected by the elemental damage,

— at least 30 % of the reference yield was confirmed by decision of the agricultural damage assessment body,

The application for compensation was submitted by the deadline laid down by law,

- the compensation contribution was paid on time and in full. The conditions of eligibility of the final beneficiaries are thus the same as SA. Under the conditions laid down in the State aid scheme 61783.

As a beneficiary, the Compensation Fund must comply with the following conditions:

the Compensation Fund shall be accredited by the competent authority in accordance with national law no later than 2024,

the Compensation Fund shall pursue a transparent policy for payments to and payments from the Fund,

and

— the Compensation Fund establishes the liability for any debt incurred on the basis of clear rules.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Pursuant to Article 76(3)(b) of the CAP Strategic Plan Regulation 2021/2115, the maximum amount of the financial contribution from Pillar II to the allocation of the compensation fund, taking into account support from the national budget, shall be limited to a maximum of 70 % of the eligible costs.

Eligible cost:

farmers' annual compensation contribution to the compensation fund

The final beneficiaries of measure RD 14 are farmers and therefore this measure falls within the scope of Article 42 TFEU, which has the effect of exempting the measure from further State aid review. Under measure RD 14, compensation benefits will be paid for the first time in March 2025 (until 31 March 2025). Producers will be able to join this Risk Management Fund as of April 2024 and the annual producer contribution will be paid by 15 September 2024.

For the calendar year 2024, it is still fully nationally funded for claims for compensation in 2023 (SA. 61783) we operate an agricultural damage mitigation scheme through which compensation payments will be made (until 31 March 2024). However, as of calendar year 2025, which served to mitigate the damage in 2024, the Damage Fund will draw on the funds of measure RD 14

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

Maximum amount of the financial contribution from Pillar II to the resources of the Compensation Fund, taking into account support from the State budget. The aid intensity is limited to a maximum of 70 % of the eligible costs.

73000 final beneficiaries are expected to participate in the measure.

Additional explanation

If the amount available in the Compensation Fund (unused resources of previous years + producer payment for the year in question + national top-up for producer payments + CAP ST aid linked to producer payments) does not cover the amount of the compensation payments established for the damage of the year in question, the amount of the allowances should be reduced uniformly and proportionately.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

Compensation of losses. What is the threshold triggering compensation?

The intervention shall receive a financial contribution to the Compensation Fund in order to provide a

mitigation allowance from the Fund where an active farmer who has acceded to the Fund has suffered a reduction in yield exceeding 30 % and a reduction in yield value of more than 15 % from the five-year period preceding the reference year as a result of a decision of an active farmer who has acceded to the Fund, compared to the three years calculated by leaving the two years with the highest and the lowest yield.

What is the methodology for the calculation of losses and triggering factors for compensation?

The reduction in the value of the yield is determined as the product of the reduction in the yield in the current year multiplied by the reference price for the crop in the current year, as published in the Ministerial Notice, compared to the average yield value of the reference period in the reference period. A farmer may only be entitled to the maximum amount of the compensation, i.e. 80 % of the reduction in the value of the yield, if he has an agricultural insurance contract covering an agricultural event specific to a crop. In the absence of insurance, a producer may be entitled to half of the mitigation benefit, i.e. 40 % of the reduction in the value of the return.

What is the type of risk management tool?

- ☐ Insurance
☒ Mutual fund
☐ Other

What are the production losses coverage?

crop

horticulture

What are the income losses coverage?

non sector specific

What are the provisions in order to avoid overcompensation of that contribution?

In accordance with point 357 of sub-chapter 1.2.1.2 of the current agro-forestry guidelines, the amount of the compensation allowance is to be taken into account in determining the amount of the compensation granted under national or Union measures or under a subsidised insurance scheme for the same plant, area or damage. In order to avoid overcompensation, costs recovered in other ways (e.g. costs not incurred as a result of a reduction in yield) are also taken into account as a reducing factor.

10 WTO compliance

Green Box

Paragraph 7 of Annex 2 WTO

Explanation of whether and, if so, how the intervention respects relevant provisions of Annex 2 to the WTO Agreement on Agriculture (Green Box)

Under the intervention, a financial contribution shall be granted to the Compensation Fund on the basis that an active farmer affiliated to the Fund suffers a reduction in yield of more than 30 % from the five-year period preceding the reference year as a result of a primary damage event compared to three years after the two years with the highest and the lowest yield.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD14_O09_A01_FN - Rural development eligible costs	Grant	91(2)(d)-HU-43.00%	Average		R.5	No

Explanation and justification related to the value of the unit amount

RD14_O09_A01_FN - Rural development eligible costs

Support for viable farm income and resilience in the European Union in relation to specific objective No 1 to maintain food security is the main need No 2 to reduce income fluctuations due to natural (weather) and market risks, justifying the continuation of the intervention over the period 2023-2027. In particular, the intervention contributes to and addresses the following sub-necessities:

Addressing adverse climatic events and damage to farmers caused by climate change in agriculture (crops, arable horticulture, plantations),

2.4 Promotion of agricultural insurance (self-insurance).

The value of the unit amount depends on the number and amount of claims for compensation. In 2024, the Compensation Fund will order the payment of a contribution from the joining producers of around HUF 7.5 billion, supplemented by funds of HUF 7.5 billion from the national budget. During the planning period, the number of members of the Damage Fund is stagnating, given the compulsory membership of the farm size.

An average unit amount is used, as a different amount of compensation is paid per final beneficiary. We also set a maximum planned average unit amount, making use of the possibility provided for in Article 102(3) of the CAP STR. The average unit amount represents the amount of the specific mitigation benefit per final beneficiary using the risk management tool. The number and amount of claims for the mitigation allowance and the number of producers wishing to use the risk management tool are factors of uncertainty for the planning of the unit amount.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD14_O09_A01_FN - Rural development eligible costs (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	1,364,179.07	1,364,179.07	1,364,179.07	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.9 (unit: Funds)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00

TOTAL	O.9 (unit: Funds)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,364,179.07	1,364,179.07	1,364,179.07	0.00	0.00	4,092,537.21
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	586,597.00	586,597.00	586,597.00	0.00	0.00	1,759,791.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD16_I01_INS_76 - Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance

Intervention Code (MS)	RD16_I01_INS_76
Intervention Name	Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance
Type of Intervention	RISK(76) - Risk management tools
Common Output Indicator	O.9. Number of units covered by supported CAP risk management tools
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Subsidised agricultural insurance can be claimed under uniform conditions throughout the country.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

An insurance premium scheme covering arable crops (including arable vegetables) and permanent crops was introduced as Pillar II of the complex agricultural risk management system from 2012 to 2014, financed from EAGF in 2012-2014, from national resources in 2015 and from 2016 onwards from EAFRD. The popularity of subsidised insurances has been increasing year on year and the European Court of Auditors has also expressed a positive view on this measure in its report.

In order to address farmers' losses caused by adverse climatic events and climate change, and to promote and maintain farmers' self-care, encourage the conclusion of plant insurance contracts covering agricultural damage resulting from weather risks exceeding a 20 % yield reduction by means of support for insurance premiums.

Types of subsidised insurance: Type A insurance is a type of package insurance **which** covers all risks of hail, drought, agricultural flooding, winter frost, spring frost, autumn frost, cloud breakage, storm weather (so-called total risk insurance).

Type A insurance may **only be taken out jointly** for the listed types of damage. Because of its overall risk nature, this method of insurance provides the best protection against natural risks. Under this type of insurance, only arable crops and crops grown most frequently in the largest production area and in the most common field can be covered (see. Table 1). The premiums for package A insurance are of course higher than those for type B or C insurance due to their overall risk nature.

1. *table 1 Type A insurance for the following crops*

<i>Crops eligible for type A insurance cover</i>	<i>calenders: wheat, barley, rye, triticale, maize.</i> <i>oil crops: swede rape, sunflower</i> <i>fruit plantations: apples, peaches, apricots, nectarines, plums, nuts, hazelnuts, almonds, pears, sour cherries, cherries</i> <i>vineyard</i>

In the case of type B and type C insurance, the insured person may choose which of the eight weather risk factors listed in the introduction he/she wishes to cover in combination (the so-called **named risk**).

Type B and C insurances differ only in terms of which crops can be covered (Table 2).

2. *table 1 Crops which may be covered by type B or C insurance*

<i>Crops eligible for type B insurance cover</i>	<i>fruit and vegetable plantations: all fruit and vegetables</i>
<i>Crops eligible for type C insurance cover</i>	<i>crawlers grown on arable land, industrial, protein, forage and medicinal plants</i>

Type A plant insurance: multi-Peril (**multi-Peril**) covering all eight weather risks (spring frost damage, winter frost damage, winter frost damage, agricultural flood damage, cloud damage, burners, storm damage, drought damage). The types of damage listed are eligible for insurance cover only in combination.

Type B and C plant insurance: of the eight weather risks (spring frost, winter frost damage, winter frost damage, agricultural flood damage, cloud damage, storm damage, drought damage), the insured person may determine which damage, or even several types of damage, should be covered by insurance (the so-called **single Peril**)

Subsidised agricultural insurance may be claimed only for insurance contracts covering damage resulting from adverse climatic events (hail, drought, agricultural flood damage, spring/winter frost, cloud breakage, storm damage) causing a **reduction in the farmer's crop at farm level by more than 20 %**. The draft insurance contract containing the premium-subsidised insurance subsidy shall be approved by the Minister for Agriculture at the request of the insurance company.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

The beneficiaries of the premium shall be producers who submit a single application and are therefore active farmers.

Therefore, a producer with a client identifier at the Hungarian State Treasury may apply for a fee subsidy if he indicates in the single application that he applies for a fee subsidy.

- The insurance contract covers the following losses resulting from adverse climatic events: hail, drought, agricultural flooding, winter frost, spring frost, autumn frost, cloud break, storm.
 - The insurance contract covers losses that result in a drop in yield by more than 20 %.
 - The maximum aid rate is the total eligible costs (net annual insurance premium paid)
- 70 %

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Aid for premiums for agricultural insurance contracts which meet the conditions set out above.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ Grant

☐ Financial instrument

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The maximum aid rate is **70 %** of the annual net insurance premium paid.

Additional explanation

The extent of the decrease in the planned unit amount from 2027 to 2028 is proportional to the increase in the number of beneficiaries from 2027 to 2028 (4 per cent). The maximum planned unit amount (EUR 220) has been established taking into account a historical reference period: From 2017, we examined, first, how many producers (beneficiaries) benefited from fee subsidies in the previous programming period, followed by **(17 per cent) has been defined as the maximum unit amount. We also sought the opinion of the Hungarian Insurance Association (MABISZ) on their forecast of the number of clients (beneficiaries) benefiting from the premium support up to 2028. 2017: 10 997 2018: 14 172 2019: 15 132 2020: 17 197 2021: 20 790** As seen, historical data show a dynamic increase in the number of beneficiaries from year to year (an average increase of 24 % over an eight-year period). However, on the basis of MABISZ's projections and technical opinions, we expect much more subdued growth in the coming years: We reported an increase of 5 % until 2024 and 4 % from 2025 to 2028. However, according to our information from our senior managers, only the 2027s and 2028s are relevant for the Strategy Plan. In establishing the maximum amounts, for measure RD16, we calculated 35 % of the unit amounts (drastically increased crop prices, war situation, uncalculable economic environment, exchange rate fluctuations, inflation, etc.)

Relation of premium support to the other agricultural risk management pillars:

I. agricultural damage mitigation vs. premium support Approved by the Commission on the basis of sub-chapter 1.2.1.2 (362) of the current agro-forestry guidelines, the compensation amount paid by the insurance company for the same eligible cost (same crop, area, damage event) is taken into account in the calculation of the aid under the agricultural damage mitigation pillar (Pillar I) financed from purely national funds.

II. Insurance premium support vs. Crisis insurance Overcompensation is also excluded with regard to the crisis insurance pillar of the agricultural risk management system (Pillar IV), as other agricultural income must be shown and fully accounted for the compensation received from the insurer in relation to the incident.

III. Premium support vs. Sectoral measure With regard to the objective referred to in Article 46(j) of the Regulation of the European Parliament and of the Council concerning climate risks in the fruit and vegetables sector, the following harvest and production insurance referred to in Article 47(2)(i) is described in the description of the type of intervention with code SC26_I08_FVH_47. Harvest and production insurance interventions shall not cover insurance payments which compensate producers for more than 100 % of the income loss suffered, taking into account any compensation the producers obtain

from other support or insurance schemes related to the insured risk.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

Compensation of losses. What is the threshold triggering compensation?

In the insurance contract, the damage threshold for the area covered by the insurance contract for all three types of insurance ('A', 'B' and 'C') exceeds 20 % of the sum insured in the damaged area.

What is the methodology for the calculation of losses and triggering factors for compensation?

Insurance companies determine the extent of the reduction in yield by carrying out an on-the-spot injury assessment.

The premium is available on premiums for insurance contracts which clearly provide that compensation is paid only for agricultural damage of more than 20 %.

Insurance companies shall lay down the rules governing the determination of claims and the extent of the service in the insurance contract. In all cases, the loss of yield is determined by a damage expert on which a report is drawn up (including a photo).

The simplified steps in the injury assessment and settlement process are as follows:

·on-the-spot damage assessment: within a maximum of 5 days following the reporting of claims, the insurer's claims experts shall determine the extent of the yield loss by means of an on-the-spot damage assessment. In the course of the on-the-spot damage assessment, a report of the damage is drawn up and signed by the insured person on the spot. The report shall set out the method used to determine the amount of crop loss during the damage assessment and whether the insured person accepts the loss of yield established by the damage expert. The injury assessment also produces geotagged pictorial evidence.

·compensation: the injury review report and the visual evidence shall be forwarded by the injury expert to the claims management department of the insurance company. The first step in the settlement of claims is the examination of the legal basis of the claim and then of the coverage. If that investigation is successful, then, as a second step, the injury organiser determines the actual loss of yield and the amount of compensation.

For each type of insurance, insurance companies establish a specific tariff (the so-called tariff) from which they calculate insurance premiums. The pricing of agricultural plant insurances does not use the insurance policy tracking method (indexation) used in property insurance, but a unit price based on the current market price of individual plant species. These unit prices are updated by the insurer's professionals before each insurance season in order to prevent under- or over-insurance and the resulting inconvenience.

What is the type of risk management tool?

☒ Insurance
☐ Mutual fund
☐ Other

What are the production losses coverage?

horticulture

crop

What are the income losses coverage?

sector specific

What are the provisions in order to avoid overcompensation of that contribution?

There are no other public or private measures supporting the same eligible costs (insurance premiums) as this measure.

10 WTO compliance

Amber Box

Explanation of whether and, if so, how the intervention respects relevant provisions of Annex 2 to the WTO Agreement on Agriculture (Green Box)

On the basis of **Article 76 of Regulation (EU) No 2021/2115**:

“Member States shall ensure that support is granted only if the drop in the income of the farmer exceeds a threshold of at least 20 % of the average annual production or income calculated on the basis of the preceding three-year period or a three-year average based on the preceding five-year period excluding the highest and lowest entry. The sectoral production risk management tools shall calculate losses at farm level or at the level of the holding’s activity in the sector concerned.”

Point 8 of **Annex 2 to the WTO Agreement on Agriculture** provides that agricultural tariff subsidies are exempted from the so-called reduction commitments if the crop losses exceed 30 % of the average annual harvest calculated on the basis of the preceding three-year period or a three-year average based on the preceding five-year period excluding the highest and lowest entry.

The **second sentence of the second paragraph of Article 10 of Regulation (EU) No 2021/2115** indicates that, for measures not listed in Annex 2 to that regulation, the WTO paragraphs listed in that annex are indicative and may correspond to other paragraphs of Annex 2 to the WTO Agreement on Agriculture.

The agricultural guarantee premium measure, using the possibility provided for in the relevant EU regulations, is designed in such a way that the premium can be used for insurance premiums covering losses exceeding 20 % of the 5-year average (except the highest and lowest two years). Due to the 20 % average annual crop loss, this measure is among the amber box measures of the WTO.

Furthermore, this measure complies with paragraph 8 of the WTO Agreement on Agriculture, i.e.:

- the natural (or similar) disaster is depleted by the authorities;
- the payment covers income losses incurred as a result of, and not exceeding, the natural disaster
- the aid is less than 100 % of the loss of income suffered as a result of that damage by the amount paid to the producer for the same damage.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD16_O09_A01_BN - Amount of insurance premium supported	Grant	91(2)(d)-HU-43.00%	Average		R.5	No

Explanation and justification related to the value of the unit amount

RD16_O09_A01_BN - Amount of insurance premium supported

The average unit amount represents the amount of the specific premium subsidy per beneficiary using the risk management tool. The unit amount is unique per beneficiary, as the premium, and hence the aid amount, depends on the culture covered, the rates of the insurance company in question, the type of insurance and the risk. The number of enterprises wishing to use the risk management tool, the impact of the inflation rate and the increase in insurance prices on premiums are an element of uncertainty for the design of the unit amount.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD16_O09_A01_BN - Amount of insurance premium supported (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	1,548.00	1,484.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	2,090.00	2,003.00	0.00	0.00	0.00	
	O.9 (unit: Beneficiaries)	0.00	0.00	23,000.00	24,000.00	0.00	0.00	0.00	Sum: 47,000.00 Max: 24,000.00
TOTAL	O.9 (unit: Beneficiaries)	0.00	0.00	23,000.00	24,000.00	0.00	0.00	0.00	Sum: 47,000.00 Max: 24,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	4,778,591.91	4,778,591.91	0.00	0.00	0.00	9,557,183.82

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	2,054,794.52	2,054,794.52	0.00	0.00	0.00	4,109,589.04
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD17_I02_IST_76 - Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis insurance scheme

Intervention Code (MS)	RD17_I02_IST_76
Intervention Name	Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis insurance scheme
Type of Intervention	RISK(76) - Risk management tools
Common Output Indicator	O.9. Number of units covered by supported CAP risk management tools
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The agricultural crisis insurance scheme can be claimed under uniform conditions throughout the national territory.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO1 Support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
1.2.1	Tackling adverse climatic events and damage caused by climate change in agriculture	1	Yes
1.2.3	Offsetting and mitigating the impact of market risks	2	Yes
1.2.4	Promotion of agricultural insurance (self-care)	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.5 Share of farms with supported CAP risk management tools

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Hungary has been operating an agricultural crisis insurance scheme in accordance with Regulation (EU) No 1305/2013 since 2021 to stabilise agricultural incomes. In the next CAP period, we would like to continue this system (see: CAP ST – intervention RD17_I02_IST_76).

The agricultural crisis insurance scheme is financed by a financial fund, the Crisis Insurance Fund, and is operated by the crisis insurance body (Hungarian State Treasury). 2 main sources of funding for the Fund the amount of crisis insurance contributions paid by farmers who are members of the crisis insurance scheme, and the amount of support from the European Agricultural Fund for Rural Development.

The crisis insurance fund, which consists of farmers' payments and rural development support, addresses a wide range of risks (including weather events, animal diseases, changes in market conditions, exchange rate fluctuations, increases in feed prices) that cause a drop in farm income.

The farmer may **voluntarily** join the agricultural crisis insurance scheme for a **period of 3 years**. The farmer participates in the crisis insurance scheme with all his agricultural products (crop and livestock production).

Each year after accession, the producer **must pay a financial contribution (crisis insurance contribution) to the crisis insurance fund**. The amount of the contribution is determined by multiplying the natural data (size of arable land, number of animals) by the unit rates. Unit rates are laid down in national legislation.

During the period of membership, the farmer is subject to the obligation to provide information, covering, on the one hand, income data (data necessary to establish the reference income and income for the reference year) and, on the other hand, farm size data. On the basis of the data provided by the farmer and the data available in the public databases, the agricultural income can be determined on the basis of the following formula:

$$\text{Agricultural income} = \text{income from agricultural activities} - \text{Costs incurred by agricultural activities}$$

The individual items required for the recognition of agricultural income and profit or loss must be specified by the farmer at the level of detail in accordance with the Hungarian accounting rules. In determining annual income, it is necessary to book events that comply with International Accounting Standards (IAS 20) on the basis of the principle of completeness.

Agricultural income is income calculated in accordance with Article 39(1) of Regulation (EU) No 1305/2013 of the European Parliament and of the Council, calculated by subtracting from the receipts related to the agricultural activity the amount of the costs incurred in the course of the agricultural activity.

The reduction in income is the difference between the reference income and the agricultural income of the reference year, where the reference income is the average of the farmer's agricultural income in the three years preceding the reference year.

Overcompensation is excluded as it has to be recorded and recorded as other agricultural revenue

- the nationally funded compensation allowance (SA.33418),
- the amount received from an insurer in connection with the incident,
- any other aid reducing production costs.

A farmer shall be entitled to crisis insurance compensation (aid) if:

- agricultural income decreases by more than 30 %,
- has paid its contribution to the crisis insurance in full and in due time,
- has submitted a claim for compensation for crisis insurance,
- the average agricultural income in the three years preceding the year of accession is not negative,
- keep income and costs from agricultural and non-agricultural activities separately.

The following shall not be compensated:

- from a change in the size of the plant,
- negligent (negligence, serious agrotechnical deficiency),

- loss of income due to artificial creation of conditions.

The **amount of the crisis insurance compensation is 69.9 % of the fall in income**. The compensation comes from 30 % of the amount of contributions for crisis insurance by producers and 70 % from rural development support.

The risk management system introduced in 2012 was initially launched with 2 pillars (Agricultural Mitigation System, Insurance Premium Support), which was expanded to four pillars for 2021. The features of the Hungarian risk management system are as follows:

· Pillar I: an agricultural mitigation scheme approved by the European Commission (notified) financed by national funds;

· Pillar II: EU co-financed agricultural premium subsidies (for plant insurance); (RD16_I01_INS_76)

· Pillar III: the National Hail Mitigation System (JÉGER) established from EU funds and operated from national sources; (RD18_I03_JGR_73)

· Pillar IV: agricultural crisis insurance scheme (RD17_I02_IST_76)

While the first two pillars are limited to the crop production sector, the benefits of the third pillar are also enjoyed by the entire national economy and by a wide range of people (preventing damage to property). The fourth pillar, introduced in 2021, is a pioneering aid scheme covering not only crop production but also the livestock sector and the range of risks it manages beyond the damage caused by weather and climatic events. On the basis of the above, it can be concluded that the Hungarian risk management system is complete with the crisis insurance.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Range of support applicants: The beneficiary of rural development support is the crisis insurance fund (which is operated by the crisis insurance body, i.e. the Hungarian State Treasury), and the crisis insurance body is entitled to draw on the aid.

The Fund shall comply with the following conditions:

the Fund has been accredited by the competent authority in accordance with national law,

the Fund shall have a transparent policy on payments to and from the Fund, and

the Fund shall establish liability for any debt incurred on the basis of clear rules.

The **designation of the crisis insurance body is laid down in national legislation**. Within the Hungarian State Treasury, the tasks of the crisis insurance body are carried out by a **separate organisational unit which is accredited in accordance with EU law in accordance with** national law. The accreditation requirements have been defined by the Ministry of Agriculture, taking into account the criteria laid down in Community legislation.

The relevant rules are set out in Act CLXVIII of 2011 and the decree implementing it (Decree 6820221. (XII.)) The internal rules of procedure, rules and other documents examined and approved in detail in the course of accreditation are provided for.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

The maximum financial contribution for rural development to the resources of the mutual fund shall be limited to 70 % of the eligible costs.

Eligible cost

the amount of compensation paid to farmers, or

supplement to annual payments and supplements to the Fund

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☐ flat-rate financing

Range of support at beneficiary level

The maximum financial contribution for rural development to the resources of the mutual fund shall be limited to 70 % of the eligible costs.

The measure involves 1 beneficiary.

Around 150 producers joined the scheme in the start-up year (2021) and we expect to grow at a moderate pace in the future.

Additional explanation

As this measure started in 2021 and no payments have been made from the Fund so far, no historical affairs are available. The calculation of the amount of HUF 150 million is based on the payments made by the producers currently affiliated to the scheme. In determining the maximum unit amount, we considered it appropriate to set a rate of 10 % as it is a replacement of farm income (in the case of an economy, the result of a sector in crisis may be offset by the 'surplus income of the other sector').

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

Compensation of losses. What is the threshold triggering compensation?

The intervention shall receive a financial contribution to the mutual fund in order to allow compensation from the Fund in the event of a fall of more than 30 % of the average agricultural income of an active farmer affiliated to the Fund in the current year compared to the average income from agricultural activity in the previous three years.

What is the methodology for the calculation of losses and triggering factors for compensation?

Income=Revenue-Cost

Revenue:

turnover from sales of own-produced primary agricultural products,
changes in stocks of primary agricultural stocks,
other income received in respect of agricultural production activities

Cost:

material expenditure incurred as a result of agricultural production,
staff costs,
depreciation

3 methods may be used to determine income:

Method A: on the basis of individual data recorded in accordance with the double-entry rules
→ every producer can choose, but it is mandatory for those required to keep double accounts

Method B: on the basis of individual revenue and cost data recorded in full in accordance with single accounting rules, adjusted for inventory values
→ you can only choose one-off accounts if you also have a full cost register

Method C: on the basis of individual revenue data recorded in accordance with single accounting rules, adjusted for inventory values, and cost data offered by the AKI
→ every single account keeper can choose

What is the type of risk management tool?

- ☐ Insurance
- ☒ Mutual fund
- ☐ Other

What are the production losses coverage?

crop

horticulture

livestock

What are the income losses coverage?

non sector specific

What are the provisions in order to avoid overcompensation of that contribution?

Only the proportion of lost income as defined in EU legislation (STR) is compensated. There are no measures supporting the same eligible costs at EU or national level.

10 WTO compliance

Green Box

Paragraph 7 of Annex 2 WTO

Explanation of whether and, if so, how the intervention respects relevant provisions of Annex 2 to the WTO Agreement on Agriculture (Green Box)

The intervention shall provide a financial contribution to the mutual fund in order to provide compensation from the Fund in case the income of an active farmer who has joined the mutual fund from the agricultural activity in the current year falls by more than 30 % compared to the average income from agricultural activity in the previous three years.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD17_O09_A01_FN - Eligible costs chargeable to rural development	Grant	91(2)(d)-HU-43.00%	Average		R.5	No

Explanation and justification related to the value of the unit amount

RD17_O09_A01_FN - Eligible costs chargeable to rural development

Support for viable farm income and resilience in the European Union in relation to specific objective No 1 to maintain food security is the main need No 2 to reduce income fluctuations due to natural (weather) and market risks, justifying the continuation of the intervention over the period 2023-2027. In particular, the intervention contributes to and addresses the following sub-necessities:

Addressing adverse climatic events and producer damage caused by climate change in agriculture (crop, livestock, horticulture),

Compensation and mitigation of market risks,

2.4 Promotion of agricultural insurance (self-insurance).

The value of the unit amount is subject to producer payments to the Fund and compensation payments from the Fund. In 2021, the Fund ordered the payment of a total of HUF 150 million from the joining producers. During the planning period, we expect a moderate increase in the desire to join, given that it is a measure starting in 2021. Based on an objective assessment, we estimate the number of connected producers at 350 people for 2026-2027 (years covered by the financing from ST). If an animal health epidemic (e.g. avian influenza, swine fever) were to occur or if sectoral regulations were to be put in place under which membership of a crisis insurance scheme would be eligible, the number of people joining the Fund could be as high as twice the number of people connected to the Fund compared to the plans drawn up on the basis of objective calculations. However, we note that, based on the more pessimistic scenario, due to the COVID-19 pandemic, the years 2020-2021 could result in lower farm incomes, which could negatively affect the willingness to join in the following years, as the income of the reference period will be low.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD17_O09_A01_FN - Eligible costs chargeable to rural development (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	796,432.00	796,432.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	820,000.00	820,000.00	0.00	0.00	
	O.9 (unit: Funds)	0.00	0.00	0.00	1.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00

TOTAL	O.9 (unit: Funds)	0.00	0.00	0.00	1.00	0.00	0.00	0.00	Sum: 1.00 Max: 1.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	796,431.99	796,431.98	0.00	0.00	1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	342,465.76	342,465.75	0.00	0.00	684,931.51
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

COOP(77) - Cooperation

RD07_B03_YFO_77 - Generational renewal, economic transfer cooperation

Intervention Code (MS)	RD07_B03_YFO_77
Intervention Name	Generational renewal, economic transfer cooperation
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.30. Number of supported operations or units for generational renewal (excluding setting-up support)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO7 Attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
7.1.2	Support intergenerational cooperation	2	Yes
7.1.5	Reducing the administrative burden of intergenerational transfer of agricultural enterprises	2	Partially
8.1.5	Improving the profitability of small farms	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Given the structural situation of Hungarian agriculture and the challenges arising in the near and distant future, farmers' cooperation plays a crucial role in achieving sustainable agriculture. However, a series of experiences shows that the level of willingness of farmers to cooperate is extremely low in Hungary today. It is therefore necessary to help increase the willingness to cooperate by all means.

Only new cooperation and existing cooperation shall be eligible for new activities.

Managing and promoting generational renewal, beyond the sectoral framework, and smoother

generational renewal in agriculture are essential for the future of Hungarian agriculture.

Objective:

Encouraging farm transfers, promoting the social and economic sustainability of family farms based on successful succession phases.

The intervention addresses farmers who are close to the retirement age and who are already planning to transfer their holdings but who do not have the necessary preparedness to close down farming and the security of livelihood for a transitional period. In the context of cooperation on farm transfer, the transferor of the farm can benefit from the costs of closing the farm value survey and farming, and the form of annuity fee support to encourage a secure transition, and mentoring is intended to help carry out the farm transfer.

Content:

Farm transfer cooperation for a farmer close to retirement age:
expenditure on activities aimed at the transfer of the holding and the orderly closure of its farming operations,
furthermore, annuity-like support value to support the transition (e.g. farm survey fee, annuity fee, mentoring, coaching, etc.)

Selection principles (which may be partially applicable):

Content and quality of the cooperation project plan. The cooperation plan is an integrated business planning model, explaining the readiness of those involved in economic transfers to transfer the economy, taking into account economic, environmental and personal competences.

Level of professional qualifications,

Previous professional experience,

Higher value-added farming activity or farming mode,

Mainstreaming environmental, climate and adaptation aspects

Mainstreaming social aspects

Mainstreaming of equal opportunities

Relevant legislation:

Act CXLIII of 2021 on the transfer of agricultural holdings

Link to other interventions:

Intervention “RD06_B02_YFY_75 – Generational renewal supported by the economic user”.

- RD60_A04_ADP_78 – Advisory services

Rural and Regional Development Support Unit – link to its generational renewal function

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Farmers participating in the farm transfer under the law who have reached or reach the retirement age determined in accordance with national legislation at the time of completion of the operation.

Specific eligibility criteria related to the eligible beneficiary:

- Economic activity based on at least two main collaborations, in which the following are met:
- Cooperating parties are in possession of a letter of economic transfer or a project plan for

cooperation at the time of submission of the aid application

- The cooperating transferring farmer transfers a holding on which a farmer has been active for 10 years prior to the transfer of the holding (i.e. the transferor's own activity or that of its predecessor)
- The holding to be transferred has an agricultural turnover of at least EUR 10000 SO or EUR 10,000.
- The cooperating economy is a recipient partner with a vocational qualification

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments and other requirements:

- Cooperation on farm transfers shall be established with a maximum commitment of 5 years
- Use of a farm transfer consultant or cooperation with the Rural and Regional Development Support Unit of the CAP Network (process assistance, communication, conflict management, etc.)
- Implementation of the cooperation project plan
- In addition to self-sufficiency land and livestock, the transferor of the holding transfers the entire holding to the transferee
- The transferring farmer does not engage in agricultural production after the transfer, in excess of the self-sufficiency rate
- No later than 2 years after the decision of sponsorship, the cooperating parties shall have an economic transfer contract in force.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

Str Article 83(1)(c) and 2 (a)(i)

Only the **transferring** farmer participating in the farm transfer shall be eligible under the intervention in the form of a lump sum who has reached or reaches, at the time of completion of the operation, the retirement age determined in accordance with national legislation.

Range of support at beneficiary level

In the case of the farm transfer determined on the basis of the intervention, the aid amounts (in the form of lump sums):

For plant size:

Between EUR 10000 and EUR 19999 SA: EUR 10000

Between EUR 20000-29,999, EUR 999: EUR 15000

Between EUR 30000-39999 SO: EUR 20000
Between EUR 40000-49 999 SO: EUR 25000
Between EUR 50000 and EUR 59 999 SA: EUR 30000
Between EUR 60000 and EUR 69 999 SA: EUR 35000
Between EUR 70000 and EUR 79 999 SA: EUR 40000
Between EUR 80000 and EUR 89999: EUR 45000
Above EUR 90000 SU: EUR 50000

For agricultural turnover:

Between EUR 10000 and EUR 1999: EUR 10000
Between EUR 20000-289 and EUR 999: EUR 15000
Between EUR 30000-39999: EUR 20000
Between EUR 40000-49 999: EUR 25000
Between EUR 50000 and EUR 59 999: EUR 30000
Between EUR 60000 and EUR 69 999: EUR 35000
Between EUR 70000 and EUR 79999: EUR 40000
Between EUR 80000 and EUR 89999: EUR 45000
Above EUR 90000: EUR 50000

Additional explanation

Support for generational renewal is a new element in the Strategic Plan, no previous experience is available.

The amount of aid shall be used to encourage and cover the associated costs and shall be used as a transitional annuity.

Basis for calculation:

https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_zhc034b.html: Amount of income deemed necessary for different levels of living in households with children, without children and single-person households

According to the above statistics, the income required in a single-person household is HUF 117.800 per person per month (approximately EUR 3.200 per year), but this ensures very limited livelihoods. The average pension is EUR 4.600 per year
<https://www.ksh.hu/docs/hun/xftp/idoszaki/regio/orsz/nyugdij/nyugdij19.pdf>, but the average pension for people retiring from agriculture is below this level, so in many cases there is no transfer of the farm because the potential transferor is unable to forgo farm income. It is therefore also necessary to provide temporary support for livelihoods in order to encourage economic transfers. The aid rate was set for 5 years in proportion to the productive capacity of the holding to be transferred.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

SA.112040

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD07_O30_A01_BN - Farm transfer cooperation	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD07_O30_A01_BN - Farm transfer cooperation

Historical data are not available for the calculation and funding is planned on a flat-rate basis, so the average unit amount is determined on the basis of a medium average (EUR 30.000)

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD07_O30_A01_BN - Farm transfer cooperation (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	0.00	30,000.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.30 (unit: Beneficiaries)	0.00	0.00	0.00	117.00	448.00	448.00	448.00	Sum: 1,461.00 Max: 448.00
TOTAL	O.30 (unit: Beneficiaries)	0.00	0.00	0.00	117.00	448.00	448.00	448.00	Sum: 1,461.00 Max: 448.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	0.00	3,504,311.00	0.00	0.00	0.00	3,504,311.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	0.00	1,506,853.73	0.00	0.00	0.00	1,506,853.73

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD15_W04_COP_77 - Supporting sustainable water management communities that improve water efficiency

Intervention Code (MS)	RD15_W04_COP_77
Intervention Name	Supporting sustainable water management communities that improve water efficiency
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Cooperation-based interventions aim at encouraging members of agricultural and local communities to act together. Given the structural situation of Hungarian agriculture and the challenges that will develop in the near future and beyond, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, experience shows that the level of willingness to cooperate among farmers is very low today in Hungary. This is why the willingness to cooperate should be supported by all means.

The low level of cooperation and innovation skills between operators in the Hungarian agricultural sector hinders the development of more competitive, resource-efficient or coordinated farming structures adapted to environmental conditions in a number of ways. For this reason, we consider it particularly important to provide cooperative support in order to encourage those involved in agriculture.

The objective of this intervention is to support voluntary cooperation and the functioning of sustainable water management communities. Cooperation will increase the efficiency and safety of agricultural production and contribute to the spread of sustainable irrigation farming. A more efficient use of available

water resources will result in collective and cooperative use by farmers wishing to irrigate, together with the construction and co-existence of irrigation infrastructure, as well as first steps to make investments possible. The recognised sustainable water management community strives for the introduction and application of best possible agricultural practices for sustainable water management in the irrigation district

An investment in irrigation development covering a larger area requires long-term planning and commitment on a large scale well beyond the size of small producers and can therefore typically be effectively implemented through Community investment. The promotion and coordination of producer cooperation and more efficient and sustainable use of water and energy in the areas of a sustainable water management community is of paramount importance if members irrigate the larger area through a water distribution system in coordination and cooperation with water-saving irrigation equipment.

Irrigated farming entails high investment needs and significant operating costs, but it is more worthwhile to continue the activity in a larger area, reduce unit costs, reduce losses and make work organisation more efficient. All these factors help to optimise the use of available water resources in the areas of sustainable water management communities. The use of targeted precision irrigation methods, in which water can be measured accurately, leaching and leaching can be reduced and water stress (over-irrigation) within the field can be avoided, also contributes to increased water use efficiency. Such resource-intensive investments by communities, prepared with support under this intervention, make an essential contribution to the efficient use of water resources. Support for sustainable water management communities also promotes the introduction of water-saving irrigation technologies, the optimisation of water use of irrigation systems, the development and optimal operation and maintenance of water efficient irrigation infrastructure and related structures, the introduction of energy-saving irrigation technologies and the optimisation of the energy use of irrigation systems. Against this background, the intervention contributes to increased water efficiency, sustainability of in-situ water use and use.

Only new collaborations and existing ones can be supported for new activities.

The intervention is intended to support project preparation and operational activities of a sustainable water management community recognised under the conditions laid down in separate legislation. Investments in irrigation prepared through the intervention and supported by the programme must comply with all the requirements laid down in Article 74 of the Regulation.

Principles governing the establishment of selection criteria, which may be partially applied:

The content and quality of the project plan, evaluating:

- Professional experience of participants in cooperation
- Mainstreaming environmental, climate, landscape management and adaptation aspects (e.g. improving input efficiency relevant to the environment, reducing emissions per unit of pollutant; use of reuse or recycling, continuation of organic farming)
- The composition of a sustainable water management community (e.g.: number of farmers or young farmers)
- Increasing water efficiency
- Priority will be given to communities using alternative and sustainable technologies, e.g.: use of drought-tolerant crops or advanced irrigation technology

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention in the form of an 'overall amount' must comply with the rules of Articles 70 to 76 and 78 of the Strategic Plan Regulation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligibility criteria:

- Preparation of a project plan.
- Sustainable water management community recognised by the Minister responsible for agricultural policy.
- Members of sustainable water management communities must take account of Article 74 of the SPR Decree
- Under Article 77(2) of the Strategic Plan Regulation, only new forms of cooperation may be supported, including existing cooperation where a new activity is launched. — 2021/2115 (EU)

Eligible beneficiaries:

sustainable water management community

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

- costs related to the setting-up and maintenance of the cooperation team, including running costs,
- costs of cooperation, planning, project preparation and project management activities
- the cost of services related to professional implementation,
- other administrative costs

Commitments (commitments):

- Implementation of the project plan

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☒ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(b), 1(c), 1(d) and 2(a)(i) of the STR.

Range of support at beneficiary level

Support rates and possible range of support levels

Maximum grant amount per project: EUR 500,000

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD15_O32_A01_ON - specific amount of support for sustainable water management communities improving water efficiency	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD15_O32_A01_ON - specific amount of support for sustainable water management communities improving water efficiency

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. The unit amount is the ratio between committed funds and subsidised applications, corrected by an inflation coefficient.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD15_O32_A01_ON - specific amount of support for sustainable water management communities improving water efficiency (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	197,260.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	0.00	7.00	10.00	10.00	0.00	0.00	Sum: 27.00 Max: 10.00
TOTAL	O.32 (unit: Operations)	0.00	0.00	7.00	10.00	10.00	0.00	0.00	Sum: 27.00 Max: 10.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,274,291.18	0.00	0.00	0.00	0.00	1,274,291.18
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	547,945.21	0.00	0.00	0.00	0.00	547,945.21

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD37_F04_FRC_77 - Co-operative support for forest fire prevention and risk reduction

Intervention Code (MS)	RD37_F04_FRC_77
Intervention Name	Co-operative support for forest fire prevention and risk reduction
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.4.1	Development of solutions and tools to protect against adverse weather effects	1	Yes
6.3.4	Reducing the risk of forest fires and vegetation fires through complex prevention	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Cooperation-based interventions aim at encouraging members of agricultural and local communities to act together. Given the structural situation of Hungarian agriculture and the challenges that will develop in the near future and beyond, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, experience shows that the level of willingness to cooperate among farmers is very low today in Hungary. This is why the willingness to cooperate should be supported by all means.

The low level of cooperation and innovation skills between actors in the agricultural sector, including forestry, hinders in many ways the development of more coordinated farming structures adapted to environmental conditions. The aim of the intervention is to create a solution that deviates from the

previous practice as a result of collaborative developments.

There are many opportunities based on agricultural, including forestry, and other features of rural areas, whose collaborative and coordinated development can significantly contribute to the success of forest ecosystem services and rural areas.

The objective of this intervention is to support the establishment of voluntary cooperation between forest managers and specialised public bodies for the purpose of modern, multi-farming complex planning and implementation of forest fire prevention and mitigation on a territorial scale. Cooperation shall be based on forest management activities.

The intervention was inspired by projects in previous years FIRELIFE, MICACC and LOGOS 4 Waters, which are LIFE-funded pilot projects. The focus of the intervention is on nature-based solutions NBS, which operate with blue and green infrastructure elements (reduction of run-off, retention of water in the landscape, erosion control, fire prevention, etc.)

Examples of intervention elements covered by co-design and coordinated implementation generating synergies include: advanced development of firebreaks, water retention facilities, multifunctional exploration networks promoting more environmentally friendly forest management. Cooperation will increase the security of prevention of forest and vegetation fires and improve the climate security and sustainability of forest management.

The structural situation of Hungary's agriculture and forestry is vulnerable due to increasing and evolving challenges. In this context of uncertainty, farm cooperation is of paramount importance in order to achieve sustainable agriculture and forestry. As a result of bringing together producers in each sector, the resulting collaborations will be able to ensure higher profitability and contribute to competitiveness while achieving joint results through joint activities. In Hungary, the willingness to cooperate among farmers is low, which negatively affects the objectives mentioned above. It is therefore necessary to support targeted cooperation in the Hungarian CAP Strategic Plan, with which the entire vertices of Hungarian agriculture and forestry can develop and withstand emerging challenges together. An economy is much more at risk if it wants to carry out a development on its own, but it is more likely to succeed as a member of a cooperation. Hungary intends to implement cooperation in the CAP Strategic Plan, part of which is already a well-known and tried-and-tested scheme for farmers, as experience from the 2014-2020 period has shown that these aids are successful in the form of cooperation.

Only new collaborations and existing ones can be supported for new activities.

Principles governing the establishment of selection criteria, which may be partially applied:

- content and quality of the project plan
- content and quality of the maintenance plan
- residential area (neighborhood of a municipality or part of a municipality)
- environmental, climate and adaptation aspects, e.g. fire hazard classification, drought damage occurrence, conservation, Natura 2000 habitats, in particular habitats 9110, 9130, 9150, 9180, 91E0, 91F0, 91G0, 91H0, 91K0, 91L0, 91L0, 91M1, 91N0

Relevant legislation:

Act XXXVII of 2009 on Forest, Forest Protection and Forest Management,

Act LIII of 1996 on nature protection

61/2017. (XII. FM Decree on the implementation of Act XXXVII of 2009 on forests, forest protection and forest management

Decree No 383/2016 of 18 December 2016 On the designation of bodies performing official and administrative tasks in the field of agriculture

Government Decree No 4/2008 on the protection of forests against fire Decree No 1 of 1 August 2008 of the Minister for the Interior

Link to other interventions: in the context of knowledge transfer, it is necessary to share and pass on good practices in these projects (demonstration plant, training of consultants, publications, AKIS) In the context of this intervention, the aim of this intervention is to support the establishment of voluntary cooperation for the development of modern, sustainable, multi-farmers' complex planning and implementation of forest fire prevention and mitigation. Cooperation is based on forest management activities

— RD58_A01_TRA_78 – Training and demonstration facility support

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

a co-operative forest fire prevention community (consortium) with prior State recognition, made up of at least 5 independent forest managers and other directly affected land users.

The forest manager carries out sustainable forest management, i.e. its management complies with Act XXXVII of 2009 on forests, forest protection and forest management and the district forest plan, and is not subject to forest protection or conservation sanctions.

Eligibility criteria:

- preparation of a project plan and a maintenance plan.
- forest land included in projects of 1 000 ha or more

Aid shall not be granted to aid applicants:

- pursuant to Commission Regulation (EU) No 651/2014 and Commission Regulation (EU) No 702/2014 on State aid proceedings within the meaning of European Union competition law and on the regional aid map (III. Government Decree No 22/2015 (hereinafter: 37/2011. (III. In accordance with Section 6(4a) and (4b)(7) of the Government Decree,
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments

- **The fulfilment** of the commitments made in the project plan and the publication of the results
- participation in compulsory training per year (5 in total)
- maximum duration of cooperation 5 years

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

Payment based on Article 83(1)(a), 1(d) and 2(a)(i) STR

1(a): For investments

(1)(d): General activity (max. 15 % of project cost)

Range of support at beneficiary level

Average unit amount: EUR 1140000/cooperation.

The total project cost is total to cover the costs of cooperation and operations carried out.

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

A maximum of 25 % of the total project cost and a minimum of 15 % flat rate may be allocated to general activities of cooperation, planning and project management, etc. (cooperation costs).

Up to 85 % of the project cost, or 75 % of the project cost.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The forestry sector is a sector outside the scope of Article 42 TFEU and therefore the competition rules (State aid rules) apply to the aid granted to it.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The intervention is targeted at general services (point 2) combining research on environmental programmes (2a) and investments in infrastructure linked to environmental programmes (2 g points).

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD37_O32_A01_ON - Unit cost for forest fire prevention cooperation	Grant	91(2)(d)-HU-43.00%	Average		R.27	No

Explanation and justification related to the value of the unit amount

RD37_O32_A01_ON - Unit cost for forest fire prevention cooperation

No history, no experience number. Justification: the minimum area of intervention is 1 000 hectares. At the same time, this is a new and complex intervention, so we expect on average smaller projects between around 10 projects. The objective of the intervention is to implement at least 10 complex sample fire prevention projects in different locations in the country, which should also perform a ‘demonstration plant’ function as good practices for climate change preparation/adaptation in areas with different production, climatic, water and forest management conditions. Accordingly, the minimum project size planned by the policy (because at least 1 000 ha needs to be addressed together): EUR 1000000, maximum project size (as around 10 projects are expected from different points in the country): EUR 2000000.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD37_O32_A01_ON - Unit cost for forest fire prevention cooperation (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	1,140,000.00	1,140,000.00	1,140,000.00	1,140,000.00	1,140,000.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
	O.32 (unit: Operations)	0.00	1.00	3.00	3.00	2.00	1.00	0.00	Sum: 10.00 Max: 3.00
TOTAL	O.32 (unit: Operations)	0.00	1.00	3.00	3.00	2.00	1.00	0.00	Sum: 10.00 Max: 3.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	1,279,200.00	2,558,400.00	2,558,400.00	639,560.00	255,138.00	0.00	7,290,698.00

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	550,056.00	1,100,112.00	1,100,112.00	275,011.00	109,709.00	0.00	3,135,000.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD44_R03_POG_77 - Support to producer groups, producer organisations

Intervention Code (MS)	RD44_R03_POG_77
Intervention Name	Support to producer groups, producer organisations
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.28. Number of supported producer groups and producer organisations
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.2	Increase the number and market efficiency of sectoral cooperation (including PO, PG)	1	Yes
3.1.3	Development of short supply chains (database, tool, infrastructure and competence development)	1	Yes
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The aim of the intervention is to encourage the formation and functioning of producer groups, producer organisations and producer integration organisations, thereby stabilising and strengthening the income position of producers and indirectly improving rural living conditions. Cooperation is also necessary because, in the absence of producer cooperation, producers' bargaining power in the supply chain remains weak. By addressing current problems in the sector in a uniform way, recommending production and production methods to support the production of a high-quality and market-oriented commodity fund, the

development of the sectors can be enhanced, the level of processing of the products produced can be increased and their market access improved.

However, by adapting the production and results of membership to market requirements, it is possible to influence markets and generate higher incomes than producers. Cooperation can also play a significant role in strengthening smaller economies, including through the facilitation of innovation in the coordination of production and the production of raw materials. The intervention also promotes the development of a uniform quality and higher processed product base. Producer associations also help to achieve climate protection objectives, as they generate significant efficiency gains at the level of individual producers' activity, in preparation, processing and access to the market.

The intervention may grant setting-up aid to newly formed producer groups and producer organisations, which may be granted on a degressive basis for a maximum period of 5 years. The establishment aid or aid granted to producer groups or producer organisations implementing a new activity as referred to in Article 152(1)(b) of Regulation (EU) No 1308/2013 after at least 5 years shall be granted for a maximum period of five years.

The intervention shall encourage the establishment and efficient operation of cooperation between producers by partially covering the costs of implementing the new activities referred to in Article 152(1)(b) of Regulation (EU) No 1308/2013 in connection with the establishment and operation of their organisations and the achievement of specific objectives.

Only new and existing co-operations are eligible for new activities.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- level of producer and product concentration achieved
- co-operational tasks at different levels of the food chain
- the role of regional cooperation in rural employment
- economically sustainable cooperation

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention must comply with the rules of Articles 70 to 76 and 78 of the Strategic Plan Regulation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

- Recognised producer groups and producer organisations recognised under Article 154 of Regulation (EU) No 1308/2013

Eligibility criteria:

Recognised producer group or producer organisation

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring

the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- During the grant period, the beneficiary must comply with the conditions for recognition.
- In the case of creation, payment of the last aid unit shall be conditional upon completion of the previous years of the business plan accepted as part of the recognition.
- In case of implementation of a new action, during the grant period, the beneficiary must implement a cooperation plan containing new activities for that period.
- Carrying out a new activity in accordance with Article 152(1)(b) of Regulation (EU) No 1308/2013.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(c) and 2(a)(i) of the STR.

The grant is a lump sum which includes all costs.

Range of support at beneficiary level

For the year of recognition and for the following 4 years of operation, the level of support shall be subject to the conditions laid down by the organisation or its members:

10 % of annual marketed production in year 1, up to a maximum of EUR 100,000

9 % of the annual marketed production in year 2, up to a maximum of EUR 100,000

8 % of annual marketed production in year 3 but not more than EUR 100,000

7 % of annual marketed production in year 4, up to a maximum of EUR 100,000

6 % of the annual marketed production in year 5, up to a maximum of EUR 100,000.

In the case of the implementation of a new activity, the aid shall be 6 % of the annual value of marketed production sold by the organisation or its producer members under contractual conditions corresponding to the negotiations conducted by the organisation, up to a maximum of EUR 100,000 per organisation per year.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The aim of the intervention is to encourage the formation of producer groups, producer organisations,

producer integration organisations and the implementation of new activities, thereby stabilising and strengthening the income position of producers and indirectly improving rural living conditions. To the extent that the eligible activities do not relate only to the primary production, processing and marketing of agricultural products within the meaning of Annex I to the TFEU, the rules constituting State aid apply on the basis of Article 107(1) TFEU.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD44_O28_U01_BN - Unit cost of intervention for producer groups and producer organisations	Grant	91(2)(d)-HU-43.00%	Uniform		R.10	No

Explanation and justification related to the value of the unit amount

RD44_O28_U01_BN - Unit cost of intervention for producer groups and producer organisations

In the CAP Strategic Plan, cooperation between producer groups and organisations is supported on a flat-rate basis, continuing with the previous programming period. The amount of aid is the maximum amount of aid that may be granted in accordance with Regulation (EU) 2021/2115 of the European Parliament and of the Council: EUR 100.000 per year, equal to the maximum unit amount.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD44_O28_U01_BN - Unit cost of intervention for producer groups and producer organisations (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	100,000.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.28 (unit: Beneficiaries)	0.00	0.00	127.00	0.00	0.00	0.00	0.00	Sum: 127.00 Max: 127.00
TOTAL	O.28 (unit: Beneficiaries)	0.00	0.00	127.00	0.00	0.00	0.00	0.00	Sum: 127.00 Max: 127.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	12,742,911.76	0.00	0.00	0.00	0.00	12,742,911.76
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	5,479,452.06	0.00	0.00	0.00	0.00	5,479,452.06

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD45_R04_GIS_77 - Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes

Intervention Code (MS)	RD45_R04_GIS_77
Intervention Name	Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.29. Number of beneficiaries receiving support to participate in official quality schemes
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO3 Improve the farmer' position in the value chain

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Initiating, within EU quality schemes, the recognition of designations of origin and geographical indications as PDOs/PGIs/GIs or the recognition of traditional specialities guaranteed in the context of newly established cooperation between actors in the value chain, i.e. by setting up a new grouping or by an existing group in the context of a new activity.

The intervention will encourage cooperation in the development of **new PDO/PGI/GJ/TSG product specifications and registration of new names within the EU** quality schemes, as well as the start of new activities concerning the product with the status “registered” in the EU eAmbrosia. The intervention aims to increase the competitiveness of farms participating in quality schemes recognised by the Union under Regulation (EU) 2024/1143, to improve the position of farmers in the value chain and to strengthen cooperation between the parties to the quality scheme.

Products produced under quality schemes have specific characteristics linked to the geographical area or are produced using traditional production methods, so encouraging participation in quality schemes facilitates the production of higher value-added products.

Only new co-operations and new activities of existing co-operations shall be eligible.

The maximum duration of the grant shall be five years.

Principles of selection which may be applied in part:

- a project will be considered more favourably if:
 - the existing grouping involves at least 10 actors
 - at least one participant in the cooperation is a young farmer;
- adds value to the project plan
 - a vocational level of education;
 - quality of the project design.

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention in the form of an ‘overall amount’ must comply with the rules of Articles 70 to 76 and 78 of the Strategic Plan Regulation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Producer groups under Regulation (EU) 2024/1143 (hereinafter: groupings) which:

(1) initiate Union recognition of a new designation of origin, geographical indication or traditional speciality guaranteed;

(2) a new activity concerning the product with the status ‘registered’ in the eAmbrosia register, which serves to improve the quality system.

Specific eligibility criteria:

· **an existing grouping with legal personality**, involving at least two actors (members), initiating the recognition of designations of origin and geographical indications as PDO/PGI/GI or the recognition of traditional specialities guaranteed, or entering into a new activity involving a geographical indication or a traditional product already registered and produced by it, or

· **a new grouping with legal personality**, involving at least ten actors (members), initiating the recognition of designations of origin and geographical indications as PDO/PGI/GI, or entering into a new activity involving a geographical indication or traditional products already registered and where:
in the case of an agricultural product, at least 2/3 of the members are farmers who produce or undertake to produce the designation of origin, geographical indication or traditional speciality guaranteed in accordance with the relevant product specification;

— in the case of a food product, at least half of the members are farmers who produce or undertake to produce the raw material required for the production of the relevant designation of origin, geographical indication or traditional speciality guaranteed in accordance with the relevant product specification (e.g.

growing paprika paprika in the case of a final product).

Farmers and food producers produce a specific designation of origin, geographical indication or traditional product or the raw material necessary for it within the framework of cooperation.

Members undertake to participate in the quality scheme for at least three years.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

·undertaking in difficulty (the concept of a firm in difficulty is 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 487/2015) and

it has failed to comply with the decision of the European Commission addressed to Hungary to repay State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

The aid may finance the costs incurred by the group in drawing up a product specification for a designation of origin, a geographical indication or a traditional speciality guaranteed, establishing and operating cooperation and carrying out a new activity linked to the operation of the quality scheme.

Eligible costs:

— costs associated with the establishment and maintenance of new cooperation (e.g. costs of establishing a legal entity, legal fees), including operating costs,

- fees for services used in drawing up the product specification and other related documents (e.g. single document) (e.g., but not exhaustive: consultancy services, consultancy services, expert activities, costs of analytical tests, etc.),

— other costs incurred in preparing the application for registration,

costs incurred in connection with related administrative procedures,

— the costs of EU recognition,

project preparation costs,

— costs of services related to new activities (e.g. lawyers' fees, costs of market research, costs of internal control, cost of economic analyses, consultancy services),

— miscellaneous administrative costs.

Ineligible activities:

Information and promotion activities related to quality schemes are not eligible under this intervention.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

- ☐ lump sums
☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): For direct costs

(1)(d): General activity

Range of support at beneficiary level

The project cost is a full amount covering the costs of cooperation and of the operations carried out.

The implemented operation(s) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

The maximum amount of aid that may be granted per project is: EUR 500,000

A maximum of 25 % of the total project cost can be used as a flat rate flat-rate for cooperation, planning, project management, etc. for general activities (cooperation costs).

Minimum 75 % of the project cost, investment and other project-related costs (e.g. surveys and studies, knowledge-sharing costs, expert costs, lawyers' fees, translation interpreting, etc.), which can be accounted for by individual supporting documents.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

Having regard to the purpose of the intervention (see: Point 5) it supports an activity outside the scope of Article 42 TFEU, which is why the competition rules are generally applicable to it.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD45_O29_A01_BN - Average unit cost for the creation of new PDO/PGI/GI/TSG registered under an EU quality scheme	Grant	91(2)(d)-HU-43.00%	Average		R.10	No

Explanation and justification related to the value of the unit amount

RD45_O29_A01_BN - Average unit cost for the creation of new PDO/PGI/GI/TSG registered under an EU quality scheme

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M03 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD45_O29_A01_BN - Average unit cost for the creation of new PDO/PGI/GI/TSG registered under an EU quality scheme (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	36,000.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.29 (unit: Beneficiaries)	0.00	0.00	30.00	43.00	43.00	0.00	0.00	Sum: 116.00 Max: 43.00
TOTAL	O.29 (unit: Beneficiaries)	0.00	0.00	30.00	43.00	43.00	0.00	0.00	Sum: 116.00 Max: 43.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,041,744.00	0.00	0.00	0.00	0.00	1,041,744.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	447,949.86	0.00	0.00	0.00	0.00	447,949.86

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

RD46_R05_GIJ_77 - Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme

Intervention Code (MS)	RD46_R05_GIJ_77
Intervention Name	Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.29. Number of beneficiaries receiving support to participate in official quality schemes
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO3 Improve the farmer' position in the value chain

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
3.1.1	Promoting horizontal and vertical integration, coordination and cooperation	1	Yes
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Only new co-operations and new activities of existing co-operations shall be eligible.

1. Sub-measure EU quality schemes: A protected designation of origin, a protected geographical

indication, a geographical indication or a traditional speciality guaranteed registered in the Union under Regulation (EU) 2024/1143 (hereinafter: PDO/PGI/GJ/TSG) and the production of organic products under Regulation (EU) 2018/848 in the context of new cooperation.

The aim of the intervention is to encourage the entry of new players into quality schemes and to promote as effective cooperation as possible between those involved in quality schemes in the value chain.

The aim of the intervention is to improve the participation of producers and producers participating in quality schemes in cooperation that facilitates market access for products placed on the market under a name recognised at Union level under the status 'registered' in the official Union registers of geographical indications or traditional specialties guaranteed (eAmbrosia), strengthens their role in the value chain and enhances the value of products produced in accordance with the requirements of Union quality schemes.

The intervention is based on Article 77 of Regulation (EU) 2021/2115, which provides that aid may be granted to promote new forms of cooperation and existing cooperation in the event of the start of a new activity. The producer members included in a given quality scheme are considered to be cooperating parties in this intervention. In the case of organic farming, producers, food processors and accredited control and certification bodies are considered to be cooperating parties, with the latter not eligible for support.

We see it as a new form of cooperation:

- (1) farmers who are natural or legal persons are a **producer group within the meaning of Regulation (EU) 2024/1143 (hereinafter: they shall become members of the eAmbrosia register in order to produce a product under the status 'registered' or to join a group already producing such a product;**
- (2) the organic product is produced by the operator under a newly established control and certification contract with the certification body in accordance with Regulation (EU) 2018/848.

Selection criteria:

·quality of the project plan

The project will be considered more favourably if:

- the pool involves at least ten participants;
- at least one participant in the group is a young farmer;
- as many members as possible have specialised education.

2. Recognised national quality schemes sub-measure

In accordance with Article 16(1)(b) and (c) of Regulation (EU) No 1305/2013, A national quality scheme or a voluntary agricultural product certification scheme recognised and registered under the Decree of the Minister for Agriculture (X. 1.) (together: products produced under the framework of the Quality Scheme (quality scheme) are of higher quality than other similar products meeting the minimum requirements of the legislation, and therefore the promotion of awareness and recognition of quality schemes also encourages the production and consumption of products with higher added value.

The intervention seeks to encourage the production of certified products of higher quality.

Selection criteria:

Projects will be treated more favourably if the members or some of them are:

- participation in a producer group (PO) or a producer organisation or an interprofessional organisation;
 - specialised education
 - participate with a variety of products in the quality scheme to be created;
- organic farmers under EU legislation (Regulation (EU) 848/2018)

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

1. Sub-measure EU quality schemes:

(1) Natural and legal persons who produce the designation of origin, geographical indication or traditional product, or the raw material required for it, within the framework of cooperation, by joining already registered PDO/PGI/GJ/TSG groups or becoming members of a new grouping for PDO/PGI/GJ/TSG names already registered.

In the case of organic farming, natural and legal persons carrying out farming or food processing in accordance with Regulation (EU) 2018/848 under a newly established control and certification contract with the organic certification body.

2. Recognised national quality schemes sub-measure:

Natural or legal persons who adhere to a national quality scheme recognised by the Union.

Specific eligibility criteria

Union quality schemes for sub-measures:

(a) natural and legal persons producing a product bearing the name PDO/PGI/GJ/TSG, who:

— the product covered by the name entered in the eAmbrosia register as ‘registered’ and the raw material required for that purpose are produced within the group in question in accordance with the relevant product specification and certified by the authorised representative of the group,

— undertake to participate in the quality scheme for at least three years, and

— their activities are notified to the competent government office responsible for controls or to the NFCSO and their origin is recorded in the register kept by the NFCSO;

(b) natural and legal persons producing organic products who:

— they produce their products under a new contract with the organic control and certification body in accordance with Regulation (EU) 2018/848 on organic production;

— undertake to participate in the quality scheme for at least five years

2. In the case of a sub-measure of recognised national quality schemes:

Only cooperation involving at least two actors, at least one of which produces a product under a recognised national quality scheme, shall be eligible.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

·undertaking in difficulty (the concept of a firm in difficulty is 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 487/2015) and

it has failed to comply with the decision of the European Commission addressed to Hungary to repay State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible type of support:

1. Sub-measure EU quality schemes:

The aid shall be:

- the organic producer may finance the costs incurred by the organic farmer/producer in relation to the organic conversion in addition to the costs of obtaining the designation of organic product under

Regulation (EU) 2018/848 (e.g. drawing up an in-conversion plan, costs of data provision)
— it may finance the costs incurred in complying with the requirements of the product specification of the product covered by the registered name PDO/PGI/GI/TSG and during formal accession.

Eligible costs:

PDO/PGI/GI/TSG for a product with a registered name:

- costs of participation in the quality scheme,
- the costs of complying with the requirements of the product specification,
- costs incurred in connection with related administrative procedures,
- investment costs.

For organic farming:

- costs incurred in drawing up a changeover plan in case of a new audit contract
- investment costs

2. Recognised national quality schemes sub-action:

The aid may be granted to the producer.

Eligible costs:

- costs of participation in the quality scheme, costs of compliance with requirements,
- costs incurred in connection with related administrative procedures,
- the costs of establishing and maintaining new cooperation, including operating costs,
- miscellaneous administrative expenditure

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

- ☐ reimbursement of eligible costs actually incurred by a beneficiary
- ☐ unit costs
- ☒ lump sums
- ☐ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(c) and 2(a)(i) of the STR.

A background calculation to substantiate the amount of lump sum funding is provided in Annex “Quality systems_background calculation_RD46”.

Average unit amount: EUR 13000 per co-operating party.

Range of support at beneficiary level

The project cost is a full amount covering the cost of the operations carried out.

The implemented operation(s) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The objective of the intervention is to achieve the most effective cooperation between actors involved in quality schemes in the value chain, thus supporting activities falling outside the scope of Article 42 TFEU. Against this background, the competition rules are generally applicable to this intervention.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD46_O29_A01_BN - Specific amount for the existing national quality schemes or in the case of PDO/PGI/GI/TSG registered under an EU quality scheme	Grant	91(2)(d)-HU-43.00%	Average		R.10	No

Explanation and justification related to the value of the unit amount

RD46_O29_A01_BN - Specific amount for the existing national quality schemes or in the case of PDO/PGI/GI/TSG registered under an EU quality scheme

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M03 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD46_O29_A01_BN - Specific amount for the existing national quality schemes or in the case of PDO/PGI/GI/TSG registered under an EU quality scheme (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	13,000.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.29 (unit: Beneficiaries)	0.00	0.00	98.00	120.00	119.00	0.00	0.00	Sum: 337.00 Max: 120.00
TOTAL	O.29 (unit: Beneficiaries)	0.00	0.00	98.00	120.00	119.00	0.00	0.00	Sum: 337.00 Max: 120.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,274,302.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	547,949.86	0.00	0.00	0.00	0.00	547,949.86

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD47_R06_QSJ_77 - Support for adherence to quality assurance and management systems

Intervention Code (MS)	RD47_R06_QSJ_77
Intervention Name	Support for adherence to quality assurance and management systems
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Collaborative interventions aim to encourage members of agriculture and local communities to act together. Given the structural situation of Hungarian agriculture and the challenges that will develop in the near future and beyond, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, a series of experiences shows that the level of willingness of farmers to cooperate is extremely low in Hungary today. It is therefore necessary to help increase the willingness to cooperate by all means.

The low level of cooperation and innovation skills between actors in the Hungarian agricultural sector hinders the development of more competitive, resource-efficient or more environmentally friendly, coordinated farming structures in a number of ways. We therefore consider it particularly important to provide support based on cooperation in order to encourage agricultural operators.

Joining quality assurance and management systems adopted and increasingly demanded by international

markets can significantly improve the role of farmers in the value chain and seize new market opportunities, but can also contribute to improving the quality of food produced and the environmental and social conditions of production.

A number of quality assurance and management systems also offer group certification options, which, in particular, could be a realistic opportunity for smaller economic operators to qualify. At the same time, a common approach in Hungary needs to be encouraged, first and foremost among small-scale farmers.

Supporting access to quality assurance/management systems is also important because it makes it easier for producers and processors to meet the needs of market purchasers, thereby also facilitating market access for smaller farms.

Only new cooperation and existing cooperation shall be eligible for new activities.

Specific objective of the intervention:

Support the promotion of adherence to internationally recognised quality assurance and management systems in agriculture, food processing and forestry (e.g. EMAS, ISO, BRC, IFS, GMP, Global G.A.P. or FSC, PEFC) through horizontal or vertical cooperation. The aim of the cooperation is to significantly facilitate access to certification schemes for economic operators: it also serves to acquire and share the necessary knowledge and skills, as well as to share costs.

Participants in the cooperation may be:

agro-farmers for the purpose of obtaining the relevant certification,

furthermore, a professional organisation which is familiar with the requirements of the selected certification scheme, assists in the preparation and is already certified, or a professional body which is not a certification body

The cooperation shall involve at least two farmers, food processors or forest managers to achieve the objective set.

The objective of the intervention is to support farmers, food processors or forest managers who participate for the first time in a quality assurance or management system.

This form of cooperation should contribute to the achievement of one or more of the specific objectives (Specific Objective) set out in Article 6(1) and (2) of Regulation (EU) 2021/2115.

Principles governing the establishment of selection criteria, which may be applied in part:

- Content and quality of project or maintenance plan
- Strengthening existing business and social links, creating new ones, exploiting synergies
- Number of participants in collaborations
- Regional perspective
- Employment, including volunteering
- Participation of young farmers
- Mainstreaming environmental, climate and adaptation aspects

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Agricultural and forest managers associated with quality management systems (e.g. Good Manufacturing Practices, ISO, BRC, IFS, EMAS, Global G.A.P. FSC, PEFC, etc.).

Eligibility criteria:

- The farmer is involved for the first time in a quality assurance or management system

- Partner to help farmers prepare: the economic operator already in possession of the relevant certification or a professional organisation familiar with the criteria for targeted certification, which is not itself a certification body
- Preparation of a project plan or maintenance plan
- Participation of at least 2 farmers, food processors or foresters not yet certified in the cooperation.

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, no aid may be granted to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- duration of cooperation: maximum 2 years (to obtain certification) + 4 years (maintenance, confirmation of certification), total maximum 5 years.
- to obtain and maintain a quality assurance and quality management certification for a period of at least 5 years.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): For direct costs

(1)(d): For indirect costs

Range of support at beneficiary level

Eligible costs for the first 5 years of accession:

Indirect costs: Costs related to the establishment and maintenance of the cooperation team, including operational costs.

Direct costs: Direct costs incurred in complying with the criteria of the quality assurance/management system, e.g. surveys and studies, knowledge sharing costs, expert costs prior to the certification procedure and assisting the farmer in the process, costs of setting up the necessary special records, procedures, control points, etc., costs of setting up an audit-trail, translation interpretation, etc., annual contributions for participation in the quality assurance/management system, certification of compliance with the specific conditions of the quality assurance/management system and/or certification for a further period of up to 4 years.

The cost of certification may be part of the eligible costs, but is not eligible on its own.

Direct costs are eligible by itemisation of costs actually incurred, at a minimum rate of 75 %

The percentage of indirect costs may be up to 25 %.

Rate of assistance: In accordance with Articles 70 to 76 and 78 of the Str.

Additional explanation

Ineligible costs:

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

The aim of the intervention is to bring about a different solution (product, service, process, farming practice, etc.) as a result of collaborative developments, so that the supported activity falls outside the scope of Article 42 TFEU. Therefore, in the light of the objective pursued by the intervention, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD47_O32_A01_ON - Specific aid for accession to quality assurance and management systems	Grant	91(2)(d)-HU-43.00%	Average		R.39	No

Explanation and justification related to the value of the unit amount

RD47_O32_A01_ON - Specific aid for accession to quality assurance and management systems

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M03 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD47_O32_A01_ON - Specific aid for accession to quality assurance and management systems (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	12,050.00	12,050.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	53.00	53.00	129.00	129.00	0.00	0.00	Sum: 364.00 Max: 129.00
TOTAL	O.32 (unit: Operations)	0.00	53.00	53.00	129.00	129.00	0.00	0.00	Sum: 364.00 Max: 129.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	637,151.00	637,151.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	273,975.00	273,975.00	0.00	0.00	0.00	0.00	547,950.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD48_R07_QSP_77 - Support for information and promotion activities for quality schemes

Intervention Code (MS)	RD48_R07_QSP_77
Intervention Name	Support for information and promotion activities for quality schemes
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO2 Enhance market orientation and increase farm competitiveness, both in the short and long term, including greater focus on research, technology and digitalisation

SO3 Improve the farmer' position in the value chain

SO9 Improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
2.4.2	Promotion of agri-food products	2	Yes
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes
9.3.4	Quality schemes, quality assurance and certification schemes, consumer information	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Only new cooperation and existing cooperation shall be eligible for new activities.

Target Area 1: Promoting EU quality schemes: Information and promotion activities aimed at promoting quality schemes recognised by the Union (geographical indications, traditional specialities

guaranteed, organic production) and products marketed under a name recognised at Union level with the status of “registered” in the official Union (eAmbrosia) registers of geographical indications or traditional specialities guaranteed.

The objective is to ensure that the quality schemes laid down in Regulations (EU) 2018/848 and (EU) 2024/1143 and products placed on the market with the status of ‘registered’ in the official EU eAmbrosia registers of geographical indications and traditional specialities guaranteed are known and recognised on the market and by customers.

The products produced under the quality schemes have specific characteristics linked to the geographical area and are produced using traditional production methods. Therefore, the promotion and recognition of quality schemes also encourages the production and consumption of products with higher added value.

Specific targeting:

- (a) the activity must concern only the quality scheme, including organic production, or the product placed on the market under the registered name,
- (b) promotion activities may only be carried out in conjunction with information.

Target Area 2: Promotion of recognised national quality schemes

Article 16(1), points (b) and (c), of Regulation (EU) No 1305/2013, in accordance with Article 16(1)(b) and (c) of Regulation (EU) No 1305/2013, in accordance with Article 26/2018. National quality schemes and voluntary agricultural product certification schemes recognised and registered on the basis of Decree No 1 of the Minister for Agriculture (hereinafter collectively: information and promotion activities promoting products certified by quality schemes).

The intervention greatly contributes to ensuring that the quality schemes recognised by Hungary and the products produced thereunder are known and recognised by markets and customers.

Specific objective: promote public recognition and recognition of national quality schemes, which also encourage the production and consumption of products with higher added value.

Indicative selection principles for both target areas:

quality of the promotion project plan;

— the size of the target group that can be reached by the promotion activity;

the number of promotional tools used;

climate and environmental mainstreaming (access modes, material use, waste, etc.)

— cost-effectiveness, share of unit costs in relation to the target group to be achieved

sales of surplus products after promotion;

— in the case of a quality scheme with organic farming members, co-promotion of the quality scheme and the EU organic conditionality

mainstreaming of equal opportunities and solutions

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Target Area 1:

Groupings within the meaning of Regulation (EU) 2024/1143 and their cooperation, interbranch organisations and producer groups, associations, non-profit organisations with a public interest within the meaning of Regulation (EU) 2018/848.

Only cooperation which is set up and implemented as a new cooperation, or an existing group(s) starts to carry out information and promotion activities as a new activity, shall be eligible.

Target Area 2:

Groupings of natural and legal persons operating a quality scheme and participating in the quality scheme.

Specific eligibility criteria:

- Information and promotion activities
 - Target Area 1: for quality schemes recognised by the Union, including organic production, or for products marketed under the name ‘registered’ in the official Union (eAmbrosia) registers of geographical indications or traditional specialities guaranteed recognised at Union level
 - TargetArea 2 in Annex I to Regulation (EU) No 26/2018. It must relate to a quality scheme recognised and registered on the basis of Decree No 1 of the Minister for Agriculture and Rural Development and to the product(s) certified by that quality scheme.

it should be targeted.

- the activity must concern only the quality scheme or the product placed on the market under the registered name
- promotion activities can only be carried out in conjunction with information

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined as 37/2011 on the State aid procedure for the purposes of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 22/2000) and
- failed to comply with the decision of the European Commission, addressed to Hungary, requiring the recovery of State aid in the sense of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Indirect costs: Costs related to the establishment and maintenance of the cooperation team, including running costs.

Direct costs: Direct costs related to information and promotion, such as project preparation, technical implementation services, investments, project management, etc.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

Pursuant to Article 77(8)(a) of Regulation (EU) 2021/2115, support shall not exceed 70 % of the eligible costs.

The payment is based on Article 83(1)(a)(d) and 2(a)(i) STR.

1(a): For direct costs
(1)(d): For indirect costs

Range of support at beneficiary level

The total project cost shall cover the cost of the cooperation and the operations carried out.

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Maximum grant amount per project: EUR 500,000

Direct costs are eligible by itemisation of the costs actually incurred, at a minimum rate of 75 %.

The percentage of indirect costs may be up to 25 %.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

in view of the objectives set out in point 5 of the intervention, the competition rules are generally applicable

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

the subsidy scheme complies with the WTO green box criteria as it fully follows the conditions referred to in point 2 of Annex II

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD48_O32_A01_ON - Specific amount of support for information and promotion activities for quality schemes	Grant	91(2)(d)-HU-43.00%	Average			No

Explanation and justification related to the value of the unit amount

RD48_O32_A01_ON - Specific amount of support for information and promotion activities for quality schemes

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M03 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD48_O32_A01_ON - Specific amount of support for information and promotion activities for quality schemes (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	106,192.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	0.00	12.00	18.00	18.00	0.00	0.00	Sum: 48.00 Max: 18.00
TOTAL	O.32 (unit: Operations)	0.00	0.00	12.00	18.00	18.00	0.00	0.00	Sum: 48.00 Max: 18.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,274,302.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	547,949.00	0.00	0.00	0.00	0.00	547,949.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD49_R09_SCC_77 - Rural Development Cooperation for the Development of Short Supply Lances

Intervention Code (MS)	RD49_R09_SCC_77
Intervention Name	Rural Development Cooperation for the Development of Short Supply Lances
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO3 Improve the farmer' position in the value chain

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
3.1.3	Development of short supply chains (database, tool, infrastructure and competence development)	1	Yes
3.1.4	Development of local cooperation in product production, distribution and marketing	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Collaborative interventions aim to encourage members of agriculture and local communities to act together. Given the structural situation of Hungarian agriculture and the challenges that will develop in the near future and beyond, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, a series of experiences shows that the level of willingness of farmers to cooperate is extremely low in Hungary today. It is therefore necessary to help increase the willingness to cooperate by all means.

The low level of cooperation and innovation skills between actors in the Hungarian agricultural sector hinders the development of more competitive, resource-efficient or more environmentally friendly, coordinated farming structures in a number of ways. We therefore consider it particularly important to provide support based on cooperation in order to encourage agricultural operators.

Cooperation may include the investments of the participants in the cooperation, which are not separate investments, but jointly created investments which are not eligible elsewhere.

The purpose of this intervention is to ensure that producers have access to the common and direct market, bearing in mind that, in line with EU processes, there is also an increasing consumer demand in Hungary for food purchased directly from producers or at most from an intermediary. Producer and consumer participation in the short supply chain (REL) can provide producers with better bargaining power, bring social and environmental benefits, and increase trust between consumers and producers.

The cooperation may involve a market organiser, as the closer the producer comes to the consumer, the more work that a third party can perform with a higher level of quality, such as equipment, time and competence, would have to be expected to go beyond the productive activity. In most cases, farmers willing to cooperate do not have adequate transport, commercial or storage conditions, and support for their development is absolutely justified. The development may include the development of databases, tools, infrastructure and competence, as well as the development of alliances in product production, distribution and marketing. Well-functioning co-operations are also eligible. Cooperation may concern only farmers, in order to gain common access to the market, or cooperation between farmers and consumers (e.g. a basket community).

Only new cooperation and existing cooperation shall be eligible for new activities.

Principles governing the establishment of selection criteria, which may be applied in part:

- Content and quality of the project or maintenance plan, in which the following will be assessed:
- Strengthening existing business and social links, creating new ones, exploiting synergies
- Professional experience of participants in the collaborations
- Mainstreaming environmental, climate and adaptation aspects
- Regional perspective
- Employment, including volunteering
- Composition of the cooperation (e.g.: participation of young farmers)

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention in the form of an 'overall amount' must comply with the provisions of Articles 70 to 76 and 78 of the Strategic Plan Decree.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Short Supply Lance (hereinafter: (Rel) members of the Cooperation Group

Conditions of employment:

Preparation of a project plan or a maintenance plan.

Cooperation between producers and consumers involving at least 2 actors (e.g. farmer, municipality, church, foundation, hospitality (HORECA), catering, etc.).

There shall be no more than one intermediary between farmers and consumers.

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or

Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

Indirect costs, such as:

- costs related to the setting-up and maintenance of the cooperation team, including running costs

Direct costs, such as:

- project preparation, costs of studies on the submitted project,
- costs of promotion activities,
- direct costs of individual projects (investments) linked to the implementation of the objectives approved in the project plan, services used for technical implementation.

Direct costs shall be eligible by means of an itemised declaration of the costs actually incurred, with a minimum rate of 75 %.

Indirect costs are eligible as a fixed percentage of the total project (flat rate), with a maximum rate of 25 %.

Aid rate: Str 70-76 and 78

Commitments:

Carrying out the tasks undertaken in the project plan.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): Direct costs

(1)(d): Indirect costs

Average unit amount: EUR 218.472/cooperation.

Range of support at beneficiary level

The total project cost shall cover the cost of the cooperation and the operations carried out.

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Maximum grant amount per project: EUR 500,000

Up to 25 % of the total project cost can be used as a flat rate for general activities for cooperation, planning and project management, etc. (cooperation costs), while a minimum of 75 % should be spent on costs directly serving the purpose of the project, which fall under the accounting method of costs actually incurred.

Rate of assistance: In accordance with Articles 70 to 76 and 78 of the Str.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD49_O32_A01_ON - Specific cost of rural development cooperation for the development of short supply chains	Grant	91(2)(d)-HU-43.00%	Average		R.10	No

Explanation and justification related to the value of the unit amount

RD49_O32_A01_ON - Specific cost of rural development cooperation for the development of short supply chains

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD49_O32_A01_ON - Specific cost of rural development cooperation for the development of short supply chains (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	218,472.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	0.00	8.00	7.00	6.00	0.00	0.00	Sum: 21.00 Max: 8.00
TOTAL	O.32 (unit: Operations)	0.00	0.00	8.00	7.00	6.00	0.00	0.00	Sum: 21.00 Max: 8.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	0.00	1,592,863.97	0.00	0.00	0.00	0.00	1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	0.00	684,931.51	0.00	0.00	0.00	0.00	684,931.51

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD50_R10_SEC_77 - Rural development cooperation for the development of social enterprises

Intervention Code (MS)	RD50_R10_SEC_77
Intervention Name	Rural development cooperation for the development of social enterprises
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.42 Number of persons covered by supported social inclusion projects

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Collaborative interventions aim to encourage members of the agricultural community and local communities to act together. Given the structural situation of Hungarian agriculture and the challenges in the near future and beyond, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, a series of experience shows that the level of willingness of farmers to cooperate is extremely low in Hungary today. Every effort must therefore be made to increase the willingness to cooperate.

The low level of cooperation and innovation skills between actors in the Hungarian agricultural sector hinders the development of more competitive, resource-efficient or coordinated farming structures adapted to environmental conditions in many ways. For this reason, we consider it particularly important to grant

collaborative support in order to encourage agricultural operators.

Cooperation may include investments by the co-operating participants, which are not separate investments, but jointly created investments that are not eligible elsewhere.

Only new cooperation and existing cooperation shall be eligible for new activities.

The purpose of the intervention is to:

The aim of the intervention is to improve the quality of life of local communities or certain vulnerable groups and that collaborative developments result in a different solution (product, service, process, farming practice, etc.).

There are many opportunities based on agronomy and other features of rural areas, the coordinated development of which, based on cooperation, can make a significant contribution to the success of the agricultural economy (including processing and forestry in addition to agriculture) and rural areas.

We want to focus on supporting social innovation cooperation, social entrepreneurship such as social farms and social cooperatives.

We draw on the experience of established forms of cooperation between producers and consumers (e.g. Communities, Open Ports, Camrature, etc.).

Target area – Support for social farm-type collaborations

A social farm is a cooperative farming form, operating in accordance with the principles of social solidarity, for the purpose of social and environmental awareness-raising, which carries out agricultural, processing and service activities involving disadvantaged persons; and agriculture-related awareness-raising activities for a wider society.

Based on Hungarian experience, three sub-types of social farms are distinguished:

- rehabilitative farm or social/rehabilitative farm: its main feature is the involvement of disadvantaged persons in the context of employment within a social institution
- caring farm or caring farm: its main characteristic is the involvement of disadvantaged persons by agricultural operators at the place where the agricultural activity takes place
- social farm or collaborative economy: the main characteristic is awareness-raising for a specific group of persons and/or involvement in employment by persons carrying out an agricultural activity at the place where the agricultural activity is carried out

One possible form of setting up social farms is that support organisations look for farmers in the neighbourhood to whom they 'extend' the disadvantaged target group to work on a regular (even daily) basis. Thus, support organisations do not need to create an agricultural environment and do not need to employ an agricultural professional to maintain it. Support organisations may themselves set up agricultural units, where the involvement of the members of their own disadvantaged target groups is much more intense. However, in order to manage the resulting social farms in a sustainable and professionally sound manner, the recruitment of a farmer (with the qualifications required by law) by assisting organisations may be essential.

The personal scope of social farm service providers can be defined according to two basic categories:

Social farm economy: a farming organisation engaged in an agricultural activity which accepts disadvantaged people to carry out an active activity and/or hosts children and pupils for educational/educational purposes

2nd Social Farm Community: social service providers who themselves engage in farming/service and marketing activities involving their (own) disadvantaged target groups.

Target area B – Support for social cooperatives

The basic characteristics of social cooperatives are: Members – Act X of 2006 on cooperatives Pursuant to Section 15(1): 'A social cooperative, in addition to the **members of a natural person, at least one local**

or minority self-government or an association of these with legal personality (hereinafter referred to collectively as: local authority) or be a member of a non-profit organisation engaged in charitable activities as defined by law.’ – they specify **with which capital is to form an open- member cooperative.** In the application for membership, the person applying for membership **must declare the acceptance of the provisions of the cooperative’s statutes** and the contribution made. If personal assistance is undertaken, the application for membership shall also specify its content. The social cooperative operates according to the variable capital principle, which means that the size of the capital varies with the entry and exit of its members. The aim of a social cooperative is to meet the economic, cultural, educational, social and health needs of its members and to create working conditions for unemployed or socially disadvantaged members. Members are required to be personally involved in the activities of social cooperatives (Act X of 2006 on cooperatives Pursuant to Section 15(2): ‘Society cooperatives shall not be members of a social cooperative, with the exception of a local authority or a non-profit organisation engaged in charitable activities.’ Activities may be carried out in a social cooperative as a member, an employee or a business/assignment contract. A cooperative may form a community fund from which it provides cultural, educational, social and health support to its members and members of their families. Act X of 2006 on cooperatives Pursuant to Article 14(1). ‘The aim of a social cooperative is to **create working conditions for its disadvantaged members and to otherwise help improve their social situation.**’ It thus achieves its role in society not necessarily in the **case of persons with a reduced capacity to work but from disadvantaged backgrounds.** This is **explicitly considered as social engagement.** Nothing prevents a social cooperative from also being a social farm.

Principles governing the establishment of selection criteria, which may be partially applicable:

- Content and quality of the project or maintenance plan
- Strengthening existing business and social relations, creating new ones, exploiting synergies
- Professional experience of participants in collaborations
- Mainstreaming environmental, climate and adaptation aspects
- Regional aspect
- Employment, including voluntary work
- improved income-generating and self-sustainability due to cooperation
- Participation by young farmers

Under Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention in the form of an ‘overall amount’ must comply with the rules of Articles 70 to 76 and 78 of the Strategic Plan Regulation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible Beneficiaries:

- The non-profit organisation participating in the cooperation and the farmer involved (among others: Social Farm Farmers and Collaborative Institution, Social Businesses).

A natural or legal person who is a farmer, processor or service provider, with the involvement of disadvantaged persons, or a social cooperative.

Eligibility criteria:

- Prepare a project plan or a maintenance plan.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

- Costs directly linked to the realisation of the project objective, such as: costs of studies on the submitted project, costs of individual projects (investments) linked to the implementation of the objectives approved in the project plan, costs of planning, project preparation and project management activities, costs of services related to professional implementation.
- Indirect costs, such as: costs related to the establishment and maintenance of the cooperation team,

including running costs.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): Direct costs

(1)(d): Indirect costs

Average unit amount: EUR 65.753/cooperation.

Range of support at beneficiary level

The project cost shall be a total amount covering the costs of the cooperation and of the operations carried out.

Implemented operations (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Maximum grant amount per project: HUF 40 million

A maximum of 25 % of the total project costs can be used as a “flat rate” flat rate for general activities for cooperation, planning and project management, etc. (cooperation costs), while a minimum of 75 % should be spent on costs directly serving the purpose of the project, which fall under the way the costs actually incurred are declared.

Rate of assistance: In accordance with Articles Str 70-76 and 78.

Additional explanation

Not relevant

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☐ No ☒ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112040

SA.107119

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD50_O32_A01_ON - Specific amount for cooperation in rural development for social enterprise development	Grant	91(2)(d)-HU-43.00%	Average		R.42	No

Explanation and justification related to the value of the unit amount

RD50_O32_A01_ON - Specific amount for cooperation in rural development for social enterprise development

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD50_O32_A01_ON - Specific amount for cooperation in rural development for social enterprise development (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	65,753.00	65,753.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	9.00	10.00	23.00	24.00	0.00	0.00	Sum: 66.00 Max: 24.00
TOTAL	O.32 (unit: Operations)	0.00	9.00	10.00	23.00	24.00	0.00	0.00	Sum: 66.00 Max: 24.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	637,151.00	637,151.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	273,974.93	273,974.93	0.00	0.00	0.00	0.00	547,949.86

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD51_R11_TUC_77 - Rural development cooperation for active and eco-tourism development in the region

Intervention Code (MS)	RD51_R11_TUC_77
Intervention Name	Rural development cooperation for active and eco-tourism development in the region
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
5.1.4	Protection of arable land by agroforestry systems	2	Yes
6.5.2	Providing information to the public on the importance of ecosystem services and biodiversity	2	Yes
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.18 Total investment to improve the performance of the forestry sector

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Only new cooperation and existing cooperation shall be eligible for new activities.

Cooperation aims at farmers, foresters, farmers, farm farmers and other local actors (e.g.: encourage agri-, active and eco-tourism cooperation between local tourism providers, the implementation of programmes aimed at presenting local values, traditions and attractors for tourism purposes, the organisation of local, individual attractions and services and local products into competitive tourism products; development of farm networks, thematic themes for the complex presentation of natural and other local values, sustainable, regularly implemented, specific festivals and legacy programmes.

Principles governing the establishment of selection criteria, which may be applied in part:

- Content and quality of the project plan or maintenance plan
- Professional experience of participants in collaborations
- Mainstreaming environmental, climate and adaptation aspects
- Regional perspective
- Employment, including volunteering
- Young farmer or forest start-up manager
- Equal opportunities aspects, commitments

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention must comply with Articles 70-76 and 78 of the Strategic Plan Regulation.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Cooperation between farmers, forest managers, natural persons, companies with legal personality, undertakings without legal personality, non-profit organisations with legal personality (churches, foundations, non-profit companies)

Eligibility criteria:

- Prepare a business plan.
- Cooperation between at least one farmer or forest manager and at least one local non-profit-making tourism organisation or local tourism service undertaking
- Cooperation is only eligible if it is created and implemented as a new cooperation or existing EGTC(s) start a new activity.

As this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, no aid may be granted to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments (commitments):

- Compliance with commitments made in a business plan.

Eligible costs for the intervention:

- Costs directly linked to the realisation of the project objective, such as: costs of studies on the submitted project, direct costs of individual projects (investments) linked to the implementation of the objectives approved in the project plan, costs of planning, project preparation and project management activities, costs of services related to professional implementation
- Indirect costs, such as: costs related to the establishment and maintenance of the cooperation team, including running costs,

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): Direct costs

(1)(d): Indirect costs

Average unit amount: EUR 218.472/cooperation.

Range of support at beneficiary level

The total project cost shall cover the cost of the cooperation and the operations carried out.

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

Maximum grant amount per project: EUR 500,000

Up to 25 % of the total project cost can be used as a flat rate for general activities for cooperation, planning and project management, etc. (cooperation costs), while the costs of activities and investments directly serving the purpose of the project amount to a minimum of 75 %.

Rate of aid in direct costs: In accordance with Articles 70 to 76 and 78 of the Str.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

SA.112038

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD51_O32_A01_ON - Specific amount for active and eco-touristic development in rural areas	Grant	91(2)(d)-HU-43.00%	Average		R.18; R.39	No

Explanation and justification related to the value of the unit amount

RD51_O32_A01_ON - Specific amount for active and eco-touristic development in rural areas

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD51_O32_A01_ON - Specific amount for active and eco-touristic development in rural areas (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	218,472.00	218,472.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	3.00	3.00	8.00	7.00	0.00	0.00	Sum: 21.00 Max: 8.00
TOTAL	O.32 (unit: Operations)	0.00	3.00	3.00	8.00	7.00	0.00	0.00	Sum: 21.00 Max: 8.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	637,151.00	637,151.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	273,975.00	273,975.00	0.00	0.00	0.00	0.00	547,950.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD52_R12_BIC_77 - Rural development cooperation for the development of a biomass-based economy

Intervention Code (MS)	RD52_R12_BIC_77
Intervention Name	Rural development cooperation for the development of a biomass-based economy
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.32. Number of supported other cooperation operations or units (excluding EIP reported under O.1)
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO6 Contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.3.1	Increasing the use of renewable energy, taking into account potential environmental conflicts	3	Yes
6.5.1	Support for cooperation between agriculture, forestry, hunting and nature conservation	1	Partially
8.1.5	Improving the profitability of small farms	2	Yes
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.1.7	Replacement of fossil industrial feedstocks with green substitutes	1	Yes
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)

R.18 Total investment to improve the performance of the forestry sector

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

In order to achieve the objectives of sustainable agricultural management, responsible management of resources and the transition to circular farming, farmers' cooperation is of paramount importance. However, domestic experience shows that the level of willingness to cooperate among farmers remains low. The new type of cooperation to be supported includes cooperation that has so far not been included in rural development support but has been demanded by the industry, and it can be assumed that they will be successful in the form of cooperation.

In-situ resource flows import materials and services on a large scale, including those that can be replaced by in-situ biomass-based solutions. However, the latter are not accustomed, often unknown to decision-makers, and their implementation is more complex than solutions imported into the region even over long distances.

The focus of the intervention is placed on the local use of biomass funds, which is why, in addition to farmers, territorial public service actors, such as municipalities, local public service providers, are key players in cooperation. Cooperation may aim at co-creating new product or service solutions, such as biomass-based local renewable energy supply, energy community model, professional re-use or recycling of by-products or waste, etc.

Only new or existing cooperation shall be eligible for a new action.

The purpose of the intervention is to:

The aim of the intervention is to be a different solution from previous practice as a result of collaborative developments: create a product or service using locally generated, unused or under-used biomass. The action also aims to promote a circular bio-based and collaborative approach and good practices (e.g. by-products, waste, residues) in local public services.

Necessity and added value of cooperation: On the side of both farmers and local public service providers, they rely decisively on their usual main product markets or their sources of supply and do not actively seek new ways of using locally existing resources. The reasons for this include a lack of knowledge and information, as well as the underdevelopment and initial additional cost of a culture of predictable cooperation developed jointly over the long term.

In view of the above, biomass-based in-situ collaborations should be encouraged and facilitated, not only through financial means, but also in the form of knowledge-building, moderation, etc., which will in any case entail additional costs in the first years compared to normal marketing or sourcing solutions.

Elements of intervention under co-design and coordinated implementation creating synergistic effects: raw materials and needs assessment; capacity and supply planning; establishing a long-term cooperation and settlement contractual arrangement;

In the intervention, beneficiaries should take into account the Best Available Technologies (Bats) as defined in Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions.

Selection criteria:

- Quality of the project design

- Composition of the collaborative community
- Mainstreaming environmental, climate and adaptation aspects (e.g. air quality, substitution of fossil or synthetic feedstock, reduction of supply distance, soil protection, broad awareness-raising)
- Regional aspect (fiscal capacity, catching up municipalities)
- Employment aspect
- Nature of biomass use (e.g. cascading principle)

Pursuant to Article 77(4) of the Strategic Plan Regulation, operations supported by this intervention in the form of an 'overall amount' must comply with the rules of Articles 70 to 76 and 78 of the Strategic Plan Regulation as follows:

- Where the operation contains an investment element, the rules laid down in Article 73 of the Strategic Plan Regulation shall apply.
- In case the operation involves rural business start-ups, the rules laid down in Article 75 of the Strategic Plan Regulation apply.
- Where the operation contains an element of knowledge transfer and dissemination of information, the rules laid down in Article 78 of the Strategic Plan Regulation shall apply.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

- cooperation between biomass feedstock producers and biomass feedstock users

Eligibility criteria:

- At least 2 cooperative communities (consortium) formed by independent farmers, food processors, forest managers, forest owners or timber processors (the criterion of independence is the same as for affiliated companies) or a local public service provider.
- Submit a project plan containing:

Create a biomass-based product or service (not for food or feed) to meet the specific demand with at least 2 cooperating partners

- Maintenance plan or business plan

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, no aid may be granted to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined as 37/2011 on the State aid procedure for the purposes of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 22/2000) and
- failed to comply with the decision of the European Commission, addressed to Hungary, requiring the recovery of State aid in the sense of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments:

- implementation of a project plan or maintenance plan
- create a new product or service to meet local specific needs with at least 2 suppliers
- undertake to cooperate at least for the maintenance period with up to 30 km of biomass raw material supplier or suppliers
- only investments that meet the requirements of low-emission technologies (Best Available Technologies, BATs) are eligible.
- renewable energy production must comply with Directive (EU) 2018/2001 on the promotion of the

use of energy from renewable sources (REDII) and the domestic legislation implementing it (in particular Act CXVII of 2010, 821/2021). (XII. Government Decree No 34/2021 and Government Decree No 34/2021 (Decree 6) of the Minister for Agriculture)

- commitment for a minimum duration of 3 years up to 5 years

Ineligible costs for the intervention

- collaborations involving research institutions only
- for investments, the cost elements in Article 73(3) (Investments) of the Strategic Plan Regulation
- purchase of real estate
- investment in irrigation

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), 1(d) and 2(a)(i) STR.

1(a): Direct costs

(1)(d): Indirect costs

Range of support at beneficiary level

The project cost is total to cover the costs of cooperation and operations carried out.

The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).

A maximum of 25 % of the total project cost may be allocated as a flat rate to general activities (cooperation costs), etc. for cooperation, planning and project management, etc., while a minimum of 75 % shall be allocated to costs directly serving the purpose of the project, which fall under the method of accounting for actual costs incurred.

Rate of assistance: Str 70-76 and 78

Average unit amount: EUR 218.472/cooperation.

Additional explanation

Not relevant.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☒ GBER ☒ ABER ☒ de minimis

State Aid case number

N/A

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☒ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☐ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD52_O32_A01_ON - Rural development cooperation specific amount for the development of a biomass-based economy	Grant	91(2)(d)-HU-43.00%	Average		R.15; R.18; R.39	No

Explanation and justification related to the value of the unit amount

RD52_O32_A01_ON - Rural development cooperation specific amount for the development of a biomass-based economy

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M16 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD52_O32_A01_ON - Rural development cooperation specific amount for the development of a biomass-based economy (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	218,472.00	218,472.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.32 (unit: Operations)	0.00	3.00	3.00	8.00	7.00	0.00	0.00	Sum: 21.00 Max: 8.00
TOTAL	O.32 (unit: Operations)	0.00	3.00	3.00	8.00	7.00	0.00	0.00	Sum: 21.00 Max: 8.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	637,151.00	637,151.00	0.00	0.00	0.00	0.00	1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	273,975.00	273,975.00	0.00	0.00	0.00	0.00	547,950.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD57_R15_LDR_77 - Preparation and implementation of LEADER strategies

Intervention Code (MS)	RD57_R15_LDR_77
Intervention Name	Preparation and implementation of LEADER strategies
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.31. Number of supported local development strategies (LEADER) or preparatory actions
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: Yes

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

Continuing the practice of the 2014-2020 programming period, the territorial scope of the LEADER intervention covers all rural municipalities in the country. The selected Local Action Groups (hereafter: LAGs) are expected to fully cover the country's rural municipalities.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

SO3 Improve the farmer' position in the value chain

SO4 Contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emission and enhancing carbon sequestration, as well as promote sustainable energy

SO5 Foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency

SO8 Promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
8.1.1	Increasing the employment rate of women in rural areas	1	Partially
8.1.2	Improving the profitability of rural micro-enterprises	1	Partially
8.1.6	Biomass feedstocks, intermediate products, waste processing, renewable energy use	1	Partially
8.2.1	Human resources for the implementation of development policy programmes	2	Partially
8.2.2	Developments that can be adapted to local/regional needs and have a measurable impact on them	1	Partially
8.2.3	Coherence of local development programmes, regional cooperation	1	Partially
8.3.1	Reducing regional disparities in rural transport infrastructure	3	Partially

8.3.2	Development of infrastructural background for local public services raising quality of life	3	Partially
8.4.2	Encouraging Roma inclusion programmes, reducing segregation	3	Partially
8.6.1	Increase the scope and added value of forest benefits, improve profitability	3	Yes
CCO.4.1	Providing personal access to broadband internet services	2	Partially
CCO.4.3	Electronic administration, transparency	1	Partially

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.10 Share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP

R.15 Supported investments in renewable energy production capacity, including bio-based (in MW)

R.27 Number of operations contributing to environmental sustainability and the achievement of climate mitigation and adaptation goals in rural areas

R.37 New jobs supported in CAP projects

R.38 Share of rural population covered by local development strategies

R.39 Number of rural businesses including bio-economy businesses developed with CAP support

R.40 Number of supported smart-village strategies

R.41 Share of rural population benefitting from improved access to services and infrastructure through CAP support

R.42 Number of persons covered by supported social inclusion projects

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The Local Action Groups already in operation or set up in the territories of the country, which play a significant role in the territorially balanced development of rural areas and communities (hereinafter: LAGs). Under the measure, LAGs meet local development needs in line with the objectives of the Strategic Plan (hereinafter: HFS). In the LAG approved by the Managing Authority, the LAGs define development objectives that are pursued by regional actors.

The HFS includes the amount of the development envelope available to the LAG.

The measure also supports the operation and animation of LAGs, the implementation of their LFS and the implementation of interregional and international cooperation.

The intervention aims to develop capacity at local level, involve and activate rural actors by organising community actions, awareness-raising and training, including awareness-raising and capacity building on equal opportunities, social inclusion and the fight against poverty. In the context of the intervention, the preparation of LFSs will also be financed. Training and briefings provided by the MA, as well as mentoring, will assist in the preparation of the HFS. The technical basis for strategy preparation, including the collection of data for the region, the use of studies/analyses, and the involvement of Community actors. The MA approves the HFS on the basis of its content and quality and the suitability of the capacity required for its implementation. The LAGs have the sole responsibility and responsibility for establishing the content of the LAGs, for which the operation provides the necessary financial framework.

In addition to the LAG-related activities, the main task of the LAG is to motivate, activate and assist the

local community so that new opportunities, ideas are brought to the fore and delivered in line with the objectives of the LAG, as well as the development and implementation of local development strategies by the community and networking with other LAGs domestically and across borders.

In this context, LAGs may also support the development of project ideas into proposals, provided that the implementation of the project is in line with the objectives of the LFS.

Tasks to be carried out exclusively by LAGs (Regulation (EU) 2021/1060 33. (3)) the following are:

‘Local action groups shall carry out, on an exclusive basis, all of the following tasks:

- (a) building the capacity of local actors to develop and implement operations;
- (b) establishing a non-discriminatory and transparent selection procedure and criteria that exclude conflicts of interest and ensure that no interest group can direct selection decisions;
- (C) preparation and publication of calls for proposals;
- (D) selection of operations and fixing of the amount of support and submission of proposals to the responsible body before approval for final eligibility verification (application management);
- (e) monitoring progress towards achieving the objectives of the strategy;
- (F) an assessment of the implementation of the strategy.’

The MA assists the LAGs with continuous mentoring and training through the CAP network.

The priorities are:

- setting up, maintaining and strengthening micro, small and medium-sized enterprises in rural areas;
- start-up and development of social enterprises;
- development of local products and services;
- development of low asset-intensive food processing investments;
- development of a local craft and artisanal layer (e.g.: painter, bricklayer, car mechanic, etc.);
- promoting, raising awareness and supporting the marketing of local cooperation for economic development;
- promoting access to human public services for the population in rural areas;
- establishment of a joint marketing point/box/safer system;
- use of renewable energy, climate-friendly, water retention and environmental solutions at local level;
- facilitating the preparation of smart village strategies;
- strengthening rural areas as a business space and residence;
- the development and implementation of complex, sustainable tourism and hospitality programmes based on a local community and presenting natural and other values, conditions, traditions and specific products;
- strengthening the individual activity, ownership and cooperation skills of members of local communities;
- to work together more actively in society, create stronger local identity, encourage community thinking and work and provide the conditions for them;
- community life, community marketing, infrastructure development of community spaces, conservation of built and cultural heritage;
- support the retention of young people, help them settle and prevent emigration;
- encouraging inclusion, equal opportunities and social inclusion

Target area: Support the preparation of the LFS, corresponding to Article 34(a) of the CPR (capacity building and preparatory actions supporting the development and future implementation of the local development strategy);

Target B: Implementation of the LSD, corresponding to Article 34(b) of the CPR (implementation of operations selected on the basis of the local development strategy);

Target Area C: Implementation of interregional and international cooperation, corresponding to Article 34(b) of the CPR (cooperation activities and their preparation);

TargetD: Operation of the LSD and associated animation activity, corresponding to Article 34(c) of the CPR (management, monitoring and evaluation of the local development strategy and its implementation, including facilitating exchanges of views and experience between those involved in the implementation of the strategy)

This target area is: Developing and implementing smart village strategies

Smart villages are rural collaborations that seek practical solutions to local economic, social and/or environmental challenges and strive to make the best possible use of digital technologies for the local population.

Target:

- catching up with digital tools in disadvantaged and lagging regions
- municipalities develop their own smart village strategy
- use of digitalisation for community development, community development, communication, active local communities
- strengthening cooperation between rural communities and developing regional cooperation;
- the quality of life in rural areas and the rural ecosystem are improved;
- increase the population retention and attraction of rural areas,
- needs-driven rural development interventions are implemented along the smart village concept.

Content:

developing smart village strategies

implementation of Community solutions for digitalisation

development of local, community services, “proximity” to local residents (e.g. e-health, smart care, co-working, carpooling, development of community Wi-Fi points, digital public safety, etc.)

— local smart markets, market monitoring, e-commerce development

— support for the sharing economy through digital means

transition to circular farming

promotion of energy efficiency

improving water management, retaining and preserving water resources

protection and enhancement of biodiversity

establishment of digital registers for the benefit of the countryside (e.g. reducing administrative burdens, supporting activities, developing apps for rural communities, etc.)

— procurement of support systems for urban development based on the processing of relevant databases

Hungary does not use the multi-fund LEADER/CLLD option.

Principles governing the establishment of selection criteria, which may be partially applied (selection criteria):

- access to the aid is conditional on the fulfilment of the eligibility criteria;
- encouraging initiatives to reduce gender inequality and disadvantage
- consistency with the objectives of the HFS,
- innovative solutions that are innovative for the region;
- the reality of milestones and targets, where possible, their measurability;
- value for money, i.e. balance between planned costs and results, cost-effectiveness,

- physical/financial/environmental feasibility and sustainability;
- quality of the project design,
- regional aspect,
- principle of territorial integrity for cross-border cooperation projects (TNC)
- the environmental, economic and social characteristics of the area of operation,
- a description of how the community is involved (project data sheets, etc.),
- planning timing (local calls, resources);
- existence of human resources.

If a LFS cannot be accepted by the MA on the basis of the selection criteria, that LFS will be returned for improvement to the LAG concerned.

Eligibility criteria for LAGs for target areas A,B,C,D:

1. the population of the area to be covered by the LFS may range from 10 to 150 thousand people;
The LAG's action area is a territorially contiguous unit, one municipality may belong to only one LAG;
3. The eligibility condition for the selection of LAGs is that the LAGs are managed by local action groups composed of representatives of public and private local socio-economic interests in which there is no single stakeholder controlling decision-making;
4. The eligibility criterion for the selection of LFSs shall be the content in accordance with Article 32 of Council Regulation 2021/1060;
5. Animation by LAGs supporting networking, easier access to resources, innovativeness in the local environment and cooperation with other territorial actors, where appropriate, is an important element in the implementation of LEADER intervention;
6. The approval of the LFS is the responsibility and responsibility of the EAFRD Managing Authority. Compliance with the eligibility criteria governing the LAG area, decision-making and content of the LAG gives the LAG the right to use the resources allocated to the operation and animation and the implementation of the LFS.
7. The EAFRD Managing Authority shall implement the approval of the LFS within 12 months of the adoption of the CAP Strategic Plan.

In local calls for the implementation of LSDs, the funding rates should not exceed the support rates for the same type of interventions of the programme;

The complementarity with other interventions and programmes is determined locally by LAGs when planning LFSs based on local needs and opportunities. The description of complementarity is part of the description of the interventions of the LFS.

The LAG's decision-making bodies shall include at least one woman and at least one young person.

Eligibility criteria for target area E:

- smart village projects in cooperation with at least 2 partners
- one of the cooperating partners can also be the LAG itself
- reach at least 1000 inhabitants with development in rural areas
- at least 1 local authority partner in the cooperation,
- the collaborative project is linked to the local development, urban development, environmental, social inclusion, etc. strategy of the area concerned;
- the cooperation shall contribute to one of the topics linked to the specific objectives or/or the overall objectives of the CAP Strategic Plan.
- only one smart village strategy per municipality can be supported
- target area E can only be used for LAGs that incorporate it into their LFS

Pursuant to **Article 31 of Regulation (EU) 2021/1060:**

— Cooperation across sub-regional areas can take place in the context of international projects or at national level. The international relations of the LAGs in Hungary are notable, with larger cross-border initiatives.

— In the LEADER programme, decision-making should take into account the proportion of the spheres, none of which should have a significant share of voting rights, which should be laid down in separate rules of procedure.

— All LEADER projects are linked to those set out in the LAG HFS concerned.

— The fulfilment of the LEADER principles is essential and the LSDs are also developed taking into account the principles.

Sub-regional area (definition): Uniform areas smaller than NUTS 3 regions covered by LAGs. The population covered by the sub-regional areas may be delimited by LAGs in the LFSs.

Link with other interventions:

RD58_A01_TRA_78 – Training and demonstration programmes

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries

Target areas A, D:

Recognised LAGs

Target B:

Recognised LAGs

Partner in the implementation of the HFS adopted by the MA:

Paragraph 2 Natural persons

Paragraph 1 Undertakings having legal personality

Section 3 Budgetary bodies and bodies operating in accordance with the budgetary regime

‘Paragraph 3 Associations

Non-profit legal entities (e.g. church legal entities, foundations, non-profit-making farmers’ associations)

Target Area C:

Recognised LAGs

Companies with legal personality

Budgetary bodies and bodies operating in accordance with the budgetary order

Associations

Non-profit legal entities (e.g. ecclesiastical entities, foundations, non-profit companies)

The LAG may itself be the owner of target areas A to D and implement measures in line with the strategy, provided that the LAG ensures the principle of separation of activities (Article 33(5) CPR).

This target area:

Private and legal persons

Non-profit organisations

Associations

Cooperatives

Municipalities

Recognised LAGs

Territorial scope: Continuing the practice of the 2014-2020 programming period, the territorial scope of the LEADER intervention covers all rural municipalities in the country (a municipality with less than 10 thousand inhabitants regardless of administrative status (city/municipality) is considered to be rural; or the outskirts of the municipalities with a population of more than 10 thousand inhabitants; you are not entitled to: Budapest. The selected LAGs are expected to fully cover the country's rural municipalities.

Offices operated by LEADER LAGs may be located in municipalities with more than 10 thousand inhabitants in justified cases, with the exception of Budapest (e.g. where an area covered by LAGs encloses a settlement of more than 10 thousand inhabitants).

The delineation of LEADER LAGs with other operational programmes has been described in detail in the chapter 4.5 Review of the coordination and demarcation of competences between the EAFRD and other EU funds in rural areas and their complementarity.

The LAG may itself be the owner of the target areas and implement measures in line with the strategy, provided that the LAG ensures the principle of separation of activities (Article 33(5) CPR).

Territorial scope: Continuing the practice of the 2014-2020 programming period, the territorial scope of the LEADER intervention covers all rural municipalities in the country (a municipality with less than 10 thousand inhabitants regardless of administrative status (city/municipality) is considered to be rural; or the outskirts of the municipalities with a population of more than 10 thousand inhabitants; you are not entitled to: Budapest. The selected LAGs are expected to fully cover the country's rural municipalities.

Offices operated by LEADER LAGs may be located in municipalities with more than 10 thousand inhabitants in justified cases, with the exception of Budapest (e.g. where an area covered by LAGs encloses a settlement of more than 10 thousand inhabitants).

The delineation of LEADER LAGs with other operational programmes has been described in detail in the chapter 4.5 Review of the coordination and demarcation of competences between the EAFRD and other EU funds in rural areas and their complementarity.

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid under EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or

- it failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Institutional guarantee at preferential rates.

The cost of the preparatory activities for the LFS may be awarded as a lump sum.

In the implementation of the measure, priority shall be given to the use of a lump sum grant.

In the case of LEADER, defined as community-led local development in Article 31 of the CPR, the following costs are eligible:

- on the basis of Article 34(1)(a) of the CPR, costs for all preparatory activities and support for the implementation of the LFS selected pursuant to Article 32 of that Regulation may be awarded as a single amount, or
- Member States should ensure that the Strategic Plan Regulation (Investments), 71 (Cooperation), 72 (Knowledge Transfer and Information) EU rules and requirements for similar operations.

(LAGs have the possibility to claim an advance of 50 % on their operating costs, without the obligation to provide a security.)

Costs for strategy planning for the 2021-2027 period are eligible even if the strategy is not finally selected and financed (CPR 34 (2)).

Commitments for Target Area E (preparation and implementation of smart village strategies):

- the planned cooperation under target area E must be included in the local development strategy of the LAG concerned
- preparation of a smart village strategy and full or partial implementation of the strategy, whereby, depending on the nature of the project, at least one of the following conditions must be met:
 - - improving local living conditions (e.g.: e-health, smart care, public safety, community Wi-Fi points, etc.) or
 - improvement of economic conditions and improvements to maintain or expand employment in rural areas (e.g.: collaborative economy, teleworking, co-working, carpooling, helping marginalised groups to work, etc.) or
 - improvement of the environmental status (e.g.: eco-footprint reduction, climate adaptation solutions, etc.), or
 - improving the visibility of communities online (e.g.: municipal marketing, agro-tourism, etc.).
- liaise with the rural and regional development support unit of the CAP-h network related to the theme.

The duration of the commitment shall be at least 3 years up to 5 years.

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☒ flat-rate financing

Basis for the establishment

- Str Article 83(1a), 1(d) and 2(a)(i)

- 1(a): For investments
 1(b): For the organisation of events
 (1)(d): For general activities, for LAGs operating costs

Non-repayable grant.

The unit cost to be used for the organisation of events is HUF 2000 per person.

Background to the calculation of the unit cost: The amount determined on the basis of the background calculation made during the RDP period has been updated to reflect the inflation rate.

The maximum aid rate is 100 % of eligible costs.

Range of support at beneficiary level

The Local Action Groups shall determine the aid intensity applicable in local calls on the basis of Regulation (EU) 2021/2115 of the European Parliament and of the Council as follows:

- For investment-type aid, the aid intensity must be determined on the basis of Article 73(4) of Regulation (EU) 2021/2115.
- For aid of an investment nature relating to irrigation, the aid intensity shall be determined on the basis of Article 74(8) of Regulation (EU) 2021/2115.
- For start-up aid in rural areas, the aid intensity must be determined on the basis of Article 75(4) of Regulation (EU) 2021/2115.
- In the case of cooperation-type aid, the aid intensity shall be determined on the basis of Article 77(8) of Regulation (EU) 2021/2115.
- For knowledge transfer type aid (Exchange of knowledge and dissemination of information), the aid intensity must be determined on the basis of Article 78(4) of Regulation (EU) 2021/2115.

For this target area:

- The project cost is a full amount covering the costs of cooperation and operations carried out.
- The implemented operation (projects) will comply with the relevant rules and requirements laid down in Articles 70 to 76 and 78 of Regulation (EU) 2021/2115 (STR).
- Up to 25 % of the total project costs can be used as flat-rate flat-rates for cooperation, planning and project management, etc. for general activities (cooperation costs), while a minimum of 75 % must be allocated to costs directly serving the purpose of the project, which are subject to the method of accounting for the costs actually incurred.
- Rate of assistance: In accordance with Articles 70 to 76 and 78 Str.

Additional explanation

Ineligible actions for the intervention:

Investments on agricultural holdings, except for projects with proven LEADER added value.

- Purchase of live animals
- Acquisition of second-hand goods
- Purchase of payment entitlements

Other ineligible activities as defined in the HFSs

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☒ de minimis

State Aid case number

Additional information:

- ☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.
- ☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.
- ☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

What is the added value of the LEADER approach for Rural Development aimed?

On the one hand, the added value of the LEADER approach to rural development is ensured by actively involving the community in the development of local development strategies and by implementing bottom-up initiatives that respond to local needs and problems. On the other hand, Local Action Groups (LAGs) work to support, inter alia, potential beneficiaries who would not be able to realise their development vision without this assistance.

Certain projects eligible under LEADER would not be eligible or could be implemented under other interventions or from other funds. The added value of LEADER lies in the local approach. LAGs identify local problems, prepare LFSs and publish local calls based on the subsidiarity principle. This is not possible without the LEADER approach.

LAGs need to test the LEADER added value on a project-by-project basis and demonstrate that investment projects would not have been possible without applying the LEADER method.

The added value of LEADER encompasses the benefits achieved through the proper application of the LEADER method, as compared to the benefits that would have been achieved without the application of the method. The added value resulting from the application of the LEADER method can be achieved by meeting the following criteria (indicative and non-exhaustive list):

- The project could not have been implemented outside LEADER (e.g. support from another fund or other intervention of the CAP Strategic Plan)
- The project contributes to improving local social capital, e.g. through the creation of local networks or cooperation between different local actors
- The project is in synergy with other projects (e.g. combination of skills and investments, synergies between sectors)
- The project responds directly to local needs and objectives
- Collective investments or other community benefits as a result of an investment project
- Sustainable rural job creation
- Social farming and other social benefits deriving from the project
- Multiple actors in the local value chain benefit from the project
- The project involves the assessment and application of local individual territorial assets
- The project contributes to the positive development of local society and environment
- Mainly benefits resulting in better implementation of the LEADER method for LAG's own projects:
- Improve LAG's transparency and inclusiveness
- Development of LAG communication tools
- Better project management and monitoring
- Development of the LAG organisation (innovation, education, network development)

Describe how the basic requirements and principles related to the LEADER approach will be ensured through the delivery model

The seven pillars of the LEADER programme will be implemented in the following ways:

- 1) Area-based approach: an area covered by LEADER LAG is a homogeneous, coherent rural unit, which does not always correspond to administrative boundaries. Municipalities and residents of the area of operation are linked by their common identity, traditions, customs, history or even their geographical position. This approach is workable, the real needs are better defined and more precise actions can be taken.
- 2) A bottom-up approach: the implementation of certain developments and programmes is more effective and efficient if local residents and organisations familiar with local conditions and resources formulate the objectives and development needs to be achieved. In formulating local development strategies, LEADER LAGs encourage local people to engage in joint work and think together in developing the future of their region. For bottom-up concepts, local community development, cooperation, the development and implementation of a proactive strategy for all are of particular importance.
- (3) Innovability: identifying specific bottom-up needs is key to innovation. The innovative nature of the LEADER programme relies on local resources, with unique, new ideas emerging at local level in all areas.
- 4) Integrated approach: one of the main foundations of the LEADER programme is not a development programme for a sector, but a link between activities and sectors for the development of rural areas. In jointly formulated strategies, a multi-sectoral approach to measures at all levels, linking them together, generates positive effects and contributes to the success of the programme.
- 5) Specific management and funding methods: in the LEADER programme, decentralisedness is reflected, inter alia, in decision-making and the use of available resources. This specificity reflects local needs. The principle is based on the fact that local actors are the most familiar with the problems of the region and are thus the most competent in developing and implementing developments.
- 6) Networking, cooperation: the existence of networks between LEADER LAGs and other organisations is based on the dissemination, exchange, knowledge and working methods of local experiences, good practices and results. Networking contributes to the integration and development of more isolated rural areas. Through the networks, LAGs can also co-create and achieve development objectives.
- 7) Local Partnership(s), LAGs engagement at local level: tripartite partnerships play a central role in the LEADER programme. The strategies coordinated by LAGs are designed and implemented in cooperation between representatives of different organisations and sectors, highlighting the development and deepening of partnerships based on mutual interests.

Is support from more than one EU fund planned?

☐ Yes ☒ No

Would the lead fund option be applied?

☐ Yes ☒ No

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(3)(b) - 77(1)(b) - LEADER under Article 77(1), point(b)	50.00%	20.00%	80.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD57_O31_A01_ST - Preparation of LEADER strategies, unit amount	Grant	91(3)(b) - 77(1)(b)-HU-50.00%	Average		R.38	No
RD57_O31_A02_ST - Leader LAGs and implementation of LFS including smart village strategies, specific amount	Grant	91(3)(b) - 77(1)(b)-HU-50.00%	Average		R.10; R.15; R.27; R.37; R.38; R.39; R.40; R.41; R.42	No

Explanation and justification related to the value of the unit amount

RD57_O31_A01_ST - Preparation of LEADER strategies, unit amount

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M19 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

RD57_O31_A02_ST - Leader LAGs and implementation of LFS including smart village strategies, specific amount

When determining the average unit amounts, the aid applications received and approved in response to the relevant calls for proposals under measure M19 of the Rural Development Programme 2014-2020 were taken into account, taking into account the funds allocated to the calls for proposals. Unit amount is the ratio between committed funds and applications supported, corrected by an inflation coefficient

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD57_O31_A01_ST - Preparation of LEADER strategies, unit amount (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.31 (unit: Strategies)	0.00	105.00	0.00	0.00	0.00	0.00	0.00	Sum: 105.00 Max: 105.00
RD57_O31_A02_ST - Leader LAGs and implementation of LFS including smart village strategies, specific amount (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	1,450,885.48	1,450,885.48	1,450,885.48	1,471,885.48	1,471,885.48	1,471,885.48	1,471,885.48	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	O.31 (unit: Strategies)	0.00	105.00	0.00	0.00	0.00	0.00	0.00	Sum: 105.00 Max: 105.00
TOTAL	O.31 (unit: Strategies)	0.00	210.00	0.00	0.00	0.00	0.00	0.00	Sum: 210.00 Max: 210.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	14,462,789.60	49,683,957.00	50,231,906.86	50,231,906.86	0.00	0.00	164,610,560.32
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	7,231,394.80	24,841,978.50	25,115,953.43	25,115,953.43	0.00	0.00	82,305,280.16
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD61_A05_EIP_77 - European Innovation Partnership (EIP) cooperation

Intervention Code (MS)	RD61_A05_EIP_77
Intervention Name	European Innovation Partnership (EIP) cooperation
Type of Intervention	COOP(77) - Cooperation
Common Output Indicator	O.1. Number of European Innovation Partnership (EIP) operational group projects
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.10	Consumer education and awareness raising	1	Partially
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.1.3	Strengthening cooperation between producers and processors of researchers	1	Yes
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes
CCO.2.2	Design of demonstration plants	1	Yes
CCO.3.1	Increasing the level of skills of the workforce to make use of innovative technologies	1	Yes
CCO.3.2	Hosting qualified researchers, support to the RDI sector	2	Yes
CCO.3.3	Increasing the innovativeness of agricultural and food business operators	2	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

R.2 Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

In general, cooperation-based interventions are aimed at encouraging farmers to participate in a community in the Hungarian CAP Strategic Plan. All other elements of these interventions (investments, promotion) are marginal. Given the structural situation of Hungarian agriculture and the challenges in the near and remote future, farmers' cooperation is of paramount importance in achieving sustainable agriculture. However, a series of experiences show that the level of willingness of farmers to cooperate is extremely low today in Hungary. This is why every means should be used to strengthen the willingness to cooperate, as Western practices show that farmers' conspiracy and joint action help to strengthen their competitive positions and resilience. An economy is much more at risk if it wants to develop, but it is more likely to implement successful programmes as part of a cooperation. In the CAP Strategic Plan, Hungary intends to engage in cooperation, one of which is a well-known and proven scheme for farmers, such as supporting sustainable water management communities or supporting short supply chains. These grants should continue to be co-operative because the experience of the 2014-2020 period shows that they are successful in a cooperative form. Another type of cooperation includes co-operations that have not yet been included in rural development support, but have been demanded by the sector in the design of the CAP Strategic Plan and are shown to be successful in a collaborative way. In all cases, the grants shall support cooperation and the associated costs. Complementary activities such as an investment are not possible without the establishment and operation of the cooperation.

Only new and existing co-operations are eligible for new activities.

Innovation collaborations allow actors from different professional backgrounds to connect and find solutions to a current problem and challenge in a complementary way. The purpose of the Partnerships is to translate their existing knowledge into innovative solutions that can be applied in practice by the various actors involved in innovation, agriculture, forestry, food, rural development, research and advice.

The European Innovation Partnership for the Productivity and Sustainability of the Agricultural Economy (EIP) aims to stimulate innovation and improve knowledge transfer. The EIP should support the AKIS by linking policies and instruments to speed up innovation. The interaction between individual AKIS actors and synergies between knowledge transfer, innovation and digitalisation interventions should be facilitated by the CAP Network through support units responsible for networking in specific thematic areas and assisting in the implementation of interventions. The themes covered by the CAP Network, within and between which networking and synergy of relevant measures will be supported.

Objective:

- support collaborations for the development, transfer and implementation of innovative practices and encourage the uptake of innovation solutions;
- making the agricultural, forestry, food and food sectors more productive and sustainable, improving competitiveness and helping communities benefit from social innovations in the rural development sector;
- individual sectors are better adapted to current challenges such as increased competition, volatile market prices, climate change and compliance with stricter environmental rules.

Article 1 Green innovative solutions (innovations supporting policy goals)

Pre-defined themes will be developed for EIP Goal 1 Operational Groups. The pre-defined themes are among the most important policy challenges for domestic farmers. Operational Groups are tasked with

developing innovative solutions for compliance with policy conditions, assessing them and formulating policy recommendations where necessary. The list below is non-exclusive, additional topics may be included in this target area if new challenges arise in the future.

1.1. Soil

- implementation of soil protection measures and action plan
- erosion prevention cooperation
- interventions to reduce ammonia emissions from agriculture (manure storage, treatment, application, correct nutrient management)
- sustainable soil management and improvement (TCST)

Plant protection, organic farming

- implementation of plant protection measures and action plan
- developing good agricultural practices (draining and banning water-intensive crop production) in drought-affected areas to address the needs and measures directly related to reducing the use of pesticides and reducing the use of plant protection products

Air protection, GHG

- prevention and reduction of agricultural ammonia and GHG emissions
- carbon sequestration and greenhouse gas emissions reduction practices (land-use change, direct sowing, soil cover, reduction of fertiliser use, increase of soil organic matter, etc.)
- development of livestock farms to reduce emissions (feeding, manure storage and treatment, flooring, insulation, air scrubber and other abatement technologies, BAT requirements, etc.)

1.4. Water protection

- water protection measures and compliance with the Water Framework Directive
- interventions to reduce nutrient pollution to reduce high levels of eutrophication of surface waters

1.5. Animal welfare, AMR

- animal welfare and AMR measures
- measures to reduce the use of antimicrobials (AMR)

1.6. Coordination of forestry and hunting

- Establishment and operation of a national forest wild impact monitoring system

1.7 Forest management and matching of societal needs

- Establishment and operation of a national forest visitor monitoring system

The above are the societal challenges and themes currently visible. If new policy needs arise later (e.g. the Green Deal targets are transposed into legislation), the themes could be further expanded.

Article 2 (bottom-up innovation initiatives)

Support European Innovation Partnership (EIP) innovation collaborations where the innovation content of projects can be product, service, process or technological development, social or adaptive innovation

— agricultural,

— forestry and hunting,

— food and feed production,

in the rural development sector, or

- in a biomass-based economy (also moving towards industrial production), and

— in the area of consumer and rural social issues.

For the above target area, the project ideas are expected as a bottom-up initiative and by collaborators, which can be supported by the work of the CAP Network's Innovation and Digital Support Unit and by innovation consultants. In line with mandatory innovation support under 15(4)(e), in particular for the

preparation and implementation of EIP Operational Group projects referred to in Article 127(3).

Project themes may include, for example, taking into account the above objectives:

1. Animal husbandry
2. Animal welfare
3. Feed and feed
4. Arable crops
5. Outdoor horticulture and woody plants (including viticulture, olives, fruit, ornamental plants).
6. Greenhouse crops
7. Forestry
8. Wildlife management
9. Aquaculture
10. Genetic resources
11. Pest/disease control
12. Pest/disease control in animals
13. Plant nutrients
14. Soil
15. Water
16. Energy
17. Climate change (including greenhouse gas reduction, adaptation and mitigation, and other air-related issues, alternative farming methods in drought areas)
18. Organic farming
19. Agro-ecology
20. Crop conversion/cultivation diversification/dual or mixed production
21. Biodiversity and nature
22. Sustainable landscape/land management (e.g., erosion prevention measures)
23. Circular economy, including waste, by-products and residues
24. Equipment and machinery
25. Competitiveness/new business models
26. Diversification of the economy
27. Supply chain, marketing and consumption
28. Food safety, safety, quality, processing and nutrition
29. Digitalisation, including data and data technologies
30. AKIS, including advice, training, farm demonstrations, interactive innovation projects.

The Operational Group project can contribute to achieving one of the following relevant Green Deal, Farm to Fork, Biodiversity Strategy and European Forest Strategy objectives:

1. Achieving climate neutrality
2. Reducing the overall use and risk of chemical plant protection products and/or the use of more hazardous plant protection products
3. Organic farming and/or organic aquaculture, with a view to increasing uptake
4. Reducing the use of antimicrobials in farmed animals and aquaculture
5. Reducing nutrient losses and the use of fertilisers while maintaining soil fertility
6. Improving the management of natural resources such as water, soil and air used by agriculture
7. Protection and/or restoration of biodiversity and ecosystem services within agricultural and forestry systems

8. Re-entry of agricultural land under high diversity landscape features
9. Facilitating access to fast broadband in rural areas
10. Improve animal welfare
11. Biodiversity-friendly afforestation and afforestation, climate, economic and social challenges for the forest management of the future

The Operational Group project can contribute to improving knowledge on the following CAP-specific objectives:

Ensuring viable income

2. enhancing competitiveness
3. rebalancing power in the food chain
4. climate change resilience and adaptation
5. environmental care
6. preserve landscapes and biodiversity
7. support generational renewal
8. vibrant rural areas
9. improving the response to societal demands on food and health

It shall in particular:

- (a) create added value by enhancing the link between research and farming practices and by promoting the wider use of available innovation measures;
- (b) connect innovation actors and projects;
- (C) encourages faster and wider practical implementation of innovative solutions, including the exchange of information between farmers; and
- (D) inform the scientific community of research needs related to farming practices.

Selection principles (which may be partially applicable according to the purpose of the call):

1. Selection principles to be applied in all cases:

- Quality and content of the innovation project plan, financial plan
- Participation of an editor or innovation facilitator in the project
- Existence of multi-actor partnerships in the AKIS system, operating in accordance with the interactive innovation model described in Article 127(3)
- Complementarities of EIP Operational Group working partners (synergies)
- Previous professional experience in collaborations or in the field of the project

2. Selection principles that can be partially applied according to the purpose of the call:

- The innovation potential of the project and the history of innovation on the topic (domestic and international)
- Number of small farms involved in cooperation
- Number of EIP Operational Group cooperating partners
- Qualifications of the professionals involved in the cooperation, relevant references obtained in a given topic
- Cooperation in national and foreign education, consultancy, research institutions, participation in international networks, where relevant
- Inclusion of Natura 2000 habitats, in particular 9110, 9130, 9150, 9180, 91E0, 91F0, 91G0, 91H0, 91K0, 91L0, 91M1, 91N0.
- Mainstreaming environmental, climate and adaptation aspects
- Social mainstreaming

- Mainstreaming of equal opportunities

Relevant legislation:

Act LXXVI of 2014 on scientific research, development and innovation

Act XXXVII of 2009 on forests, forest protection and forest management

Act LV of 1996 on the protection of wild game, wildlife management and hunting

Relationship with other interventions and measures:

Under the CAP network, the Innovation and Digital Support Unit supports the EIP Operational Groups from the development of innovation project ideas to their implementation.

RD58_A01_TRA_78 – Training and demonstration programmes, and

RD60_A04_ADP_78 – Advisory services can be linked to interventions as basic knowledge-sharing pillars of the AKIS system in the function of EIP projects, knowledge generation or knowledge translation.

RD02_D01-FRM_73 – Supporting the digital transition of agricultural plants as a pillar of digitalisation of the AKIS system can be linked to EIP projects in the digital competence development function.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

1. Farmer, farm worker or farmer's organisation
2. Forest manager, forestry worker or professional forestry organisation
3. Persons entitled to hunt
4. Advisory organisation or chamber of agriculture
5. Research or research organisation
6. Educational or vocational training organisation (including trainers)
7. Climate/environment/conservation organisation or agency
8. Service providers other than advisors: this may include e.g. input providers, contract workers, facilitators, veterinarians, social workers, machinery suppliers/service providers, IT experts/IT company, technology developers, lawyers, financial experts, communications experts, specialised consultants, etc].
9. Processor or retailer
10. Consumer/consumer organisation
11. Authority
12. Lead group
13. Other (examples: farmers' associations/consortia, producer organisations, technology centres, municipalities, local development companies, regional agencies, schools and education/training centres, multimedia/communication companies, processing firms, marketing companies, trade unions, national parks, other nature conservation organisations)

Specific eligibility criteria related to the eligible beneficiary and area:

- the innovation cooperation project is a bridge between the practical problem and research; and other areas of expertise
- the innovation cooperation project has already participated in the pre-screening of innovation project ideas and is eligible to apply under the call under the intervention.
- there are at least 2 cooperating partners in an EIP Operational Group, of which at least 1 partner has expertise relevant to the purpose of the project (e.g. farmer or food processor or forest manager, or producer of timber products, other forest products, or hunting, and at least 1 research or research

organisation or consultant)

- the EIP Operational Group has a cooperation agreement (minimum requirement: description of the project plan, topicality, relevance, practical problem and options to be exploited, allocation of tasks and responsibilities within the cooperating group, timetable)
- Each EIP Operational Group shall draw up a detailed plan for the design and implementation of an innovative project.
- The innovative project shall be based on the interactive innovation model which has as key principles: the development of innovative solutions focusing on the needs of farmers and forest managers and hunt holders, while addressing interactions throughout the supply chain when this proves useful; (b) bringing together partners with complementary knowledge, such as farmers, forest managers, advisors, researchers, businesses, governmental or non-governmental organisations, in a targeted composition adapted to the objectives of the project, and (c) joint decision-making and co-creation throughout the project.
- The EIP Operational Groups shall disseminate a summary of their plans and the results of their projects, in particular through the national and European CAP networks: dissemination, communication and dissemination of the results of innovation projects; liaising with the AKIS coordination organisation of the Ministry of Agriculture; cooperation with the Innovation and Digitalisation Support Unit;

Commitment duration of 2 years or more but not more than 7 years

Up to 1 international partner may be involved in EIP collaborations.

As this measure falls outside the scope of Article 42 TFEU (see point 8), no aid may be granted to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014, with the exception of de minimis aid.

- it is considered to be a firm in difficulty (the concept of a firm in difficulty is defined in Decree 37/2011 on the procedure for State aid for the purposes of EU competition law and on the regional aid map. (III. As defined in Section 6(4a) and (4b) of Government Decree No 487/2015, or
- it failed to comply with the decision of the European Commission addressed to Hungary requiring the recovery of State aid within the meaning of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Eligible costs for the intervention:

The costs of setting up, operating, promoting and researching the operational team, including own performance.

We plan to make the investment-related costs of the operational groups and its members eligible by means of itemised cost accounting.

For both target areas:

Itemised cost accounting on the basis of the actual costs incurred for the implementation of the project.

Flat-rate: Indirect costs necessary for research are eligible up to a maximum of 20 %.

Lump sum: Lump sums are possible for small-scale projects

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☐ unit costs

☒ lump sums

☒ flat-rate financing

Basis for the establishment

The payment shall be made in accordance with Article 83(1)(a), 1(c), 1(d), 2(a)(i) and 2(b) of the STR.

1(a): Itemised cost statement based on actual costs incurred in implementing the project.

1(c) and 1(d): Flat rate and flat rate: indirect costs for research shall be eligible up to a maximum of 20 %.

Range of support at beneficiary level

For both target areas:

A maximum aid intensity of 100 %.

Additional explanation

Investment-type costs of an operational group and its members are planned to be eligible with an itemised cost statement.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☒ Yes ☐ No ☐ Mixed

Explanation of support activities falling outside the scope of Art. 42 TFEU

In view of the objective of the intervention set out in point 5, the competition rules are generally applicable.

Type of state aid instrument to be used for clearance:

☐ Notification ☐ GBER ☒ ABER ☐ de minimis

State Aid case number

SA.112038

Additional information:

☐ The Member State has not yet chosen the instrument(s) and has indicated the alternatives. No support will be paid to beneficiaries before the date when the clearance of the instrument chosen comes into effect.

☐ The Member State has chosen the instrument, as indicated, but the clearance has not yet been obtained. No support will be paid to beneficiaries before the date when the clearance comes into effect.

☒ The Member State has chosen the instrument, as indicated, the clearance has been obtained and the SA number has been indicated for notification, GBER or ABER

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria

referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD61_O01_A01_PR - Of innovative collaborations to achieve green goals	Grant	91(2)(d)-HU-43.00%	Average		R.1; R.2; R.28	No
RD61_O01_A02_PR - Innovative collaborations from bottom-up initiatives	Grant	91(2)(d)-HU-43.00%	Average		R.1; R.2; R.28	No

Explanation and justification related to the value of the unit amount

RD61_O01_A01_PR - Of innovative collaborations to achieve green goals

The unit amounts have been established taking into account the budget of the current supported operational groups of the Rural Development Programme, as well as inflation and the increased tasks resulting from the CAP reform.

The call for Innovation Operational Groups and support for the investment needed to implement the innovative project was launched in 2017, and a total of 169 applications were submitted, out of which 82 projects were supported.

Of these, the 7 largest-budget VP EIP projects, representing between 8 % and 10 % of all projects, have an average budget of EUR 1852574,44.

This amount is also taken into account for target area 1 of the EIP intervention, where 7 innovative collaborations linked to SO4-06 are planned with a larger budget. These collaborations are innovation partnerships to address the challenges identified by EU legislation on environment, biodiversity and climate change, with a commitment close to the programming cycle.

Inflation is also taken into account in determining the unit amount, so we have constructed the unit amount per project 2.190. EUR 000.

The maximum unit amount was taken at 20 % in view of the innovative nature of the projects, where it is difficult to determine in advance the inputs needed to achieve the intended results.

RD61_O01_A02_PR - Innovative collaborations from bottom-up initiatives

The unit amounts have been established taking into account the budget of the current supported operational groups of the Rural Development Programme, as well as inflation and the increased tasks resulting from the CAP reform.

The call for Innovation Operational Groups and support for the investment needed to implement the innovative project was launched in 2017, under which 82 projects were funded.

38 of these are representative of bottom-up initiatives. They have an average budget of EUR 324956,68.

This need is also taken into account in target area 2 of the EIP intervention, where we plan to support 63 bottom-up innovative cooperation projects with smaller budgets. The development of new innovation ideas is encouraged by the creation of an innovation and digitalisation support unit to support the creation and operation of the European Innovation Partnerships in Hungary. If during this preparation process we get a closer picture of the current innovation project needs, at the initiative of the support unit, the Managing Authority will reduce the planned unit amount of the intervention by means of a

programme amendment, thereby increasing the number of projects.

Inflation is also taken into account in determining the unit amount, so we have established a unit amount of EUR 330.000 per project.

The maximum unit amount was taken at 20 % in view of the innovative nature of the projects, where it is difficult to determine in advance the inputs needed to achieve the intended results.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD61_O01_A01_PR - Of innovative collaborations to achieve green goals (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	
	O.1 (unit: Projects)	0.00	3.00	4.00	0.00	0.00	0.00	0.00	Sum: 7.00
									Max: 4.00
RD61_O01_A02_PR - Innovative collaborations from bottom-up initiatives (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	0.00	330,000.00	330,000.00	330,000.00	330,000.00	330,000.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	410,000.00	410,000.00	410,000.00	410,000.00	410,000.00	
	O.1 (unit: Projects)	0.00	0.00	16.00	19.00	17.00	7.00	4.00	Sum: 63.00
									Max: 19.00
TOTAL	O.1 (unit: Projects)	0.00	3.00	20.00	19.00	17.00	7.00	4.00	Sum: 70.00
									Max: 20.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	6,570,000.00	8,721,516.28	0.00	0.00	0.00	0.00	15,291,516.28

	Annual indicative financial allocation (Union Contribution in EUR)	0.00	2,825,100.00	3,750,252.00	0.00	0.00	0.00	0.00	6,575,352.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

KNOW(78) - Knowledge exchange and dissemination of information

RD58_A01_TRA_78 - Training and demonstration programmes

Intervention Code (MS)	RD58_A01_TRA_78
Intervention Name	Training and demonstration programmes
Type of Intervention	KNOW(78) - Knowledge exchange and dissemination of information
Common Output Indicator	O.33. Number of supported training, advice and awareness actions or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
7.2.1	Providing complex entrepreneurial skills for setting up a farm	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.10	Consumer education and awareness raising	1	Partially
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes
CCO.1.7	Training of special advisers	1	Yes
CCO.1.9	Encourage the participation of agricultural entrepreneurs in dual training as recipients	2	Yes
CCO.2.2	Design of demonstration plants	1	Yes
CCO.3.1	Increasing the level of skills of the workforce to make use of innovative technologies	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

R.2 Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

R.3 Share of farms benefitting from support for digital farming technology through CAP

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

The level of knowledge, quality of knowledge, modernity or practicality of farmers determines their competitiveness, which plays an important role in fostering economic growth and social development in rural areas. The training activity should be linked to one or more objectives covered by the CAP Strategic Plan.

The interaction between AKIS actors and synergies between knowledge transfer, innovation and digitalisation interventions will be facilitated by the CAP Network's continuous cooperation in each theme, responsible for networking and assisting in the implementation of interventions, thus achieving synergies between networking and relevant measures in the themes covered by the CAP Network, thereby improving the efficiency of knowledge transfer.

Target:

- encourage participation in lifelong learning by supporting an applied professional knowledge transfer service responding to the specific needs of the economy, enterprise or farmer,
- a wide range of training and knowledge transfer opportunities respond to current challenges and be accessible both in person and online for actors in agriculture, forestry, food and rural development.

Content:

Target A – Mandatory training

The provision of mandatory training for beneficiaries as required by the CAP ST interventions.

—Compulsory training required for certain CAP Strategic Plan interventions

- RD19_G01_AEC_70 – Agricultural Environmental Management Payments (AKG) -(a mandatory component of the mandatory training is digital competence development e.g. webGN)
- RD20_G02_ORT_70 – Support for organic farming (ÖKO) -(a mandatory element of digital competence development as part of mandatory training e.g. webGN)
- RD35_F02_FEC_70 – Forest multiannual commitments for the environment (ERA)
- RD36_F03_GEN_70 – Multiannual forest genetic commitments
- RD37_F04_FRC_77 – Collaborative support for forest fire prevention and risk reduction
- RD23_G06_NAG_72 – compensation payments for Natura 2000 agricultural areas
- RD06_B02_YFY_75 – Generational renewal supported by a receiver
- RD08_B04_BIS_75 – Generational renewal supported by rural and young forest start-ups

- Show-breaking programmes, other training, further training, trainings combining knowledge and practice in the field, competence and skills training, training for trainers, training of special advisers, etc., such as:

Training of special advisers in support of generational renewal

-Target B – Other training courses

Non-compulsory training in agriculture, further training, trainings combining knowledge and practice, competence and skills training, including vocational training and official training, which are not required by calls for proposals.

Target Area C – Demonstration Plant Programmes

Support for the implementation of demonstration, information and consultation programmes organised on the farm site, enabling farmers and forest managers to familiarise themselves with innovative technologies, new varieties and environmental, animal welfare, farm management, organisation and marketing solutions, among others.

Practice-driven knowledge transfer activities can take place in classroom (target areas A and B) and practical/demonstration sites (target area C), both domestically and abroad

Selection principles (which may be partially applicable):

Quality of professional, financial and training plans

Quality of personal competences, infrastructure and material conditions

The qualifications of the professionals involved in the service by the training service provider and the relevant references in the subject area.

Existence of multi-stakeholder partnerships in the AKIS system (multiactor approach)

Participation in FarmDemo Hub

Live cooperation with knowledge-sharing platforms at home and abroad

Practice-orientation of knowledge transfer

Use of digital solutions

Use and diffusion of innovative solutions

Extent of territorial coverage

Regional aspects

Environmental, climate and adaptation aspects

Social mainstreaming

Mainstreaming of equal opportunities

Relevant legislation:

Act LXXVII of 2013 on adult education

Act LXXX of 2019 on vocational training

12/2020. (II. Government Decree of 7 July 2006 on the implementation of the Act on vocational training

Link with other interventions:

Knowledge sharing under the training intervention contributes to all CAP Strategic Plan interventions.

Under the CAP Strategic Plan, calls for proposals launched by the Managing Authority may require mandatory training for each intervention.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

Target area A Compulsory training

agricultural vocational training centres – Decree No 12/2020 on the implementation of the Law on vocational education and training following a call for expressions of interest published in a priority selection procedure (II. Institutions defined on the basis of Section 91 of Government Decree No 487/2015

Target area B Other training and target area C

Demonstration programmes:organisation authorised to carry out knowledge transfer activities

Specific eligibility criteria related to the eligible beneficiary and area for each target area:

- has a training and knowledge transfer plan (with minimum mandatory content: description of the technical content of the planned programmes, number of programmes, duration, planned visitor number, dissemination (distribution of project results))
- accreditation under the conditions set by a specialised department (may be designated by ministerial or legislation), taking into account the diversity of organisations authorised to carry out knowledge transfer activities
- participation of trainers in compulsory training
- impartiality and independence

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary under Commission Regulation (EU) No 651/2014 or Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined as 37/2011 on the State aid procedure for the purposes of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 22/2000) and
- failed to comply with the decision of the European Commission, addressed to Hungary, requiring the recovery of State aid in the sense of EU competition law.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments and other requirements for all three target areas:

— liaise with the AKIS coordination organisation of the Ministry of Agriculture, liaising with the support units of the CAP Network related to the theme;

— implementation of the training and knowledge transfer plan

1 person providing training shall not be eligible for more than 8 hours of supported knowledge transfer activities per working day.

Possible themes related to agriculture and CAP objectives for target areas B and C:

1. Animal husbandry
2. Animal welfare
3. Feed and Feed
4. Arable crops
5. Outdoor horticulture and woody plants (including viticulture, olives, fruit, ornamental plants).
6. Greenhouse crops
7. Forestry, agro-forestry systems, production of forest reproductive material, wood processing, forest genetic resources, forest tourism
8. Wildlife management
9. Aquaculture
10. Genetic resources
11. Control of plant pests/diseases
12. Pest/disease control in animals
13. Plant nutrients
14. Soil
15. Water /training on irrigation management
16. Energy
17. Climate change (including greenhouse gas reduction, adaptation and mitigation and other air-related issues)
18. Organic farming

19. Agroecology
20. Crop conversion/cultivation diversification/dual or mixed production
21. Biodiversity and nature
22. Sustainable landscape/land management
23. Circular economy, including waste, by-products and residues
24. Equipment and machinery
25. Competitiveness/new business models
26. Diversification of the economy
27. Supply chain, marketing and consumption
28. Development and operation of producer cooperation
29. Food safety, safety, quality, processing and nutrition
30. Generational renewal
31. Digitalisation, including data and data technologies
32. AKIS, including advice, training, farm demonstrations, interactive innovation projects (EIP priority themes)(trainers)

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☒ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☐ lump sums

☐ flat-rate financing

Basis for the establishment

The payment is based on Article 83(1)(a), (b) and 2(a)(i) of the STR.

The hourly unit cost of the training activity is based on the current (in 2020) supported training data, complemented by inflation, consultation of the organisation in charge of coordinating training and increased tasks as a result of the CAP reform. The unit cost has been calculated separately for several types of training (8, 24, 80, 280 hours). The reimbursement of eligible costs actually incurred by the beneficiary is possible only for the management of operations.

Range of support at beneficiary level

Aid intensity: maximum 100 %

Additional explanation

Method

The hourly unit cost of training activities during the intervention of *the CAP Strategic Plan* RD58 – Training and Demonstration Plant Programmes can be determined on the basis of data from the 2020 RDP supported training cost. Based on the training experience of the Rural Development Programme 2014-2020, the unit cost of the training intervention was established separately for the four different types of training (8 hours ‘compulsory’, 24 hours ‘other’ and 80 hours ‘official’, with an average of 280 hours of professional qualification). The cost items taken into account in the calculation of the unit cost include the

direct costs of training, the costs of organisation and the cost of testing.

Results

For each type of training, hourly unit costs can be determined on the basis of the number of participants planned on the basis of previous years' experience, the total number of hours and the total cost of training per person. It is thus calculated that the unit cost per hour of training for vocational and vocational training of an average of 280 hours is EUR 5.7 perhour/person trained, the unit cost of compulsory training required for each intervention of the8hour CAP Strategic Plan is EUR 16.6 perhour/trained person, the unit cost of24hours' 'other' training is EUR 11.6 per hour/person trained and theunit cost for the80-hour official training is EUR 6.5 per hour/person trained. The combined average unit cost of the supported trainings on this basis amounts to EUR 8.2 per hour/trained person.

Vocational training	2 505	3 987 411	701 400	5,7
Other training courses	6 350	1 771 041	152 400	11,6
Official training	7 100	3 715 342	568 000	6,5
Compulsory training	31 730	4 224 871	253 840	16,6
<i>Total</i>	<i>47 685</i>	<i>13 698 666</i>	<i>1 675 640</i>	8,2

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD58_O33_A01_HO - Training	Grant	91(2)(d)-HU-43.00%	Average		R.1; R.2; R.28; R.3	No

Explanation and justification related to the value of the unit amount

RD58_O33_A01_HO - Training

Four different types of training were defined on the basis of the current supported training experience, which have different cost structures, so it was not possible to establish a uniform hourly rate per unit cost. Therefore, the average value was calculated taking into account the planned hours of the four types of training.

During the implementation period of the CAP Strategic Plan, it is conceivable that there will be a year in which only compulsory training is supported, so the maximum planned unit amount is also set on the basis of this.

In detail, the explanatory memorandum is entitled ‘AKI: Determination of the unit cost of SUPPORTED TRAINING can be found in Background information’.

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD58_O33_A01_HO - Training (Grant - Average)	Planned unit amount (Total Public Expenditure in EUR)	0.00	8.19	8.19	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	16.60	16.60	0.00	0.00	0.00	0.00	
	O.33 (unit: Hours)	0.00	316,000.00	367,000.00	388,000.00	335,000.00	264,000.00	0.00	Sum: 1,670,000.00 Max: 388,000.00
TOTAL	O.33 (unit: Hours)	0.00	316,000.00	367,000.00	388,000.00	335,000.00	264,000.00	0.00	Sum: 1,670,000.00 Max: 388,000.00

	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	2,460,000.00	2,791,000.00	483,310.29	0.00	0.00	0.00	5,734,310.29
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	1,057,800.00	1,200,130.00	207,823.42	0.00	0.00	0.00	2,465,753.42
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RD60_A04_AD_P_78 - Advisory services

Intervention Code (MS)	RD60_A04_AD_P_78
Intervention Name	Advisory services
Type of Intervention	KNOW(78) - Knowledge exchange and dissemination of information
Common Output Indicator	O.33. Number of supported training, advice and awareness actions or units
Contributing to ringfencing requirement for/on	Generational Renewal: No Environment: No ES rebate system: LEADER: No

1 Territorial scope and, if relevant, regional dimension

Territorial scope: **National**

Code	Description
HU	Magyarország

Description of the Territorial Scope

The whole territory of Hungary.

2 Related Specific Objectives, Cross-Cutting Objective and relevant Sectoral Objectives

CAP SPECIFIC OBJECTIVE Code + Description Recommended CAP Specific Objectives for this Type of Intervention are displayed in bold

XCO Cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake

3 Need(s) addressed by the intervention

Code	Description	Prioritisation at the level of the CAP Strategic Plan	Addressed in CSP
4.5.1	Knowledge transfer and its development on climate change production conditions	1	Yes
CCO.1.1	Support for practice-oriented knowledge transfer in support of sectoral objectives	1	Yes
CCO.1.2	Raising farmers' knowledge	1	Yes
CCO.1.6	Knowledge transfer to accelerate generational renewal in agriculture and forestry	2	Yes
CCO.1.7	Training of special advisers	1	Yes
CCO.3.1	Increasing the level of skills of the workforce to make use of innovative technologies	1	Yes

4 Result indicator(s)

RESULT INDICATORS Code + Description Recommended result indicators for the selected CAP Specific Objectives of this intervention are displayed in bold

R.1 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP in order to enhance sustainable economic, social, environmental, climate and resource efficiency performance

R.2 Number of advisors receiving support to be integrated within Agricultural Knowledge and Innovation Systems (AKIS)

R.28 Number of persons benefitting from advice, training, knowledge exchange, or participating in European Innovation Partnership (EIP) operational groups supported by the CAP related to environmental or climate-related performance

5 Specific design, requirements and eligibility conditions of the intervention

Describe what are the specific objectives and content of the intervention including specific targeting, principles of selection, links with relevant legislation, complementarity with other interventions/sets of operations in both pillars and other relevant information.

Objectives of advisory services for farmers and the establishment of advisory services related to the implementation of the CAP

Social, economic and environmental challenges require a high degree of flexibility for farmers. Modernisation processes have accelerated and technological developments in the agro-food industry need to be followed by up-to-date knowledge and specific knowledge in order to be able to cope with fierce competition on the market. At the same time, it is also expected that sustainable farming models will be used consciously in response to the challenges posed by climate change. This requires the development of a complex knowledge base and the development of farmers' skills. To achieve this, we need to give every help to jointly achieve the objectives of the Common Agricultural Policy. The purpose of the intervention is to have sufficient independent consultants to cover all areas.

All advisory activities are key to promoting economic growth and social development in rural areas, supporting generational renewal and improving the sustainability, competitiveness, resource efficiency and environmental performance of agricultural and forestry holdings. Synergies between advisory, training and innovation activities should be created in the AKIS system. This knowledge transfer activity should be linked to one or more of the objectives covered by the CAP Strategic Plan. The intervention will cover the mandatory themes set out in Article 15 of the CAP Strategic Plan Regulation.

Interaction between individual AKIS actors and synergies between knowledge transfer, innovation and digitalisation interventions will be facilitated by the CAP Network through its continuous cooperation in each thematic area, responsible for networking and for the implementation of interventions. The themes covered by the CAP Network, within and between which networking and synergy of relevant measures will be supported.

Advisory services are an intervention to help farmers who want to find a technical problem in their economic situation, so that their knowledge can be deepened. For this intervention, it is expected that in the previous period, in addition to the economic operator who has used the advice and is open to professional development, we expect to attract interest from among the 110.000 farmers using general advisory services, thereby strengthening the role of professionally responsive, initiating farmers in the AKIS. For this reason, the accounting basis for target areas B and C of the intervention was chosen to be hourly accounting.

Content of the intervention:

A. Launch of a new advisory service

(creation of a new service)

- The creation of new independent advisory services in professional, inter-branch and non-profit associations. The services cover, in whole or in part, the mandatory elements of Article 15 of the STR.

B. Operation of the General Advisory Network

Individual forms of advice in the regional office network of the organisation referred to in Act CXXVI of 2012 on the Hungarian Chamber of Agriculture, Food Economy and Rural Development – farmers turn to consultants – in which knowledge is transferred:

- coaching on specific CAP measures focusing on IACS type measures;
- personalised advice on changes in farming practices due to the specific objectives of the CAP, the Green Deal objectives and related regulatory and support measures;
- coaching on the organisation and development of farm management and administrative data and reporting related to the CAP
- advice on participation in other AKIS measures to help improve professional knowledge (agriculture, forestry, hunting, food, rural development) and innovation (innovation support services)
- active participation in the activities of the CAP network

C. Special advisory services

Individual forms of advice provided by specialised advisory organisations and individual special advisers,

involving in-depth knowledge transfer targeting the specific problems of agriculture, forestry, food and rural actors, responding to their specific economic, environmental and social needs, promoting effective practical application and innovation, with key topics such as (non-exhaustive list):

- sustainable management of water, soil and nutrients;
- risk prevention and management;
- environmentally friendly plant protection;
- tackling infectious animal diseases and treatment practices to prevent the development of antimicrobial resistance (AMR) to combat antimicrobial resistance;
- animal welfare practices;
- reducing national atmospheric emissions, improving air quality;
- the conservation of natural habitats, wild fauna and flora and the protection of pollinators;
- employment conditions, employer obligations, health and safety at work, social support in agricultural communities;
- digital technologies in agriculture and rural areas;
 - organic farming
- innovation grants for the preparation and implementation of EIP Operational Group projects, etc.

Selection principles (which may be partially applicable):

- Quality of the technical and financial plan.
- Personal competences, infrastructure and material conditions, quality of assets.
- The number of professionals involved in the service by the service provider, their qualifications and the relevant references obtained in the subject matter.
- Use of the Fast system
- Use of digital solutions.
- use of organic agriculture
- Practice orientation of knowledge transfer.
- Extent of territorial coverage.
- Existence of multi-stakeholder partnerships in the AKIS system (multiactor approach)
- Uptake and dissemination of innovative solutions
- Regional aspects
- Mainstreaming of environmental, climate and adaptation aspects
- Social mainstreaming
- Mainstreaming equal opportunities

Relevant legislation:

Act CXXVI of 2012 on the Hungarian Chamber of Agriculture, Food Economy and Rural Development

Act XCVII of 2015 on certain aspects of the organisation of the markets in agricultural products, producer organisations and interbranch organisations

525/2013. (XII. Government Decree No 30/2001 laying down the administrative and other tasks of the network of village farmers operated by the Hungarian Chamber of Agriculture, Food Economy and Rural Development

1/2022. Decree (I. 14.) of the Minister for Agriculture on the activities of special advisers in agriculture and rural development and on the agricultural farm advisory system

Act XXXVII of 2009 on forests, forest protection and forest management

43/2010. (IV. Decree of the Minister for Agriculture and Rural Development on plant protection activities

24/2020. (VI. 22) Decree of the Minister for Agriculture on producer integration organisations

42/2015. (VII. Decree No 22/2001 of the Minister for Agriculture on the recognition of producer groups

50/2017. Decree (X.10.) of the Minister for Agriculture on fruit and vegetable producer organisations

Relationship with other interventions:

All forms of advice contribute to the interventions of the CAP Strategic Plan.

- RD27_G10_GPX_70 – Ex situ conservation of plant genetic resources and micro-organisms
- RD28_G11_GPI_70 – In situ conservation of plant genetic resources
- RD29_G12_AWC_70 – Animal welfare subsidies in the small ruminant sector
- RD30_G13_AWC_70 – Animal welfare support in the cattle sector
- RD32_G15_AWC_70 – Animal welfare premiums in the poultry sector
- RD33_G16_ANB_70 – Animal welfare aid in the apiculture sector
- RD_33b_G17_AMR_70 – Compensatory payment for the fight against antimicrobial resistance

The RD58_A01_TRA_78 – Training and demonstration programmes, and

RD61_A05_EIP_77 – European Innovation Partnership interventions as key pillars of the AKIS system for knowledge sharing and innovation can be linked to the advisors' function of translating knowledge into practice.

RD02_D01-FRM_73 – Supporting the digital transformation of agricultural plants as a basic pillar of the AKIS system could be linked to the digital competence development function of consultants.

RD07_B03_YFO_77 – Generational renewal, farm transfer cooperation in mentoring farm transfer processes under the intervention.

Define eligible beneficiaries and specific eligibility criteria where relevant related to the beneficiary and area

Eligible beneficiaries:

A. Launch of a new advisory service

professional, inter-branch and non-profit associations carrying out consultancy activities

B. Operation of a general advisory network

Organisation within the meaning of Act CXXVI of 2012 on the Hungarian Chamber of Agriculture, Food Economy and Rural Development

C. Special advisory services

individual consultants, advisory organisations

Specific eligibility criteria related to the eligible beneficiary and area:

authorised to provide advice on the subject and area of expertise

Whereas this measure falls outside the scope of Article 42 TFEU (see point 8), with the exception of de minimis aid, **no aid may be granted** to a beneficiary on the basis of Commission Regulation (EU) No 702/2014

- it is a firm in difficulty (the concept of a firm in difficulty is defined in Article 37/2011 on the procedure for State aid within the meaning of EU competition law and on the regional aid map. (III. Section 6(4a) and (4b) of Government Decree No 273/2007) or
- it failed to comply with the European Commission's decision to repay State aid within the meaning of EU competition law addressed to Hungary.

Define eligible type of support (non-IACS) or commitments (IACS) and other obligations

Commitments and other requirements:

- the advice supported must be free from any conflict of interest and the advice provided must be impartial and adapted to the different types of production and the nature of the farms
- the Special Adviser regularly participates in further training in his/her field of expertise and enhances his/her knowledge

has an advisory plan in place and implements the advisory plan

liaising with the AKIS Coordination Organisation of the Ministry of Agriculture

liaising with the support units of the CAP Network related to the theme

the duration of the commitment is limited to 5 years

6 Identification of relevant baseline elements

(relevant GAEC, statutory management requirements (SMR) and other mandatory requirements established by national and Union law), where applicable, description of the specific relevant obligations under the SMR, and explanation as to how the commitment goes beyond the mandatory requirements (as referred to in Art. 28 (5) and Art. 70 (3) and in Art. 72 (5))

N/A

7 Form and rate of support/amounts/calculation methods

Form of support

☒ **Grant**

☐ **Financial instrument**

Type of payment

☐ reimbursement of eligible costs actually incurred by a beneficiary

☒ unit costs

☒ lump sums

☐ flat-rate financing

Basis for the establishment

The payment shall be made in accordance with Article 83(1)(b), 1(c) and 2(a)(i) of the STR.

1(b): Unit costs – advice: the unit cost of advisory activity is based on hourly basis and based on 2020 data from the current advisory system, taking into account the increased tasks due to inflation and the CAP reform.

1(c): Lump sums – creation of a new advisory service: for new advisory activities, a maximum of EUR 200.000 per new advisory activity in the form of a lump sum, which may focus on developing the necessary tools and qualifications

Range of support at beneficiary level

Aid intensity: maximum 100 %

Additional explanation

A. Launch of a new advisory service

operation: creation of a new advisory service.

Lump sum payment of EUR 200000 for a maximum of 5 years (CAP ST Regulation)

B. Operation of a general advisory network and C. operation of special advisory services

operation: advice between a client and the beneficiary of the measure (unit: (hours)

Unit cost: (hour-based accounting)

Method

The intervention of the CAP Strategic Plan “Advisory Services” concerns support for the provision of solutions to problems encountered by farmers, their farm/holding, independent professional advisory

activities. For the purpose of determining the unit cost for the advisory service, the special advisers are referred to in Article 16/2019. (IV). The hourly rates provided in the 2020 report drawn up on the basis of the Decree of the Minister for Agriculture and Rural Development and the results of an anonymous questionnaire survey carried out by the National Chamber of Agricultural Economics on 2-3 November 2021. To validate the calculated result, we used the hourly consultancy fees planned and implemented by the supported advisory organisations during the Rural Development Programme call for ‘Agriculture, forestry and food processing individual and group consultancy’.

Results

For the supported consultancy, it is proposed to use hourly unit costs. The basis for calculating the unit cost for individual consultancy is the result of the most recent questionnaire survey carried out in November 2021, which results in an hourly rate of EUR 35 for special advisers. This amount corresponds to the size of the funds involved in the validation – the 2020 accounts of the specialised advisory bodies, the planning and factual data of the VP 2014-2020 advisory measure – and can therefore be used for the planning of the consultancy intervention of the CAP Strategic Plan.

8 Information regarding State aid assessment

The intervention falls outside the scope of Article 42 TFEU and is subject to state aid assessment:

☐ Yes ☒ No ☐ Mixed

9 Additional questions/information specific to the Type of Intervention

N/A

10 WTO compliance

Green Box

Paragraph 2 of Annex 2 WTO

Explanation of how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation (Green Box)

The subsidy scheme complies with the conditions of the WTO Green Box as it fully follows the criteria referred to in point 2 of Annex II.

11 Contribution rate(s) applicable to this intervention

Region	Article	Applicable rate	Min Rate	Max Rate
HU - Magyarország	91(2)(d) - Other regions	43.00%	20.00%	43.00%

12 Planned Unit Amounts - Definition

Planned Unit Amount	Type of Support	Contribution rate(s)	Type of Planned Unit Amount	Region(s)	Result Indicator(s)	Is the unit amount based on carried over expenditure?
RD60_O33_U01_ON - Launch of a new advisory service	Grant	91(2)(d)-HU-43.00%	Uniform		R.2	No
RD60_O33_U02_HO - Operation of specialised advisory services	Grant	91(2)(d)-HU-43.00%	Uniform		R.1; R.2; R.28	No
RD60_O33_U03_HO - Operation of a network of general advisory services	Grant	91(2)(d)-HU-43.00%	Uniform		R.1; R.2; R.28	No

Explanation and justification related to the value of the unit amount

RD60_O33_U01_ON - Launch of a new advisory service

On the basis of consultation with professional organisations, the development of the tools and qualifications needed to develop new advisory activities is necessary and sufficient to meet the increased expectations resulting from the CAP reform and the amount provided by the CAP Strategic Plan Regulation is sufficient.

Regulation (EU) 2021/2115 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 Article 78 Exchange of information and dissemination of information pursuant to Article 78(4) Member States may grant support for the establishment of advisory services up to a fixed amount of EUR 200000

RD60_O33_U02_HO - Operation of specialised advisory services

The unit cost of consultancy activity was calculated on the basis of the hourly basis and the current advisory system based on the 2020 accounts of the special advisers and the replies to the anonymous questionnaire survey provided by the special advisers, carried out on 2-3 November 2021, taking into account the increased tasks due to inflation and the CAP reform.

The special advisers report on the activities of special advisers in agriculture and rural development and the agricultural advisory system. (IV. (29) are prepared each year with the data content required by the AM Decree. In addition, the online questionnaire was sent to them specifically for the purpose of calculating the unit cost for the purpose of collecting data. The questionnaire was anonymously filled in, mixedly by natural persons and legal advisers.

The results of the above two tests are given in the table below:

Basis for calculation	Number of respondents	Client number ¹		Personal sessions/customer/year ²	Hour/Option ³	Hourly rate ⁴
2020 accounts	948	31 ⁵	112 ⁶	—	—	11.300, —
Questionnaire 2021	63	76		17	3	12.845, —

¹ original question: How many clients do you or your organisation have a contractual relationship with? (DB) ² original questions: On an annual basis, how many face-to-face sessions do the advice have on average with a client who has a contract with you? (DB) ³ original questions: How long does one face-to-face advisory action take on average? (hours) ⁴ original questions: What is the gross amount of the hourly fee for personal counselling? (HUF) ⁵ Individual consultant ⁶ Special advisory organisation On the basis of the above, the use of a unit cost per hour for the subsidised consultancy services is in any case envisaged. The hourly rates shown in the table consist predominantly of personnel costs, but also include the overheads of the underlying activities. For the determination of the unit cost, it is planned to use the recent figure, i.e. HUF 12.845 from the 2021 questionnaire survey, i.e. EUR 35 (at the exchange rate of HUF 365/EUR and rounded). This amount of EUR is also proposed in the grant decisions/contracts to ensure that the aid is valued, inter alia to compensate for inflation and possible additional costs due to additional consultancy tasks as a result of the CAP reform. The other results of the tests indicated above are intended to be used to make further calculations for the planning of the consultancy intervention, taking into account that these data refer only to directory consultancy. In detail, the explanatory memorandum is entitled ‘AKI: Determination of unit cost of AID ADOPTION Background information’						

RD60_O33_U03_HO - Operation of a network of general advisory services

Background calculation based on RDP experience

13 Planned Unit Amounts - Financial table with outputs

Planned Unit Amount	Financial Year	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD60_O33_U01_ON - Launch of a new advisory service (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	200,000.00	0.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	200,000.00	0.00	0.00	0.00	0.00	0.00	
	O.33 (unit: Operations)	0.00	20.00	0.00	0.00	0.00	0.00	0.00	Sum: 20.00 Max: 20.00

RD60_O33_U02_HO - Operation of specialised advisory services (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	35.00	35.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.33 (unit: Hours)	0.00	401,311.15	401,311.15	401,311.15	401,311.15	401,311.15	0.00	Sum: 2,006,555.75 Max: 401,311.15
RD60_O33_U03_HO - Operation of a network of general advisory services (Grant - Uniform)	Planned unit amount (Total Public Expenditure in EUR)	0.00	35.00	35.00	0.00	0.00	0.00	0.00	
	Maximum planned average unit amount (where applicable) (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	O.33 (unit: Hours)	0.00	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00	0.00	Sum: 3,750,000.00 Max: 750,000.00
TOTAL	O.33 (unit: Hours)	0.00	1,151,311.15	1,151,311.15	1,151,311.15	1,151,311.15	1,151,311.15	0.00	Sum: 5,756,555.75 Max: 1,151,311.15
	O.33 (unit: Operations)	0.00	20.00	0.00	0.00	0.00	0.00	0.00	Sum: 20.00 Max: 20.00
	Annual indicative financial allocation (Total public expenditure in EUR)	0.00	44,295,890.70	13,698,630.23	0.00	0.00	0.00	0.00	57,994,520.93
	Annual indicative financial allocation (Union Contribution in EUR)	0.00	19,047,233.00	5,890,411.00	0.00	0.00	0.00	0.00	24,937,644.00

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6 Financial plan

6.1 Overview table

	Financial Year	2023	2024	2025	2026	2027	2028	Total
	Direct Payments (CY N=FY N+1) under Regulation (EU) 2021/2115	2022	2023	2024	2025	2026	2027	
1	Initial Direct Payments allocations (initial Annex V)	N/A	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	6,215,925,825.00
2	Cotton (Annex VIII)	N/A						
3	Initial Direct Payments allocations excluding cotton (initial Annex IX)	N/A	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	1,243,185,165.00	6,215,925,825.00
4	Coupled income support (Article 96)	N/A	202,110,349.90	202,110,349.90	202,110,341.82	202,110,341.82	186,477,248.44	994,918,631.88
5	Transfer to EAFRD total amount (flexibility and reduction) Resulting amount	N/A					N/A	
6	Total flexibility — Article 103(1), point (a) — amount	N/A					N/A	
7	If above 25%: of which for the environmental and climate-related objectives (Article 103(2), point (a)) — amount	N/A					N/A	
8	If above 25%: of which for the installation of young farmers (Article 103(2), point (b)) — amount	N/A					N/A	
9	Total flexibility %	N/A					N/A	
10	Transfer to EAFRD of the estimated product of reduction, if applicable (Article 17(5))	N/A					N/A	
11	Transfer to types of interventions in other sectors (Article 88(6)) — amount	N/A						
12	Transfer to types of interventions in other sectors (Article 88(6)) — percentage	N/A						
13	Transferred from EAFRD: amount (Article 103(1), point (b))	N/A	104,217,287.25	104,217,287.25	104,217,287.25	104,217,287.25	N/A	416,869,149.00
16	Adjusted Direct Payments allocation (Annex V)	N/A	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,243,185,165.00	6,632,794,974.00
17	Adjusted Direct Payments allocations excluding cotton before reduction transfer (Annex IX)	N/A	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,243,185,165.00	6,632,794,974.00

	EAGF sectorial under Regulation (EU) 2021/2115	2023	2024	2025	2026	2027	2028	Total
18	Wine (Annex VII)		27,970,000.00	27,970,000.00	27,970,000.00	27,970,000.00	N/A	111,880,000.00
19	Apiculture (Annex X)	3,582,027.00	4,271,227.00	4,271,227.00	4,271,227.00	4,271,227.00	N/A	20,666,935.00
22	Types of interventions in other sectors (Article 42 point (f)) from Direct Payments	N/A						
	EAFRD under Regulation (EU) 2021/2115	2023	2024	2025	2026	2027	2028	Total
23	Initial EAFRD Member State's allocation (Annex XI)	416,869,149.00	416,869,149.00	416,869,149.00	416,869,149.00	416,869,149.00	N/A	2,084,345,745.00
24	Flexibility transfer to direct payments (Article 103(1), point (b) and (2), point (b)) — amount	62,530,000.00	104,217,287.25	104,217,287.25	104,217,287.25	104,217,287.25	N/A	479,399,149.00
25	Percentage	15.00	25.00	25.00	25.00	25.00	N/A	23.00
26	Transferred from Direct Payments (flexibility and reduction estimate) (Articles 17 and 103)	30,200,000.00					N/A	30,200,000.00
27	Allocated to InvestEU (Article 81)						N/A	
28	Allocated to LIFE (Article 99) - amount						N/A	
28a	Allocated to Erasmus (Article 99) - amount						N/A	
28b	Early retirement carry-over amounts (Article 155(2) point (a)) (Article 23 of Regulation (EC) No 1698/2005) - amount						N/A	
30	Adjusted EAFRD Member State's allocations (Annex XI)	384,539,149.00	312,651,861.75	312,651,861.75	312,651,861.75	312,651,861.75	N/A	1,635,146,596.00
	Financial Year, minimum spending requirements under Regulation (EU) 2021/2115	2023	2024	2025	2026	2027	2028	Total
31	Reserved for LEADER (Article 92(1)) — minimum 5% over the period resulting percentage	3.54	4.36	4.45	4.45	8.72	N/A	5.03
32	Reserved for LEADER — amount	13,626,221.75	13,626,221.75	13,900,196.68	13,900,196.68	27,252,443.30	N/A	82,305,280.16
33	Reserved for environmental and climate-related objectives under EAFRD (Article 93) (min 35%) — Outermost regions excluded resulting percentage	60.47	74.37	74.37	74.37	74.37	N/A	71.10
34	Reserved for environmental and climate-related objectives under EAFRD — amount	232,519,195.78	232,519,195.78	232,519,195.78	232,519,195.78	232,519,195.78	N/A	1,162,595,978.90
35	- Out of which for Article 70	194,399,679.47	194,399,679.47	194,399,679.47	194,399,679.47	194,399,679.48	N/A	971,998,397.36
36	- Out of which for Article 71 (50%)						N/A	
37	- Out of which for Article 72	20,850,387.30	20,850,387.30	20,850,387.30	20,850,387.30	20,850,387.30	N/A	104,251,936.50
38	- Out of which for Article 73 linked to specific objectives in Article 6(1), points (d), (e) and (f) and, as regards animal welfare, in Article 6(1), point (i)	17,269,129.01	17,269,129.01	17,269,129.01	17,269,129.01	17,269,129.00	N/A	86,345,645.04
38a	- Out of which for Article 74 linked to specific objectives in Article 6(1), points (d), (e) and (f)						N/A	
39	Difference as compared to minimum amount	N/A	N/A	N/A	N/A	N/A	N/A	590,294,670.31
39a	To be reserved for young farmers (Annex XII) - (Article 95) (if only Direct Payments: annual amounts to be respected)	N/A	37,295,555.00	37,295,555.00	37,295,555.00	37,295,555.00	37,295,555.00	186,477,775.00
39b	Reserved for young farmers		42,051,562.16	42,051,562.16	42,051,562.16	42,051,562.15	18,686,052.00	186,892,300.63
40	Reserved for young farmers - needed to reach minimum requirements		42,000,525.88	42,000,525.88	42,000,525.87	42,000,525.86	18,475,671.51	186,477,775.00
41	- through Complementary income support for young farmers (under	N/A	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,686,052.00	93,449,268.00

	Direct Payments)							
42	"of which needed to reach minimum requirement" - basis for reverse ceiling	N/A	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,475,671.51	93,238,887.51
43	- through investments by young farmers (weighted at 50%) (under Rural Development)		1,302,538.98	1,302,538.98	1,302,538.98	1,302,538.98	N/A	5,210,155.92
44	"of which needed to reach minimum requirement" - basis for reverse ceiling		1,302,538.98	1,302,538.98	1,302,538.98	1,302,538.98	N/A	5,210,155.92
45	- setting up of young farmers (under Rural Development)		22,058,219.18	22,058,219.18	22,058,219.18	22,058,219.17	N/A	88,232,876.71
46	"of which needed to reach minimum requirement" - basis for reverse ceiling		22,007,182.90	22,007,182.90	22,007,182.89	22,007,182.88	N/A	88,028,731.57
47	Minimum amount to be reserved for eco-schemes (Article 97)	N/A	336,850,613.06	336,850,613.06	336,850,613.06	336,850,613.06	310,796,291.25	1,658,198,743.49
48	Rebate (where relevant - optional for Member States)	N/A	134,725,613.06	134,725,613.06	134,725,613.06	134,725,613.06	124,296,291.25	663,198,743.49
49	Annual amounts reserved for eco-schemes under Direct Payments	N/A	202,125,000.00	202,125,000.00	202,125,000.00	202,125,000.00	186,500,000.00	995,000,000.00
50	Out of which, amounts compensating for under-execution in previous year(s)	N/A	N/A					
51	Total amount for eco-schemes, including rebate	N/A	336,850,613.06	336,850,613.06	336,850,613.06	336,850,613.06	310,796,291.25	1,658,198,743.49
52	Amounts in rural development compensating for the under execution of eco-schemes (Articles 97(6)(b), 97(7)(b) and 97(9)(b))	N/A	N/A	N/A	N/A	N/A	N/A	
52a	Out of which for Article 70 compensating for the under execution of eco-schemes (Articles 97(6)(b), 97(7)(b) and 97(9)(b))	N/A	N/A	N/A	N/A	N/A	N/A	
53	Amount reserved for redistributive payment (Article 29) - minimum 10% annually applied on row 17, unless derogation applies	N/A	189,176,282.80	189,176,282.80	189,176,282.80	189,176,282.80	174,571,684.92	931,276,816.12

6.2 Detailed financial information and breakdown per intervention and planning of output

6.2.1 Direct Payments

	Financial Year	2024	2025	2026	2027	2028	Total 2024 - 2028
	Calendar year N = Financial year N-1	2023	2024	2025	2026	2027	Total 2023 - 2027
	Adjusted Direct Payments allocation (Annex V)	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,243,185,165.00	6,632,794,974.00
	Cotton (Annex VIII)						
	Adjusted Direct Payments allocations excluding cotton before reduction transfer (Annex IX)	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,347,402,452.25	1,243,185,165.00	6,632,794,974.00
	Transfer to EAFRD of the estimated product of reduction, if applicable (Article 17(5))					N/A	
	Maximum of indicative financial allocations (article 87(3))	735,300,015.55	735,300,015.55	735,300,015.55	735,300,015.55	676,950,000.37	
	Decoupled interventions (article 16(2))						
BISS (21)	Basic income support for sustainability						
DP01_E01_BISS_16	The basic income support for sustainability	2023	2024	2025	2026	2027	Total 2023 - 2027
DP01_O04_U01_HA - Specific amount of basic income support for sustainability (Uniform)	Planned unit amount	147.06	147.06	147.06	147.06	135.39	
	Minimum Amount for the Planned unit amount	125.00	125.00	125.00	125.00	115.08	
	Maximum Amount for the Planned unit amount (EUR)	169.12	169.12	169.12	169.12	155.70	
	O.4 (unit: Hectares)	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	
	Planned output * Planned unit amount	735,300,000.00	735,300,000.00	735,300,000.00	735,300,000.00	676,950,000.00	3,618,150,000.00

TOTAL	O.4 (unit: Hectares)	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	25,000,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	735,300,015.55	735,300,015.55	735,300,015.55	735,300,015.55	676,950,000.37	3,618,150,062.57
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CRISS (29)	Complementary redistributive income support for sustainability						
DP02_E02_CRIS_16	Complementary redistributive income support for sustainability	2023	2024	2025	2026	2027	Total 2023 - 2027
DP02_O07_U01_HA - Complementary redistributive income support for sustainability specific amount 1 (Uniform)	Planned unit amount	79.99	79.99	79.99	79.99	73.82	
	Minimum Amount for the Planned unit amount	55.99	55.99	55.99	55.99	51.67	
	Maximum Amount for the Planned unit amount (EUR)	103.99	103.99	103.99	103.99	95.97	
	O.7 (unit: Hectares)	1,004,602.14	1,004,602.14	1,004,602.14	1,004,602.14	1,004,602.14	
	Planned output * Planned unit amount	80,358,125.18	80,358,125.18	80,358,125.18	80,358,125.18	74,159,729.97	395,592,230.69
DP02_O07_U02_HA - Specific amount of complementary redistributive income support for sustainability 2 (Uniform)	Planned unit amount	40.00	40.00	40.00	40.00	36.91	
	Minimum Amount for the Planned unit amount	28.00	28.00	28.00	28.00	25.84	
	Maximum Amount for the Planned unit amount (EUR)	52.00	52.00	52.00	52.00	47.98	
	O.7 (unit: Hectares)	2,720,453.94	2,720,453.94	2,720,453.94	2,720,453.94	2,720,453.94	
	Planned output * Planned unit amount	108,818,157.60	108,818,157.60	108,818,157.60	108,818,157.60	100,411,954.93	535,684,585.33
TOTAL	O.7 (unit: Hectares)	3,725,056.08	3,725,056.08	3,725,056.08	3,725,056.08	3,725,056.08	18,625,280.40
	Annual indicative financial allocation (Union Contribution in EUR)	189,176,282.80	189,176,282.80	189,176,282.80	189,176,282.80	174,571,684.92	931,276,816.12
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS-YF (30)	Complementary income support for young farmers						
DP03_B01_YFS_16	Complementary income support for young farmers	2023	2024	2025	2026	2027	Total 2023 - 2027
DP03_O06_U01_HA - Specific amount of complementary income support for young farmers (Uniform)	Planned unit amount	157.33	157.33	157.33	157.33	157.29	
	Minimum Amount for the Planned unit amount	78.67	78.67	78.67	78.67	78.65	
	Maximum Amount for the Planned unit amount (EUR)	236.00	236.00	236.00	236.00	235.94	
	O.6 (unit: Hectares)	118,800.00	118,800.00	118,800.00	118,800.00	118,800.00	
	Planned output * Planned unit amount	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,686,052.00	93,449,268.00
TOTAL	O.6 (unit: Hectares)	118,800.00	118,800.00	118,800.00	118,800.00	118,800.00	594,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,686,052.00	93,449,268.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)	18,690,804.00	18,690,804.00	18,690,804.00	18,690,804.00	18,475,671.51	93,238,887.51
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
Eco-scheme (31)	Schemes for the climate, the environment and animal welfare						
DP17_G01_ECOS_16	Agro-ecological programme	2023	2024	2025	2026	2027	Total 2023 - 2027
DP17_O08_U01_HA - Basic Agro-ecological programme (Uniform)	Planned unit amount	80.85	80.85	80.85	80.85	74.60	
	Minimum Amount for the Planned unit amount	60.64	60.64	60.64	60.64	55.95	
	Maximum Amount for the Planned unit amount (EUR)	105.10	105.10	105.10	105.10	96.98	
	O.8 (unit: Hectares)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	

	Planned output * Planned unit amount	202,125,000.00	202,125,000.00	202,125,000.00	202,125,000.00	186,500,000.00	995,000,000.00
TOTAL	O.8 (unit: Hectares)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	12,500,000.00
	Annual indicative financial allocation (Union Contribution in EUR)	202,125,000.00	202,125,000.00	202,125,000.00	202,125,000.00	186,500,000.00	995,000,000.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
	Sum of indicative allocations for decoupled interventions	1,145,292,102.35	1,145,292,102.35	1,145,292,102.35	1,145,292,102.35	1,056,707,737.29	5,637,876,146.69
	Coupled income support (16(3)(a)) — amount — binding ceiling						
CIS (32)	Coupled income support						
DP04_E03_CISB_16	Aid for sugar beet cultivation	2023	2024	2025	2026	2027	Total 2023 - 2027
DP04_O10_U01_HA - Specific amount of aid for sugar beet production (Uniform)	Planned unit amount	653.11	653.11	653.11	653.11	602.60	
	Minimum Amount for the Planned unit amount	424.52	424.52	424.52	424.52	391.69	
	Maximum Amount for the Planned unit amount (EUR)	881.70	881.70	881.70	881.70	813.51	
	O.10 (unit: Hectares)	12,120.00	12,120.00	12,120.00	12,120.00	12,120.00	
	Planned output * Planned unit amount	7,915,693.20	7,915,693.20	7,915,693.20	7,915,693.20	7,303,512.00	38,966,284.80
TOTAL	O.10 (unit: Hectares)	12,120.00	12,120.00	12,120.00	12,120.00	12,120.00	60,600.00
	Annual indicative financial allocation (Union Contribution in EUR)	7,915,693.20	7,915,693.20	7,915,693.20	7,915,693.20	7,303,512.00	38,966,284.80
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP05_E04_CISR_16	Aid for rice production	2023	2024	2025	2026	2027	Total 2023 - 2027
DP05_O10_U01_HA - Specific amount of aid for rice production (Uniform)	Planned unit amount	728.44	728.44	728.44	728.44	672.03	
	Minimum Amount for the Planned unit amount	582.75	582.75	582.75	582.75	537.62	
	Maximum Amount for the Planned unit amount (EUR)	874.13	874.13	874.13	874.13	806.44	
	O.10 (unit: Hectares)	2,717.00	2,717.00	2,717.00	2,717.00	2,717.00	
	Planned output * Planned unit amount	1,979,171.48	1,979,171.48	1,979,171.48	1,979,171.48	1,825,905.51	9,742,591.43
TOTAL	O.10 (unit: Hectares)	2,717.00	2,717.00	2,717.00	2,717.00	2,717.00	13,585.00
	Annual indicative financial allocation (Union Contribution in EUR)	1,979,171.48	1,979,171.48	1,979,171.48	1,979,171.48	1,825,905.51	9,742,591.43
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP06_E05_CISV_16	Aid for vegetable crop production	2023	2024	2025	2026	2027	Total 2023 - 2027
DP06_O10_U01_HA - Specific amount of aid for vegetable crops (Uniform)	Planned unit amount	241.23	241.23	292.80	292.80	270.19	
	Minimum Amount for the Planned unit amount	180.92	180.92	219.60	219.60	202.64	
	Maximum Amount for the Planned unit amount (EUR)	289.48	289.48	351.36	351.36	324.23	
	O.10 (unit: Hectares)	26,760.00	26,760.00	19,013.00	19,013.00	19,013.00	
	Planned output * Planned unit amount	6,455,314.80	6,455,314.80	5,567,006.40	5,567,006.40	5,137,122.47	29,181,764.87
TOTAL	O.10 (unit: Hectares)	26,760.00	26,760.00	19,013.00	19,013.00	19,013.00	110,559.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,455,314.80	6,455,314.80	5,567,006.40	5,567,006.40	5,137,122.47	29,181,764.87
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						

	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP07_E06_CISI_16	Aid for industrial vegetable production	2023	2024	2025	2026	2027	Total 2023 - 2027
DP07_O10_U01_HA - Specific amount of aid for industrial vegetable production (Uniform)	Planned unit amount	325.55	325.55	325.55	376.14	347.05	
	Minimum Amount for the Planned unit amount	260.44	260.44	260.44	300.91	277.66	
	Maximum Amount for the Planned unit amount (EUR)	390.66	390.66	390.66	451.37	416.45	
	O.10 (unit: Hectares)	47,980.00	47,980.00	47,980.00	41,527.00	41,527.00	
	Planned output * Planned unit amount	15,619,889.00	15,619,889.00	15,619,889.00	15,619,965.78	14,411,945.35	76,891,578.13
TOTAL	O.10 (unit: Hectares)	47,980.00	47,980.00	47,980.00	41,527.00	41,527.00	226,994.00
	Annual indicative financial allocation (Union Contribution in EUR)	15,619,889.00	15,619,889.00	15,619,889.00	15,619,889.00	14,411,752.60	76,891,308.60
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP08_E07_CISO_16	Aid for the production of industrial oil crops	2023	2024	2025	2026	2027	Total 2023 - 2027
DP08_O10_U01_HA - Specific amount of aid for vegetables for oil processing (Uniform)	Planned unit amount	109.59	109.59	109.59	109.59	101.15	
	Minimum Amount for the Planned unit amount	76.71	76.71	76.71	76.71	70.81	
	Maximum Amount for the Planned unit amount (EUR)	142.47	142.47	142.47	142.47	131.50	
	O.10 (unit: Hectares)	6,757.00	6,757.00	6,757.00	6,757.00	6,757.00	
	Planned output * Planned unit amount	740,499.63	740,499.63	740,499.63	740,499.63	683,470.55	3,645,469.07
TOTAL	O.10 (unit: Hectares)	6,757.00	6,757.00	6,757.00	6,757.00	6,757.00	33,785.00
	Annual indicative financial allocation (Union Contribution in EUR)	740,499.63	740,499.63	740,499.63	740,499.63	683,470.55	3,645,469.07
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP09_E08_CISE_16	Aid for fruit production (Extensive)	2023	2024	2025	2026	2027	Total 2023 - 2027
DP09_O10_U01_HA - Specific amount of aid for extensive fruit production (Uniform)	Planned unit amount	159.49	159.49	159.49	159.49	147.15	
	Minimum Amount for the Planned unit amount	143.54	143.54	143.54	143.54	132.44	
	Maximum Amount for the Planned unit amount (EUR)	191.39	191.39	191.39	191.39	176.58	
	O.10 (unit: Hectares)	38,017.00	38,017.00	38,017.00	38,017.00	38,017.00	
	Planned output * Planned unit amount	6,063,331.33	6,063,331.33	6,063,331.33	6,063,331.33	5,594,201.55	29,847,526.87
TOTAL	O.10 (unit: Hectares)	38,017.00	38,017.00	38,017.00	38,017.00	38,017.00	190,085.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,063,331.33	6,063,331.33	6,063,331.33	6,063,331.33	5,594,201.55	29,847,526.87
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP10_E09_CISF_16	Aid for fruit production (Intensive)	2023	2024	2025	2026	2027	Total 2023 - 2027
DP10_O10_U01_HA - Specific amount of aid	Planned unit amount	373.48	373.48	373.48	373.48	344.58	
	Minimum Amount for the Planned unit amount	280.11	280.11	280.11	280.11	258.44	

for intensive fruit production (Uniform)	Maximum Amount for the Planned unit amount (EUR)	429.50	429.50	429.50	429.50	396.27	
	O.10 (unit: Hectares)	17,816.00	17,816.00	17,816.00	17,816.00	17,816.00	
	Planned output * Planned unit amount	6,653,919.68	6,653,919.68	6,653,919.68	6,653,919.68	6,139,037.28	32,754,716.00
TOTAL	O.10 (unit: Hectares)	17,816.00	17,816.00	17,816.00	17,816.00	17,816.00	89,080.00
	Annual indicative financial allocation (Union Contribution in EUR)	6,653,919.68	6,653,919.68	6,653,919.68	6,653,919.68	6,139,037.28	32,754,716.00
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP11_E10_CISS_16	Ewe premium	2023	2024	2025	2026	2027	Total 2023 - 2027
DP11_O11_U01_HD - Specific amount of ewe premium (Uniform)	Planned unit amount	28.42	28.42	35.26	35.26	32.53	
	Minimum Amount for the Planned unit amount	24.16	24.16	29.97	29.97	27.65	
	Maximum Amount for the Planned unit amount (EUR)	35.53	35.53	44.08	44.08	40.67	
	O.11 (unit: Head)	765,930.00	765,930.00	642,542.00	642,542.00	642,542.00	
	Planned output * Planned unit amount	21,767,730.60	21,767,730.60	22,656,030.92	22,656,030.92	20,901,891.26	109,749,414.30
TOTAL	O.11 (unit: Head)	765,930.00	765,930.00	642,542.00	642,542.00	642,542.00	3,459,486.00
	Annual indicative financial allocation (Union Contribution in EUR)	21,767,730.60	21,767,730.60	22,656,030.92	22,656,030.92	20,901,891.26	109,749,414.30
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP12_E11_CISC_16	Suckler cow premium	2023	2024	2025	2026	2027	Total 2023 - 2027
DP12_O11_U01_HD - Specific amount of suckler cow premium (Uniform)	Planned unit amount	139.95	139.95	139.95	139.95	129.13	
	Minimum Amount for the Planned unit amount	111.96	111.96	111.96	111.96	103.30	
	Maximum Amount for the Planned unit amount (EUR)	174.94	174.94	174.94	174.94	161.41	
	O.11 (unit: Head)	247,455.00	247,455.00	247,455.00	247,455.00	247,455.00	
	Planned output * Planned unit amount	34,631,327.25	34,631,327.25	34,631,327.25	34,631,327.25	31,953,864.15	170,479,173.15
TOTAL	O.11 (unit: Head)	247,455.00	247,455.00	247,455.00	247,455.00	247,455.00	1,237,275.00
	Annual indicative financial allocation (Union Contribution in EUR)	34,631,327.25	34,631,327.25	34,631,327.25	34,631,327.25	31,953,864.15	170,479,173.15
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP13_E12_CISM_16	Foieched bull support	2023	2024	2025	2026	2027	Total 2023 - 2027
DP13_O11_U01_HD - Specific amount of fattened bull support (Uniform)	Planned unit amount	54.35	54.35	54.35	76.20	70.31	
	Minimum Amount for the Planned unit amount	40.76	40.76	40.76	57.15	52.73	
	Maximum Amount for the Planned unit amount (EUR)	65.22	65.22	65.22	106.68	98.44	
	O.11 (unit: Head)	93,122.00	93,122.00	93,122.00	66,420.00	66,420.00	
	Planned output * Planned unit amount	5,061,180.70	5,061,180.70	5,061,180.70	5,061,204.00	4,669,990.20	24,914,736.30
TOTAL	O.11 (unit: Head)	93,122.00	93,122.00	93,122.00	66,420.00	66,420.00	412,206.00
	Annual indicative financial allocation (Union Contribution in EUR)	5,061,180.70	5,061,180.70	5,061,180.70	5,061,180.70	4,670,068.30	24,914,791.10
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						

	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP14_E13_CISD_16	Aid for the rearing of dairy cows	2023	2024	2025	2026	2027	Total 2023 - 2027
DP14_O11_U01_HD - Specific amount of dairy cow premium (Uniform)	Planned unit amount	316.99	316.99	316.99	316.99	292.47	
	Minimum Amount for the Planned unit amount	237.74	237.74	237.74	237.74	219.35	
	Maximum Amount for the Planned unit amount (EUR)	396.24	396.24	396.24	396.24	365.59	
	O.11 (unit: Head)	215,383.00	215,383.00	215,383.00	215,383.00	215,383.00	
	Planned output * Planned unit amount	68,274,257.17	68,274,257.17	68,274,257.17	68,274,257.17	62,993,066.01	336,090,094.69
TOTAL	O.11 (unit: Head)	215,383.00	215,383.00	215,383.00	215,383.00	215,383.00	1,076,915.00
	Annual indicative financial allocation (Union Contribution in EUR)	68,274,257.17	68,274,257.17	68,274,257.17	68,274,257.17	62,993,066.01	336,090,094.69
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP15_E14_CISG_16	Aid for the production of grain protein feed crops	2023	2024	2025	2026	2027	Total 2023 - 2027
DP15_O10_U01_HA - Specific amount of aid for the production of protein fodder grain (Uniform)	Planned unit amount	232.87	232.87	232.87	232.87	214.87	
	Minimum Amount for the Planned unit amount	163.01	163.01	163.01	163.01	150.41	
	Maximum Amount for the Planned unit amount (EUR)	302.73	302.73	302.73	302.73	279.33	
	O.10 (unit: Hectares)	68,548.00	68,548.00	68,548.00	68,548.00	68,548.00	
	Planned output * Planned unit amount	15,962,772.76	15,962,772.76	15,962,772.76	15,962,772.76	14,728,908.76	78,579,999.80
TOTAL	O.10 (unit: Hectares)	68,548.00	68,548.00	68,548.00	68,548.00	68,548.00	342,740.00
	Annual indicative financial allocation (Union Contribution in EUR)	15,962,772.76	15,962,772.76	15,962,772.76	15,962,772.76	14,728,908.76	78,579,999.80
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
CIS (32)	Coupled income support						
DP16_E15_CISP_16	Aid for the production of coarse protein forage	2023	2024	2025	2026	2027	Total 2023 - 2027
DP16_O10_U01_HA - Specific amount of aid for the production of coarse protein crops (Uniform)	Planned unit amount	64.17	64.17	64.17	64.17	59.20	
	Minimum Amount for the Planned unit amount	44.92	44.92	44.92	44.92	41.44	
	Maximum Amount for the Planned unit amount (EUR)	77.00	77.00	77.00	77.00	71.04	
	O.10 (unit: Hectares)	171,190.00	171,190.00	171,190.00	171,190.00	171,190.00	
	Planned output * Planned unit amount	10,985,262.30	10,985,262.30	10,985,262.30	10,985,262.30	10,134,448.00	54,075,497.20
TOTAL	O.10 (unit: Hectares)	171,190.00	171,190.00	171,190.00	171,190.00	171,190.00	855,950.00
	Annual indicative financial allocation (Union Contribution in EUR)	10,985,262.30	10,985,262.30	10,985,262.30	10,985,262.30	10,134,448.00	54,075,497.20
	Out of which needed to reach the minimum ringfencing requirement (Annex XII) (only under article 30) (Union contribution)						
	Out of which needed carried over - expenditure (applicable only to eco-scheme and only with type of payment "compensatory" (article 31(7)(b)) if the intervention contains carry over)						
	Sum of indicative allocations for coupled interventions	202,110,349.90	202,110,349.90	202,110,341.82	202,110,341.82	186,477,248.44	994,918,631.88
	Sum of all indicative direct payments allocations	1,347,402,452.25	1,347,402,452.25	1,347,402,444.17	1,347,402,444.17	1,243,184,985.73	6,632,794,778.57

6.2.2 Sectoral

Financial Year		2023	2024	2025	2026	2027	2028	Total financial allocation
Fruit and Vegetables								
SC11_SC29_O35_A01_OP - Support to operational funds (Average)	O.35 (unit: Operational Programmes)	38.00	41.00	41.00	42.00	43.00		
	Annual indicative financial allocation (Total Union expenditure in EUR)	6,387,844.00	11,104,218.19	11,824,187.21	12,339,064.80	12,795,617.45		54,450,931.65
Apiculture products								
ADVIBEEES (55(1)(a)) - advisory services, technical assistance, training, information and exchange of best practices, including through networking, for beekeepers and beekeepers' organisations								
SC02_A01_BEa_55 - Apiculture knowledge transfer and technical assistance		2023	2024	2025	2026	2027	2028	Total
SC02_O37_A01_BN - Unit aid to beneficiaries for knowledge transfer in apiculture and technical assistance (Average)	O.37 (unit: Beneficiaries)	100.00	64.00					164.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	250,000.00	160,000.00					410,000.00
SC02_O37_A02_ON - Unit aid per application for apiculture knowledge transfer and technical assistance (Average)	O.37 (unit: Operations)		270.00	380.00	380.00	380.00		1,410.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		474,871.00	627,371.00	627,371.00	627,371.00		2,356,984.00
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	500,000.00	1,269,742.00	1,254,742.00	1,254,742.00	1,254,742.00		5,533,968.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	250,000.00	634,871.00	627,371.00	627,371.00	627,371.00		2,766,984.00
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00		
INVAPI (55(1)(b)) - investments in tangible and intangible assets, as well as other actions								
SC03_E02_BEI_55 - Improving the competitiveness of the apiculture sector		2023	2024	2025	2026	2027	2028	Total
SC03_O37_A01_BN - Unit aid per beneficiary for equipment development in the apiculture sector (Average)	O.37 (unit: Beneficiaries)	1,500.00	274.00					1,774.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	375,000.00	68,500.00					443,500.00
SC03_O37_A02_BN - Unit aid for the purchase of equipment to support the activities of apiculture organisations (Average)	O.37 (unit: Beneficiaries)	50.00	3.00					53.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	30,000.00	1,800.00					31,800.00
SC03_O37_A03_BN - Unit aid per beneficiary for aid for the control of bee diseases and pests (Average)	O.37 (unit: Beneficiaries)	8,000.00						8,000.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	1,796,727.00						1,796,727.00

Financial Year		2023	2024	2025	2026	2027	2028	Total financial allocation
SC03_O37_A04_BN - Unit aid per beneficiary for the development of bee genetic stock (Average)	O.37 (unit: Beneficiaries)	3,000.00						3,000.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	502,500.00						502,500.00
SC03_O37_A05_BN - Unit aid per beneficiary for the purchase of equipment to facilitate migration (Average)	O.37 (unit: Beneficiaries)	2,000.00	150.00					2,150.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	500,000.00	37,500.00					537,500.00
SC03_O37_A06_ON - Unit aid per application for asset development in the apiculture sector (Average)	O.37 (unit: Operations)		300.00	500.00	500.00	500.00		1,800.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		56,500.00	75,000.00	75,000.00	75,000.00		281,500.00
SC03_O37_A07_ON - Unit aid per application for the purchase of equipment to support the activities of apiculture organisations (Average)	O.37 (unit: Operations)		100.00	100.00	100.00	100.00		400.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		23,200.00	25,000.00	25,000.00	25,000.00		98,200.00
SC03_O37_A08_ON - Unit aid per application for aid for the control of bee diseases and pests (Average)	O.37 (unit: Operations)		12,500.00	8,494.00	8,494.00	8,494.00		37,982.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		2,940,961.00	2,870,858.50	2,870,858.50	2,870,858.50		11,553,536.50
SC03_O37_A09_ON - Unit aid per application for the development of bee genetic resources (Average)	O.37 (unit: Operations)		2,800.00	2,800.00	2,800.00	2,800.00		11,200.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		200,500.00	325,000.00	325,000.00	325,000.00		1,175,500.00
SC03_O37_A10_ON - Unit aid per application for the acquisition of equipment to facilitate migration (Average)	O.37 (unit: Operations)		1,000.00	1,100.00	1,100.00	1,100.00		4,300.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		184,750.00	222,250.00	222,250.00	222,250.00		851,500.00
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	6,408,454.00	7,027,422.00	7,036,217.00	7,036,217.00	7,036,217.00		34,544,527.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	3,204,227.00	3,513,711.00	3,518,108.50	3,518,108.50	3,518,108.50		17,272,263.50
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00		
PROMOBEES (55(1)(f)) - promotion, communication and marketing including market monitoring actions and activities aimed in particular at raising consumer awareness about the quality of the apiculture products								
SC01_A02_BEM_55 - Beekeeping marketing		2023	2024	2025	2026	2027	2028	Total

Financial Year		2023	2024	2025	2026	2027	2028	Total financial allocation
SC01_O37_A01_BN - Unit aid to beneficiaries of apiculture marketing measures (Average)	O.37 (unit: Beneficiaries)	18.00	1.00					19.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	127,800.00	7,100.00					134,900.00
SC01_O37_A02_ON - Unit aid per application for apiculture marketing measures (Average)	O.37 (unit: Operations)		16.00	19.00	19.00	19.00		73.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		115,545.00	125,747.50	125,747.50	125,747.50		492,787.50
TOTAL	Annual indicative financial allocation (Total public Expenditure in EUR)	255,600.00	245,290.00	251,495.00	251,495.00	251,495.00		1,255,375.00
	Annual indicative financial allocation (Total Union expenditure in EUR)	127,800.00	122,645.00	125,747.50	125,747.50	125,747.50		627,687.50
	EU co-financing rate in %	50.00	50.00	50.00	50.00	50.00		
Sum of indicative allocations and outputs for interventions for apiculture products		3,582,027.00	4,271,227.00	4,271,227.00	4,271,227.00	4,271,227.00		20,666,935.00
Wine								
RESTRVINEY (58(1)(a)) - restructuring and conversion of vineyards								
SC05_E04_WIR_58 - Aid for restructuring and conversion of vineyards		2023	2024	2025	2026	2027	2028	Total
SC05_O36_A01_HA - Relocation, varietal conversion, modernisation of the support system (Average)	O.36 (unit: Hectares)		1,299.93	1,299.93	1,299.93	1,299.93		5,199.72
	Annual indicative financial allocation (Total Union expenditure in EUR)		17,770,000.00	17,770,000.00	14,770,000.00	14,770,000.00		65,080,000.00
INVWINE (58(1)(b)) - investments in tangible and intangible assets in wine-growing farming systems, excluding operations relevant to the type of intervention provided for in point (a), processing facilities and winery infrastructure, as well as marketing structures and tools								
SC06_E05_WII_58 - Investments in tangible and intangible assets in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC06_O36_A01_BN - Investment in the wine sector (Average)	O.36 (unit: Beneficiaries)		175.00	175.00	175.00	175.00		700.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		7,500,000.00	7,000,000.00	7,000,000.00	7,000,000.00		28,500,000.00
GREENWINE (58(1)(c)) - green harvesting, which means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero and excluding non-harvesting comprising of leaving commercial grapes on the plants at the end of the normal production cycle								
SC07_E06_WIG_58 - Support for green harvesting in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC07_O36_A01_HA - Area supported for green harvesting (Average)	O.36 (unit: Hectares)							
	Annual indicative financial allocation (Total Union expenditure in EUR)							
INOVWINE (58(1)(e)) - tangible and intangible investments in innovation consisting of development of innovative products, including products from, and by-products of, wine making, innovative processes and technologies for the production of wine products and the								

Financial Year		2023	2024	2025	2026	2027	2028	Total financial allocation
digitalisation of those processes and technologies, as well as other investments adding value at any stage of the supply chain, including for knowledge exchange and contribution to adaptation to the climate change								
SC04_A01_WIIN_58 - INOVWINE – Innovative investments in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC04_O36_A01_BN - Innovative investments (Average)	O.36 (unit: Beneficiaries)			3.00	3.00	3.00		9.00
	Annual indicative financial allocation (Total Union expenditure in EUR)			500,000.00	500,000.00	500,000.00		1,500,000.00
ADVWINE (58(1)(f)) - advisory services, in particular concerning the conditions of employment, employer obligations and occupational health and safety								
SC30a_A02_WIA_58 - Advisory services in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC30a_O36_U01_BN - Consulting services (Uniform)	O.36 (unit: Beneficiaries)				1.00			1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)				1,000,000.00	1,000,000.00		2,000,000.00
DISTIL (58(1)(g)) - distillation of by-products of wine making carried out in accordance with the restrictions laid down in Part II, Section D, of Annex VIII to Regulation (EU) No 1308/2013								
SC08_E07_WID_58 - Distillation of wine by-products		2023	2024	2025	2026	2027	2028	Total
SC08_O36_A01_HL - Distillation of wine by-products (Average)	O.36 (unit: Hectoliters degrees)		1,411,764.70	1,411,764.70	1,411,764.70	1,411,764.70		5,647,058.80
	Annual indicative financial allocation (Total Union expenditure in EUR)		1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00		4,800,000.00
INFOR (58(1)(h)) - information actions concerning Union wines carried out in Member States encouraging responsible consumption of wine or promoting Union quality schemes covering designations of origin and geographical indications								
SC09_E08_WIN_58 - Promotion in the internal market in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC09_O36_A01_BN - Producers receiving aid for wine promotion in third-countries (Average)	O.36 (unit: Beneficiaries)		25.00	25.00	25.00	25.00		100.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		750,000.00	750,000.00	750,000.00	750,000.00		3,000,000.00
ACTREPUT (58(1)(i)) - actions undertaken by interbranch organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at enhancing the reputation of Union vineyards by promoting wine tourism in production regions								
SC30b_E10_WIT_58 - Enhancing the reputation of EU vineyards by promoting wine tourism by recognised interbranch organisations		2023	2024	2025	2026	2027	2028	Total
SC30b_O36_U01_BN - Improving the economic sustainability and competitiveness of wine producers (Uniform)	O.36 (unit: Beneficiaries)				1.00			1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)				1,000,000.00	1,000,000.00		2,000,000.00
ACTMKTKNOW (58(1)(j)) - actions undertaken by interbranch								

Financial Year		2023	2024	2025	2026	2027	2028	Total financial allocation
organisations recognised by Member States in the wine sector in accordance to Regulation (EU) No 1308/2013 aiming at improving market knowledge								
SC30c_E11_WIM_58 - Improving market knowledge by recognised interbranch organisations in the wine sector		2023	2024	2025	2026	2027	2028	Total
SC30c_O36_U01_BN - Improving market knowledge by recognised interbranch organisations (Uniform)	O.36 (unit: Beneficiaries)				1.00			1.00
	Annual indicative financial allocation (Total Union expenditure in EUR)				1,000,000.00	1,000,000.00		2,000,000.00
PROMOWINE (58(1)(k)) - promotion carried out in third countries								
SC10_E09_WIP_58 - Promotion in the wine sector in third countries		2023	2024	2025	2026	2027	2028	Total
SC10_O36_A01_BN - Beneficiaries receiving support for wine promotion in external markets (Average)	O.36 (unit: Beneficiaries)		4.00	4.00	4.00	4.00		16.00
	Annual indicative financial allocation (Total Union expenditure in EUR)		750,000.00	750,000.00	750,000.00	750,000.00		3,000,000.00
Sum of indicative allocations and outputs for interventions for wine			27,970,000.00	27,970,000.00	27,970,000.00	27,970,000.00		111,880,000.00

6.2.3 Rural Development

	Financial Year	2023	2024	2025	2026	2027	2028	2029 (including payments of Q4 2029)	Total 2023 - 2029
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD19_G01_AEC_70	Agricultural environmental management payments (AKG)	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD19_O14_U01_HA - Horizontal arable land unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		338.00	338.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U02_HA - Horizontal grassland unit amount under the Agri-environmental and	Planned unit amount (Total Public Expenditure in EUR)		282.00	282.00					
	Maximum planned average unit amount (where applicable) (EUR)								

Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.14 (unit: Hectares)								
RD19_O14_U03_HA - Horizontal plantations (pome fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,095.00	1,095.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U04_HA - Horizontal plantations (other fruits) unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		950.00	950.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U05_HA - Horizontal plantations (grapes) - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,075.00	1,075.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U06_HA - Horizontal reed - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		105.00	105.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U07_HA - Zonal arable land with great bustard - unit amount under the Agri-	Planned unit amount (Total Public Expenditure in EUR)		557.00	557.00					
	Maximum planned average unit amount (where applicable) (EUR)								

environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.14 (unit: Hectares)								
RD19_O14_U08_HA - Zonal arable land with great bustard protection - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		497.00	497.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U09_HA - Zonal cropland with Plainland's birds protection - unit amount under the Agri-environmental and Climate Measure payments (AECM) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		545.00	545.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U10_HA - Agri-environmental and Climate Measure payments (AECM) - unit amount of zonal cropland with mountain and hill bird protection (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		459.00	459.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U11_HA - Agri-environmental and climate Measure payments (AECM) unit amount of arable land for zonal water protection — Erosion-sensitive area demarcation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		380.00	380.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U12_HA - Agri-environmental and	Planned unit amount (Total Public Expenditure in EUR)		342.00	342.00					

climate Measure (AECM) payments - unit amount for zonal arable land conservation — inland water sensitive area delimitation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U13_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of arable land for zonal water protection — drought sensitive area delimitation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		342.00	342.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U14_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with great bustards protection standards (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		475.00	475.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U15_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with Plainland's birds protection standards (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		310.00	310.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U16_HA - Agri-environmental and Climate Measure (AECM) payments - unit	Planned unit amount (Total Public Expenditure in EUR)		352.00	352.00					
	Maximum planned average unit amount (where applicable) (EUR)								

amount of zonal grassland — with mountain and hilly bird species protection standards (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.14 (unit: Hectares)								
RD19_O14_U17_HA - Agri-environmental and Climate Measure (AECM) payments - unit amount of zonal grassland — with butterfly protection standards (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		351.00	351.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19_O14_U18_HA - Agri-environmental and Climate measure (AECM) payments - grassland for zonal water protection — inland water sensitive area delimitation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		323.00	323.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
TOTAL	O.14 (unit: Hectares)		961,324.00	961,324.00					1,922,648.00
	Annual indicative financial allocation (Total public expenditure in EUR)		373,253,569.65	373,253,569.65					746,507,139.30
	Annual indicative financial allocation (Union Contribution in EUR)		186,626,784.82	186,626,784.82					373,253,569.64
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)		373,253,569.65	373,253,569.65					746,507,139.30
	Out of which carry-over (Union contribution in EUR)		186,626,784.82	186,626,784.82					373,253,569.64

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD19a_G01_AEC_70	AGRI-environmental management payments (AKG)	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD19a_O14_U01_HA - Agricultural Environmental Management Payments (AEM) Horizontal Crop Unit Amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				400.00	400.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U02_HA - Unit amount of agri-environment payments (AKG) for land renewal (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				451.00	451.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U03_HA - Natura 2000 arable land unit amount for agri-environmental management (AEM) payments (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				410.00	410.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U04_HA - Agricultural Environmental Management Payments (AEM) SUPPORT Footwear (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				597.00	597.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U05_HA - Agricultural	Planned unit amount (Total Public Expenditure in EUR)				558.00	558.00			

Environmental Management Payments (AEM) Amount of arable land for farmland (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U06_HA - Agricultural Environmental Management Payments (AKG) Amount of protective arable land for blue blood shoots (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				526.00	526.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U07_HA - AGRI-environmental payments (AKG) Horizontal grassland unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				303.00	303.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U08_HA - Unit amount of agri-environmental management payments (AKG) for habitat conservation grassland (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				517.00	517.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U09_HA - AGRI-environmental management payments (AKG) Horizontal plantation – Intensive fruit plantation unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				866.00	866.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U10_HA - AGRI-environmental management payments (AKG) Horizontal	Planned unit amount (Total Public Expenditure in EUR)				724.00	724.00			
	Maximum planned average unit amount (where applicable) (EUR)								

plantation – unit amount of extensive fruit plantation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.14 (unit: Hectares)								
RD19a_O14_U11_HA - AGRI-environmental management payments (AKG) Horizontal vineyard unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,045.00	1,045.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD19a_O14_U12_HA - Horizontal Unit Amount of Agri-environmental Management Payments (AKG) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				105.00	105.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
TOTAL	O.14 (unit: Hectares)				961,324.00	961,324.00			1,922,648.00
	Annual indicative financial allocation (Total public expenditure in EUR)				373,253,569.65	80,650,249.95			453,903,819.60
	Annual indicative financial allocation (Union Contribution in EUR)				186,626,784.82	40,325,124.99			226,951,909.81
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD20_G02_ORT_70	Support to organic farming	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD20_O17_U01_HA - Conversion to organic farming — unit amount of arable land (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		458.00	458.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U02_HA - Conversion to organic farming — Unit amount of vegetables (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,097.00	1,097.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U03_HA - Conversion to organic farming — unit amount for pome fruits (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,840.00	1,840.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U04_HA - Conversion to organic farming — Unit amount of grapes (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,132.00	1,132.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U05_HA - Conversion to organic farming — Unit amount of other fruit (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,762.00	1,762.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U06_HA - Conversion to organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		204.00	204.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								

RD20_O17_U07_HA - Maintenance of organic farming — unit amount of arable land (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		349.00	349.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U08_HA - Maintenance of organic farming — Vegetable unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		664.00	664.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U09_HA - Maintenance of organic farming — unit amount for pome fruits (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,136.00	1,136.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U10_HA - Maintenance of organic farming — Unit amount of grapes (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,097.00	1,097.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U11_HA - Maintenance of organic farming — Unit amount of other fruit (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		967.00	967.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20_O17_U12_HA - Maintenance of organic farming — grass farming — grazing and mowing of at least 0.2 LU/ha/year unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		204.00	204.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
TOTAL	O.17 (unit: Hectares)		279,415.00	279,415.00					558,830.00
	Annual indicative financial allocation (Total public expenditure in EUR)		63,064,332.00	63,064,332.00					126,128,664.00

	Annual indicative financial allocation (Union Contribution in EUR)		31,532,166.00	31,532,166.00					63,064,332.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)		63,064,332.00	63,064,332.00					126,128,664.00
	Out of which carry-over (Union contribution in EUR)		31,532,166.00	31,532,166.00					63,064,332.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD20a_G02_ORT_70	Support for organic farming	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD20a_O17_U01_HA - Conversion to organic farming – arable land unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				491.00	491.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U02_HA - Conversion to organic farming – Vegetable unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,097.00	1,097.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U03_HA - Conversion to organic farming – Intensive fruit plantation unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,801.00	1,801.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U04_HA - Conversion to organic	Planned unit amount (Total Public Expenditure in EUR)				1,132.00	1,132.00			

farming – Unit amount for grapes (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U05_HA - Conversion to organic farming – Extensive fruit plantation unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,562.00	1,562.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U06_HA - – Conversion to organic farming – grassland farming – grazing and mowing of at least 0.2 LU/ha/year (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				225.00	225.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U07_HA - Maintenance of organic farming – unit amount of arable land (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				382.00	382.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U08_HA - Maintenance of organic farming – Unit Vegetables (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				664.00	664.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U09_HA - Maintenance of organic farming – Unit amount for intensive fruit plantations (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,117.00	1,117.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U10_HA - Maintenance of organic farming – Unit amount for grapes	Planned unit amount (Total Public Expenditure in EUR)				1,097.00	1,097.00			
	Maximum planned average unit amount (where applicable) (EUR)								

(Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.17 (unit: Hectares)								
RD20a_O17_U11_HA - Maintenance of organic farming – Extensive fruit plantation unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				879.00	879.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
RD20a_O17_U12_HA - Organic farming maintenance – grassland farming – grazing and mowing of at least 0.2 LU/ha/year (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				225.00	225.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.17 (unit: Hectares)								
TOTAL	O.17 (unit: Hectares)				279,415.00	279,415.00			558,830.00
	Annual indicative financial allocation (Total public expenditure in EUR)				63,064,332.00	63,064,332.00			126,128,664.00
	Annual indicative financial allocation (Union Contribution in EUR)				31,532,166.00	31,532,166.00			63,064,332.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate- related and other management commitments								
RD22_G05_LCP_70	Payment to encourage agro- ecological land use change	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD22_O14_U01_HA - Agro-ecological land use change incentive scheme Newly planted biodiversity maintenance perennial crops on arable land (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			537.00	537.00	537.00	537.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U02_HA - Agro-ecological land use change incentive scheme for Newly planted grasslands for soil protection on arable land (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			708.00	708.00	708.00	708.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U03_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly planted semi-natural grasslands (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			833.00	833.00	833.00	833.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U04_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly established rows of conservation trees (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			1,373.00	1,373.00	1,373.00	1,373.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U05_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly developed protective forest strips (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			708.00	708.00	708.00	708.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U06_HA - Agro-ecological land use	Planned unit amount (Total Public Expenditure in EUR)			225.00	225.00	225.00	225.00		

change incentive programme to maintain newly planted woody pastures or meadows (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U07_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of a newly established coastal water buffer zone (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			911.00	911.00	911.00	911.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U08_HA - Agro-ecological Land Use Change Incentive Programme Maintenance of newly created wetlands (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			911.00	911.00	911.00	911.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U09_HA - Agro-ecological land-use change incentive scheme Newly planted biodiversity conservation perennial crops in permanent crops (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			108.00	108.00	108.00	108.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U10_HA - Agro-ecological Land Use Change Incentive Scheme to maintain Newly planted grasslands for soil protection in permanent crops (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			108.00	108.00	108.00	108.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.14 (unit: Hectares)								
RD22_O14_U11_HA - Agro-ecological land use change incentive scheme to maintain newly	Planned unit amount (Total Public Expenditure in EUR)			109.00	109.00	109.00	109.00		
	Maximum planned average unit amount (where applicable) (EUR)								

established grassland, scrub strips (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.14 (unit: Hectares)								
TOTAL	O.14 (unit: Hectares)			5,692.00	11,384.00	11,384.00	11,384.00		39,844.00
	Annual indicative financial allocation (Total public expenditure in EUR)			4,118,429.71	8,236,859.43	8,236,859.43	8,236,859.43		28,829,008.00
	Annual indicative financial allocation (Union Contribution in EUR)			2,059,214.86	4,118,429.71	4,118,429.71	4,118,429.71		14,414,503.99
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate- related and other management commitments								
RD24_G07_GAX_70	Ex situ conservation and technical support of animal genetic resources	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD24_O19_U01_DY - Unit amount for the central rearing of Magyartarka bovine bulls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				15.72	15.72			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U02_DY - Unit sum for the rearing of Hungarian grey cattle and Carpathian borzderes	Planned unit amount (Total Public Expenditure in EUR)				6.00	6.00			
	Maximum planned average unit amount (where applicable) (EUR)								

bulls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.19 (unit: Days)								
RD24_O19_U03_DY - Unit amount for rearing Hungarian buffalo buffalo bulls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				6.00	6.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U04_DY - Unit amount for the placement of Magyartarka bovine bulls at impending bulls or artificial insemination centres (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				10.50	10.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U05_DY - Unit amount for central rearing of pig boars (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				1.92	1.92			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U06_DY - Unit amount for central rearing of male sheep and goats (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				2.60	2.60			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U07_DY - Unit sum for rearing horses and donkey stallions (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				4.40	4.40			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U08_DY - Unit sum of the holding of horses and donkey stallions at artificial	Planned unit amount (Total Public Expenditure in EUR)				8.40	8.40			
	Maximum planned average unit amount (where applicable) (EUR)								

insemination or cane cover stations (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.19 (unit: Days)								
RD24_O19_U09_DY - Unit amount of Hungarian giant rabbit breeding bays (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1.50	1.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Days)								
RD24_O19_U10_PS - Person providing professional support (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				1,108.00	1,108.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Persons)				56.00	56.00			112.00
TOTAL	O.19 (unit: Days)				182,808.00	182,808.00			365,616.00
TOTAL	O.19 (unit: null)				56.00	56.00			112.00
	Annual indicative financial allocation (Total public expenditure in EUR)				1,643,835.61	1,643,835.62			3,287,671.23
	Annual indicative financial allocation (Union Contribution in EUR)				821,917.81	821,917.81			1,643,835.62
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD25_G08_GAI_70	Conservation in situ of animal genetic resources	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD25_O19_U01_HD - Unit sum of hens (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				35.00	35.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U02_HD - Unit amount of ducks (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				53.00	53.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U03_HD - Unit amount of geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				77.00	77.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U04_HD - Turkey unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				68.00	68.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U05_HD - Unit sum of guinea fowls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				39.00	39.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U06_HD - Sheep unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				77.00	77.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U07_HD - Amount of goats per unit (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				77.00	77.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U08_HD - Horse unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				700.00	700.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U09_HD - Per unit amount of donkey (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				400.00	400.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								

RD25_O19_U10_HD - Unit sum of pigs (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				300.00	300.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U11_HD - Unit amount of Hungarian grey cattle, buffalo and borzderes cattle (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				500.00	500.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U12_HD - Unit amount of Magyartarka (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				700.00	700.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD25_O19_U13_HD - Hungarian giant rabbit unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				35.00	35.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
TOTAL	O.19 (unit: Head)				100,560.00	100,560.00			201,120.00
	Annual indicative financial allocation (Total public expenditure in EUR)				20,273,972.70	17,534,246.48			37,808,219.18
	Annual indicative financial allocation (Union Contribution in EUR)				10,136,986.35	8,767,123.24			18,904,109.59
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD26_G09_GAV_70	In vitro conservation of animal genetic resources	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD26_O19_U01_IT - Deep-frozen conservation of bovine genetic material (artificial straw) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				45.00	45.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U02_IT - Unit amount for the deep-frozen preservation of bovine embryos (embryos) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				900.00	900.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U03_IT - Unit amount for the preservation of pig genetic material under deep-frozen conditions (artificial straw) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				3.00	3.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U04_IT - Unit amount for deep-frozen preservation of the genetic material of sheep and goats (artificial straw) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				16.00	16.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U05_IT - Unit amount for deep-frozen preservation of equine genetic material	Planned unit amount (Total Public Expenditure in EUR)				54.00	54.00			
	Maximum planned average unit amount (where applicable) (EUR)								

(artificial straw) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.19 (unit: Items)								
RD26_O19_U06_IT - Deep-frozen conservation of poultry genetic material (artificial straw/ampoule) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				10.00	10.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U07_HD - Unit amount of genetic test (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				45.00	45.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Head)								
RD26_O19_U08_IT - Unit amount of rabbit genetic material deep- frozen (artificial straw) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				15.00	15.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U09_IT - Unit amount for the preservation of embryonic cells in poultry (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				40.00	40.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD26_O19_U10_IT - Unit amount for the preservation of sexual tissues of poultry (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				25.00	25.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
TOTAL	O.19 (unit: null)				23,200.00				23,200.00
TOTAL	O.19 (unit: Head)				2,800.00				2,800.00
	Annual indicative financial allocation (Total public expenditure in EUR)				2,191,780.65	1,095,890.58			3,287,671.23
	Annual indicative financial allocation (Union Contribution in EUR)				1,095,890.33	547,945.29			1,643,835.62

	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD27_G10_GPX_70	Ex situ conservation of plant genetic resources and micro-organisms	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD27_O19_U01_IT - Annuals propagated by seed — unit sum of self-fertilization (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				41.00	41.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U02_IT - Perennials with seeds — unit amoingt of wind-pollinated external fertilization (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				48.00	48.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U03_IT - Perennials with seeds — unit amoingt of insect-pollinated external fertilization (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				59.00	59.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U04_IT - Seeded perennials —	Planned unit amount (Total Public Expenditure in EUR)				55.00	55.00			

unit amount of breeding garden maintenance (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U05_IT - Seed multiplied perennials — maintained by seed storage — unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				41.00	41.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U06_IT - Unit sum of vegetative herbaceous plants (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				63.00	63.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U07_IT - Maintenance of perennial woody plants in plantations — unit amount of trees (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				70.00	70.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U08_IT - Maintenance of perennial woody plants in plantations — unit amount of shrubs (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				70.00	70.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U09_IT - Unit amount of maintenance in meristemic cultures (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				37.00	37.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
RD27_O19_U10_IT - Micro-organisms — Unit sum of cryopreservation (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				42.00	42.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								

RD27_O19_U11_IT - Micro-organisms — Unit Lyophilisation (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				40.00	40.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Items)								
TOTAL	O.19 (unit: null)				188,262.00				188,262.00
	Annual indicative financial allocation (Total public expenditure in EUR)				3,287,671.05	2,191,781.00			5,479,452.05
	Annual indicative financial allocation (Union Contribution in EUR)				1,643,835.53	1,095,890.50			2,739,726.03
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate- related and other management commitments								
RD28_G11_GPI_70	Conservation in situ of plant genetic resources	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD28_O19_U01_HA - Unit amount of arable crop production (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		350.00	350.00	350.00	350.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U02_HA - Unit sum of vegetable species (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		6,000.00	6,000.00	6,000.00	6,000.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								

RD28_O19_U03_HA - Unit sum of perennial herbaceous species (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		20,000.00	20,000.00	20,000.00	20,000.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U04_HA - Unit sum of plantations (grape and fruit) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,000.00	1,000.00	1,000.00	1,000.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U05_HA - Unit sum of grasslands outside Natura 2000 sites (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		500.00	500.00	500.00	500.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Hectares)								
RD28_O19_U06_SP - Unit amount for the production (cultivation) of propagating material of elements of natural flora (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		500.00	500.00	500.00	500.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Fajta)								
RD28_O19_U07_SP - Unit sum of the collection of herbaceous elements of natural flora (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		500.00	500.00	500.00	500.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Fajta)								
TOTAL	O.19 (unit: Hectares)		30,260.00	30,260.00	30,260.00	30,260.00			121,040.00
TOTAL	O.19 (unit: null)		150.00						150.00
	Annual indicative financial allocation (Total public expenditure in EUR)		913,242.00	913,242.00	913,242.03				2,739,726.03
	Annual indicative financial allocation (Union Contribution in EUR)		456,621.00	456,621.00	456,621.02				1,369,863.02
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								

	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD29_G12_AWC_70	Animal welfare aid in the small ruminants sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD29_O18_U01_LU - Animal welfare aid unit cost of intervention in the small ruminant sector (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				215.18	215.18			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)				34,700.00	34,700.00			69,400.00
TOTAL	O.18 (unit: Livestock units)				34,700.00	34,700.00			69,400.00
	Annual indicative financial allocation (Total public expenditure in EUR)				7,397,260.50	2,250,246.35			9,647,506.85
	Annual indicative financial allocation (Union Contribution in EUR)				3,698,630.25	1,125,123.18			4,823,753.43
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD30_G13_AWC_70	Animal welfare aid in the beef sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD30_O18_U01_LU - Animal welfare aid in the cattle sector – unit amount of dairy cattle for all pledges for cows (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				284.00	284.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U02_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for cows without an optional standard (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				199.00	199.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U03_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle for all pledges – heifers and calves (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				222.00	222.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD30_O18_U04_LU - Animal welfare aid in the cattle sector – Unit amount of dairy cattle without the optional requirement – heifers, calves (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				137.00	137.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)				327,000.00	327,000.00			654,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)				44,383,561.60	13,501,479.50			57,885,041.10
	Annual indicative financial allocation (Union Contribution in EUR)				22,191,780.80	6,750,739.75			28,942,520.55
	Out of which for financial instrument (Total public Expenditure in EUR)								

	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD31_G14_AWC_70	Animal welfare aid in the beef cattle sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD31_O18_U01_LU - Providing more care interfaces (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				28.10	28.10			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD31_O18_U02_LU - Control and professional control of internal vibrant (endoparasitias) infection (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				39.80	39.80			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD31_O18_U03_LU - Protection against external parasites (ectoparasites) and fly, mosquitoes, rabbits (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				54.60	54.60			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD31_O18_U04_LU - Use of a supplement to a mineral (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				50.70	50.70			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD31_O18_U05_LU - Baby care (Grant - Uniform) 91(3)(b) - 73-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				5.50	5.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD31_O18_U06_LU - Excess littering (Grant - Uniform) 91(3)(b) - 73-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				39.30	39.30			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD31_O18_U07_LU - Providing more living spaces and pastures (Grant - Uniform) 91(3)(b) - 73-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				40.50	40.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)				180,000.00	180,000.00			360,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)				13,698,630.00	13,698,630.00			27,397,260.00
	Annual indicative financial allocation (Union Contribution in EUR)				6,849,315.00	6,849,315.00			13,698,630.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate- related and other management commitments								
RD32_G15_AWC_70	Animal welfare aid in the poultry sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD32_O18_U01_LU - Animal welfare aids in	Planned unit amount (Total Public Expenditure in EUR)				40.34	40.34			

the poultry sector — animal density — broiler and guinea fowls unit costs (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U02_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of turkeys (young) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				18.40	18.40			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U03_LU - Animal welfare aids in the poultry sector — animal density — Unit amount of turkeys (adult) (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				47.90	47.90			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U04_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				44.69	44.69			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U05_LU - Animal welfare aid in the poultry sector — animal density — Unit amount of young geese (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				52.41	52.41			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U06_LU - Animal welfare aid in the poultry sector — animal density — unit amount of roast ducks (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				30.56	30.56			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD32_O18_U07_LU - Animal welfare aid in the poultry sector — animal density — Unit amount for young ducks (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				44.62	44.62			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U08_LU - Animal welfare aid in the poultry sector — animal density — unit amount for laying hens for food and breeding (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				13.58	13.58			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U09_LU - Animal welfare aid in the poultry sector — animal density — unit amount of eggs for consumption and hatching eggs of hens (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				33.79	33.79			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U10_LU - Aid in the poultry sector mechanical injury prevention — unit amount for broiler chicken and guinea fowls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				6.34	6.34			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U11_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount for turkeys (pre-rearing) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				7.52	7.52			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U12_LU - Animal welfare - prevention of mechanical injury — unit amount of	Planned unit amount (Total Public Expenditure in EUR)				33.39	33.39			
	Maximum planned average unit amount (where applicable) (EUR)								

turkeys (after-rearing) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.18 (unit: Livestock units)								
RD32_O18_U13_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of young geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				31.42	31.42			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U14_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of female geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				36.30	36.30			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U15_LU - Animal welfare aid in the poultry sector — Mechanical injury prevention — unit amount for roast ducks (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				18.23	18.23			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U16_LU - Animal welfare aid in the poultry sector — Prevention of mechanical injury — Unit amount for growing ducks (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				35.88	35.88			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U17_LU - Animal welfare aid in the poultry sector — Prevention of	Planned unit amount (Total Public Expenditure in EUR)				0.88	0.88			
	Maximum planned average unit amount (where applicable) (EUR)								

Mechanical Injury — Unit amount for laying hens for food and breeding (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.18 (unit: Livestock units)								
RD32_O18_U18_LU - Animal welfare aid in the poultry sector — Prevention of Mechanical Injury — Unit amount of production of hens for consumption and hatching eggs (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				3.76	3.76			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U19_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — broiler and guinea fowls (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				3.45	3.45			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U20_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of turkeys (rearing juveniles) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				1.77	1.77			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U21_LU - Animal welfare subsidies in the poultry sector — provision of drinking water for feed — unit amount of turkeys (late stage rearing) (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				7.88	7.88			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U22_LU - Animal welfare aid in the	Planned unit amount (Total Public Expenditure in EUR)				27.27	27.27			

poultry sector — provision of drinking water for feed — Unit amount of young geese (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U23_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount of dairy geese (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				26.57	26.57			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U24_LU - Animal welfare aid in the poultry sector — supply of drinking water for feed — unit amount of roast ducks (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				14.16	14.16			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U25_LU - Animal welfare aid in the poultry sector — provision of drinking water for feed — unit amount of rearing juvenil ducks (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				32.15	32.15			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U26_LU - Animal welfare aid in the poultry sector — provision of drinking-quality water for feed — Unit amount for laying hens for food and breeding (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				0.92	0.92			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U27_LU - Aid in the poultry sector	Planned unit amount (Total Public Expenditure in EUR)				5.57	5.57			

— provision of drinking-quality water for feed — unit amount offering hens for consumption and hatching eggs (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U28_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — hens — breeding unit amount (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				39.13	39.13			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U29_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding turkeys (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				24.73	24.73			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U30_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding poultry — Unit amount of breeding ducks (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				32.80	32.80			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD32_O18_U31_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — breeding goose — Unit amount of livestock (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				30.82	30.82			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD32_O18_U32_LU - Animal welfare aid in the poultry sector — Feed with low toxin compound feed — commodity poultry — hens — unit amount for egg production (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				39.13	39.13			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)				825,300.00	825,300.00			1,650,600.00
	Annual indicative financial allocation (Total public expenditure in EUR)				35,760,183.00	27,591,778.64			63,351,961.64
	Annual indicative financial allocation (Union Contribution in EUR)				17,880,091.50	13,795,889.32			31,675,980.82
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate- related and other management commitments								
RD33_G16_ANB_70	Animal welfare aid in the apiculture sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD33_O18_U01_LU - Animal welfare aid unit cost of intervention in the apiculture sector (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				150.00	150.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)				49,315.07	49,315.07			98,630.14
TOTAL	O.18 (unit: Livestock units)				49,315.07	49,315.07			98,630.14

	Annual indicative financial allocation (Total public expenditure in EUR)				7,397,260.50	2,250,246.35			9,647,506.85
	Annual indicative financial allocation (Union Contribution in EUR)				3,698,630.25	1,125,123.18			4,823,753.43
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD33b_G17_AMR_70	Compensation payment for the fight against antimicrobial resistance	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD33b_O18_A01_LU - Performance of resistance test: Pig unit amount (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				2.18	2.18			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A02_LU - Performance of resistance test: Unit amount of poultry (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)				7.41	7.41			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A03_LU - Performance of resistance test: Unit amount for bovine	Planned unit amount (Total Public Expenditure in EUR)				5.99	5.99			
	Maximum planned average unit amount (where applicable) (EUR)								

animals (Grant - Average) 91(3)(b) - 70-HU- 50.00%	O.18 (unit: Livestock units)								
RD33b_O18_A04_LU - Development of an antibiotic reduction plan: Pig unit amount (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				0.50	0.50			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A05_LU - Development of an antibiotic reduction plan: Unit amount of poultry (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				1.72	1.72			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A06_LU - Development of an antibiotic reduction plan: Unit amount for bovine animals (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				1.39	1.39			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A07_LU - Use of an electronic data collection system: Pig unit amount (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				3.03	3.03			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A08_LU - Use of an electronic data collection system: Unit amount of poultry (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				10.30	10.30			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_A09_LU - Use of an electronic data collection system: Unit amount for bovine animals (Grant - Average) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)				8.32	8.32			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								

RD33b_O18_U01_LU - Performance of resistance test: Unit amount of swine (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1.25	1.25	1.25	1.25			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U02_LU - Performance of resistance test: Unit amount of poultry (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1.20	1.20	1.20	1.20			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U03_LU - Performance of resistance test: unit amount for bovine (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		0.15	0.15	0.15	0.15			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U04_LU - Development of an antibiotic reduction plan: Unit amount of swine (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		0.11	0.11	0.11	0.11			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U05_LU - Development of an antibiotic reduction plan: Unit amount of poultry (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		0.11	0.11	0.11	0.11			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U06_LU - Development of an antibiotic reduction plan: Bovine unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		0.16	0.16	0.16	0.16			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U07_LU - Use of preventive products: Unit amount of broilers	Planned unit amount (Total Public Expenditure in EUR)		4.34	4.34	4.34	4.34			
	Maximum planned average unit amount (where applicable) (EUR)								

(Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.18 (unit: Livestock units)								
RD33b_O18_U08_LU - Use of preventive products: Unit sum of free range chickens (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		4.58	4.58	4.58	4.58			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U09_LU - Use of preventive products: Unit sum of hens (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		3.98	3.98	3.98	3.98			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U10_LU - Use of preventive products: Unit amount of rearing juvenile turkey (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		10.92	10.92	10.92	10.92			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U11_LU - Preventive products: Unit amount of roasting geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		5.13	5.13	5.13	5.13			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U12_LU - Preventive products: Unit amount of juvenile geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		6.94	6.94	6.94	6.94			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U13_LU - Preventive products: Unit amount of young geese (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		9.69	9.69	9.69	9.69			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U14_LU - Use of preventive products: Unit amount of roast ducks	Planned unit amount (Total Public Expenditure in EUR)		7.68	7.68	7.68	7.68			
	Maximum planned average unit amount (where applicable) (EUR)								

(Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	O.18 (unit: Livestock units)								
RD33b_O18_U15_LU - Preventive products: Unit amount of young ducks (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		12.20	12.20	12.20	12.20			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U16_LU - Preventive products: Unit amount of young turkey (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		1.37	1.37	1.37	1.37			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U17_LU - Use of preventive products: Per unit amount of pullets (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		0.53	0.53	0.53	0.53			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U18_LU - Use of an electronic data collection system: Unit sum of pigs (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		2.49	2.49	2.49	2.49			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U19_LU - Use of an electronic data collection system: Unit amount of poultry (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		2.41	2.41	2.41	2.41			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
RD33b_O18_U20_LU - Use of an electronic data collection system: Bovine unit amount (Grant - Uniform) 91(3)(b) - 70-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)		3.59	3.59	3.59	3.59			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.18 (unit: Livestock units)								
TOTAL	O.18 (unit: Livestock units)		1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00			6,400,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)		5,359,726.02	5,359,726.02	5,359,726.03	5,359,726.04			21,438,904.11

	Annual indicative financial allocation (Union Contribution in EUR)		2,679,863.01	2,679,863.01	2,679,863.02	2,679,863.02			10,719,452.06
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD35_F02_FEC_70	Forest multi-annual commitments (Multiannual Commitments)	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD35_O15_A01_HA - Hectares of forest supported for an environmental commitment (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			198.00	198.00	198.00	198.00	198.00	
	Maximum planned average unit amount (where applicable) (EUR)			736.00	736.00	736.00	736.00	736.00	
	O.15 (unit: Hectares)			50,000.00	80,000.00	80,000.00	80,000.00	80,000.00	370,000.00
TOTAL	O.15 (unit: Hectares)			50,000.00	80,000.00	80,000.00	80,000.00	80,000.00	370,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)			6,082,317.00	9,940,000.00	9,940,000.00	9,940,000.00	9,741,483.00	45,643,800.00
	Annual indicative financial allocation (Union Contribution in EUR)			3,041,158.00	4,970,000.00	4,970,000.00	4,970,000.00	4,870,742.00	22,821,900.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)			1,000,000.00	1,000,000.00	1,000,000.00	500,000.00		3,500,000.00

	Out of which carry-over (Union contribution in EUR)			500,000.00	500,000.00	500,000.00	250,000.00		1,750,000.00
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD36_F03_GEN_70	Multi-annual commitments for forest genetics	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD36_O19_A01_ON - Number of hectares for the conservation and development of forest genetic resources (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.19 (unit: Operations)		20.00	30.00	10.00				60.00
TOTAL	O.19 (unit: Operations)		20.00	30.00	10.00				60.00
	Annual indicative financial allocation (Total public expenditure in EUR)		1,200,000.00	1,600,000.00	800,000.00	800,000.00	800,000.00	800,000.00	6,000,000.00
	Annual indicative financial allocation (Union Contribution in EUR)		600,000.00	800,000.00	400,000.00	400,000.00	400,000.00	400,000.00	3,000,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

ENVCLIM (70)	Environmental, climate-related and other management commitments								
RD39_F06_AFM_70	Maintenance of investments in afforestation and support for income replacement	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD39_O16_A01_HA - Investment in afforestation of afforestation unit amount for nursing and income replacement aid 6 – carry-over (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		300.00	300.00	300.00	300.00	300.00	300.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_A02_HA - Investment in afforestation of afforestation unit amount for care and income replacement aid 7 – carry-over ÚMVP (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		250.00	250.00	250.00	250.00	250.00	250.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_A03_HA - Investment in afforestation of afforestation aid amount for nursing and income replacement aid 8 – transfer VP (Grant - Average) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		950.00	950.00	950.00	950.00	950.00	950.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U01_HA - Afforestation investment for nursing and income replacement support 1 — maintenance of oak, beech and other hard leaves: euro/ha/year (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			605.00	605.00	605.00	605.00	605.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U02_HA - Afforestation investment for nursing and income support amount 2 —	Planned unit amount (Total Public Expenditure in EUR)			328.00	328.00	328.00	328.00	328.00	
	Maximum planned average unit amount (where applicable) (EUR)								

Other soft-leaved species and pine nursing: euro/ha/year (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	O.16 (unit: Hectares)								
RD39_O16_U03_HA - Afforestation investment, nursing and income support unit amount 3 — acacia forest management: euro/ha/year (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			320.00	320.00	320.00	320.00	320.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U04_HA - Afforestation investment, nursing and income support unit amount 4 — poplar forest management: euro/ha/year (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			320.00	320.00	320.00	320.00	320.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
RD39_O16_U05_HA - Income replacement support unit amount for afforestation investment (Grant - Uniform) 91(3)(b) - 70-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			432.00	432.00	432.00	432.00	432.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.16 (unit: Hectares)								
TOTAL	O.16 (unit: Hectares)		10,000.00	30,000.00	30,000.00	35,000.00	40,000.00	45,000.00	190,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)		4,561,593.17	32,494,374.33	26,365,732.00	30,761,040.00	35,199,200.00	39,502,840.00	168,884,779.50
	Annual indicative financial allocation (Union Contribution in EUR)		2,280,796.58	16,247,187.17	13,182,866.00	15,380,520.00	17,599,600.00	19,751,420.00	84,442,389.75
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)		4,561,593.17	32,494,374.33	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	69,055,967.50
	Out of which carry-over (Union contribution in EUR)		2,280,796.58	16,247,187.17	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	34,527,983.75

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ASD (72)	Area-specific disadvantages resulting from certain mandatory requirements								
RD23_G06_NAG_72	Natura 2000 agricultural land compensation payments	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD23_O13_U01_HA - Natura 2000 agricultural land compensation (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			115.00	115.00	115.00			
	Maximum planned average unit amount (where applicable) (EUR)			115.00	115.00	115.00			
	O.13 (unit: Hectares)			287,000.00	287,000.00	287,000.00			861,000.00
TOTAL	O.13 (unit: Hectares)			287,000.00	287,000.00	287,000.00			861,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)			33,005,000.00	33,005,000.00	33,005,000.00			99,015,000.00
	Annual indicative financial allocation (Union Contribution in EUR)			16,502,500.00	16,502,500.00	16,502,500.00			49,507,500.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
ASD (72)	Area-specific disadvantages resulting from certain mandatory requirements								
RD34_F01_NAF_72	Natura 2000 compensation payments for forest areas	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD34_O13_U01_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 1 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			51.00	51.00	51.00	51.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U02_HA - Forest NATURA 2000 compensation, unit cost EUR/hectare 2 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			127.00	127.00	127.00	127.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U03_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 3 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			114.00	114.00	114.00	114.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U04_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 4 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			101.00	101.00	101.00	101.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U05_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 5 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			88.00	88.00	88.00	88.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U06_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 6 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			191.00	191.00	191.00	191.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U07_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 7	Planned unit amount (Total Public Expenditure in EUR)			152.00	152.00	152.00	152.00		
	Maximum planned average unit amount (where applicable) (EUR)								

(Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	O.13 (unit: Hectares)								
RD34_O13_U08_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 8 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			139.00	139.00	139.00	139.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U09_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 9 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			114.00	114.00	114.00	114.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U10_HA - Forest NATURA 2000 compensation, unit cost per hectare 10 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			255.00	255.00	255.00	255.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U11_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 11 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			215.00	215.00	215.00	215.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U12_HA - Forest NATURA 2000 compensation, unit cost per hectare 12 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			55.00	55.00	55.00	55.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U13_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 13 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			138.00	138.00	138.00	138.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U14_HA - Forest NATURA 2000	Planned unit amount (Total Public Expenditure in EUR)			123.00	123.00	123.00	123.00		

compensation, unit cost EUR/ha 14 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U15_HA - Forest NATURA 2000 compensation, unit cost per hectare 15 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			110.00	110.00	110.00	110.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U16_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 16 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			96.00	96.00	96.00	96.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U17_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 17 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			206.00	206.00	206.00	206.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U18_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 18 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			165.00	165.00	165.00	165.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U19_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 19 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			151.00	151.00	151.00	151.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U20_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 20 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			123.00	123.00	123.00	123.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								

RD34_O13_U21_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 21 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			276.00	276.00	276.00	276.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U22_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 22 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			233.00	233.00	233.00	233.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U23_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 23 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			60.00	60.00	60.00	60.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U24_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 24 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			148.00	148.00	148.00	148.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U25_HA - Forest NATURA 2000 compensation, unit cost per hectare 25 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			132.00	132.00	132.00	132.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U26_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 26 (Grant - Uniform) 91(3)(b) - 72-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)			118.00	118.00	118.00	118.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U27_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 27	Planned unit amount (Total Public Expenditure in EUR)			103.00	103.00	103.00	103.00		
	Maximum planned average unit amount (where applicable) (EUR)								

(Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	O.13 (unit: Hectares)								
RD34_O13_U28_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 28 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			222.00	222.00	222.00	222.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U29_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 29 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			178.00	178.00	178.00	178.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U30_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 30 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			163.00	163.00	163.00	163.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U31_HA - Forest NATURA 2000 compensation, unit cost EUR/ha 31 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			132.00	132.00	132.00	132.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U32_HA - Forest NATURA 2000 compensation, unit cost per hectare 32 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			297.00	297.00	297.00	297.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
RD34_O13_U33_HA - Forest NATURA 2000 compensation EUR/hectare, unit cost 33 (Grant - Uniform) 91(3)(b) - 72-HU- 50.00%	Planned unit amount (Total Public Expenditure in EUR)			251.00	251.00	251.00	251.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.13 (unit: Hectares)								
TOTAL	O.13 (unit: Hectares)			230,000.00	230,000.00	230,000.00	230,000.00		920,000.00

	Annual indicative financial allocation (Total public expenditure in EUR)			27,497,427.00	27,497,427.00	27,497,427.00	26,996,592.00		109,488,873.00
	Annual indicative financial allocation (Union Contribution in EUR)			13,748,713.50	13,748,713.50	13,748,713.50	13,498,296.00		54,744,436.50
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD01a_E01_FRM_73	Development of agricultural holdings	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01a_O20_A01_ON - Unit cost of farm development (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			525,600.00	525,600.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			123.00	124.00	675.00	675.00	675.00	2,272.00
TOTAL	O.20 (unit: Operations)			123.00	124.00	675.00	675.00	675.00	2,272.00
	Annual indicative financial allocation (Total public expenditure in EUR)			65,116,279.07	65,116,279.07				130,232,558.14
	Annual indicative financial allocation (Union Contribution in EUR)			28,000,000.00	28,000,000.00				56,000,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD01b_E01_FRM_73	Support for investments by young farmers	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01b_O20_A01_ON - Unit cost of support for investments by young farmers (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			150,000.00	150,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			81.00	81.00	189.00	189.00	189.00	729.00
TOTAL	O.20 (unit: Operations)			81.00	81.00	189.00	189.00	189.00	729.00
	Annual indicative financial allocation (Total public expenditure in EUR)			12,116,641.67	12,116,641.68				24,233,283.35
	Annual indicative financial allocation (Union Contribution in EUR)			5,210,155.92	5,210,155.92				10,420,311.84
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)			12,116,641.67	12,116,641.68				24,233,283.35
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)			5,210,155.92	5,210,155.92				10,420,311.84
INVEST (73-74)	Investments, including investments in irrigation								
RD01c_E01_FRM_73	Support for green investments in agricultural holdings	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01c_O20_A01_ON - Specific cost of support	Planned unit amount (Total Public Expenditure in EUR)			59,000.00	59,000.00				

for green investments in agricultural holdings (Grant - Average) 91(2)(d)-HU-43.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			1,538.00	1,538.00	1,475.00	833.00		5,384.00
TOTAL	O.20 (unit: Operations)			1,538.00	1,538.00	1,475.00	833.00		5,384.00
	Annual indicative financial allocation (Total public expenditure in EUR)			35,821,360.47	35,821,360.47	31,973,752.33			103,616,473.27
	Annual indicative financial allocation (Union Contribution in EUR)			15,403,185.00	15,403,185.00	13,748,713.50			44,555,083.50
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD01d_E01_FRM_73	Farm development to reduce ammonia emissions	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01d_O20_A01_ON - Specific cost of farm development to reduce ammonia emissions (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			355,530.00	355,530.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			22.00		44.00	44.00	44.00	154.00
TOTAL	O.20 (unit: Operations)			22.00		44.00	44.00	44.00	154.00
	Annual indicative financial allocation (Total public expenditure in EUR)			4,069,768.00	4,069,767.00				8,139,535.00
	Annual indicative financial allocation (Union Contribution in EUR)			1,750,000.00	1,750,000.00				3,500,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								

	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD01e_E01_FRM_73	Support for investments in animal holdings for disease control, by reducing tail docking in the pig sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD01e_O20_A01_ON - Support for investments in animal holdings for disease control, specific cost of reducing tail docking in the pig sector (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)				21,250.00	21,250.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)				200.00	300.00			500.00
TOTAL	O.20 (unit: Operations)				200.00	300.00			500.00
	Annual indicative financial allocation (Total public expenditure in EUR)				4,000,000.00	4,000,000.00			8,000,000.00
	Annual indicative financial allocation (Union Contribution in EUR)				1,720,000.00	1,720,000.00			3,440,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD02_D01_FRM_73	Supporting the digital transition of agricultural holdings	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD02_O20_A01_ON - Supporting the digital transition of agricultural holdings (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			381,679.00	381,679.00	381,679.00			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			24.00	336.00	335.00			695.00
TOTAL	O.20 (unit: Operations)			24.00	336.00	335.00			695.00
	Annual indicative financial allocation (Total public expenditure in EUR)			9,241,450.16					9,241,450.16
	Annual indicative financial allocation (Union Contribution in EUR)			3,973,823.57					3,973,823.57
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD04a_E02_FON_73	Adding value to agricultural products	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD04a_O24_A01_ON - Specific support for	Planned unit amount (Total Public Expenditure in EUR)			650,959.00	650,959.00				

adding value to agricultural products (Grant - Average) 91(2)(d)-HU-43.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)			89.00	89.00	600.00	600.00	600.00	1,978.00
TOTAL	O.24 (unit: Operations)			89.00	89.00	600.00	600.00	600.00	1,978.00
	Annual indicative financial allocation (Total public expenditure in EUR)			57,884,676.65	57,884,676.65				115,769,353.30
	Annual indicative financial allocation (Union Contribution in EUR)			24,890,410.96	24,890,410.96				49,780,821.92
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD04b_E03_FOF_73	Support for green investments linked to adding value to agricultural products	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD04b_O24_A01_ON - Specific support for green investments linked to adding value to agricultural products (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			81,714.00	81,714.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)			163.00		57.00	57.00	57.00	334.00
TOTAL	O.24 (unit: Operations)			163.00		57.00	57.00	57.00	334.00
	Annual indicative financial allocation (Total public expenditure in EUR)			6,690,028.67	6,690,028.67				13,380,057.34
	Annual indicative financial allocation (Union Contribution in EUR)			2,876,712.33	2,876,712.33				5,753,424.66

	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD09a_B05_SML_73	Sustainable development of small farms	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD09a_O20_A01_ON - Specific cost of developing the sustainability of small farms (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			45,000.00	45,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			54.00	54.00	561.00	561.00	561.00	1,791.00
TOTAL	O.20 (unit: Operations)			54.00	54.00	561.00	561.00	561.00	1,791.00
	Annual indicative financial allocation (Total public expenditure in EUR)			2,389,295.95	2,389,295.96				4,778,591.91
	Annual indicative financial allocation (Union Contribution in EUR)			1,027,397.26	1,027,397.26				2,054,794.52
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD09b_R14_OGR_73	Support for small enterprises in the ornamental horticulture sector	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD09b_O24_A01_ON - Unit cost of supporting small enterprises in the ornamental horticulture sector (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		10,969.00						
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)		37.00	121.00	121.00	121.00			400.00
TOTAL	O.24 (unit: Operations)		37.00	121.00	121.00	121.00			400.00
	Annual indicative financial allocation (Total public expenditure in EUR)		411,063.00						411,063.00
	Annual indicative financial allocation (Union Contribution in EUR)		176,757.09						176,757.09
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD11_B07_DVF_73	Diversification of activities of farmers	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD11_O24_A01_ON - Specific cost of aid for diversification of off-farm activities (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			150,000.00	150,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)			57.00	57.00	190.00	190.00	190.00	684.00
TOTAL	O.24 (unit: Operations)			57.00	57.00	190.00	190.00	190.00	684.00
	Annual indicative financial allocation (Total public expenditure in EUR)			8,601,465.43	8,601,465.44				17,202,930.87
	Annual indicative financial allocation (Union Contribution in EUR)			3,698,630.13	3,698,630.14				7,397,260.27
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD12_W01_WTO_73	On-farm investment to improve irrigation and water efficiency	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD12_O20_A01_ON - On-farm investment improving water efficiency: unit cost of modernisation of existing irrigation systems (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			120,488.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			47.00	233.00	234.00			514.00
RD12_O20_A02_ON - On-farm investment improving water efficiency: unit cost of	Planned unit amount (Total Public Expenditure in EUR)			222,862.00					
	Maximum planned average unit amount (where applicable) (EUR)								

net growth of irrigated area (Grant - Average) 91(2)(d)-HU-43.00%	O.20 (unit: Operations)			51.00	253.00	252.00			556.00
TOTAL	O.20 (unit: Operations)			98.00	486.00	486.00			1,070.00
	Annual indicative financial allocation (Total public expenditure in EUR)			17,202,930.87					17,202,930.87
	Annual indicative financial allocation (Union Contribution in EUR)			7,397,260.27					7,397,260.27
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD18_I03_JGR_73	Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD18_O20_A01_ON - Agricultural Risk Management - unit cost of the digital transition of the National Agricultural Hail Mitigation System (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			1,592,863.97	1,592,863.97				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.20 (unit: Operations)			1.00					1.00
TOTAL	O.20 (unit: Operations)			1.00					1.00
	Annual indicative financial allocation (Total public expenditure in EUR)			796,431.98	796,431.99				1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)			342,465.75	342,465.76				684,931.51

	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD21_G04_LCI_73	Non-productive investments in Agro-ecological	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD21_O21_A01_ON - Agro-ecological non-productive investments — Non-productive investments in water protection (Grant - Average) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		212,997.71	233,267.50					
	Maximum planned average unit amount (where applicable) (EUR)			268,257.63					
	O.21 (unit: Operations)								
RD21_O21_U01_HA - Agro-ecological non-productive investments in biodiversity planting perennial crops on stand-alone arable land on ground fields or in their ecological boundary zone (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		938.00	1,020.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U02_HA - Agro-ecological non-productive investments in the planting of	Planned unit amount (Total Public Expenditure in EUR)		375.00	333.00					
	Maximum planned average unit amount (where applicable) (EUR)								

perennial crops for biodiversity protection in permanent crop spacing or in the ecological boundary band thereof in plantations (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	O.21 (unit: Hectares)								
RD21_O21_U03_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes in the ecological boundary of arable fields (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		898.00	1,026.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U04_HA - Agro-ecological non-productive investments in grassland strips to protect erosion in permanent crop spacing or in their ecological boundary strips in plantations (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		335.00	340.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U05_HA - Agro-ecological non-productive investments in grassland, scrub strips on arable land in ecological boundaries of fields (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,223.00	514.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U06_HA - Agro-ecological non-productive investments in grassland for soil protection (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		898.00	1,033.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								

RD21_O21_U07_HA - Agro-ecological non-productive investments in the creation of semi-natural grasslands (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		938.00	1,075.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U08_HA - Agro-ecological non-productive investments planting a protective tree line (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		11,400.00	11,400.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U09_HA - Agro-ecological non-productive investments planting a protective forest strip (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		4,800.00	4,800.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U10_HA - Agro-ecological non-productive investments in the construction of wooded pasture or meadows (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		2,850.00	2,850.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U11_HA - Agro-ecological non-productive investments establishing grassland protection areas in coastal water buffer zones (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		895.00	895.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U12_HA - Agro-ecological non-productive investments establishing a grassland-	Planned unit amount (Total Public Expenditure in EUR)		1,220.00	1,220.00					
	Maximum planned average unit amount (where applicable) (EUR)								

shrub protective area in coastal water protection buffer zone (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	O.21 (unit: Hectares)								
RD21_O21_U13_HA - Agro-ecological non-productive investments - creation of water habitats (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		958.00	958.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U14_HA - Agro-ecological non-productive investments in grassland strips for erosion control purposes within the fields on run-off paths parallel to the contour lines and erosion features (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		1,026.00	1,026.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
RD21_O21_U15_HA - Agro-ecological non-productive investments in grassy scrub strips on arable land along run-off paths parallel to the strata and erosion notes within the fields (Grant - Uniform) 91(3)(b) - 73-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)		514.00	514.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.21 (unit: Hectares)								
TOTAL	O.21 (unit: Operations)		24.00	24.00					48.00
TOTAL	O.21 (unit: Hectares)		6,887.50	6,887.50					13,775.00
	Annual indicative financial allocation (Total public expenditure in EUR)		9,955,174.62	9,955,174.63					19,910,349.25
	Annual indicative financial allocation (Union Contribution in EUR)		4,977,587.31	4,977,587.32					9,955,174.63
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								

	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD38_F05_AFI_73	Support for investments in afforestation and creation of woodland	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD38_O24_A01_HA - Area of projects involving afforestation or creation of woodland for industrial purposes (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)				4,146.00	4,146.00	4,146.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)				5,000.00	5,000.00	5,000.00		15,000.00
TOTAL	O.24 (unit: Hectares)				5,000.00	5,000.00	5,000.00		15,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)				15,912,534.30	15,912,534.30	15,912,534.30		47,737,602.90
	Annual indicative financial allocation (Union Contribution in EUR)				6,842,389.75	6,842,389.75	6,842,389.75		20,527,169.25
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

INVEST (73-74)	Investments, including investments in irrigation								
RD40_F07_INP_73	Investments for competitive forestry (for-profit)	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD40_O24_A01_ON - Unit amount of income-generating investments improving the competitiveness of forestry (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		90,000.00	90,000.00	90,000.00	90,000.00	90,000.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Operations)		50.00	100.00	150.00	300.00	200.00		800.00
RD40_O24_U01_HA - Income-generating investment to improve the competitiveness of forestry: unit amount of manually completed care (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		193.00	193.00	193.00	193.00	193.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		2,000.00	4,000.00	5,000.00	6,000.00	6,000.00		23,000.00
RD40_O24_U02_HA - Unit amount of investment to improve the competitiveness of forestry - machine-completed care (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		120.00	120.00	120.00	120.00	120.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		2,000.00	3,000.00	3,000.00	3,000.00	1,000.00		12,000.00
RD40_O24_U03_HA - Unit amount of income-generating investment to improve the competitiveness of forestry selection in natural, transitional forests (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		193.00	193.00	193.00	193.00	193.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		1,000.00	4,000.00	4,000.00	2,000.00	1,000.00		12,000.00
RD40_O24_U04_HA - Unit cost of selection in forests of natural status to improve income generation capacity and competitiveness of forestry (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		99.00	99.00	99.00	99.00	99.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		1,000.00	3,000.00	3,000.00	2,000.00	1,000.00		10,000.00
RD40_O24_U05_HA - Income-generating	Planned unit amount (Total Public Expenditure in EUR)		147.00	147.00	147.00	147.00	147.00		

investment to improve the competitiveness of forestry: unit cost of coppicing (Grant - Uniform) 91(2)(d)-HU-43.00%	Maximum planned average unit amount (where applicable) (EUR)								
	O.24 (unit: Hectares)		500.00	600.00	800.00	600.00	500.00		3,000.00
TOTAL	O.24 (unit: Operations)		50.00	100.00	150.00	300.00	200.00		800.00
TOTAL	O.24 (unit: Hectares)		6,500.00	14,600.00	15,800.00	13,600.00	9,500.00		60,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)		236,868.00	948,968.00	1,420,368.00	1,183,668.37	988,716.00		4,778,588.37
	Annual indicative financial allocation (Union Contribution in EUR)		101,853.24	408,056.24	610,758.24	508,977.40	425,147.88		2,054,793.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD41_F08_INN_73	Investments for the environmental sustainability of forestry (non-profit)	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD41_O23_A01_ON - Unit cost for non-productive investment for climate and environmental sustainability of forestry (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		33,000.00	33,000.00	33,000.00	33,000.00	33,000.00		
	Maximum planned average unit amount (where applicable) (EUR)								
	O.23 (unit: Operations)		500.00	500.00	300.00	200.00			1,500.00
TOTAL	O.23 (unit: Operations)		500.00	500.00	300.00	200.00			1,500.00
	Annual indicative financial allocation (Total public expenditure in EUR)		947,700.00	1,898,400.37	947,700.00	984,788.00			4,778,588.37

	Annual indicative financial allocation (Union Contribution in EUR)		407,511.00	816,312.16	407,511.00	423,458.84			2,054,793.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD42_R01_RAN_73	Rural infrastructure development in schools	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD42_O22_A01_ON - Unit cost of rural infrastructure development on homesteads (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			13,400.00	13,400.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.22 (unit: Operations)			416.00	416.00	743.00	743.00	743.00	3,061.00
TOTAL	O.22 (unit: Operations)			416.00	416.00	743.00	743.00	743.00	3,061.00
	Annual indicative financial allocation (Total public expenditure in EUR)			5,575,024.00	5,575,024.00				11,150,048.00
	Annual indicative financial allocation (Union Contribution in EUR)			2,397,260.32	2,397,260.32				4,794,520.64
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD42a_R01_RAN_73	Rural infrastructure development in closed garden areas	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD42a_O22_A01_ON - Unit cost of rural infrastructure development in closed garden areas (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			55,000.00	55,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.22 (unit: Operations)			50.00	50.00	90.00	90.00	90.00	370.00
TOTAL	O.22 (unit: Operations)			50.00	50.00	90.00	90.00	90.00	370.00
	Annual indicative financial allocation (Total public expenditure in EUR)			232,558.00					232,558.00
	Annual indicative financial allocation (Union Contribution in EUR)			100,000.00					100,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INVEST (73-74)	Investments, including investments in irrigation								
RD43_R02_LOC_73	Rural infrastructure development in small settlements	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD43_O22_A01_ON - Specific cost of rural infrastructure development in small settlements (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			143,430.00	143,430.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.22 (unit: Operations)			243.00	242.00	360.00	360.00	360.00	1,565.00
TOTAL	O.22 (unit: Operations)			243.00	242.00	360.00	360.00	360.00	1,565.00
	Annual indicative financial allocation (Total public expenditure in EUR)			34,847,322.71	34,847,322.72				69,694,645.43
	Annual indicative financial allocation (Union Contribution in EUR)			14,984,348.77	14,984,348.77				29,968,697.54
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INSTAL (75)	Setting up of young farmers and new farmers and rural business start-up								
RD05_B01_YFS_75	Generational renewal with start- up support for young farmers	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD05_O25_U01_BN - Specific number of generational renewal with start-up support for young farmers (Grant - Uniform) 91(2)(a)-HU-85.00%	Planned unit amount (Total Public Expenditure in EUR)		40,000.00	40,000.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.25 (unit: Beneficiaries)		1,298.00	1,297.00	25.00	25.00	25.00	25.00	2,695.00
TOTAL	O.25 (unit: Beneficiaries)		1,298.00	1,297.00	25.00	25.00	25.00	25.00	2,695.00
	Annual indicative financial allocation (Total public expenditure in EUR)		51,901,692.18	51,901,692.19					103,803,384.37

	Annual indicative financial allocation (Union Contribution in EUR)		44,116,438.35	44,116,438.36					88,232,876.71
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)		51,781,606.80	51,781,606.80					103,563,213.60
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)		44,014,365.79	44,014,365.78					88,028,731.57
INSTAL (75)	Setting up of young farmers and new farmers and rural business start-up								
RD06_B02_YFY_75	Generational renewal with support for the economy	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD06_O27_A01_BN - Unit amount of intervention with support for generational renewal by the takeover of young farmers (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)				30,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.27 (unit: Beneficiaries)				117.00	448.00	448.00	448.00	1,461.00
TOTAL	O.27 (unit: Beneficiaries)				117.00	448.00	448.00	448.00	1,461.00
	Annual indicative financial allocation (Total public expenditure in EUR)				3,504,311.00				3,504,311.00
	Annual indicative financial allocation (Union Contribution in EUR)				1,506,853.73				1,506,853.73
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
INSTAL (75)	Setting up of young farmers and new farmers and rural business start-up								
RD08_B04_BIS_75	Generational renewal by supporting start-up rural and young forest entrepreneurs	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD08_O27_A01_BN - Unit cost of generational renewal by supporting rural start-ups (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			30,000.00	30,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.27 (unit: Beneficiaries)			48.00	48.00	181.00	181.00	181.00	639.00
RD08_O27_A02_BN - Unit amount of start-up aid for young forest managers (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	
	Maximum planned average unit amount (where applicable) (EUR)		100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	
	O.27 (unit: Beneficiaries)		70.00	30.00					100.00
TOTAL	O.27 (unit: Beneficiaries)		70.00	78.00	48.00	181.00	181.00	181.00	739.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,433,577.57	1,433,577.57				2,867,155.14
	Annual indicative financial allocation (Union Contribution in EUR)			616,438.35	616,438.36				1,232,876.71
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
RISK (76)	Risk management tools								
RD14_I03_DMMF_76	Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD14_O09_A01_FN - Rural development eligible costs (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			1,364,179.07	1,364,179.07	1,364,179.07			
	Maximum planned average unit amount (where applicable) (EUR)								
	O.9 (unit: Funds)			1.00					1.00
TOTAL	O.9 (unit: Funds)			1.00					1.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,364,179.07	1,364,179.07	1,364,179.07			4,092,537.21
	Annual indicative financial allocation (Union Contribution in EUR)			586,597.00	586,597.00	586,597.00			1,759,791.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
RISK (76)	Risk management tools								
RD16_I01_INS_76	Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD16_O09_A01_BN - Amount of insurance premium supported (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			1,548.00	1,484.00				
	Maximum planned average unit amount (where applicable) (EUR)			2,090.00	2,003.00				
	O.9 (unit: Beneficiaries)			23,000.00	24,000.00				47,000.00
TOTAL	O.9 (unit: Beneficiaries)			23,000.00	24,000.00				47,000.00

	Annual indicative financial allocation (Total public expenditure in EUR)			4,778,591.91	4,778,591.91				9,557,183.82
	Annual indicative financial allocation (Union Contribution in EUR)			2,054,794.52	2,054,794.52				4,109,589.04
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
RISK (76)	Risk management tools								
RD17_I02_IST_76	Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis insurance scheme	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD17_O09_A01_FN - Eligible costs chargeable to rural development (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)				796,432.00	796,432.00			
	Maximum planned average unit amount (where applicable) (EUR)				820,000.00	820,000.00			
	O.9 (unit: Funds)				1.00				1.00
	O.9 (unit: Funds)				1.00				1.00
TOTAL	Annual indicative financial allocation (Total public expenditure in EUR)				796,431.99	796,431.98			1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)				342,465.76	342,465.75			684,931.51
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD07_B03_YFO_77	Generational renewal, economic transfer cooperation	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD07_O30_A01_BN - Farm transfer cooperation (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)				30,000.00				
	Maximum planned average unit amount (where applicable) (EUR)								
	O.30 (unit: Beneficiaries)				117.00	448.00	448.00	448.00	1,461.00
TOTAL	O.30 (unit: Beneficiaries)				117.00	448.00	448.00	448.00	1,461.00
	Annual indicative financial allocation (Total public expenditure in EUR)				3,504,311.00				3,504,311.00
	Annual indicative financial allocation (Union Contribution in EUR)				1,506,853.73				1,506,853.73
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD15_W04_COP_77	Supporting sustainable water management communities that improve water efficiency	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD15_O32_A01_ON - specific amount of support for sustainable water management	Planned unit amount (Total Public Expenditure in EUR)			197,260.00					
	Maximum planned average unit amount (where applicable) (EUR)								

communities improving water efficiency (Grant - Average) 91(2)(d)-HU-43.00%	O.32 (unit: Operations)			7.00	10.00	10.00			27.00
TOTAL	O.32 (unit: Operations)			7.00	10.00	10.00			27.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,274,291.18					1,274,291.18
	Annual indicative financial allocation (Union Contribution in EUR)			547,945.21					547,945.21
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD37_F04_FRC_77	Co-operative support for forest fire prevention and risk reduction	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD37_O32_A01_ON - Unit cost for forest fire prevention cooperation (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		1,140,000.00	1,140,000.00	1,140,000.00	1,140,000.00	1,140,000.00		
	Maximum planned average unit amount (where applicable) (EUR)		2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00		
	O.32 (unit: Operations)		1.00	3.00	3.00	2.00	1.00		10.00
TOTAL	O.32 (unit: Operations)		1.00	3.00	3.00	2.00	1.00		10.00
	Annual indicative financial allocation (Total public expenditure in EUR)		1,279,200.00	2,558,400.00	2,558,400.00	639,560.00	255,138.00		7,290,698.00
	Annual indicative financial allocation (Union Contribution in EUR)		550,056.00	1,100,112.00	1,100,112.00	275,011.00	109,709.00		3,135,000.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								

	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD44_R03_POG_77	Support to producer groups, producer organisations	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD44_O28_U01_BN - Unit cost of intervention for producer groups and producer organisations (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			100,000.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.28 (unit: Beneficiaries)			127.00					127.00
TOTAL	O.28 (unit: Beneficiaries)			127.00					127.00
	Annual indicative financial allocation (Total public expenditure in EUR)			12,742,911.76					12,742,911.76
	Annual indicative financial allocation (Union Contribution in EUR)			5,479,452.06					5,479,452.06
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								

RD45_R04_GIS_77	Support for cooperation to establish a new PDO/PGI/GI/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD45_O29_A01_BN - Average unit cost for the creation of new PDO/PGI/GI/TSG registered under an EU quality scheme (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			36,000.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.29 (unit: Beneficiaries)			30.00	43.00	43.00			116.00
TOTAL	O.29 (unit: Beneficiaries)			30.00	43.00	43.00			116.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,041,744.00					1,041,744.00
	Annual indicative financial allocation (Union Contribution in EUR)			447,949.86					447,949.86
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD46_R05_GIJ_77	Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD46_O29_A01_BN - Specific amount for the existing national quality schemes or in the case of	Planned unit amount (Total Public Expenditure in EUR)			13,000.00					
	Maximum planned average unit amount (where applicable) (EUR)								

PDO/PGI/GI/TSG registered under an EU quality scheme (Grant - Average) 91(2)(d)-HU-43.00%	O.29 (unit: Beneficiaries)			98.00	120.00	119.00			337.00
TOTAL	O.29 (unit: Beneficiaries)			98.00	120.00	119.00			337.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,274,302.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)			547,949.86					547,949.86
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD47_R06_QSJ_77	Support for adherence to quality assurance and management systems	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD47_O32_A01_ON - Specific aid for accession to quality assurance and management systems (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		12,050.00	12,050.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.32 (unit: Operations)		53.00	53.00	129.00	129.00			364.00
TOTAL	O.32 (unit: Operations)		53.00	53.00	129.00	129.00			364.00
	Annual indicative financial allocation (Total public expenditure in EUR)		637,151.00	637,151.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)		273,975.00	273,975.00					547,950.00
	Out of which for financial instrument (Total public Expenditure in EUR)								

	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD48_R07_QSP_77	Support for information and promotion activities for quality schemes	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD48_O32_A01_ON - Specific amount of support for information and promotion activities for quality schemes (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			106,192.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.32 (unit: Operations)			12.00	18.00	18.00			48.00
TOTAL	O.32 (unit: Operations)			12.00	18.00	18.00			48.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,274,302.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)			547,949.00					547,949.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD49_R09_SCC_77	Rural Development Cooperation for the Development of Short Supply Lances	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD49_O32_A01_ON - Specific cost of rural development cooperation for the development of short supply chains (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			218,472.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.32 (unit: Operations)			8.00	7.00	6.00			21.00
TOTAL	O.32 (unit: Operations)			8.00	7.00	6.00			21.00
	Annual indicative financial allocation (Total public expenditure in EUR)			1,592,863.97					1,592,863.97
	Annual indicative financial allocation (Union Contribution in EUR)			684,931.51					684,931.51
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD50_R10_SEC_77	Rural development cooperation for the development of social enterprises	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD50_O32_A01_ON - Specific amount for cooperation in rural development for social	Planned unit amount (Total Public Expenditure in EUR)		65,753.00	65,753.00					
	Maximum planned average unit amount (where applicable) (EUR)								

enterprise development (Grant - Average) 91(2)(d)-HU-43.00%	O.32 (unit: Operations)		9.00	10.00	23.00	24.00			66.00
TOTAL	O.32 (unit: Operations)		9.00	10.00	23.00	24.00			66.00
	Annual indicative financial allocation (Total public expenditure in EUR)		637,151.00	637,151.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)		273,974.93	273,974.93					547,949.86
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD51_R11_TUC_77	Rural development cooperation for active and eco-tourism development in the region	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD51_O32_A01_ON - Specific amount for active and eco-touristic development in rural areas (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		218,472.00	218,472.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.32 (unit: Operations)		3.00	3.00	8.00	7.00			21.00
TOTAL	O.32 (unit: Operations)		3.00	3.00	8.00	7.00			21.00
	Annual indicative financial allocation (Total public expenditure in EUR)		637,151.00	637,151.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)		273,975.00	273,975.00					547,950.00
	Out of which for financial instrument (Total public Expenditure in EUR)								

	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD52_R12_BIC_77	Rural development cooperation for the development of a biomass-based economy	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD52_O32_A01_ON - Rural development cooperation specific amount for the development of a biomass-based economy (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		218,472.00	218,472.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.32 (unit: Operations)		3.00	3.00	8.00	7.00			21.00
TOTAL	O.32 (unit: Operations)		3.00	3.00	8.00	7.00			21.00
	Annual indicative financial allocation (Total public expenditure in EUR)		637,151.00	637,151.00					1,274,302.00
	Annual indicative financial allocation (Union Contribution in EUR)		273,975.00	273,975.00					547,950.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								

	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD57_R15_LDR_77	Preparation and implementation of LEADER strategies	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD57_O31_A01_ST - Preparation of LEADER strategies, unit amount (Grant - Average) 91(3)(b) - 77(1)(b)-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	106,397.00	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.31 (unit: Strategies)		105.00						105.00
RD57_O31_A02_ST - Leader LAGs and implementation of LFS including smart village strategies, specific amount (Grant - Average) 91(3)(b) - 77(1)(b)-HU-50.00%	Planned unit amount (Total Public Expenditure in EUR)	1,450,885.48	1,450,885.48	1,450,885.48	1,471,885.48	1,471,885.48	1,471,885.48	1,471,885.48	
	Maximum planned average unit amount (where applicable) (EUR)								
	O.31 (unit: Strategies)		105.00						105.00
TOTAL	O.31 (unit: Strategies)		210.00						210.00
	Annual indicative financial allocation (Total public expenditure in EUR)		14,462,789.60	49,683,957.00	50,231,906.86	50,231,906.86			164,610,560.32
	Annual indicative financial allocation (Union Contribution in EUR)		7,231,394.80	24,841,978.50	25,115,953.43	25,115,953.43			82,305,280.16
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
COOP (77)	Cooperation								
RD61_A05_EIP_77	European Innovation Partnership (EIP) cooperation	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029

RD61_O01_A01_PR - Of innovative collaborations to achieve green goals (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	2,190,000.00	
	Maximum planned average unit amount (where applicable) (EUR)		2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	2,740,000.00	
	O.1 (unit: Projects)		3.00	4.00					7.00
RD61_O01_A02_PR - Innovative collaborations from bottom-up initiatives (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)			330,000.00	330,000.00	330,000.00	330,000.00	330,000.00	
	Maximum planned average unit amount (where applicable) (EUR)			410,000.00	410,000.00	410,000.00	410,000.00	410,000.00	
	O.1 (unit: Projects)			16.00	19.00	17.00	7.00	4.00	63.00
TOTAL	O.1 (unit: Projects)		3.00	20.00	19.00	17.00	7.00	4.00	70.00
	Annual indicative financial allocation (Total public expenditure in EUR)		6,570,000.00	8,721,516.28					15,291,516.28
	Annual indicative financial allocation (Union Contribution in EUR)		2,825,100.00	3,750,252.00					6,575,352.00
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
KNOW (78)	Knowledge exchange and dissemination of information								
RD58_A01_TRA_78	Training and demonstration programmes	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD58_O33_A01_HO - Training (Grant - Average) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		8.19	8.19					
	Maximum planned average unit amount (where applicable) (EUR)		16.60	16.60					
	O.33 (unit: Hours)		316,000.00	367,000.00	388,000.00	335,000.00	264,000.00		1,670,000.00
TOTAL	O.33 (unit: Hours)		316,000.00	367,000.00	388,000.00	335,000.00	264,000.00		1,670,000.00
	Annual indicative financial allocation (Total public expenditure in EUR)		2,460,000.00	2,791,000.00	483,310.29				5,734,310.29

	Annual indicative financial allocation (Union Contribution in EUR)		1,057,800.00	1,200,130.00	207,823.42				2,465,753.42
	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								
KNOW (78)	Knowledge exchange and dissemination of information								
RD60_A04_AD_P_78	Advisory services	2023	2024	2025	2026	2027	2028	2029	Total 2023 - 2029
RD60_O33_U01_ON - Launch of a new advisory service (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		200,000.00						
	Maximum planned average unit amount (where applicable) (EUR)		200,000.00						
	O.33 (unit: Operations)		20.00						20.00
RD60_O33_U02_HO - Operation of specialised advisory services (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		35.00	35.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.33 (unit: Hours)		401,311.15	401,311.15	401,311.15	401,311.15	401,311.15		2,006,555.75
RD60_O33_U03_HO - Operation of a network of general advisory services (Grant - Uniform) 91(2)(d)-HU-43.00%	Planned unit amount (Total Public Expenditure in EUR)		35.00	35.00					
	Maximum planned average unit amount (where applicable) (EUR)								
	O.33 (unit: Hours)		750,000.00	750,000.00	750,000.00	750,000.00	750,000.00		3,750,000.00
TOTAL	O.33 (unit: Hours)		1,151,311.15	1,151,311.15	1,151,311.15	1,151,311.15	1,151,311.15		5,756,555.75
	O.33 (unit: Operations)		20.00						20.00
TOTAL	Annual indicative financial allocation (Total public expenditure in EUR)		44,295,890.70	13,698,630.23					57,994,520.93
	Annual indicative financial allocation (Union Contribution in EUR)		19,047,233.00	5,890,411.00					24,937,644.00

	Out of which for financial instrument (Total public Expenditure in EUR)								
	Out of which for financial instrument (Union Contribution in EUR)								
	Out of which carry-over (Total public Expenditure in EUR)								
	Out of which carry-over (Union contribution in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (applicable to article 95(1) under article 73 and 75) (Total public expenditure in EUR)								
	Out of which needed to reach the minimum financial allocation set out in Annex XII (Union Contribution in EUR)								

7 Governance and Coordination system

7.1 Identification of governance and coordination bodies + control bodies

Authority type	Institution name	EAGF	EAFRD	Responsible name	Address	Email
Managing authority	Ministry of Agriculture	Y	Y	Szigeti Szabolcs	1055 Budapest, Kossuth Lajos tér 11.	szabolcs.szigeti@am.gov.hu
Competent Authority	Ministry of Agriculture	Y	Y	dr. Andréka Tamás	1055 Budapest, Kossuth Lajos tér 11.	tamas.andreka@am.gov.hu
Paying Agency	Magyar Államkincstár	Y	Y	Detre Miklós	1095 Budapest, Soroksári út 22-24.	detre.miklos@allamkincstar.gov.hu
Certification Body	KPMG Magyarország	Y	Y	Huzsvai Dóra	1134 Budapest, Váci út 31.	Dora.Huzsvai@kpmg.hu
Monitoring Committee	Ministry of Agriculture	N	Y	Szigeti Szabolcs	1055 Budapest, Kossuth Lajos tér 11.	szabolcs.szigeti@am.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Baranya Megyei Kormányhivatal Agrár-és Vidékfejlesztést Főosztály	Y	Y	Tarnai Livia	7602 Pécs Pf. 365	agrartamogatas@baranya.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Borsod-Abaúj-Zemplén Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Koleszár Gábor	3501 Miskolc Pf. 646	koleszar.gabor@borsod.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Bács-Kiskun Megyei Kormányhivatal, Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Madari Örs	6001 Kecskemét Pf. 470	videkfejlesztes@bacs.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Békés Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Magyarné Dr. Knap Diána	5620 Békéscsaba Pf. 45	agrarvidekfejlesztes@bekes.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Csongrád-Csanád Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Schultz József	6801 Hódmezővásárhely, Pf. 129	schultz.jozsef@csongrad.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Fejér Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Bögyös Zsolt	8002 Székesfehérvár Pf. 297	bogyos.zsolt@fejer.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Fővárosi és Pest Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	dr. Tóth Csaba	1391 Budapest Pf. 248	avtf@pest.gov.hu

Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Győr-Moson-Sopron Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Pénzes István	9002 Győr Pf. 70	agrartam@gyor.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Hajdú-Bihar Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Szigeti Szabolcs	4001 Debrecen Pf. 551	agrartamogatas.ugyfelszolgalat@hajdu.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Heves Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Lucza Zsuzsanna	3301 Eger Pf. 169	agrartamogatas@heves.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Jász-Nagykun-Szolnok Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Szabó Endre	5002 Szolnok Pf. 111	kh.agrar.videkfejlesztes@jasz.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Komarom-Esztergom Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Horváth Adrienn	2801 Tatabánya Pf. 1394	avfo@komarom.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Magyar Államkincstár	N	Y	Detre Miklós	1095 Budapest, Soroksári út 22-24.	detre.miklos@allamkincstar.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Nemzeti Földügyi Központ (NFK)	Y	Y	Nagy János	1149 Budapest, Bosnyák tér 5.	nfk@nfk.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Nemzeti Élelmiszerlánc-biztonsági Hivatal (NÉBIH)	Y	Y	dr. Oravecz Márton	1024 Budapest, Keleti Károly utca 24.	elnok@nebih.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Nógrád Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Bacsa Annamária	3101 Salgótarján Pf. 123	avfo.titkarsag@nograd.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Somogy Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Varga Livia	7400 Kaposvár, Petőfi tér 1-3.	agrar@somogy.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Szabolcs-Szatmár-Bereg Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Kovács Lajos	4401 Nyíregyháza Pf. 422	agrarvidekfejlesztes@szabolcs.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Tolna Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Máté Erika	7101 Szekszárd Pf. 251	ugyfelszolgalat-videkfejlesztes@tolna.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Vas Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Szabó Levente	9701 Szombathely Pf. 245	agrarvidek@vas.gov.hu

Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Veszprém Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Boros Gábor István	8202 Veszprém Pf. 791	vemkh.agrar.videkfejlesztes@veszprem.gov.hu
Other delegated and intermediate bodies not laid down in the Regulation, with a description of their role	Zala Megyei Kormányhivatal Agrár-és Vidékfejlesztést Támogató Főosztály	Y	Y	Horváth Gyula	8901 Zalaegerszeg Pf. 142	horvath.gyula@zala.gov.hu
AKIS coordination, including farm advice - Relevant coordination body	Nemzeti Agrárgazdasági Kamar (NAK)	Y	Y	Györffy Balázs	1115 Budapest, Bartók Béla út 105.	gyorffy.balazs@nak.hu

Brief description of the set up and organisation of the Competent Authority

Brief description of the structure and organisation of the Competent Authority:

The **designated ministerial authority (Competent Authority)** in Hungary pursuant to **Article 1(1) of Commission Implementing Regulation (EU) No 908/2014 [Article 1(1) of Regulation (EU) 2022/128] – Section 9(1) (10) of Act XVII of 2007 on certain aspects of the procedure relating to agricultural, rural development and fisheries support and other measures, Section 12(2) of Act LXV of 2022 on the rules of procedure for agricultural support from the Common Agricultural Policy and the national budget, and Decree No 601/2022 on the organisation and institutions for the implementation of the Common Agricultural Policy and agricultural subsidies from the national budget (XII. On the basis of Section 2(1) of the Government Decree – the minister responsible for agricultural policy, i.e. **the Minister for Agriculture**. Government Decree No 10/2019 on the Organisational and Operational Rules of the Ministry of Agriculture (XII. 30.) On the basis of the delegation of tasks referred to in Section 11(i) of Annex 1 to the Order of the Minister of Agriculture, the **State Secretary for Public Administration** shall be **responsible** for issuing decisions relating to the competent authority's tasks relating to the supervision of the implementation of the EAFRD and the EAGF, in **the** name and on behalf of the Minister.**

The **functional functions of the competent authority are performed by the Department of Competent Authority, managed by the State Secretary for Public Administration.**

Under the direct administration of the State Secretary for Public Administration, it is possible to ensure that the performance of the tasks of the competent authority, including from the technical management of the EAGF/EAFRD and from the organisational system linked to the paying agency's activities, is and will be carried out separately, in a coordinated and efficient manner. The functional independence of the Competent Authority is also essential for the definition and acceptance of the audit topic related to the performance of tasks.

The Hungarian State Treasury, as the only Hungarian EAGF/EAFRD Paying Agency, has been granted the existing full accreditation status from the Competent Authority with effect from 16 October 2017, in line with the expectation under Regulation (EU) No 1306/2013 [Regulation (EU) 2021/2116 as of 2023] that only expenditure incurred by accredited paying agencies can be reimbursed from the EU budget.

Accreditation procedure and ongoing supervision of the Paying Agency:

Designated Competent Authority

— Grants, reviews and revokes the **accreditation of the Paying Agency pursuant to Articles 1-2 of Regulation (EU) No 908/2014 [Articles 1-2 of Regulation (EU) 2022/128 from 2023];** continuously monitor **compliance with the accreditation criteria and monitor changes in implementation through the certification body's reports and accreditation supervisory inspections;** in the event of any material changes to the system, verify whether the Paying Agency still complies with the accreditation criteria set out in Annex I to Regulation (EU) No 907/2014 [Annex I of Regulation (EU) 2022/127 from

2023]; a plan of action is requested from the bodies and departments concerned in relation to the deficiencies identified during the accreditation supervisory inspections and checks on compliance and compliance with the measures taken to remedy the deficiencies are carried out in the framework of monitoring audits; a detailed report is prepared every three years on its monitoring and monitoring activities, using an external agent independent from the Paying Agency (the next report is due by 30/0/2022).

— **Article 5 of Regulation (EU) No 908/2014***[Article 5 of Regulation (EU) 2022/128 from 2023]*, (XI. Section 28/B of Government Decree No 601/2022 (XII. Pursuant to Section 7 of Government Decree No 1306/2013, select the Certification Body referred to in Article 9 of Regulation (EU) No 1306/2013 *[from 2023 onwards, Article 12 of Regulation (EU) 2021/2116]*, which became the KPMG Consortium for both EAGF and EAFRD by 31 May 2025 as a result of a public procurement procedure;

Designated Certification Body

— The Paying Agency shall issue an opinion on an annual basis, drawn up in accordance with internationally accepted audit standards, in accordance with the criteria laid down by law, based on the results of the audit work carried out in three stages (half-year, intermediate, annual);

— its methodology, including the timing of inspections and reporting, is one of the good practices recognised by the European Commission, which can ensure that sanctions for deficiencies detected during the financial year are avoided and reduced, with the possibility to correct them as soon as possible, and effectively support the supervisory activities of the Competent Authority in accordance with Article 2 of Regulation (EU) No 908/2014 *[Article 2 of Regulation (EU) 2022/128 from 2023]*.

The Monitoring Committee is the decision-making body operated by the Managing Authority, whose main task is to monitor the progress of the CAP Strategic Plan and the achievement of its objectives. The Monitoring Committee is independent in its functioning from the Managing Authority (it may issue opinions on working documents sent to it, vote on them, initiate the convening of a meeting, etc.).

In determining the composition of the Monitoring Committee, Hungary takes into account the requirements laid down in Article 106(3) of the SPR Regulation, i.e. the implementation of the principles of partnership and equal opportunities by involving the following actors:

— Authorities at regional and local level,

— competent authorities for the environment and climate action,

Economic and social partners,

Civil society and non-governmental organisations (in particular in the fields of environment, climate, energy, sustainable development, gender equality, equal opportunities, equal treatment and non-discrimination)

Pursuant to Article 124(1) of Regulation (EU) 2021/2115, the Member State has three months to set up a monitoring committee following the notification of the Commission's implementing decision approving the CAP Strategic Plan, so we can only provide the specific composition of the Commission at a later stage.

7.2 Description of the monitoring and reporting structure

The purpose of the monitoring and reporting system of the Hungarian CAP Strategic Plan ('the **monitoring system**') is to provide the decision-makers of the European Union and the Member State and the partnership with the information necessary for the effective and effective implementation of the CAP Strategic Plan. The functions of the monitoring system shall be designed to take into account the reporting obligations imposed by Community legislation and the data needs of decision-makers in agricultural and rural development in previous programming periods, as well as the typical needs of thematic evaluations.

The monitoring system includes a cooperative network of government organisations (**organisational structure**), the rules of **procedure** governing the monitoring tasks of the institutional system and an **IT system** supporting data collection and processing. The availability of **administrative databases** which are not directly part of the monitoring system and the availability of **independent external evaluation capacities** are also necessary for the functioning of the system and are therefore part of the planning and development of the system.

The monitoring system of the CAP Strategic Plan is based on the operational mechanisms established in previous development periods, i.e. the organisational structure, IT system and evaluation solutions used in the implementation of the support measures to date will be built up by further developing the system of the new period on the basis of the legal provisions governing the new programming period.

The structure of the monitoring system identified the main responsibilities at Member State level. Their delineation is key in the design of the system of responsibility in order to reliably monitor progress in the implementation of the CAP Strategic Plan and in achieving the objectives of the CAP Strategic Plan.

On the one hand, the **organisational structure** includes dedicated departments carrying out monitoring tasks, but it also includes other affiliated entities with only reporting obligations. The two key elements of the organisational structure are the monitoring and evaluation division of the Managing Authority and the monitoring department of the Paying Agency.

The **Managing Authority** shall perform the following responsibilities in relation to the monitoring system:

- developing the concept of the monitoring system, regularly reviewing it and overseeing its operation;
- regulate the monitoring tasks and responsibilities of the institutional system;
- enshrine monitoring requirements for beneficiaries in calls for proposals and regulations;
- contribute to the call for proposals in terms of compliance with the performance framework and the milestones committed by the Member State;
- ensure the information needs of the European Commission, national decision-makers and social partners, in particular the Monitoring Committee;
- collection and documentation of monitoring needs for IT systems;
- providing the necessary data for thematic evaluations through agreements with administrative and other data owners;
- ensure independent expert capacities for thematic evaluations and publish evaluations;
- collection of specific data on the LEADER approach through the Local Action Groups reporting system;
- providing the necessary competences for the functioning of the monitoring system through training and international cooperation;
- cooperation with the Paying Agency during the preparation of the Annual Performance Report
- facilitate in the fulfilment of reporting obligations under Community legislation.

The **Paying Agency** shall perform the following tasks in relation to the monitoring system:

- providing the data generated during the application and payment processes for the operation of the monitoring system;

- collection from beneficiaries of additional information necessary for the functioning of the monitoring system and designated by the Managing Authority;
- opinion of calls for proposals and proposals for the collection of monitoring data
- development and operation of IT solutions necessary for the functioning of the monitoring system;
- facilitating the information needs of the European Commission, national decision-makers, social partners and thematic evaluations;
- facilitate in the fulfilment of reporting obligations under Community legislation.

The reporting obligations imposed by Community legislation, including the preparation of the Annual Performance Report, require close cooperation between the Managing Authority and the Paying Agency.

The Paying Agency is responsible for the management and control of expenditure, while the Managing Authority is responsible for managing and implementing the CAP Strategic Plan. Accordingly, in the context of the **annual performance clearance (output indicators)**, the **Paying Agency** is accountable to the Commission, while the **Managing Authority** is accountable to the Commission for the **annual performance review (result indicators)**.

In addition to the organisational structure, it is of paramount importance to define the **rules of procedure for the monitoring system**, with a separation of tasks – and powers within the support institutional system. In addition, it is important to ensure transparency and control roles at system level. When establishing the organisational structure and the rules of procedure, the relevant EU rules form the basis of the system, complemented by detailed domestic rules at national level.

The **rules** of procedure of the monitoring system consist of, on the one hand, a regulation setting out the division of tasks between the institutional system actors and, on the other hand, a complementary methodology containing definitions, data needs and production of outputs, results and impact indicators.

The **IT system** for recording, storing, supplying and collecting data on aid is based on the Integrated Administration and Control System (IACS), which is operated by the Paying Agency. The data and reporting requirements of the monitoring system will be integrated into the IT system during the planning process.

The **data** underlying the monitoring system is typically derived from the application, data generated during the processing of applications and beneficiary data. In parallel, additional data is collected from public or professional sources, such as, inter alia, the Central Statistical Office, the National Food Chain Safety Office and the Hungarian Madarian Association (MME) in order to effectively monitor the achievement of the policy objectives using result and impact indicators. With the reporting partners, the Managing Authority shall lay down in agreements the details of the cooperation and the data to be provided.

The **IT system** (IACS) fully ensures that all interventions (both IACS and non-IACS) generate all the data required for performance reporting (APR) during the implementation of the CAP Strategic Plan. The system shall provide, in an integrated manner, the appropriate data recording, data processing, control and search functions for the implementation of the measures, continuous monitoring, reporting obligations and evaluations.

The IACS, as a closed IT system, ensures that all CAP Strategic Plan interventions are subject to a uniform data structure hierarchy from the submission of aid applications until the end of the maintenance (operational) period and that reports with the same logic are available for the CAP Strategic Plan as a whole.

By connecting to the IACS core application data, the reliability of the statutory reports created by the monitoring and reporting functions is ensured by the administrative and on-the-spot checks carried out during the application management process and by the use of public records.

The system includes the recording of a wide range of characteristics of indicators and other data for monitoring and evaluation purposes for the 2023-2027 programming period, as well as the possibility to

search and display them in real time according to different criteria. The planned base and target values for indicators, aggregates, indicator breakdowns, unit amounts, other monitoring and evaluation data (where relevant) are also managed and maintained within the system, and in all cases the actual values are followed within the system.

The IT system also aims to develop a report system that fully supports the preparation of the reports, reports required at different times, the standard and ad-hoc reports required by the European Commission, ministries and other institutions, as well as the various levels of management, as well as analytical lists supporting the reports.

Continuous monitoring and regular analysis of output and result indicators ensure that results and progress are assessed as a basis for the successful implementation of the Strategic Plan.

Databases, development components:

The Monitoring Application Data Database developed in the IACS will ensure that the basic data required for the reports and the establishment of indicator factual values are made available in one location to the component layer serving the reports. This is an analytic with monitoring data, which should include different levels of data structures and support the creation of different aggregated data and the filtering of duplications.

The modules supporting the implementation of each measure shall provide to this database, on a compulsory basis, data at specific points of the application processing in a data structure corresponding to the parameterisation, in a time series.

Related steps for improvement:

1. Structure preparation and parameterisation

A monitoring parameter interface must be filled in before each support intervention/legal title is launched. This will help to place the item in the hierarchy of the CAP Strategic Plan, to define the related indicators, indicator breakdowns (e.g. unit amount) and to provide guidance to the intervention/item on related data reporting (calculation methodologies, types of basic data, time of delivery). The parameterisation determines which data will be included in the Monitoring Application Data Database. Monitoring parameterisation supports the production of reliable, timely and consistent data. The monitoring parameter interface shall be based on the data and structure recorded in the CAP Strategic Plan and the methodological descriptions issued by the Commission, on the basis of which a set of rules can be established to guarantee the appropriate source, production method and consistency of the data with the payment data. The structure of the budget codes for identifying payments in the budget structure (ABB code) is subject to some changes in the 2023-2027 programming period and becomes a key reference for the monitoring system (e.g. including a reference not only to the intervention but also to the output indicator and unit amount). On this basis, it can ensure the interconnectivity of applications/application instalments and payment flows at the appropriate level in order to meet monitoring needs.

2. Submission of a request

The submitting interfaces of the support interventions/items launched under the CAP Strategic Plan shall be designed according to the data needs for monitoring. The data shall be requested in such depth as the reports and data provision may be required and the data structure of the measures shall be designed in such a way that they are able to provide the data in the structure necessary for the implementation of the delivery model.

The submission of applications requires the integration of data into the Monitoring Application Data Database, which will partly serve the reports and analyses used for forecasting on the basis of the planned data. The framework should ensure that all titles are obliged to use this service.

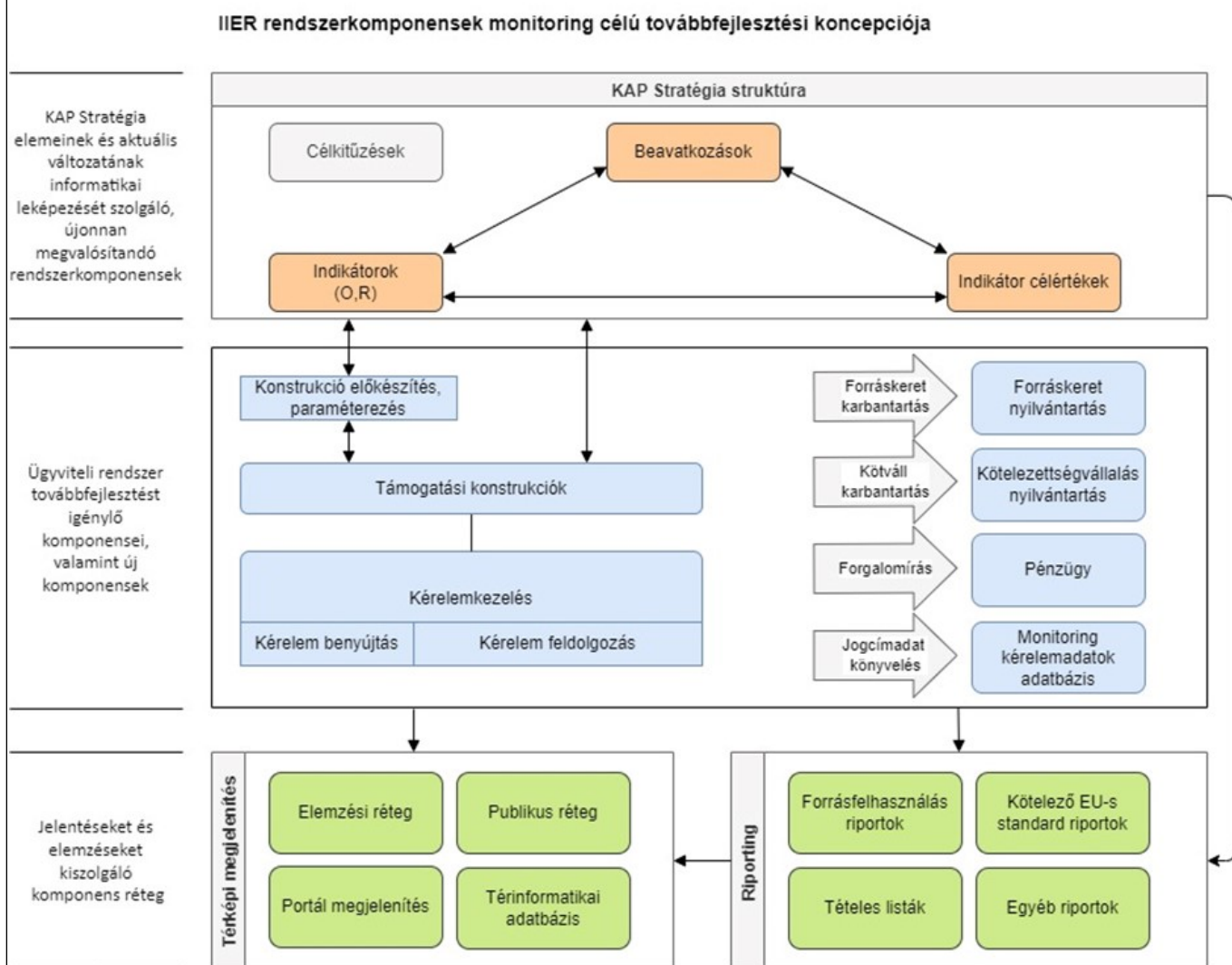
3. Request processing

The processing of the application shall include a service to the Monitoring Application Data Database. This service will enter the monitoring data of the intervention/legal title concerned in the database with a

unified structure according to the rules provided during the parameterisation, based on the CAP Strategic Plan and methodological guidelines issued by the Commission. Such data may be data requested by an application, data generated during the evaluation of an application, and data calculated specifically for monitoring data. The service should be used at certain stages of the evaluation of the application and should ensure that data changes are monitored and searchable for a given period of time. The framework should ensure that all titles are obliged to use this service.

4. Monitoring database/component

The modules supporting the implementation of each intervention (resource framework register, commitment register, finance) provide data to this database on a mandatory basis in the data structure corresponding to the parameterisation at specific points of the application processing, in a time series.



Reporting Component Layer

A new system component, capable of serving the reports of the common agricultural policy for the period 2023-2027, will be built in the repository.

The main but not the only source for this component is the new Monitoring Application Data Database to be created in the IACS. The architecture should be designed to be able to work from other data sources, including running individual SQLs and displaying the result as an itemised list, thus supporting rapid ad-hoc work.

During the transformation, the data and its changes shall be stored with timestamp in the historical layer of the Data Repository. The data thus believed should be retained so that subsequent checks and external investigations can be served at any time and the reports submitted can be reproduced after they have been

submitted. The layer of actual reports shall be optimised for queries. The data of this schema shall be archived and refillable.

The retrieval of indicators from the repository ensures that the reports are timely and of sufficient quality, and that the indicators are monitored. An important element is that the system sends regular newsletters to the Paying Agency's colleagues in order to be able to take the necessary corrective action in the event of a failure to meet the required level.

Inspections

It is necessary to ensure the reliability of the basic data of the monitoring and reporting system by using the checks carried out during the application management process and public records.

In the operation of the system, it is essential to ensure consistency testing of data from primary data sources.

The production of consistent and reliable data and the production of reports based on them shall be ensured by means of audit tests built into the following system:

- Formal verification (data in the appropriate format is present in the field)
- Charge verification (if relevant data is provided in all fields)
- Logical verification (checks the adequacy of the data against certain contexts).

7.3 Information on the control system and penalties

7.3.1 IACS - Integrated Administration and Control System

Is IACS used to manage and control interventions in the wine sector as laid down in Title III of Regulation (EU) ... [CAP Strategic Plan Regulation]? : **No**

Is IACS used to manage and control conditionality? : **Yes**

Article 65(4)(d) of the HZR gives the possibility to MS to define the "agricultural parcel". Please provide the definition of "agricultural parcel" in your Member State.

‘Agricultural parcel’: continuous land declared by a farmer that does not cover more than one crop/land cover. The declaration of agricultural parcels may also take into account the specificities of the aid intervention concerned

7.3.1.1 All elements of the IACS as set out in the Regulation [HZR] are established and operating as from 1 January 2023

All elements of the IACS as set out in the Regulation [HZR] are established and operating as from 1 January 2023 : **Yes**

7.3.1.1.1 Identification system for agricultural parcels (LPIS)

The Hungarian LPIS is a geographical information system based on physical blocks. This is the only reference system used to control area-based direct payments and rural development interventions. It indicates agricultural areas, non-agricultural areas and the different areas considered eligible under the area-based interventions in the national CAP Strategic Plan. In addition, the LPIS contains a large number of thematic layers and is regularly updated on the basis of ortho-photos

7.3.1.1.2 Geo-spatial (GSA) and an animal-based application system (GSA)

In Hungary, the single payment application covers all area-based CAP aid schemes and a number of animal-based and other interventions. The application is fully electronic, with electronic channels of communication to and from the notifiers. The tender shall contain pre-completed information on the basis of the previous year's tender data, in particular for agricultural parcels. The geographical area displays available graphic material (mainly ortho-photos), LPIS data and data from previous applications. This

allows for the accurate and unambiguous identification of agricultural parcels. The application contains a large number of control warnings and controls that guide farmers to submit complete, consistent applications that are free of possible non-compliance and errors.

7.3.1.1.3 Are you applying an automatic claim system (in the meaning of Article 65(4)(f) of the HZR?

For area-based interventions? : **No**

For animal-based interventions? : **No**

7.3.1.1.4 Area monitoring system (AMS)

The AMS will be used to monitor and assess certain agricultural events and practices on eligible hectares. The monitoring activity is based on Sentinel satellite data, complemented by other data sources of equivalent value. All eligibility conditions are covered by AMS, which can be monitored by automatic processing and analysis of remote sensing data. If a possible breach of the eligibility criteria is detected, a communication will be sent to farmers so that they can modify their application or send additional information, in particular in the form of photos with a geographical label.

7.3.1.1.5 Control and penalties system

Are requirements set out in Article 72 of the HZR fulfilled? : **Yes**

7.3.1.1.5.1 Description of the control and penalty system(s) for IACS interventions

See attached document(s)

7.3.1.1.6 System for the identification and registration of payment entitlements, where applicable

Are requirements set out in Article 71 of the HZR fulfilled? : **N/A**

7.3.1.1.7 System for the identification and registration of animals in the meaning of article 65(4)(c) [Article 66(1)(g) HZR]

Do you have a system for the identification and registration of animals referred to in Article 66(1)(g) of HZR? : **Yes**

system for the identification and registration of bovine animals laid down by Regulation (EC) No 1760/2000 of the European Parliament and of the Council : **Yes**

system for the identification and registration of ovine and caprine animals laid down by Council Regulation (EC) No 21/2004 : **Yes**

system for the identification and registration of pigs laid down by Council Directive 2008/71/EC : **Yes**

7.3.2 Non-IACS

7.3.2.1 Brief description on the penalty system for non-IACS interventions in line with the principles of effectiveness, proportionality and dissuasiveness

Non-IACS EAGF

If in the course of a subsequent administrative or on-the-spot check, or for any other reason, it is established that aid has been paid unduly to a beneficiary, the competent authority will order the repayment of the amount unduly paid, plus applicable interest. It shall repay to the beneficiary the amount of the undue aid as provided for in the Decision. If the beneficiary fails to pay the amount within the prescribed period, the competent authority shall, by exercising his right of retention, withhold it from the amount of other eligible aid, so that the debt is deemed to have been paid. Any unduly used aid qualifies as public dues collectible as taxes, therefore, if there is no duly paid aid that could cover the debt, the tax authority will recover the amount of the undue aid. Undue participation in a measure can be established within five years from communication of the decision establishing eligibility. The Office ordering the

recovery of undue aid keeps a record of the beneficiaries who have unduly participated in the measure(s)

Non-IACS EAFRD

For rural development support, under EU rules, non-compliance, i.e. totally or partially ineligible expenditure, is sanctioned by **reducing payments or excluding them from the total amount of payments**.

As a matter of principle, the aid unduly claimed cannot be paid and the aid unduly paid must be recovered. The penalties to be applied in addition shall be determined by Community and national legislation and by specific rules applicable to measures.

Under EU rules, if the amount claimed by the beneficiary in the payment claim (application) on the basis of the grant decision (support document, hereinafter referred to as TO) exceeds by more than 10 % the amount to be paid to the beneficiary following the examination of the eligibility of the expenditure included in the payment claim, an **administrative penalty** corresponding to the difference between the above two amounts, but not exceeding the amount due, is to be applied to the amount approved for the payment claim.

The legal consequences in the event of non-compliance with the obligations or commitments are laid down in the specific rules applicable to the measures.

The legal consequences established in connection with EU legislation and applied by the Member State are laid down in Government Decree No 272/2014 on the rules governing the use of assistance from certain European Union funds in the 2014-2020 programming period. (XI. Government Decree No 5/1999 of 5 May 2004 (hereinafter: 272/2014. (XI. 5.) and published in the call itself and in the document 'General contractual conditions for grant agreements with beneficiaries receiving support under the Rural Development Programme' (GSZF), the 'GENERAL GENERAL FOR MEASURES for measures to be financed by the EAFRD' (ÁÚF) and/or the separate document on legal consequences. The penalty for non-compliance with the commitments undertaken in relation to the substantive evaluation criteria is/ is determined as a percentage of the approved aid (according to the TO) and, in the event of non-compliance with the obligations laid down in the call, depending on the extent or gravity of the irregularity, the Managing Authority is entitled to withdraw from the grant agreement or to withdraw from the Contract (full withdrawal of the grant) or to withdraw the aid in part.

In accordance with the provisions of the General Law, the beneficiary must provide proof of the extension or replacement of the security in the case of a security with a shorter maturity than the guarantee period (until the payment on account is accepted) – which is lodged at the same time as the advance application – 45 calendar days before the due date. Failure to do so shall entail the management of irregularities and, as a legal consequence of the irregularity, the recovery of the unaccounted advance of the aid or, in the event of non-recovery by the beneficiary, the call on the security of the amount of the unaccounted advance of the aid, and the grantor may withdraw from the Contract.

272/2014. (XI. The exclusion from the aid scheme covered by the Government Decree may be applied for a limited period of time, up to a maximum of five years, as a legal consequence if the beneficiary intentionally or repeatedly implements the irregularity.

The information on the final decisions taken by the paying agency establishing that an irregularity has occurred, including the name of the beneficiary of the project concerned by the call and the amount of aid recovered as a result of the irregularity, is published on <https://www.mvh.allamkincstar.gov.hu/kozveteteli-listak-szabalytalansagok>.

If the most severe sanction is imposed – in accordance with Article 272/2014. (XI. 5.) Exclusion from aid covered by Government Decree No 118/2011, the details of those affected by this sanction will also be published.

7.3.2.2 Brief description of the control system for non-IACS (control methods, cross-checks, durability of investments and related ex-post checks, etc)

Non-IACS EAGF

As regards the implementation of **non-IACS market measures**, in general, all applications are subject to 100 % administrative checks by the Paying Agency, which is an individual assessment of each application in order to establish payment entitlements. There is no automatic criticism and decision-making (i.e.

without a case officer).

Administrative audit

In the context of the administrative check, we examine the applicant's general entitlement to check whether the boundary conditions laid down in Act XVII of 2007 governing our procedures and in the implementing decrees are met, such as whether the client has a client identifier at the Treasury and the corresponding classification data.

In the second part of the administrative check, we examine compliance with the specific conditions of the measure provided for in the implementing regulations, e.g. number of bee colonies, size of the area, supporting documents for the operation supported.

Administrative checks cover the form and content-related inspection of the documentation of the application. The method and date of submission of the application, the conformity of the application file, the completeness of the attached documents, and the completeness of the completed documents are examined. Each payment application is checked by two caseworkers independently of each other in conformity with 'the four eyes principle'. During the administrative check, the first administrator verifies the data of the application and its annexes, and then assesses the application and establishes the eligibility of the aid and the amount of the eligible aid. The results of the check are stored in the IT system. The second administrator shall also carry out the same checks if the result of the decision of the two administrators is the same, and after the approval of the second administrator, the decision is taken. If two caseworkers arrived at a different conclusion in their respective decisions, they discuss the cause of the difference and perform the necessary adjustments in the IT system. If discussions to reach an agreement fail, the decision is made by the competent senior officer. The agreed final result is also recorded in the IT system.

Importantly, all applications for market support are now submitted electronically by clients, which allowed the Paying Agency to detect certain errors already in the application process. This can be solved by installing built-in cross-checks, calculating fields on one part and displaying a warning message on the other (e.g. data gaps).

In the context of the administrative checks, we examine copies of specific documents supporting the entitlements, such as the purchase/service invoice, proof of origin of propagating material, official certificate, manufacturer's declaration, etc.

Support systems

The performance of administrative checks is supported by the IT framework, which is also used for the management of IACS measures. In practice, this means that IACS and non-IACS items use the same client or financial framework module, with the result that the evaluation modules designed for the items are linked to these horizontal functions.

Such a horizontal function, in order to avoid double financing, is that the unique identification number of each invoice is entered in the closed IT system of the paying agency, where the built-in cross-checks are used to check whether the invoice has already been recorded under another title or measure, so that it is easy to ensure that aid can be paid only once for a given item of an invoice.

Through the IT evaluation modules, the Paying Agency is able to carry out checks on the data of the individual scheme modules (e.g. use of the area declared to the EC in the case of vine planting aid) and to receive data from partner authorities, either online or offline.

Grape wine:

- map and geospatial data from the LPar
- land registry data from the real estate register
- production data from HEGYIR

Honey production:

- bee colonies numbers from TIR/ENAR
- producer members' data from OMME

School schemes:

- 11 01 02 01 – Number of pupils from the Education Office
- production area data from the Single Application

Inspection

The rules for on-the-spot checks differ from one measure to another. In the wine sector, we carry out on-the-spot checks on 100 % of applications, while for additional market items, selection for on-the-spot checks is carried out in accordance with the requirements of a random and risk-based method.

During the on-the-spot check, the copy of the documents submitted is compared with the original, the exact identification of the equipment purchased, the measurement of the eligible area and the examination of the details of the investment carried out (e.g. measuring the distance between rows in the case of vineyards).

On-the-spot checks are carried out by staff from a department separate from the department responsible for administrative checks. The results of the inspection shall be recorded in the report of the on-the-spot check.

Non-IACS EAFRD

The actors of the Hungarian control system established for the implementation of the Rural Development Programme, in accordance with EU and national regulations:

- Managing authority (tasks – 272/2014. (XI. Section 20 of Government Decree No 273/2007): Ministry of Agriculture, Deputy State Secretary for the Implementation of Rural Development Programmes
- Paying Agency (body within the meaning of Article 7 of Regulation (EU) No 1306/2013 of the European Parliament and of the Council and its tasks – 272/2014. (XI. Section 26 of the Government Decree: Hungarian State Treasury, Vice-President for Agricultural and Rural Development Subsidies
- Intermediate Body (Tasks – 272/2014. (XI. Section 27 of the Government Decree: Hungarian State Treasury, Vice-President for Agricultural and Rural Development Subsidies
- Certification body (body under Article 9(1) of the CAP Regulation): KPMG
- Competent authority (tasks – 272/2014. (XI. Section 25 of Government Decree No 601/2022 (XII. Section 2(1) of the Government Decree: Ministry of Agriculture, State Secretary for Public Administration

Regulation 82/2007 on the establishment and implementation of financial, accounting and control systems for programmes and measures supported by the European Agricultural Fund for Rural Development, the European Fisheries Fund and the European Agricultural Guarantee Fund. (IV. It is contained in the provisions of Government Decree No 25/2000.

The Hungarian State Treasury, as paying agency or intermediate body (hereinafter: The Treasury) participates in the performance of its tasks by the Departments of Agricultural and Rural Development Assistance (AVTF) of the county government offices as organisations involved in the performance of the tasks delegated by the MA, as the body performing the tasks delegated to it by the Paying Agency. The implementing manuals and aids approved by the Vice-President responsible for agricultural and rural development support and by the head of the managing authority shall set out the arrangements for the implementation of the Treasury's tasks and the persons responsible for the checks.

The Paying Agency is responsible for the legality and reality of the expenditure to be charged to the European Commission and therefore verifies whether the expenditure declared by the beneficiary can be financed by the EAFRD and complies with the EAFRD rules, that the corresponding invoices or other necessary documents are attached and whether the expenditure is incurred within the eligibility period.

Transparency, classification by enterprise size (SME), establishment/verification of farm size, verification of the data provided by the beneficiary, the Treasury uses, inter alia, data on other aids available in the IACS or external records (e.g. data from the Uniform Registration and Identification System (ENAR), requesting information from the National Chamber of Agriculture, the NFCSO, Microsec Sz Computer Development ZRt, the National Tax and Customs Administration (NAV), etc.

In addition to administrative checks, the paying agency also verifies the legality of payments before they are made by means of on-the-spot checks. On-the-spot checks are carried out by the county government offices as delegated tasks, and all aspects and conditions that can be physically checked at the implementation site are checked in addition to the administrative checks. In all cases, a report of the on-the-spot checks shall be drawn up, which shall be evaluated in the aid procedure and taken into account in the decision-making process.

7.3.2.3 Public procurement rules?

Brief description how the compliance with public procurement rules is fulfilled.

The applicant for support and the beneficiary shall send to the managing authority a written summary of the evaluation of the tenders, as well as all documents produced during the public procurement procedure and the public procurement rules. The verification of the regularity of public procurement procedures carried out during the use of grants – public procurement law, eligibility, eligibility and technical follow-up – is carried out by the managing authority. Aid may be paid to the beneficiary, with the exception of advance payment of aid, only if there is a report of a follow-up or ex-post check with the supporting content.

7.4 Conditionality

7.4.1 Control system for conditionality

7.4.1.1 Description of the control system for conditionality

A significant part of the controls subject to conditioning are carried out by the authority which otherwise acts in the field of expertise. The paying agency is the competent authority with regard to the GAEC requirements. A record of the results of the checks shall be drawn up and, on the basis of the provisions thereof, the Paying Agency shall establish the legal consequences at farm level, which may range from a certain reduction of the aid to the exclusion from the aid scheme. In accordance with the provisions of Act XVII of 2007 on certain aspects of the procedure relating to agricultural, rural development and fisheries aid and other measures, and Act CL of 2016 on general administrative procedures, the interested party has the right to appeal, both in relation to the findings of fact made during the inspection and the legal consequences laid down by the Paying Agency.

Review of the cross-compliance control system on an annual basis:

Under the leadership of a department under the authority of the minister responsible for agricultural policy, a professional body responsible for the annual review of the control systems referred to in Article 83(4) of Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 has been established.

This body shall be chaired by the Ministry of Agriculture and shall be composed of members from the Paying Agency, the competent authorities and the organisations involved in the coordination and conduct of controls. The Board shall meet at least once a year. Each year, the panel shall carry out a full review of the previous year's cross-compliance control system on the basis of the following criteria:

1. Review of the legal environment and regulation

(including

— an overview of whether the domestic legislation on which the SMRs are based has been amended during the period under review in such a way as to affect the maintenance and control of the requirements relevant for conditionality;

— the application of the legislation providing the legal basis for conditionality has led to a need for amendment or clarification during the period under review, and whether this will be incorporated into the legislation.)

2. review of selection

(including inter alia

— examination of the need for a rate increase according to the assessment of non-compliances detected in a random sample of 20-30 %;

— taking the results of back-tests into account when reviewing and amending risk analysis models.)

Revision of the audit

(including

— review and update audit guidelines and guides;

— review of the implementation of the audit, review of the experience of quality assurance audits; examine, if necessary, the possibility of training/further training of inspectors, while ensuring professional supervision.)

4. Review of sanctioning methodology

(including

a summary of the rates of negligible non-compliances and particularly serious non-compliances and the percentages of reductions applied;

— an overview of whether customers have been adequately informed, including in the case of negligible non-compliance, of how they can correct the non-compliance identified;

— examination of the requirement that the penalties imposed are proportionate and dissuasive.)

Communication review

(including

between the regulatory body and the competent authorities;

— review and, if necessary, adapt communication channels to customers.)

Minutes of this meeting are drawn up containing the findings and recommendations related to cross-compliance aimed at optimising the control system, which, depending on the nature of the findings, will be incorporated into the procedures and practices of the audit authorities already in the current year.

7.4.1.2 Types of checks

SMR / GAEC	Types of checks
GAEC01 - Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at national, regional, sub-regional, group-of-holdings or holding level in comparison to the reference year 2018. Maximum decrease of 5% compared to the reference year.	On-the-spot control, Remote sensing
GAEC02 - Protection of wetland and peatland	
GAEC03 - Ban on burning arable stubble, except for plant health reasons	Remote sensing, On-the-spot control
GAEC04 - Establishment of buffer strips along water courses	On-the-spot control, Remote sensing
GAEC05 - Tillage management, reducing the risk of soil degradation and erosion, including consideration of the slope gradient	Remote sensing, On-the-spot control
GAEC06 - Minimum soil cover to avoid bare soil in periods that are most sensitive	On-the-spot control
GAEC07 - Crop rotation in arable land, except for crops growing under water	Remote sensing, On-the-spot control
GAEC08 - Retention of landscape features. Ban on cutting hedges and trees during the bird breeding and rearing season. As an option, measures for avoiding invasive plant species	Remote sensing, On-the-spot control
GAEC09 - Ban on converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natural 2000 sites	Remote sensing, On-the-spot control
SMR01 - Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates	On-the-spot control
SMR02 - Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources: Articles 4 and 5	On-the-spot control
SMR03 - Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds: Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)	Remote sensing, On-the-spot control
SMR04 - Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna: Article 6(1) and (2)	Remote sensing, On-the-spot control
SMR05 - Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, laying down procedures in matters of food safety: Articles 14 and 15, Article 17(1) and Articles 18, 19 and 20	On-the-spot control
SMR06 - Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and beta-agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC: Article 3, points (a), (b), (d) and (e), and Articles 4, 5 and 7	On-the-spot control
SMR07 - Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC: Article 55, first and second sentence	On-the-spot control
SMR08 - Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides: Article 5(2) and Article 8(1) to (5); Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of	On-the-spot control

Directive 2000/60/EC and Natura 2000 legislation; Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants	
SMR09 - Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves: Articles 3 and 4	On-the-spot control
SMR10 - Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs: Articles 3 and 4	On-the-spot control
SMR11 - Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes: Article 4	On-the-spot control

7.4.2 Penalty system for conditionality

7.4.2.1 Description on the penalty system for conditionality

The penalty resulting from the condition shall be established by the Paying Agency on the basis of the results of the on-the-spot and administrative checks. The on-the-spot check report shall contain an assessment of all aspects of non-compliance (intention, severity, extent, permanence, reoccurrence, force majeure evaluation result) on the basis of which the level of the penalty can be clearly determined. The conditionality penalties shall apply to the total amount of aid covered by all the conditions of the beneficiary in a given year.

If the economic operator has notified it to the Paying Agency by electronic means or in the prescribed form and within the deadline, the operator has the possibility to indicate the unavoidable external cause (force majeure) during the on-the-spot check.

Non-intentional non-compliance

If the non-compliance determined is non-intentional, then for the first time the aid amount covered by the full condition is reduced by 1-10 %. The exact amount of the penalty shall be determined by the Paying Agency on the basis of the on-the-spot check report. The assessment will be carried out on the basis of the following criteria.

Severity: depends on the significance of the consequences of the non-compliance, having regard to the purpose of the requirement or standard in question.

Rate: to be determined taking into account whether the non-compliance has an extensive impact or whether its impact is limited to the holding itself (on-farm/off-farm).

Durability: it depends on the period of time during which the effect of the non-compliance is felt or on the possibility of bringing that effect to an end by reasonable means.

Where the non-compliance found has serious consequences for the objectives of the requirement or standard in question or constitutes an imminent danger to public or animal health, the Paying Agency may increase the level of the penalty up to 10 %.

If a non-compliance is established using the area monitoring system, the reduction may be reduced to 0.5 %.

Reoccurrence of non-intentional non-compliance

Repeated non-compliances are particularly sanctioned by the system. If an enterprise fails to comply with the same condition requirement or requirement at least twice within three consecutive calendar years, the sanction calculated for the second time shall be 10 %. However, this penalty percentage can only be applied if the first non-compliance is notified to the farmer. If, after the non-compliance re-identified (and sanctioned by 10 %), the same non-compliance occurs again in one of the following two years, it shall be considered intentional and the level of the penalty shall be set accordingly.

Intentional non-compliance

The perception of intentional non-compliance in the system of penalties for conditioning is much stricter than that which is not intentional. If the non-compliance determined is due to the intention of the farmer, the total amount of aid affected by the concentration shall be reduced by 15 % to 100 %. The exact level of the penalty shall be determined by the Paying Agency on the basis of the assessment of the non-compliance included in the on-the-spot check report. The assessment shall be based on the same criteria as in cases not affected by intent (severity, extent, durability). The 100 % penalty means that the farmer is excluded from all the aids affected by the condition for the year in question.

In summary, summary of several non-compliances occurring in the same calendar year:

Summary of penalties for multiple non-compliances that have not been intentional and have not been reoccurred

Method of summation: each non-compliance to be assessed individually and the sanction values established separately are added to each other

† Maximum sanction values where non-compliances include at least one of the non-compliances which have serious consequences for the objectives of the requirement or standard in question or present an imminent danger to public or animal health: 10 %

The maximum level of penalties where the non-compliances do not include any of the non-compliances which have serious consequences for the objectives of the requirement or standard in question or would constitute an imminent danger to public or animal health: 5 %

Summary of penalties for multiple non-compliances that occur again but were not intentionally affected

Method of summation: summation (same as in the previous point)

† Maximum sanction values: 20 %

Summary of penalties for multiple intentional non-compliances

Method of summation: summation (same as under the first point)

† Minimum value of sanctions: 15 %

† Maximum sanction values: 100 %

Summary of penalties for several different non-compliances

Method of summation: where several different non-compliances are found in the same calendar year, the sanction values established pursuant to the first three points shall be added together.

† Maximum sanction values: 100 %

Penalty system for interventions not covered by IACS

The Hungarian authorities intend to use the new technologies (analysis of satellite images, geo-referenced photos) as widely as possible in the CAP aid control process. To this end, we will examine how these methods can be included in the criticism of measures not covered by IACS. At the same time, the priority is currently to develop and implement the mandatory use of new technologies (i.e. for IACS measures).

Handling complaints, creating artificial conditions

With regard to complaint handling: we have a well-functioning and well-regulated and efficient complaint-handling system in place at the Hungarian paying agency. The handling of complaints is required by national legislation (Act) and the operational rules applicable to the Paying Agency are laid down in an internal instruction, which is also mandatory for the PA's staff and the staff performing delegated tasks. Complaints can be submitted to the PA on paper, by email, online, by phone or in person, including anonymously. Complaints received are coordinated, recorded and monitored by the dedicated department. Each complaint is a qualified submission and will be examined and answered by the specialised areas within 30 days of receipt. In the event of an infringement of a right as described in the complaint, the necessary measures shall be taken.

With regard to artificial creation of conditions:

In accordance with the criteria laid down in Article 62 of Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013, as regards the aid that may be claimed under the single application, the Hungarian Decree (15/2024) (IV. (Decree No 9)) states that 'in particular cases where land used by a farmer or a close relative within the meaning of the Civil Code is split up in order to benefit from the maximum amount of aid available should be considered as artificial

creation of conditions’.

Control and sanction system related to conditionality

Art. 83(6)(d) (risk analysis including a random part; control sample to cover at least 1 % of the beneficiaries):

In the system of conditionality, at least 1 % of the clients concerned shall be subject to on-the-spot checks. Between 20 % and 30 % of the clients selected for audit are selected by random sampling, with the remaining 70-80 % risk analysis. Where appropriate, certain SMRs may be pooled during the sample selection, thus forming a group of SMRs for the selection. In this case, the minimum ratio of 1 % must also be met for the population of the SMR group.

Art. 85(2) (the reduction shall be as a general rule 3 % of the total amount of the payments):

Where unintended, non-recurring and non-serious irregularities are found, a 3 % reduction shall be applied as a general rule. However, 1 % and 5 % respectively may be used in the assessment based on the criteria set out in Article 7 of Commission Delegated Regulation (EU) 2022/1172.

Art. 85(5) (when the non-compliance has ‘grave consequences’):

Where non-compliance has serious consequences for public or animal health, a minimum reduction of 5 % and a maximum of 10 % shall apply.

Hungary is also invited to specify the ‘type of checks’ envisaged for GAEC 2 (information provided for all other GAECs and SMRs):

The Hungarian Member State intends to use remote sensing and on-the-spot checks for GAEC2, as with other GAEC standards.

Article 86 Amounts resulting from administrative penalties for conditionality:

Member States may retain 25 % of the amounts resulting from the reductions and exclusions referred to in Article 85.

7.4.2.2 Definition and application of ‘reoccurrence’ (calculation and time span covered):

Reoccurrence of non-intentional non-compliance

Repeated non-compliances are particularly sanctioned by the system. If an enterprise fails to comply with the same conditioning requirement or requirement at least twice within three consecutive calendar years, the sanction calculated for the second time shall be 10 %. However, this penalty percentage can only be applied if the first non-compliance is notified to the farmer. If, after the non-compliance re-identified (and sanctioned by 10 %), the same non-compliance occurs again in one of the following two years, it shall be considered intentional and the level of the penalty shall be set accordingly.

7.4.2.3 Definition and application of ‘intentionality’

The perception of intentional non-compliance in the system of penalties for conditioning is much stricter than that which is not intentional. If the non-compliance determined is due to the intention of the farmer, the total amount of aid affected by the concentration shall be reduced by 15 % to 100 %. The exact level of the penalty shall be determined by the Paying Agency on the basis of the assessment of the non-compliance included in the on-the-spot check report. The assessment shall be based on the same criteria as in cases not affected by intent (severity, extent, durability). The 100 % penalty means that the farmer is excluded from all the aids affected by the condition for the year in question.

7.4.3 Indication of the application of a simplified control system for small farmers

The simplified verification is NOT used by Hungary as under the 2024 EU Simplification Package, conditionality checks are in principle exempted from conditionality checks for all farmers farming less than 10 hectares.

7.4.4 Competent control bodies responsible for the checks of conditionality practices, statutory management requirements

As a general rule, the paying agency coordinates all checks. It carries out some of them itself and delegates part to competent authorities – as shown in sub-chapter 7.4.1.

Due to the coordinating function of the Paying Agency, the head of expertise of the Hungarian State Treasury was indicated as contact everywhere.

SMR / GAEC	Paying Agency Name	Name of the Control body	Name of the responsible for the check	Address	Email

7.5 Social conditionality

7.5.1 Description of the control system for social conditionality

Regulation (EU) 2021/2115 of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (hereinafter: Article 14 of Regulation (EU) 2021/2115 and Regulation (EU) 2021/2116 of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (hereinafter: In order to comply with Articles 87 to 89 of Regulation (EU) 2021/2116), we will put in place, from 1 January 2025 at the latest, a procedure whereby farmers and other beneficiaries receiving direct payments or annual payments will be subject to administrative penalties if they do not fulfil the requirements for specific working and occupational conditions.

Most of the rules in Annex IV to Regulation (EU) 2021/2115 are dealt with by the employment surveillance and health and safety authorities. The employment inspection and health and safety authorities register the labour and safety fines imposed as a result of inspections in a public database in which the main data of the decisions can be found. The register shall include the employer/employer's tax number/tax identification number, the employer's/employer's registered office/address, the decision number, the date of the decision, the date on which the decision became final or final, the date on which the decision became enforceable, the indication of the infringement, the legal consequence applied, the amount of the fine and the legal provision on which it was based and the court decision, if any, in the context of orderly labour relations and occupational safety fines decisions. The register is at the disposal of the Ministry of National Economy. The existing register provides a good basis for the implementation and operation of the social conditionality system, given that the data recorded can be matched with the data of the national paying agency's register, given that the MÁK is able to identify the registration number, i.e. the client concerned, on the basis of a tax identification number or a tax number.

Accordingly, the Ministry of National Economy can provide the national paying agency with information on the imposition of labour and health and safety fines. Act LXV of 2022 on the procedure for agricultural support from the Common Agricultural Policy and the national budget and Decree 601/2022 on the organisation and institutions for the implementation of the Common Agricultural Policy and agricultural subsidies from the national budget provide the legal basis for the data transfer. (XII. Provided for by Government Decree No 28/1999.

In addition to the above legislation, a cooperation agreement is concluded between the Ministry of National Economy and the national paying agency for the practical implementation of the data transfer. According to the draft agreement, the National Paying Agency requests information from the Ministry of National Economy in the form of a formal request. The Ministry of the National Economy shall inform the national paying agency of the individual labour and occupational safety fines and other necessary information, as set out in the cooperation agreement and in accordance with the Ministerial Decree on the introduction of social conditionality. The information will only include data related to defined TEÁOR numbers, i.e. employers engaged in agricultural activities.

7.5.2 Description on the penalty system for social conditionality

A ministerial decree ensures that each of the identified infringements is classified according to their extent, gravity and permanence. The classification system is designed taking into account the criteria to be applied when receiving support from the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development. (IV. The characteristics and solutions of the system applied under the AM Decree. The following classifications are used for each type of classification:

Severity:

- negligible
- mild
- medium
- severe

Rate:

- in-farm
- off-farm

Durability:

- recoverable in the short term
- recoverable in the long term

Different scores are assigned to each grade in the Ministerial Decree and a percentage reduction is set for each combination of scores.

As described in the previous sub-chapter, the Ministry of National Economy, in accordance with these classifications and the cooperation agreement with the national paying agency, informs the national paying agency of each non-compliance in the field of employment and health and safety at work and its classification.

The national paying agency shall calculate the reduction to be applied to the beneficiary on the basis of the information received and the ministerial decree.

The establishment of the control and aid reduction procedure is carried out jointly by the Ministry of Agriculture, the Ministry of National Economy responsible for employment supervision and occupational safety and the national paying agency, the Hungarian State Treasury. The task will be carried out in cooperation between these three bodies. The National Chamber of Agriculture is actively involved in the working group designed to coordinate the design of the system. We also provide the Agricultural, Forestry, Food, Water and Food Workers' Union with the opportunity to comment and consult.

8 Modernisation: AKIS and digitalisation

8.1 AKIS

8.1 Overall envisaged organisational set-up of the improved AKIS

The interventions in support of AKIS are designed to be linked to other interventions of the Strategic Plan during implementation. For example, training and demonstration operational programmes or intervention of advisory services also contribute to green interventions where mandatory training or advisory services are required (e.g.: agro-environmental management, Natura, animal welfare, etc.), but this is also the combination of support for digitalisation developments and training and demonstration plant programmes to strengthen any other interventions by using digitalisation services alongside digital competence development.

In the context of knowledge-sharing systems, it should be seen that the intervention area B for advisory services is the first step to integrate into the AKIS 110.000 farmers, which are difficult to see and see, have a small economic size, are hard to reach and are of the order of magnitude. We move on the surface, trying to transfer basic knowledge, but with a large number of participants. It is in our fundamental interest to create a single AKIS and not only to those farmers who are reopened, easily noticeable, visible, previously actively involved in public life in the sector, but also to a wide range of farmers. The second step is to deepen the expertise so that otherwise open farmers are reached by the consultants under target C of the Advisory Services Intervention to find concrete answers to their specific problems. The third cross-cutting step is to support the education of both farmers and those who share knowledge through training and demonstration plant programmes.

The most effective way to reduce the gap between innovation services, knowledge flows and research and practice is through the EIP intervention and the Innovation and Digital Support Unit of the CAP Network. Furthermore, for each of the knowledge transfer, innovation and digitalisation interventions, the mandatory contribution of each actor to the work of the CAP Network is addressed. The National CAP Network is linked to the AKIS as a whole, thus ensuring synergies between actors. The seven-year and annual work plan of the CAP Network, as well as its annual report (including any revision thereof), the Managing Authority for the CAP Strategic Plan (hereinafter: (IH)

Interaction between individual AKIS actors and synergies between knowledge transfer, innovation and digitalisation interventions are facilitated by the CAP Network. By the support units responsible for networking in each thematic area and assisting in the implementation of interventions.

The CAP Network helps to collect the right knowledge, and the SAC, among other things, assesses the knowledge needs of producers. On the one hand, monthly meetings (see below) led by the AKIS coordination organisation, and the joint performance of certain tasks, as well as day-to-day contacts with each other and with the AKIS coordination organisation, provide the basis for the development of synergies between the support units and the SAC. The themes covered by the CAP Network, within and between which networking and synergy of relevant measures will be supported.

Timing and source: The above is also possible under the financial envelopes. Framework for Technical Assistance and the CAP Network: EUR 224657534

The SEC shall perform the back-office function. In practice, the National Chamber of Agricultural Economics, which implements the SZAK, already provides professional support to special advisers. The funding of this function is currently covered by the membership fees received as well as national funds. We intend to bring this to a higher level within the framework of the SEC.

The back-office function, based on existing expertise within the NAK, would be extended by integrating

the CAR into the CAP Network with the following tasks:

- valorisation of expert knowledge in support units;
- valorisation of knowledge generated by international projects through support units (e.g. synthesising of farmbook information);
- involve the knowledge of other professional partners (universities, research institutes, or experts directly, etc.).

The Chamber is responsible for the operation of SZAK, all the functions and tasks outlined above will be carried out by the Chamber, it will be responsible for implementing the above ideas and implementing it. As the Chamber keeps the register of special advisers, it is in direct contact with all the special advisers in the country. It provides them with information on topical issues on a daily basis, and the specialist advisers can already search for those responsible in the Chamber.

The National Chamber of Agricultural Economics (NAK) is responsible for coordinating technical advice at national level on a continuous basis from 2014 to today. This includes the registration (in the list of names) of the consultants carrying out market consultancy activities, the examination of the impartiality of the consultants, the maintenance of the register (name list), the verification of specialist rights, the maintenance of the expertise of the specialist advisors, and the international representation of the national expert advice. The Ministry of Agriculture (the Managing Authority for the Strategic Plan of the CAP and, since 2022, also the AKIS coordinating organisation) supervises its operation, in continuous contact. In addition, NAK is currently in charge of the National Agricultural Advisory Committee (hereinafter: NATaB) its secretariat. The Commission's membership is made up of decision-makers, higher education, research, market and professional organisations in the agricultural sector, effectively embodying potential actors in the AKIS. NATaB is responsible for commenting on and proposing measures for the development of the Hungarian AKIS. Based on the Strategic Plan, the function of this body will be taken over by the Presidency and Advisory Board of the CAP Network (see above: Institutional structure of the CAP network).

Increased ambition for the development of Hungary's AKIS system

Experience has shown that producers, when they need advice, tend to choose a villager or consultant already known to them and are reluctant to share their business data with others; therefore, there is little likelihood of using the services of a third or additional advisory network. The task of the AKIS is to take this national specificity above all into account when drawing up the strategy. The "farmer in the centre" approach is used to shape the structure of the national AKIS system. It is therefore necessary to structure the AKIS in such a way that the different components of the system work in synergy, in particular with a view to reducing the gap between farmers and researchers, so that technological advances in innovation and digitalisation can be integrated into the practical application of farmers. The aim is to achieve a well-functioning AKIS, in which knowledge transfer, research, innovation cooperation and advisory services are more responsive to the growing information needs of farmers and rural operators.

We would like to strengthen the AKIS system, in line with the expert work carried out in the framework of the SCAR and with the main objective of supporting the agro-ecological transition of SME producers. In 2021, we started with two very significant actions: the Digital Agricultural Academy's curriculum, as part of the implementation of our Digital Agricultural Strategy, and a measure for the digital transition of arable crop growers (2900 farmers, demand above EUR 500 million, mandatory 7 % knowledge content) as part of the transition period of the Rural Development Programme 2014-2020. In the first half of 2022, we plan to reinforce the operational function of the agricultural upper, secondary education and state animal testing stations.

The resources for the three funds AKIS (information and advice, training, innovation) would increase from 2.8 % to 3.2 % in the previous programming period, more than doubled to over EUR 246 million. In addition, the measures planned for digitalisation, including investment and cooperation, would be of a similar magnitude, so that, beyond the CAP network, more than 6 % of the total top-up budget would

contribute to the knowledge-based development of our agricultural economy through a strengthened AKIS system.

The unit supporting the CAP innovation and digitalisation network will conclude a formal agreement with the National Agency for Research, Development and Innovation, which provides the National Contact Point for Horizon Europe, Partnerships and the Soil Mission, and with the Express Innovation Agency. This cooperation will be the basis for creating synergies between the CAP and Horizon Europe.

Planned coordination of the implementation of CAP Strategic Plan AKIS interventions

We plan to start the development of the National CAP Network already in 2022, which would receive a dedicated support unit for innovation and green transition in addition to the current Hungarian National Rural Network (see SFC section 4.4 for details). Building on this, as of 2023, the planned interventions for training, information, advice, innovation and digitalisation, as presented in the CAP Strategic Plan, and the CAP network together serve the development of our producers. The AKIS coordination body oversees the CAP Network, which is an organisational unit of the Ministry of Agriculture, which is an umbrella body. The three support units of the national CAP network perform a support function for the most efficient design and implementation of CAP interventions. Training of trainers, training of specialist advisors, mentoring, communication and awareness-raising is also carried out in the framework of the network.

The CAP Strategic Plan interventions, as a dedicated tool to support training, advice, innovation and digitalisation in the fields of agriculture (agriculture, forestry, food) and rural development, pursue an overarching objective, support and strengthen the specific interventions of the CAP Strategic Plan through knowledge sharing. Knowledge production systems, adaptations and good practices are implemented through innovation collaborations, linked to national and international programmes (e.g. Horizon Europe, BIOEAST, etc.) The experience is passed on directly to farmers through the CAP Network (training of trainers) and through CAP interventions. The aim is to ensure that the professional who reaches the farmer has the widest possible and in-depth knowledge, and that farmers who are currently not present in the system are also addressed.

In order to provide advice, training and demonstration programmes (hereinafter: knowledge transfer services) are used effectively by the beneficiaries in order to achieve the stated objectives and to ensure that: transparency, traceability, auditability of activities, standard contractual conditions, quality services, measurement of the quantitative and qualitative level of services provided. The establishment and operation of a system integrating actors and processes is also an essential condition for monitoring processes and coordinating the above elements of effective knowledge transfer. This enables records, the transmission of information and the collection of monitoring data, complemented by prior accreditation to ensure professional quality and support the selection of beneficiaries. Thus, it supports the efficient, effective and orderly implementation of interventions. The register also allows for a common platform of opportunities on the service provider's website and for those interested in the services, thus broadening the take-up.

AKIS to support the green transition: AKIS contributes through training, advice and innovation (interventions code: RD58_A01_TRA_78, RD60_A04_ADP_78, RD61_A05_EIP_77).

- Erosion prevention measures
- Interventions to reduce nutrient pollution to reduce high levels of eutrophication of surface waters
- Development of good agricultural practices in drought-affected areas (drainage and ban on water-intensive crop production)
- Reducing the use of pesticides: to address needs and measures directly related to the reduction in the use of plant protection products
- Measures to reduce the use of antimicrobials (AMR)

8.2 Description of how advisory services, research and CAP networks will work together within the framework of the AKIS (Art.114)(a)(ii))

1.AZ AM AKIS coordination unit and CAP Network cooperation to integrate advisors into the knowledge network

As detailed in the chapter of the CAP Network's Organisational Description (SFC4.4), we plan to pay particular attention to strengthening cooperation between advisors and, more generally, knowledge providers. The CAP Strategic Plan was designed to always have sufficient independent consultants to cover each thematic area. This chapter summarises in particular our efforts to strengthen the consultants' cooperation with other AKIS actors.

Links between researchers, educators, consultants, producers and other rural actors will be strengthened through targeted support instruments and centrally coordinated events and cooperation initiatives. The tools are summarised in the following tables (with an emphasis on which actors are supported) and presented in more detail below.

The FaST (Farm Sustainability Tool) digital services platform is planned from 2024 to make agriculture, environmental and sustainability capabilities available to EU farmers, paying agencies, farm advisors and developers and users of digital solutions.

2.Interventions to strengthen EAIS cooperation in the CAP Strategic Plan

Therefore, **most elements of AKIS measures** (advice, training, innovation) can contribute directly to the cooperation of the advisory, research and CAP network (interventions code: RD58_A01_TRA_78, RD60_A04_ADP_78, RD61_A05_EIP_77).

Supported instruments					
Tools	researchers	educators	special advisors	farmers/processors	other rural actors
Training and demonstration plant programmes	X	X	X	X	X
Expert advice			X	X	X
EIP	X	X	X	X	X

3.AKIS coordination and CAP network tasks to enhance cooperation

In addition to increasing the financial envelope in the new period, our plan to increase the level of ambition is to better involve experts and organisations implementing AKIS-like measures not only in Pillar II of the CAP Strategic Plan but also in Pillar I sectoral programmes in the knowledge network. The **AKIS Coordination Unit and the CAP Network will play a major role** in this work, with the following **centrally implemented measures** for the integration of advisory services into the AKIS network.

Measures implemented centrally					
Tools	researchers	educators	special advisors	farmers/processors	other rural actors
Gathering of	X		X		

special advisers and researchers					
Reception of Special Adviser Questions	X		X		
Professional training	X	X	X		

Gathering of special advisers and researchers: biannually, depending on topicality, co-organised by the Innovation Support Unit of the CAP Network, the Green Support Unit. The aim is for the Special Advisers to present the practical problems they encounter and the challenges they face on the ground, while those conducting research in the field, either on the ground or in further research, will respond to them later. This is useful for both special advisers who can gain up-to-date knowledge for their work and possibly be aware of a specific alternative solution; researchers all have the opportunity to gain insight into the problems encountered by farmers and processors and to guide their own research on this basis. Regular gatherings ensure a continuous flow of knowledge and strengthen links between actors, encouraging them to look for each other on relevant issues outside the gatherings.

Reception of Special Adviser Questions: in addition to the above, special advisers have the opportunity to do so throughout the year, constantly asking their questions and proposing research topics for researchers.

Specialist training: for special advisers and trainers, on a continuous basis, the AKIS Coordination Unit is involved in the preparation of curricula, education and practical demonstrations, with the involvement of industry experts and researchers. This should ensure that, for example, it is up-to-date with the latest research results or new technologies available, but more generally, the flow of knowledge from the direction of research to the provision of advice and education.

8.3 Description of the organisation of all farm advisors according to the requirements referred to in Articles 15(2), 15(3) and 15(4)

1. Hungary's current rules on agricultural advice and the conditions laid down therein

In Hungary, the consultancy service is provided by operators (including non-profit operators) in the agricultural, forestry and food sectors. The advisory system consists essentially of two components:

- On the one hand, it consists of paid consultancy services (mixed natural persons and organisations) who carry out their activities independently, on a commercial basis, on a regular basis, with a view to obtaining a profit and taking economic risk, on the activities of special advisers in agriculture and rural development and on the agricultural farm advisory system. (I.14.) of the Minister for Agriculture (hereinafter: 1/2022. Act XXXVII of 2009 on forests, forest protection and forest management (hereinafter: Forest Act), Decree No 43/2010 of the Minister for Agriculture and Rural Development on plant protection activities (hereinafter: Decree No 43/2010 of the Minister for Agriculture and Rural Development). These include directory consultants and plant protection managers.
- On the other hand, advice, free of charge, consisting of the provision of expert advice by professional and interbranch organisations or in the context of producer cooperation, where that organisation assists its own members or operators in the sector concerned by providing advice and therefore no special compensation is required. In addition, professional organisations whose consultants also carry out their activities on a market basis are also registered in the register, in which case they are in the first category.

In the above structure, the system of expert advice in Hungary is already partly in line with the requirements of the EU (Regulations), but under the Strategic Plan we have foreseen further improvements of the system, stressing that in the system of subsidised expert advice, both specialist advisers providing free-of-charge services by default (1) and in the base case (2) are allowed to

participate. The operation of the system – as expected by the EU – will be the responsibility of the SZAK, under the supervision of the AKIS coordination body and the Managing Authority of the CAP Strategic Plan, and in the area of forest-based economy, we will strengthen the training and training of training providers in support of the successful implementation of the CAP.

Expertise

Expectation	Current safeguards	Further development plans
Art. 15(3) special advisers should be well-qualified and suitably qualified professionals	professional advisers on the register are expected to have an adequate level of education and a minimum of 5 years of experience, as well as their up-to-date knowledge in accordance with Article 1/2022. The training system (basic training, compulsory training, training related to assisted expert advice and credit system) set out in the Decree of the Minister for Agriculture provides	potential candidates will be required to undergo a pre-accreditation, including the appropriate expertise for non-listed consultants
Art. 15(2) consultants have up-to-date technological knowledge and knowledge of existing practices and latest research findings	In the field of forest-based management, we will set up an appropriate system of training and further training in the field of forest-based management, in support of the successful implementation of the CAP, in conjunction with the Forests Ágazati T Knowledgeás Központ Non-profit Kft.	organise training sessions for special advisers on how to meet the expectations of current EU strategies convening researchers and consultants every six months to present the practical problems they encounter and to enable those conducting research in the field to respond to them. all this is organised by the PSF

Impartiality

Expectation	Current safeguards	Further development plans
Art. 15(3) the advice provided by the Special Advisers is impartial and the Special Advisers are not considered to be incompatible	it can be derived from the directory who the ‘independent’ consultant (i.e. not ‘closely’ associated with a manufacturer/distributor of input materials) can be used to ensure that only an independent consultant can provide support in a subsidised form. the recognition of interbranch organisations is subject to the condition that they are not allowed to carry out commercial activities and that their advice is purely for the benefit of the sector and their members.	in the framework of the above-mentioned accreditation, impartiality and conflict of interest will also be examined for non-registered consultants (by the EAEC)

	We will also ensure the incompatibilities of the special advisers eligible for the CAP in the field of forest-based farming.	

Thematic coverage

Expectation	Current safeguards	Further development plans
Art. 15(2) consultancy services should also be able to cover the economic, environmental and social dimensions of farming	list topics and areas of expertise cover all expected topics at EU regulatory level In the area of forest-based management, we will also establish the appropriate thematic coverage to support the successful implementation of the CAP, with the assistance of Forests Ágazati T Knowledge Centre Non-profit Kft.	supported expert advice will in principle only be provided on the priority themes defined by the specialised wallet, which will in any case be defined in such a way that the topics required by the Regulation are also covered.
Art. 15(4) specialist advisory services should be available on each of the topics set out in the Regulation, tailored to the needs of the plant	advice provided by professional and inter-trade organisations covers topics relevant to the sector or group of members concerned	

2.Hungary's agricultural advisory management organisation (governance)

The current forms of domestic consultancy activities are presented below. In the context of the Strategic Plan, we intend to further develop them as set out above.

In particular, the National Chamber of Agriculture plays an important coordinating role in the system, which, as a public body, brings together all actors in agriculture, forestry and food processing since the introduction of compulsory membership in 2013 (about 400 thousand members). In the first place, it is responsible for advocacy of the sectors listed and for the provision of information and knowledge and, in the latter field, for the operation of the system of special advisers on the register, also acting as a National Advisory Centre (hereinafter: NSC), also playing a coordinating, registration and monitoring role in the provision of expert advice. Its related tasks are laid down in Decree No 1/2022 and Section 15/B of Act CXXVI of 2012 on the Hungarian Chamber of Agricultural, Food and Rural Development. The aim of the system is to ensure the quality of agricultural consultancy in Hungary by requiring specialist consultants to have a certain level of training and practical experience, and to keep them informed of current developments and, where necessary, to train them. The National Agricultural Advisory Committee (NATaB) is also part of the system, which is involved in the coordination of certain tasks related to agricultural and rural development consultancy, with the power of proposal and opinion. NATaB members are represented by all actors linked to the technical advice system, from decision-making level, agri-higher education, research, professional and advocacy level to practical participants. Based on the membership composition, NATaB can be said to cover AKIS actors. In addition, the Chamber itself provides advisory services free of charge and has close links with other professional and inter-professional organisations, generally taking a leading role in joint actions. It carries out its own advisory activities through a network of around 600 village promoters, helping its members to fulfil, among other things, the obligations laid down by the CAP. It also contributes to improving members' knowledge through events, trainings, study visits and publications.

3.Key actors in Hungary's agricultural advisory system

Cost-reimbursement consultancy services

Classic directory consultants: they include those who carry out their activities independently, on a commercial basis. Their staff distribution is shown in the table below:

	recorded	it works actively
Special advisors	1014	747
Specialised advisory organisations	55	47 of which 13 organisations provide subsidised services

Three-quarters of the special advisers carry out the activity exclusively individually, or a quarter of them carry out their activities in whole or in part through a special advisory organisation. In total, they serve around 40 thousand clients, half individually and half through a consultancy organisation. In the former case, there are on average 31 clients per special adviser, the latter on average 74 clients. The advisory service covers all topics of agriculture, forestry and food processing, combined with technical advice, such as technical advice (e.g. new technologies, precision farming tools, organic farming solutions, introduction of integrated pest management, improvement of irrigation) and administrative advice (e.g. by contributing to the submission of a single application by clients). Special advisers have a key role to play in achieving Common Agricultural Policy (CAP) support, meeting environmental and other specific requirements. This type of service is much needed as farmers are not always aware of the conditions laid down in the CAP. There are 595 independent consultants and 459 special advisers working on commercial interests. Anyone can turn to them for help.

Companies producing agricultural inputs (input material producers): a special group of special advisers on the register (459 mentioned above). They provide specialist advice on the basis of their individual interests and are thus not impartial, but their presence and influence in the Hungarian agricultural sector is significant. They play a leading role in technology support and knowledge transfer. They are mainly active in herbicides, fertilisers, seeds and the marketing of agricultural machinery.

In order to preserve the quantity and quality of forests and to fulfil the functions of forests in the public interest, where the forest manager does not have the necessary expertise in forest management, he may, under the legislation in force, manage only with the assistance of a forest manager. Forest management activity consists of requiring the involvement of a professional required in certain procedures before the forestry authority, e.g. forest planning, renovation planning, slaughter authorisation, on the basis of separate legislation (Regulation 244/2020). In particular, land-fragmented private forest management (approximately 850 thousand hectares of forest, 500 thousand forest owners and 38 thousand forest managers) is characterised by the fact that a significant part of the forest management is carried out by small farmers who are not technically trained, who, on the basis of the above, need to involve a specialist forest manager in their activities. This activity involves a total of around 1000 specialised forest management companies and around 1500 people, known as 'special forest personnel', at national level. The persons specialising in forestry is not necessarily a specialist manager: hundreds of foresters employed in forest holdings or even NPI have such a qualification, but they do not carry out specialist management or consultancy activities.

In the area of forest-based economy, the advice covers issues such as advice to support the organisation of private forest management (particularly in the case of joint ownership), the exercise of forest benefits, the professional renovation, upbringing and maintenance of forests, the protection of forests and the planning,

organisation and control of forest management activities in this context.

Plant protection managers, plant protection consultants: specialist plant protection specialists are natural persons who provide only plant protection services in accordance with Decree No 43/2010 of the Minister for Agriculture and Rural Development; and Plant Protection Special Adviser 1/2022. An individual who has acquired rights under the Decree and gives advice on that basis. In the course of plant protection management, as is the case for medical and veterinary activities, the specialist manager prescribes the plant protection product to be used (i.e. he takes the decision) or orders the date of application, the dose, etc. In the course of the specialist consultancy service, the specialist consultant sets out alternatives to the solution of a particular problem, technological options, the advantages and disadvantages of a particular problem, and then the client – the farmer – takes the decision himself. In all cases, plant protection consultants are included in the list of plant protection managers only if they provide advice on an independent and professional basis in relation to the agricultural activity of the client, in addition to the professional management activity.

Both groups of professionals are the Hungarian Chamber of Plant Protection Engineers and Plant Medicine (hereinafter: It operates under the professional coordination of the Chamber of Plants. The aim of the Chamber of Plant Medicine is to assist in the proper conduct of agricultural production and sound plant protection, while ensuring that the uniform and universal environment is not permanently affected under any circumstances, so as to preserve and enrich the diversity of nature, to detect harmful organisms that severely restrict economic production, damage the environment, causing disease to humans, animals (pollin, invasive plants, forest pests, plentiful butterfly, etc.). Under the aegis of the Chamber of Plant Medicine, there are nearly 3000 plant protection professionals, the organisation organises further training courses to keep their knowledge up to date, as well as other means to acquire the knowledge necessary for a higher level of professional activity. In the field of plant protection, the Chamber of Plants Acts as a background knowledge base and its plant protection forecasts can be accessed and exploited not only by specialist advisers but also by producers.

Special advisers from universities and research institutes: a special group of special advisers on the register. In the framework of national universities and research institutes, some teachers and researchers also act as specialist advisors, and the latest professional knowledge is passed on to interested producers through individual expert advice and demonstration plant programmes. The latter programmes are not necessarily organised in the institutions' own pilot facilities, but in farms operating independently of the institutions themselves. Examples of such demonstration networks are operated by the Institute for Organic Agricultural Research (ÖMKi) (with 100 to 120 holdings) and by the István Széchenyi University (SZE) (with 60 farms). They are in close contact with the members of the network, i.e. producers participate in experiments, give students the opportunity to gain practical experience and are prepared to host other producers (as part of the demonstration plant programmes mentioned above). In addition, training for specialist advisers is organised in some universities to improve their skills. In this respect, the Hungarian Agricultural and Life Sciences University (MATE) and the SZE highlight.

Free consultancy services

Breed societies and their associations: their role is particularly important in advising on genetics before shrinking. In total, 20 organisations (mixed breed societies and their associations) carry out advisory activities in this area with 80 consultants, that is to say, they describe the breeding and genetic conservation tasks for the conservation of protected indigenous, endangered and reconstructed agricultural animal breeds, draw up pairing plans to maintain lines and families, promote the conservation and promotion of the genetic stock of these breeds, promote the presentation of the valuable traits associated with the breeds in the context of the dissemination of knowledge, and establish conditions of utilisation in accordance with the genetic conservation principles and breeding regulations of the breeds. Professional organisations have the professional, technical (e.g. databases) and human resources necessary to preserve the genetic value of these breeds in their original geno and phenotipusos at the time of their formation, to

maintain the richness of the shape and to avoid interior breeding, and the professionals carrying out advisory activities have many years of professional experience, often even several decades, and very specialised expertise in the field of animal gene conservation. Advice is provided on a continuous, regular basis. The number of clients per advisor varies by organisation/type maintained and shows a territorial dispersion, with an average of 50-60 clients/advisors. The number of clients to whom advice is provided is approximately between 4 and 5 thousand.

Hungarian Association of Pig Breeders and Pig keepers (MSTSZ): the association brings together the activities of pig farmers and pig keepers in order to ensure that the domestic pig sector is competitive, sustainable and transparent and organised. To this end, it also operates a network of special advisers, employing 16 territorial officers (advisors). The consultants shall professionally support members' farming, encourage the cost-effective and GMO-free feeding of livestock and the production of final products in line with market needs, improve the quality of pigmeat produced and help producers fulfil their data obligations imposed by the authority. They are also involved in national and international research programmes to improve knowledge. They also carry out State delegated tasks, so that they play a key role on the pig product track in the tasks of animal marking and registration, in the certification of entitlements to animal welfare aid for breeding sows and fattening pigs, and in the performance of certain sub-tasks related to the High Quality Pigmeat mark. They have an active relationship not only with their own 1250 producers, but due to their tasks they provide advice to a total of 1700 partners in around 2000 sites.

Hungarian Apiculture Association (OMME): the association brings together Hungarian beekeepers, informs, acts, advises them and plays an advocacy role. As part of the consultancy, it subcontracts the activities of both members and non-member beekeepers with 21 consultants. They are associated with more than 20 thousand beekeepers (70 % are members). Particular emphasis will be placed on the adoption and development of new professional methods, the promotion of rapid practical application and the promotion and organisation of the economic activity of beekeepers in general. They also contribute to the development of knowledge through research programmes and provide professional presentations to disseminate good practices. The advisory activity is essentially provided in reception hours, but they are always present at all county beekeepers' events and are available to beekeepers.

Producer Sales Organisations (POs), Producer Integration Organisations (TISZs): their recognition shall be subject to the continuous provision to their members of techniques for rearing, rearing, integrated cultivation or integrated pest management, drawn up and monitored on the basis of the needs of the market, as well as a system of information and advice necessary for their implementation and for compliance with marketing standards. The POs are coordinated by around 70 special advisers, liaising with an average of 100 producers per consultant, providing on-the-spot advice several times a year. At the same time, some organisations highlight the emphasis they place on consultancy activities and their efforts to improve and keep up-to-date members' know-how, economics and other knowledge. For example, the Southern Great Plain Kerters' Cooperative (SouthKerTÉSZ) also works with universities to address the problems of several members, including those affecting PO, through joint research projects. They also co-organise internships for students. Gyümölcsért Kft. initiated cooperation with decision-makers, researchers and producers to jointly develop a solution against the phytoplasma disease of apricots. The MEGÉR-TÉSZ Co-operative also organises trainings for its members. The UTI system has not long been in place, along the lines of POs, and their organisations are still in a state of development.

Other non-profit organisations: there are also grassroots, non-profit organisations actively advising on some thematic areas. For example, in the field of agroforestry, the Zsörk Foundation encourages the development of alternative farming systems; the Hungarian Soya and White Medal Plants Association supports interested producers through targeted technological advice to increase the area of domestic protein crops that are free from genetic modification and to process them domestically; the Small-Scale Association is trying to increase opportunities for small farmers and provide them with advice; the Éltető Balaton Uppony Association has committed itself to regional rural development, helping farmers in

this context.

In January 2022, Fidészeti Ágazati Tudás Központ Nonprofit Kft. was registered at the Court of Registration. It is majority owned by the University of Soproni (SOE) and is also owned by: 21 State Forest Farming Zrt., TAEG Study Forestry Zártkörűen Működő Részvénytársaság, Forestry and Energy Propagating Material Product Board, National Federation of Private Forest Owners and Farmers, National Federation of Wood Economics and All 5 Vocational Centres: Local Agricultural Training Centre, Southern Agricultural Training Centre, Northern Agricultural Training Centre, Foreign Agricultural Training Centre, Central Hungarian Agricultural Training Centre.

With its unique ownership and the intellectual, organisational and infrastructure capital represented by the owners, the company is capable and capable of organising a wide range of yet high-quality knowledge transfer and knowledge-sharing tasks for the industry. It is also ambitious in terms of innovation management, first of all 'innovation brokers', and the provision of services. CAP relevance: it will be a key player for the forest-based economy to replace sophisticated opportunities, such as structured and qualitative knowledge enhancement, knowledge transfer and networking base and service offer, which are not used in the ÚMVP and the VP. This will be the responsible depositary of the CAP Strategy 2023-2027 to help prepare for its successful implementation and to ensure the continuous and quality support network in its implementation, with the appropriate cooperation of all stakeholders and stakeholders. Thus, the ESSK will be able to participate effectively in all levels, functions and cooperation of the AKIS.

Traditionally, there is a close relationship between professional and inter-trade organisations, knowing and, where appropriate, assisting each other in their activities. Their advice is characterised by the fact that producers are supported both in person and by telephone and e-mail.

8.4 Description of how innovation support is provided as referred to in Article 114(a)(ii)

1.Planned operation of the Innovation and Digital Support Unit of the CAP Network

Part of the innovation services in Hungary will be provided by the EIP Support Unit by organising knowledge transfer events along specific topics, providing an information service, communicating widely and publishing the results of relevant international and domestic projects (see the description of the CAP Network in chapter 4.4 of the SFC for a detailed description of its tasks). In addition, the EIP Support Unit plans to employ innovation brokers every year (in addition to additional innovation experts in the hub) who will become facilitators once the EIP Operational Groups are set up. The innovation broker works with farmers on pre-defined themes to identify innovation potential and encourage the formation of operational groups. In addition, the EIP Support Unit, in cooperation with the National Chamber of Agricultural Economics, will provide brokering and facilitator training with innovation content for specialist advisers to enable them to acquire the necessary basic knowledge of innovation (innovation-related funding opportunities) and techniques and methodologies. This will ensure that special advisers include innovation advice as a kind of horizontal topic in their portfolios. The training courses will be available to both fee-paid and free-of-charge advisory organisations, who are registered on the list of special advisers and provide impartial consultancy services. The AKI will synthesise the experience, knowledge, methodologies and good practices from knowledge production systems (Horizon Projects, BIOEAST) for the development of training materials, adapting them to the specificities of the Hungarian agricultural economy.

In Hungary, there will be a combined system for innovation, as the EIP Support Unit will organise the transfer of knowledge between consultants, researchers and practitioners on the basis of an annual work plan along the themes defined by the AKIS coordination organisation. The themes will be channelled through events, international projects, brokering/facilitation activities and an information service to strengthen innovation pathways. The topics will vary from year to year, depending on the evolution of

knowledge transfer and innovation performance.

There are a number of excellent initiatives and organisations in Hungary that contribute to stimulating the innovation performance of the agricultural economy, either thematically or horizontally. These initiatives and organisations fill the gap in Hungarian agriculture, which can help create a number of future operational groups and innovation ideas, as well as the related thematic knowledge transfer. The aim is for all organisations and actors to find their place in the domestic agro-innovation ecosystem to deliver real support for innovation ideas and partnerships.

Such organisations include the National Chamber of Agricultural Economics, special advisers from advisory organisations, breed societies, universities and research institutes, advocacy organisations and associations, which provide advice and often organise thematic knowledge transfer events. These organisations can help identify a number of new EIP Operational Groups and innovation ideas. Innovation start-up incubation programmes and initiatives have also been strengthened in recent years. Several thematic events have been used to showcase innovation/innovation outcomes.

In order to strengthen our domestic research participation in EU programmes, we need to make a strong sense of interest in planning. Against this background, experts from AM, AKI and NAK participate in a number of international RDI working groups. These are the working groups of the Standing Committee on Agricultural Research (SCAR) under the aegis of the European Commission. These working groups can influence not only the design of Horizon work programmes, but also the design, concrete planning and drafting of other EU RDI funding instruments. In order to establish an effective representation of domestic interests and to facilitate the flow of information between the relevant actors, NAK, in cooperation with AM, also operates mirror domestic working groups in the fields of animal health and AKIS, in co-ordination with the working groups. The aim of the latter is to build a pool of professionals (continuous convergence of research-education-advising practices, community building) by bringing together national stakeholders interested in agricultural research, innovation and knowledge sharing (e.g. researchers, educators, consultants, producers). Continually discussing the optimal framework for domestic and international policy and enabling environment in current affairs, so that the Common Agricultural Policy, Horizon Europe, is targeted; sectoral research objectives, agro-training, higher education, agricultural consultancy, innovation, better use of NAK infrastructure and potential. Participate in sharing information on current opportunities (e.g. proposals, funding, training, internationalisation) and good practices (e.g. how technology should be upgraded or how to build an international consortium effectively); they also represent the overall focus on domestic agricultural research, innovation and knowledge transfer, in particular in the following thematic focus areas: biomass economy, digitalisation, Food2030, horticulture, livestock farming, sustainable soil and water management.

The Innovation and Digital Support Unit's priority is to encourage and support the participation of consultants in the work of the EIP Groups.

2. Good practices supporting innovation intended to be used in the implementation of the CAP Strategic Plan

Thematic events where innovation was given space

ÖMKI and NAK Nato Land Days (<https://szantofoldinapok.hu/>) Event of more than tens of thousands of people with an active university background, organised annually.

Agriculture Conference <https://www.portfolio.hu/rendezvenyek/konferencia-agrar/agrarszektor-konferencia-2021/1232/atekintes> The two-day event is uniquely addressing the most important and current agricultural economic issues, the biggest challenges

Kaposvár Livestock Days (<https://kaposvarinapok.hu/>) The exhibition focuses not only on livestock farming but also on the Hungarian University of Agricultural and Life Sciences and vocational schools.

Agromash Expo (<https://agromashepo.hu/>), Hungary's largest agro-machinery professional event

Bábolna Farmdays (<https://babolnamentes.hu/2021/08/31/34-babolnai-gazdanapok/>) The 34-yearly

agricultural exhibition shows whether it is a field technology colour.

Lowland Animal Breeding Days (<http://hodmezogazda.hu/bemutakozas>) It is also impressive in appearance and hosts large numbers and a wide variety of native breeders, often not visible elsewhere.

PREGA (<https://www.prega.hu/>) is an event promoting Precision Farming, one of the largest agricultural conferences in the country.

OMÉK (<https://omek.amc.hu/>) National Agriculture and Food Exhibition and Fair, which lists a wide range of agricultural operators in Hungary.

Incubation programmes initiatives with a focus on innovation

Mr Tech Lab (<https://www.naktechlab.hu/>) The NAK TechLab incubation programme aims to find and embrace the most innovative solutions in Hungary.

Agrovirtus (<https://agrovirtus.hu/>) Hungarian simulation agricultural competition for university students.

Hungarian Grand Prize for Innovation. (<https://www.nak.hu/kamara/kamarai-hirek/orszagoshirek/103333-kiemelkedo-hasznot-hozo-vilagszinvonalu-teljesitmenyeket-ismertek-el-a-magyar-innovacios-nagydi-j-palyazaton>) A year -on-year competition to look for world-class innovation performances with outstanding benefits.

The Year's Agricultural Prize (https://www.agrotrend.hu/tag/az_ev_agrarembere_kitunteto_dij) Every year, the Agrotrend Group seeks 10 categories of agricultural professionals who are valuable to the public and benefit society.

Hiventures –equity investor (<https://www.hiventures.hu/hu>) Risk capital investment programmes open up new perspectives for domestic early-stage, innovative and traditional SME and large corporate financing.

The embedded nature of agricultural innovation in national innovation policy

Under the policy support and supervision of the Ministry of Innovation and Technology, the National Agency for Research, Development and Innovation is responsible for the development, coordination and implementation of the National Smart Specialisation Strategy (S3). The development of S3 for the years 2021-2027 started at the end of 2019. Between horizontal and national priorities: agriculture and food industry are also a priority for the national economy. This covers the entire agricultural and food innovation chain, including: forestry, horticultural technologies, plant breeding, plant protection, crop production technologies; animal breeding, animal husbandry, animal feed and grassland management; agro-biotechnology, food safety, processing technology solutions and healthy food. Agriculture and the food industry have the highest exposure to climate change in the sections of the sections, so the development of agricultural technologies to adapt to climate change, solutions to strengthen stress resistance is a priority. Reducing environmental pressures and mitigating the effects of climate change are essential elements of this priority, in synergy with the priorities of a resource-efficient economy and energy and climate change. The priority aims to support the development of the area in two directions, building on domestic conditions. On the one hand, the combination of environmental conditions and experience in crop production and livestock farming makes the sector suitable for producing premium products with innovative solutions. Another priority is that agriculture and the food industry contribute to promoting sustainability while at the same time increasing the permanence of the countryside. A strong focus on this priority is the development of the production of valuable indoor food and medicinal products in support of health promotion and the promotion of RDI and agricultural experiments to make their production more efficient.

National programmes that also affect agricultural innovation

Encouraging active knowledge and technology transfer between actors in the innovation ecosystem, including better exploitation of the knowledge brokering role of higher education institutions, is a priority among the overall goals of the National Renewable Research and Development and Innovation Strategy. The Ecosystem proposal (Programme of the University Innovation Ecosystem (2019-1.2.1 University

ÖKO)) concerned a single-gate business service. The programme also aims to create a web platform to support universities' RDI service portfolio meeting specific needs and needs from the business community. The match-making interface will facilitate contacts with universities and university-company collaborations. The S3 is linked to 3 thematic platforms, which have been adopted domestically and are awaiting approval by the EU: Agrifood, energy, industrial modernisation. In Agrifood, universities are encouraged to connect in order to create a domestic mirror group. Source: <https://nkfih.gov.hu/palyazoknak/innovacios-okoszisztema/egyetemi-innovacios>

The Territorial Innovation Platform (TIP) is a territorial organisation that provides both spatial and timely opportunities to develop, strengthen cooperation with local and international innovation ecosystem actors and create new professional foundations, while understanding direct innovation policy directions, thus contributing to the transformation of the Hungarian economy into a competitive and sustainable knowledge economy. The main objective of setting up innovation platforms is to enable university capacities, including training and research development, to deliver meaningfully to small and medium-sized enterprises, and to enable firms to take on board the results of universities in order to strengthen and cooperate with each other. Achieving this objective requires knowledge transfer both within and outside universities. In organised settings, students can use partner enterprises as placements and participate in dual, dual training courses. In addition to basic research, the aim is to launch research that is directly commercialised. They are organised around universities and there is a continuous 'conversation' between actors. Support for university innovation ecosystem.

If you join the TIP, you need to take part in education, after which you will receive a certificate, which is currently being developed. COVID has stopped a little momentum, the team was active between 2019 and 2020 and it can be raised. The University is the partner and there is a responsible person who brings together companies. The GINOP+ will be an attractive force. Science Park will be based on the TIPs. The national network of innovation platforms is now virtually complete. The TIP development initiative, launched in November 2019, aims to reach out to the main innovation actors in the regions – universities, research institutes, large companies, SMEs, start-ups, clusters, incubators, accelerators, and national chamber networks as widely as possible. The TIP creates cooperation between businesses in the regions and universities to foster innovation and competitiveness.

The Territorial Innovation Platform was set up at the University of Debrecen and Gödöllő, the Hungarian University of Agricultural and Life Sciences, in connection with agricultural economy, which already have many active members. Source: <https://nkfih.gov.hu/palyazoknak/innovacios-okoszisztema/teruleti-innovacios>

In the forest-based economy, Forest Ágazati T Knowledge Centre Non-profit Kft. is based on a collaboration aimed at providing more practice-oriented knowledge at all levels with the involvement of economic operators, while also providing opportunities for further training in different areas of expertise. To this end, the Knowledge Centre will also serve to coordinate, support, operate in a single system and innovate between educational establishments and farmers.

The NKFI Office has set up the National Laboratory Programme to support the creation and operation of knowledge centres that can become prominent scientific hubs in specific fields. Collaborative initiatives by the National Laboratory to open up a new international dimension of exploration and experimentation research. This included the establishment of the National Laboratory for Agricultural Technology, whose main objective is to establish a soil database, a nutrient management advisory system and a digital soil science database (TalajWeb). AKI is also a partner in the consortium. Source: <https://nkfih.gov.hu/palyazoknak/innovacios-okoszisztema/nemzeti-laboratoriumok>

The EIP Support Unit, in cooperation with the NKDI Office and with the involvement of other Hungarian agricultural operators, assists in the dissemination of the results of the above initiatives and in the development of networks. The above-mentioned initiatives, including TIPs, can be combined into

systems/networks that ensure the expectations of a multi-stakeholder approach.

International initiatives that have an impact on domestic agricultural innovation

Horizon Europe

Hungary is looking for the programme through research and innovation to shape its future. Focusing research and innovation on the ecological, social and economic transitions and related societal challenges Leveraging scientific strengths to take the lead in breakthrough and disruptive innovation. Ambitious targets on issues that affect our daily lives, such as skills development, harmful emissions and the state of the environment, are essential. Focus on cutting-edge research and innovation project, from research and innovation to deployment.

Soil Mission

The EJP SOIL National Hub has been established. The EJP SOIL project, building on the European research community, develops a research strategy, following the assessment of knowledge, tools and methods, which provides the scientific basis for the development of a policy for the sustainable use of agricultural soils in a climate-conscious manner. The project will take into account the views of stakeholders – farmers, researchers and decision-makers – both in the initial strategic planning phase and in the definition of detailed research tasks. At Member State level, the involvement of stakeholders and the flow of information between farmers, researchers and policy makers takes place through the creation and operation of national knowledge hubs. The EJP SOIL consortium, in cooperation with the hubs, can get an accurate picture of real research needs and thus produce science-based recommendations that are acceptable to all stakeholders. The domestic national hub was set up on 16 September 2020 at the national launch event of EJP Soil. The hub's membership shall be open.

Living Labs

The importance of living balls for agriculture will be strengthened in the coming period, as 100 living balls will be created under the Soil Mission, but the Eco-ecological Partnership will also support the implementation of agro-ecological projects through living balls. Hungary is currently working on the acceptance of the living-lab approach, but we believe that living-lab-type projects and ecosystems are by nature not distant from the ongoing EIP Operational Groups and from further innovation collaborations. The EIP Support Unit, in cooperation with the NKFI Office, will play an active role in bringing the opportunities offered by the Soil Mission and the different partnerships to the right and relevant domestic cooperation. In Hungary, there is a known living ball in the agricultural area, ÖMKI On-Farm [living labje \(https://www.biokutatas.hu/hu/page/show/omki-on-farm-elo-laboratorium\)](https://www.biokutatas.hu/hu/page/show/omki-on-farm-elo-laboratorium)

BIOEAST

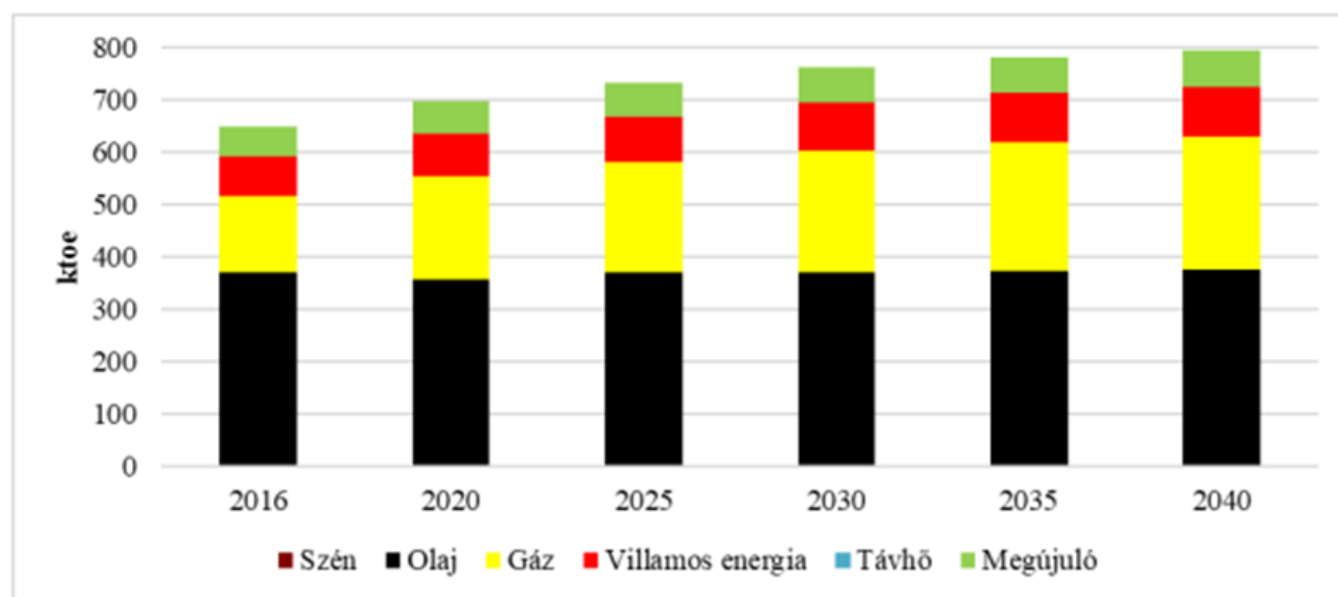
Carbon neutrality cannot be achieved without the development of a biomass-based economy and it is important to encourage programmes to facilitate model change, in particular with regard to research and development. The importance of the biomass economy is immense here, which is why a national strategy is needed. It is important to strengthen R & D collaborations for the uptake of carbon-neutral technologies. The BIOEAST initiative focuses on 7 topics in terms of R & D partnerships: agroecology, food systems, forestry, freshwater aquaculture, bioenergy, education, training, advanced bio-based chemicals. Within BIOEAST, active networks have been developed along the defined themes to create further R & D partnerships, but also to work together between AKIS actors in the Member States, including EIP Operational Groups.

Renewable energy

As regards renewable energy, Hungary would like to achieve a share of at least 21 % of renewable energy in gross final consumption of energy.

Page 196 of the Hungarian National Energy and Climate Plan (https://ec.europa.eu/energy/sites/ener/files/documents/hu_final_necp_main_hu.pdf) illustrates that

energy use in the agriculture, forestry and fisheries sectors is increasing significantly, reaching 761 ktoe by 2030.



Evolution of the fuel mix of energy use in the agricultural sector, taking into account current measures, source of facts ktoe: Eurostat

We are currently seeking to reduce agricultural emissions through the standard of good agricultural practices and various support instruments. The basic rules on waste management are laid down in Act CLXXXV of 2012 on waste. The post-2020 targets and measures will be set out in the upcoming new waste strategy. In line with the National Forest Strategy, we will significantly increase the share of forest and other wood stands to increase CO₂ sink capacities and improve the resilience of forests to environmental factors in order to preserve the carbon sequestration capacity of forests. In addition to the above, a programme to create an energy and climate conscious society will serve to achieve our goals, including energy and climate awareness campaigns targeting different age groups, as well as awareness-raising measures focusing on young generations with educational content (see. AKIS interventions knowledge transfer and innovation).

8.5 Digitalisation strategy (Art.114)(b))

1.The need for a strategic approach based on an analysis of the situation

The SWOT analysis of the CCO shows that there is a need to strengthen the use of modern sustainability solutions and tools across the entire food production and food industry. This requires, in addition to the development of digital infrastructure for agri-food businesses, the interconnection, integration of existing databases, the development of monitoring and forecasting systems, and an increase in the qualification level of the workforce in order to use innovative technologies. Hungarian agroium modernisation options are supported by the fact that, in many of the specific objectives, environmental and economic societal demands for data collection and digital technologies, as reflected in the following needs analysis, are reflected in climate protection and healthy food needs (but in particular SO₂, SO₃, SO₅, SO₇, SO₉). SO₂: Increasing the operational and business efficiency of production by improving production technology, transforming and developing rearing technology, developing Post harvest technology, disseminating innovative technologies and sustainable approaches to agriculture; SO₃: Developing short supply chains (database, tool, infrastructure and competence development); SO₅: Technological change, taking into account tighter phytosanitary standards; SO₇: Making agricultural careers attractive to young generations; SO₉: Technological change, taking into account tighter phytosanitary standards; Development of digital solutions in quality assurance, certification, traceability, marking of goods.

2.Strategic approach to Hungary

The Hungarian government recognised the potential of digitalisation in good time and therefore adopted a comprehensive development plan, also responding to the DESI Index for sectors at national scale, which sets out future tasks in this area, called the Digital Welfare Programme. The tasks set out in the Digital Welfare Programme (<https://digitalisjoletprogram.hu/en>) aim to support conscious and value-creating internet use, the digital transformation of the Hungarian economy and thus the digital development of Hungarian society and the Hungarian national economy. Under the Digital Well-being Programme, an inter-ministerial task force, run by the Ministry of Innovation and Technology (ITM), was set up to coordinate digitalisation developments in different sectors. In the framework of the Digital Welfare Programme, the Government has professionally supported the concept of development in areas such as the Digital Education Strategy; Digital Export Development Strategy, Digital Startup Strategy and Digital Agricultural Strategy, Artificial Intelligence Strategy. The overall digitalisation objectives of those strategies and of the different sectors are set out in the National Digitalisation Strategy (NDS) 2021-2030, which specifically states that Hungary intends to put digitalisation efforts at the heart of competitiveness and modernisation efforts, recognising the necessity of the digital transformation. The priority objective of the NDS is that, thanks to the measures identified, Hungary's digital development will not only reach, but also above, the EU average by the middle of the decade.

This is why the Hungarian Ministry of Agriculture joined forces with the IT profession five years ago and started to jointly develop Hungary's Digital Agricultural Strategy (DAS 2019-2027). As a result of this long and thorough work, in 2019, Hungary's Government was among the first to adopt the Digital Agricultural Strategy, which is based on four pillars:

- 1) increasing the digital knowledge and preparedness of industry;
- 2) enhancing the digital innovation potential of the sector;
- 3) data-based development of public administration, and

And last but not least, to support the digital transition and investments of operators in the sector, i.e. producers.

For all four pillars, significant progress has already been made in the implementation of the DAS with the help of national funds, CAP measures for transitional years and EU research calls. Building on these achievements, we want to continue its strategic implementation, extending it to the measures developed in our CAP Strategic Plan. The purpose of implementing the DAS was to ensure that the data-based development of agriculture was achieved at production, farm and product line level, and therefore the development of a Digital Food Industry Strategy was included in the DAS action plan.

Hungary's Digital Food Industry Strategy (TD 2021-2028) was completed by the end of 2021 and could be taken into account in the development of the CAP Strategic Plan. It is based on two main pillars:

- 1) digitalisation of production technology, ensuring the monitoring and management of production processes, collecting production data and measuring product quality
- 2) the digital transition of training, ensuring the modernisation of secondary and higher education training and the development of digital competences for food business workers and managers. The implementation of the Treaty will start in 2022 and rely heavily on transitional years, as well as the new CAP measures and the opportunities offered by EU research calls.

Support from other EU funds (ERDF, ESF) contributes to achieving the digitalisation goals set out in the above strategies, but by delimiting these developments, the CAP Strategy Plan interventions contribute to digitalisation efforts in agriculture, food and forestry, as well as to the development of digital services also available from small municipalities in rural areas.

The CAP Strategic Plan was developed on the basis of Member States' progress in the Digital Economy and Society Index (DESI) reports. For the thematic chapters, the DESI 2020 report includes an analysis at European level of broadband access (59.8 %), digital skills (41.8 %), internet usage (55.9 %), digitalisation of businesses (25.3 %), digital public services (57.8 %), emerging technologies, cybersecurity, the ICT sector and its R & D expenditure, and the use of Horizon 2020 funds by Member States. According to the 2020 survey, Hungary ranks 21st among the 28 EU Member States. The

country's results have improved around the EU average over the past few years.

In line with the above DESI index, linked to the overall objective of digitalisation of the CAP Strategic Plan, an important starting point is that the Agrárcenzus achieved in 2020 aims to assess the structure of farms (with close to 234 thousand agricultural activities) and gather credible information on the situation of the Hungarian agroium. The survey showed that a significant proportion of farmers (72 %) do not have secondary education either. Agriculture digitalisation and generational renewal have also played a major role in the questionnaire. In the context of modernisation, it was assessed what efficiency-enhancing digital tools farmers are using or are planning to use. The results show that most of the precision technologies use the plant health assessment either with their own device or as a service (5.3 %), followed by automatic steering with 3.9 %. Only 3.4 % of farmers use differentiated work operations and about 3 % use decision support and corporate management software in their agricultural production. However, it is important to stress that the proportion of small and medium-sized farms using decision support software is growing, just like differentiated work operations for large farms. Increasing the Green Deal and the EU's climate ambition, as well as support and reporting obligations under the CAP ST, will encourage farmers to maintain efficient environmentally sound farming, modernise farms and use digital technologies. The CAP ST aims to increase the above indicators to 8 %, taking into account different farm sizes.

In line with the need for electronic administration, transparency and traceability, the Paying Agency introduced the mobile GAZDA application in 2021, benefiting both producers, village managers and the Treasury, as it speeds up and facilitates administration and reconciliation through mobile applications. Future changes in the share of downloaders and regular users of the application can be understood as an important competence indicator for the digitalisation of the CAP ST.

As a result of international trade and the appreciable development of global value chains, the producers of different continents are not in competition with each other for a long time. Therefore, a key issue for European and Hungarian agriculture, forestry and food systems is to increase the efficiency of production through digitalisation, i.e. "to produce more with less input", in a way that is consistent with the policy of the European and Hungarian agricultural model to strengthen small and medium-sized farms and with the high expectations of data security, integrating digital sector registers. Generational renewal is one of the most serious challenges in agriculture, forestry and the food economy, not by chance, as farming requires a serious and long-term commitment. For young people, our sector remains attractive only if it is profitable, environment and climate friendly and does not offer significantly worse working conditions than other sectors. Digitalisation, including precision farming, is precisely what we can help us address all of these challenges. Using the right knowledge, digitalisation increases production efficiency (SO1-3 and 9), while helping to protect our environment (SO4-6) and making our sector and rural life attractive to the younger generation of technology (SO 7-8).

Interconnection of databases

Hungary has several parallel projects to help create databases and clean data, thus reducing bureaucracy:

- Uniform Registration and Identification System (ENAR) <https://portal.nebih.gov.hu/enar>:
 - TIR – Farming Information System
 - Bovine ENAR
 - Pigs ENAR
 - Sheep/Kecske ENAR
 - Poultry Information System
 - Horse passport
- Establishment of an electronic system for the administration and control of the grape and wine sector and provision of the possibility to manage the electronic cellar book (ePincebook) <https://kifu.gov.hu/epince>
- Agricultural Parcel Identification System (LPIS) <https://mepar.mvh.allamkincstar.gov.hu/#/>

- Web Management Log Programme (webGN) <https://gn.eurofarmer.hu/home>
- Forest map <https://erdoterkep.nebih.gov.hu/>

3.CAP Strategic Plan interventions for digital transition

Within the framework of the rural development pillar set out in Article 69, modernisation and digitalisation are prominent elements, and the following basic support objectives have been set for the types of interventions for rural development.

On the basis of Article 73 of the CAP Strategic Plan Regulation, digitalisation developments are directly and indirectly reflected in the following interventions:

In support of the digital transition of agricultural holdings, we will provide funding to support farm-level digitalisation improvements and food and feed production farm-level digitalisation improvements, based on the experience of the transition period. The key objective of the farm sustainability development intervention is to increase farm competitiveness and added value by supporting the uptake and development of new, innovative and environmentally friendly production, breeding and production technologies. The intervention contributes to meeting the needs identified in the SWOTs by developing and improving the competitiveness of the agricultural sector. In order to achieve a cross-action thematic objective (Cross-cutting objective), among the selection criteria, stand-alone innovative or digitalisation content contributes indirectly to the overall objectives. The development of food processing, through interventions inside and outside the farm, provides the opportunity to develop and optimise a more competitive business, production and product structure to produce higher value-added products, as well as improvements to market access, where individual projects can contribute to digitalisation goals. Rural infrastructure development within small municipalities will directly contribute to digitalisation efforts by supporting infrastructure improvements for smart village projects, building/developing broadband internet and building rural WIFI networks, thus reducing the loss of rural areas (interventions code: RD01_E01_FRM_73, RD02_D01_FRM_73, RD03_E02_FON_73, RD04_E03_FOF_73, RD42_R01_RAN_73, RD43_R02_LOC_73).

More cooperation interventions under Article 77 of the CAP Strategic Plan Regulation include digitalisation as an overarching objective, with corresponding planned interventions:

- The development of digital services in forestry through cooperation through the use of solutions provided by digitalisation ensures predictable and traceable forestry activity, thus contributing to the improvement of rural environmental infrastructure.
- Rural development cooperation to support the digital transition of small municipalities (smart village) are rural collaborations that seek practical solutions to local economic, social and/or environmental challenges and seek to make the best possible use of digital technologies for the local population. Smart villages can also be linked to a rural centre in line with societal needs, which can bring elements of the system closer to people with a number of services.
- In the case of European Innovation Partnership (EIP) cooperation, partnerships are the task of the various actors involved in innovation, agriculture, forestry, food, rural development, research and consultancy to translate their existing knowledge into innovative, environmental-oriented solutions that can be applied in practice; these developments can be implemented through data-based decision-making processes using digital tools. (intervention code: RD61_A05_EIP_77).

The AKIS measures planned under Article 78 of the CAP Strategic Plan II Regulation all serve digitalisation (information service, advisory service, training, innovation). The most direct measure is training and demonstration programmes, under which mandatory and optional training is envisaged for recipients of other Pillar II aid, as in the current period, with an aid intensity of 100 %. (interventions code: RD58_A01_TRA_78, RD59_A02_INF_78, RD60_A04_ADP_78)

4.Other priority interventions: AGRI-EDIH

Digitalisation of agriculture and food includes hardware (e.g. sensors, drones, robots), data assets (e.g. registries, soil maps, weather data, pest and pathogen surveys), methods and software to provide analysis (e.g. artificial intelligence, decision support software), corporate governance systems, as well as e-government, e-commerce and online banking and digital solutions related to logistics. Digital solutions can help to use resources more efficiently, mitigate production risks, reduce losses, increase productivity, traceability and quality assurance, and address labour shortages in some areas. Increasing the efficiency of production has a positive impact on the environment and the climate. At the same time, the lack of information on new technologies and digital skills, as well as the limited availability of reliable cost-benefit analyses for their deployment, pose challenges for the deployment of digital applications. Hungary remains among the worst performing EU Member States when it comes to the integration of digital technologies by businesses, especially agricultural businesses. The services and activities of AEDIH aim to help businesses move to a higher degree of digitalisation, in the primary (farmers) and secondary target group (special advisers). Our main objectives are: (1) examining the digital maturity of the holding, (2) compiling a digital development plan, using economy calculations, (3) training courses for the development of human resources, organising demonstration visits, (4) ensuring the testing and testing of digital solutions that are a priority for the holding on the basis of the digital development plan (artificial intelligence, sensor technology, drone technology, data-based management decision-making, precision technology), (5) a digital solution and a catalogue of products, (6) providing data-based agricultural advice, (7) compiling a methodology for digital agricultural consultancy, (8) preparing special advisers on the basis of the methodology produced, (8) preparing the CX and UX plans for start-ups based on the experience of the digital agricultural advisory methodology, which includes customer-side expectations regarding the operation of customer-side processes and digital interfaces.

The aim of the AEDIH is also to make the digital public services and open data databases to be established in the coming years on the basis of the Digital Agricultural Strategy in Hungary available to producers, specialist consultants and start-ups participating in the programme. Among the objectives of the Digital Europe Programme, AEDIH primarily supports the use of artificial intelligence and the development of related digital skills and focuses on capacity building of new digital solutions. AEDIH will network existing AI-related testing and experimentation facilities. As part of the services, it provides farmers with access and testing. By developing the digital agricultural advisory methodology, the AEDIH provides the opportunity for start-ups developing the use of AI by accurately identifying and formulating user needs. The AEDIH provides training for farmers and special advisers based on the digital maturity test, complemented by demonstration visits and the use of the digital solution and product database. Training is also linked to the possibility of testing technologies and digital solutions for producers in their own operating conditions. The AEDIH develops the digital agricultural advisory methodology and provides its services to help understand, take up new business and administrative digital solutions, use digital public and business services, access and use open data. The AEDIH contributes to the uptake of precision agricultural technology, to the development of data-based agricultural decision-making, which support climate and environmental goals and the improvement of energy efficiency. It helps to spread modern, digital, open data-based public services included in Hungary's Digital Agricultural Strategy. The functioning of AEDIH and its services, with the planned digital agricultural advice methodology, will increase trust in the digital transformation among farmers and strengthen the network of Digital Innovation Hubs.

Broadband internet

Digital infrastructure of sufficient quality is essential for the strengthening of the digital economy, for the development of digital competences for citizens and businesses and for the uptake and use of public digital services. There is a need for permeability at all levels and across all subsystems of wired and wireless networks to ensure effective access to digital services and content, free of trade-offs, for all households, businesses and institutions in the country.

The steady increase in the number of users and the increase in average demand for bandwidth per user will lead to a multiplication of digital network traffic in Hungary over the next few years. The main drivers of growth will be the spread of mobile internet and smart phones, as well as the growth of digital on-demand video traffic, but specialised mobile applications (navigation, energy measurement, remote monitoring) may also become mass.

Although one of the strengths of the Hungarian digital ecosystem in international comparison is advanced (wire and wireless) digital infrastructure, both in terms of coverage and quality of service, which is sometimes above the EU average, achieving the target system requires further substantial improvements in the coming years as a continuation of the investments supported by the Superfast Internet Programme (SZIP), which requires appropriate cooperation between market actors and the State, and an enabling environment for investment.

A key element in the preparation of digital network development programmes (tenders) concerning residential, business and non-state institutional end-points and users, intended to be opened up to market players, has been extensively consulted in Hungary for several years on the needs to be developed, in order to ensure that State aid does not go where broadband development on a market basis is worthwhile.

The current total development needs to cover Hungary's VHCN include around 1.7 million households. It is necessary to calculate a higher unit cost than the NGA technology deployed under the SZIP, so the average amount per household is around HUF 250-300 000, so the total investment cost is estimated at around HUF 425-510 billion. If improvements in the following years are carried out under the pro-competitive tender scheme under the SZIP, the amount of aid is expected to be between HUF 320 billion and HUF 380 billion, calculated on the basis of an average State aid of 75 %.

Thanks to concentrated, state-supervised and supported developments, Hungary has been catching up with the EU average. According to the DESI 10 Connectivity Index, Hungary ranks 12nd out of the 27 EU Member States. With the introduction of the SZIP mobile service, the country has achieved full coverage of 30 Mbps next generation access networks and the use of fixed broadband services (in terms of household share) is 82 %, 4 % higher than the EU average. Under the SZIP, 19 000 km of fibre cables and 3 000 km of new network infrastructure (ducts) were built, providing access to nearly 400.000 households overall, together with market-based commitments.

However, the speed of the internet available in households remains a problem, as data traffic increased by more than 38 % in 2020. Currently, only 42 % of households have 1 Gbps internet connections, a value of which Hungary is in the middle of the EU, which is why the national roll-out of gigabit networks by 2030 is also the target. Analysing the demand coverage at the end of 2020, it can be seen that gigabit networks were typically built around large cities, resulting in a lack of Gigabit connectivity for approximately 70 % of demand.

Market mechanisms offer solutions in a number of cases, but in some cases, e.g. due to the solvency of demand or the significant amount of one-off investment, investments cannot be made on a market basis or can only take place with a significant loss of time. To this end, it is necessary to intervene in the form of grants with different aid intensities.

The EU has set a target for all Member States to promote the creation of a gigabit society. In order to strengthen digital connectivity, it is necessary to encourage the roll-out of networks to ensure equal access opportunities and future-proofing.

The necessary investments should be directed towards the Gigabitisation of residential and corporate broadband network termination points, the continuous improvement of the quality of broadband services, the development of the infrastructure needed to increase wireless network coverage and the development

of communication infrastructure. The **National Digitalisation Strategy (NDS)** for 2030, which is the source of the Digital Renewal Operational Programme (**DIMOP**) and the draft Recovery and Resistance Instrument (**RRF**), sets the objective of **having fixed and wireless digital infrastructure of sufficient service capability and quality by 2030, so that the lack of high capacity infrastructure** does not become a bottleneck in the development of the digital ecosystem.

The NDS has four specific objectives for network development:

- DI1: 95 % of households covered by a gigabit network by 2030
- DI2: The share of major transport routes and cities with county rights with 5G network should reach 100 % by 2023
- DI3: National Telecommunications Core Network (NTG) endpoints at district headquarters reach at least 80 % by 2025
- DI4: The share of public education and vocational education and training institutions with network connections of at least 1 Gbps should be 100 % by the end of 2025

We aim to achieve the objectives through the following measures:

Di I.1 Design and implementation of the network development programme “Gigabit Hungary 2030”

The objective of the measure is to design and implement the national network development programme ‘Gigabit Hungary 2030’ in order to achieve at least symmetric 1 Gbps connectivity across all demand areas by 2030. The action should achieve 75/70/65 % of residential/business/public sector needs by 2025. 95 % of residential needs by 2030 and 100 % of business and public institutional needs with internet access with a bandwidth of at least 1 Gbps. The NDS does not distinguish between rural and non-rural areas, and the developments concern the entire territory of the country.

The main elements of the measure are:

- Development of basic telecommunications infrastructure for next generation fixed and wireless networks;
- Support, in the form of a tender, in the form of tenders, for the development of energy, backhaul (zone) and local networks in areas where the market does not develop on its own;
- Operation of a superfast Internet Programme Office, a network of supervisory engineers and a Broadband Competence Office (BCO) for public support and professional monitoring of gigabit developments
- Where the tender does not involve development, an analysis of the involvement of state-owned enterprises, including, where necessary, financial instruments.

Di II.1 Geographical extension of the DJG network, connection of district headquarters, municipalities, capacity-building and connection of institutions

The objective of the measure is to develop and increase the capacity of the DJG users (e.g. public education and vocational training institutions) to connect to the backbone network at the closest possible point by using a short backhaul network. The development of the public network can reduce market exposure and achieve cost savings in the supervised network. Thanks to the development, the steady increase in bandwidth demand does not lead to an unjustified increase in costs.

The main elements of the measure are:

- Creation of traffic hubs in flood centres;
- Development of a network probe, monitoring of active traffic to increase availability;
- Further development of a network monitoring system to detect potential errors and their location more quickly and speed up the intervention. This will achieve a higher level of availability and a more cost-effective operation;
- Development of traffic management in order to achieve the best network traffic;
- The creation of channels with a capacity of 100 Gbit/s or more between backbone network assets, thereby increasing network permeability. In order to fully and seamlessly serve the growing endpoint needs and the expectations of DOS, research and the digitalisation of public collections, improvements are needed to ensure a single service at the endpoints, regardless of their geographical location;

- Deployment of assets in order to increase capacity through the acquisition of a more modern asset pool, the supervision and operation of which can be carried out in a more uniform and cost-effective manner;
- Creation of connection points, in each of the relevant service locations;
- Connecting endpoints to the network on a dark fibre fibre optic line;
- Providing pre-aggregation nodes;
- Create the possibility of networking solutions for research purposes (e.g. Quantum communication);
- Implementation of a digital education network and application platform

Di II.2 Deployment of Wi-Fi network infrastructures managed in educational and community spaces in public education and vocational training colleges

The objective of the measure is to implement the development of Wi-Fi networks for education in school education and vocational education and training colleges.

The main elements of the measure are:

- Deployment of centrally managed WiFi networks in learning rooms, public spaces and living rooms;
- Developing and developing economam and Guest networks;
- Design, installation and installation of training rooms for online group work (smart TV, camera, microphone, etc.)

Di III.1 National Telecommunications Gerinc Network (NTG) extension, bandwidth extension and related network developments

The objective of the measure is to develop the network of inpatient healthcare institutions, penitentiary institutions, district locations without the NTG endpoints, which hitherto do not have a fibre network. This enables municipalities and public bodies to provide up-to-date e-administration services. Another important objective is to ensure flexibility in meeting substantially increased and rising bandwidth needs by increasing capacity.

The main elements of the measure are:

- Further development of a district aggregation network;
- Enhancement of the NTG backbone capacity (including the development of NTG network capacities for government workers to work from home);
- Optical connection of hospitals;
- Optical connection of prison (BV) institutions;
- Other network and security developments necessary to safely service NTG connections.

Authority responsible for achieving the objectives

Government IT Development Agency (KIFÜ) acting under the authority of the Ministry of Innovation and Technology. (XII. (3) it carries out its activities in accordance with the provisions of Government Decrees. The activities of the KIFÜ can be broken down into two major areas:

- carrying out management and quality assurance of IT projects implemented from EU and domestic sources, from project preparation to implementation and completion;
- development and operation of IT infrastructure and the provision of services based on it for national public education, higher education, research institutions and public collections.

In recent years, the Agency has played a major role in the implementation of nearly 50 national ICT projects. It is currently involved in the implementation of 60 projects and in the preparation of 10 projects, with a total value of more than HUF 400 billion. In particular, in order to achieve the project objectives in a cost-effective manner, KIFÜ also carries out independent quality assurance in key IT and organisational development projects with a total of HUF 187 billion.

KIFÜ is implementing Hungary's largest broadband infrastructure development programme, the Superfast Internet Programme (SZIP).

In 2018, another big task was given to KIFÜ: in line with the principles set out in the Digital Education Strategy, the Student Net Programme will upgrade network access in thousands of schools to meet the

needs of the age, ensuring WiFi access for students and educators.

The KIFÜ has also developed the National Information Infrastructure Development Programme, which provides integrated national network infrastructure and services for the entire research, education and public collection system in Hungary.

The development of the broadband network was reinforced by the legislative amendment package adopted by Parliament on 6 July 2015, which removed legal obstacles to the development of communications networks, thus significantly simplifying and speeding up administrative procedures. It is also very much easier for operators to reduce the utility tax, which provides for a full exemption for five years in the case of utility lines installed on the new route and the upgrade of existing network sections to a speed of at least 100 Mbit/s.

5G network

No central measure or support scheme is planned for the development of the 5G network; the development of the network will be carried out by private service providers.

Cooperation in the use of data between farmers and the state: Farmers and public bodies are in partnership in the collection and use of data.

o The *State shall provide farmers* with data in order to produce as efficiently as possible by developing various monitoring networks and basic digital services linked to production (e.g. agro-meteorology, GNSS, LPIS and related basic digital maps, vine protection system, fruit register, etc.)

o *Farmers* assist the State in carrying out its planning and regulatory tasks *by providing data* generated during their production (e.g. Okos Test Plant, WebG Farming Log, National Food Chain Data Centre, specialised fish and game management systems, etc.).

The aim of agricultural policy is to create an environment in which precision farming data can be used in the most efficient way by both farmers and the state.

Importance of decision support and corporate governance systems in agriculture

Over the last decade, agriculture has developed so significantly with the rise of IT that efficient and sustainable farming is no longer possible without the means of digitalisation and the technological processes of precision farming.

In the 21st century, the systematic collection, storage and processing of data will also play a major role in crop production, livestock farming and other agricultural sectors. Competitive farming can no longer be achieved without the use of information that can be extracted from production data. However, it should be noted that a large number of data are generated on a daily basis (e.g. *weather forecasts, plant protection notifications, quality of operations carried out, data on the operation of machinery*, etc.) which are difficult for farmers to interpret on their own and to make findings that facilitate professional decision-making.

In order to address this challenge, in order to *make it easier for farmers to obtain the necessary information*, there is also an increasing number of management systems in agriculture, which can quickly and efficiently analyse the large number of data received from farmers. The information extracted from the data is transmitted to farmers in an easy-to-understand and comprehensible form (graphs, analyses) to make informed decisions. Major integrators and machine trading companies (e.g. KITE, axial, Agrotec, BAYER) have also tried to build their own system, experiencing farmers' demand for such software. A corporate governance system manages and evaluates agricultural specificities, while also facilitating accounting, keeping farm logs, systematising areas, machinery and inputs, and planning developments on the basis of the evaluation of measured data.

Link to Hungary's Digital Agricultural Strategy: cooperation between farmers and public bodies in the provision of data

The spread of digitalisation also generates more data at the level of individual farms, plants or product pathways, which have a strong national value. The collection, processing and access to public sector data is a direct competitive factor on the international market. Using the data collected – *linked to production* – we can draw conclusions that can be incorporated into cultivation in the coming years. On the state side, they help inform decision-making, target aid more effectively and legislate. As a result, informed sectoral data management of the agricultural economy is of strategic importance. The aim is to reduce the cost of access to data and to make the necessary changes to the legislative environment. Many public developments have already been implemented, facilitating and speeding up the administration of farmers through digitalisation.

(a) The strategy includes a number of measures to digitalise and integrate existing databases. Such as the *establishment of the National Agricultural Data Centre (NAAK – TS 2021) and the National Food Chain Data Centre (NÉAK)*, which aims to support the digital traceability of agricultural and food products, the social exploitation of agroium data, and the desired degree of sectoral data integration. The establishment of a food chain data centre at national level – on the basis of the National Food Chain Safety Office – is an effective support for strengthening the traceability and food chain surveillance system.

(b) It is also essential to continue public support infrastructure and institution building in order to enable the necessary improvements to be made in the context of digitalisation. This will also reduce the administrative burden on farmers.

—*Smart test plant and Okos PÁIR*: Further develop the software applications of the Small Testing System (Smart FADN) and the Market and Price Information System (Smart PÁIR) as part of the Agricultural Administrative Data Policy (MAAP).

Develop and further develop the IT systems that provide data for the evaluation and monitoring of the Rural Development Programme.

Development supports the planning, implementation, monitoring and evaluation of the Common Agricultural Policy (CAP) and related EU and domestic policies.

At the initiative of the European Commission, the FADN system, which collects economic and financial data from farmers, will be transformed into a FSDN (Farm Sustainability Data Network) system, with data related to environmental and social sustainability being added to data collections.

The European Union's Common Agricultural Policy (CAP) for the next budgetary cycle puts more emphasis on sustainability than ever before, in line with the European Green Deal, the Farm to Fork Strategy and the Biodiversity Strategy, also adopted in 2020.

When collecting sustainability data necessary for the development of the FSDN system, priority should be given to data transfer between existing data collections, in particular to reduce the administrative burden for farmers. Data from the Agricultural Statistics Information System (Asir) and external databases (e.g.: NFCSO: web-based Farming Log (webGN), Nitrate fiche) via data links.

The data to be taken over in the context of the development relate to the environmental performance of farmers:

- pesticide application,
- detailed antibiotic use;
- number of animals by age group,
- manure treatment, manure storage and manure application,
- in-house technology,
- feeding,
- grazing,
- fertiliser application,
- agrotechnological operations.

The data received can be used to estimate farmers' GHG emissions, nitrogen balances and ammonia emissions, while environmental data-based indicators can be used to calculate CAP indicators.

—*Mobile GASTE*: The Mobilgazda application, developed by the Hungarian State Treasury, offers great relief to applicants for agri- and rural development support. The app is also mutually beneficial for producers, village farmers and the Treasury, as it speeds up and facilitates administration and reconciliation.

—*E-pincebook*: The E-pincebook is not only limited to the electronisation of registers, but also makes it easier for the authorities to act by linking the various IT systems, which also contributes to making informed sectoral decisions and sees the data relating to the farmer's activities back to years.

—*Earth Observation Information System (GIS)*: The Copernicus European Earth Observation Programme project aims to achieve a single and integrated system providing up-to-date satellite earth observation data useful for public administrations and society. Earth observation data are of particular importance in the fields of agriculture, forestry, water, environment, defence and disaster management, since online, up-to-date Sentinel space images can be used to monitor, for example, changes in cultivated areas and forest cover or even the size of areas flooded by inland water, the cameras used by the Sentinel satellites (e.g. NDVI) are used to identify the crop development conditions of the various areas within the field, which can ensure the establishment of intervention zones over several years.

Subsidies

Taking these processes into account and in order to facilitate farmers' *digital transition, a call for support for precision farming* ('Support for precision improvements related to the digital transition of agriculture') was also launched under the Rural Development Programme (VP 2014-2020) in July 2021. Under the RDP, HUF 100 billion was available for the arable and horticultural sectors to support the digital transition and precision development. The main objective of the proposal was to ensure that, through modern machinery, equipment and services, agricultural companies and farms can develop more efficient and profitable production in a way that preserves the environment.

Farmers applied for HUF 212 billion for aid (a total of 2905 applications were received). As a result of the donor decisions taken so far, 1131 producers have now benefited from HUF 96 billion, but these figures will continue to rise. Hungarian farmers are open to using precision technologies as they have applied for aid for the purchase of a total of 8052 machines, of which 3360 have been supported so far. The second part of the table shows that the individual ineligible activities used in the application as a decision support service, which are the most used by farmers.

Self-supported instruments	Requested (number)	Supported (number)
Purchase of location-specific and precision agricultural machinery (including self-propelled sprayers), tractors	3011	1203
Purchase of site-specific or precision work combinets and associated adapters and cutting tables equipped with yield mapping systems, suitable for ocular harvest.	819	402
Purchase of other harvesting machines suitable for site-specific or precision work, equipped with performance-enhancing, yield mapping systems or other units that meet the requirements of precision farming.	93	38
Purchase of site-specific and precision machinery (including spraying machines and interlocking devices).	4129	1717
Modernisation of agricultural machinery, tractors and machinery produced less than 10 years old for site-specific cultivation	999	519

Actions not eligible on their own (decision support)	Requested (number)	Supported (number)
Precisiongeoreferred soil sampling and related advisory use of services	1924	820
Acquisition and analysis of satellite and near-ground remote sensing data and the use of related advisory services,	1122	545
Delimitation of management zones based on and based on various procedures use of related advisory services	815	464
Preparation of differentiated application plans and maps and use of related advisory services	598	261
Farm management,operation of farm decision support software and related consultancy services	766	400

Supporting the procurement of precision tools will also play a prominent role in the implementation of the CAP ST in the 2023-27 programming cycle.

Social context:

The Agrárcensus in 2020 also asked why farmers are not using precision tools. The results of this exercise show that:

—most farmers (123.3 thousand people) do not use such tools because they think they *do not need it in production*;

—the second most (22 thousand) said they did *not have the necessary knowledge*;

—third (8.9 thousand respondents) on the high price of digital devices;

-only 1500 people replied that they did not use precision tools because of *limited access to training and expert advice*.

Annexes

Annex I on the ex-ante evaluation and the strategic environmental assessment (SEA) referred to in Directive 2001/42/EC

1. Summary of ex-ante evaluation process and results

Ex ante evaluation summary

A. BACKGROUND

The ex-ante evaluation of the CAP Strategic Plan shall be responsible for monitoring the planning and evaluating the resulting in-work versions in the manner and in accordance with the criteria set out in Article 139 of the SPR.

This document is based on the Hungarian CAP Strategic Plan, which was already complete and formally submitted to the European Commission on 30 December 2021, the non-final and non-approved SFC export working version of 26 May 2022, which was formally submitted to the European Commission, and, in a number of cases, additional, even more recent documents.

The Ministry of Agriculture (AM), as the client, commissioned the ex-ante evaluation of the CAP Strategic Plan from a consortium led by Field Consulting Services Zrt. and Collective-Intelligence Kft., selected in the framework of a public procurement procedure, with the content defined in the Instruction Report approved by the AM, which the winning consortium performed with the assistance of external experts by the deadline of 5 July 2021. This concluded the contract providing the legal basis for the ex ante evaluation and the SEA process, which was prepared in 2019 in anticipation of the previous completion of the CAP reform. It became possible to provide a new legal framework, so that the ex ante evaluation and the SEA process could be resumed only after a new public procurement procedure had been carried out.

As one of the tasks of its contract of 4 April 2022 with a consortium led by Field Consulting Services Zrt. and Collective-Intelligence Kft., selected in the framework of the public procurement procedure, the Ministry of Agriculture (AM), as the client, commissioned an updated ex-ante evaluation of the CAP Strategic Plan, formally submitted to the European Commission on 30 December 2021, and the documents formally submitted to the European Commission on 26 May 2022, which the winning consortium carried out in a timely manner with the involvement of external experts.

Based also on the content of the previous evaluation reports, on the basis of the official documents and working versions of the CAP Strategic Plan submitted to the European Commission, and taking into account the working documents of the planning process, this document summarises the evaluators' previous and current planning support findings and proposals, and its activity takes over the planning period without official ex ante evaluator support (6 July 2021). 3 April 2022), thus bringing together the ex ante (ex ante) evaluation of the CAP Strategic Plan carried out by 15 July 2022.

B. WHAT AND HOW DID WE ASSESS?

The ex-ante evaluation related to the design of the CAP Strategic Plan has been carried out as a continuous, formative evaluation from 2020 onwards. The three evaluation reports produced as a result of the evaluation covered the overarching topics expected by the SPR and ENRD, which are necessarily to be examined (1: situation analysis, SWOT and needs; 2: an intervention strategy; 3: monitoring, data collection and implementation), then summarised in a fourth synthesis report. This synthesis report and the results of the coherence analysis of the priority interventions constituted Annex 1 to the CAP Strategy Plan, which was formally submitted to the Commission at the end of 2021.

This report presents in detail the observations and suggestions related to each topic, based on the official planning document and typically the working version of 26 May 2022. At the same time, it should be pointed out that the CAP Strategic Plan is still in the process of being planned until its adoption by the European Commission, and that the elements of the CAP Strategic Plan that have already been examined may change until it is completed.

In structuring the document, we have taken into account the ENRD recommendations, evaluation questions, proposed methodologies and evaluation support tools, which typically provide the document's chapter structure, which have been fully followed during the evaluation process. Within each chapter, the topicalisation was based, wherever possible and relevant, on the evaluation questions and criteria proposed by the SO structure, including ENRD.

The target group of this document is primarily experts directly involved in planning and policy makers, and not the general public, as it aims to support the planning process by providing constructive feedback on the design outcomes. The report therefore typically uses technical terms and many parts are less understandable.

The content presented in this document already reflects the views of the evaluators in the parts of the clients, which have not yet been fully agreed. The findings and proposals will be discussed with the designers on an ongoing basis and full consultation is expected after the submission of this report.

C. SUMMARY FINDINGS

The working documents taken over for the evaluation are typically high-quality professional background documents, the organic alignment of which and the further development of the previously proposed ex ante evaluators' addenda provided, in our opinion, a good basis for continuing the planning of the CAP Strategic Plan in line with ENRD recommendations.

Due to the capacity and experience of the institutional system in charge of the policy and implementation, the planning of the CAP Strategic Plan necessarily builds on previous practices, in particular the VP and, to a lesser extent, the ÚMVP, and takes them as a reference point. This is an important starting point for organisational learning and reflects the Commission's expectation of using previous experiences. An exceptional opportunity to take stock of these past experiences was created by the 19 thematic evaluations of RDP results carried out in 2020 and 2021, one of the key objectives of which was to support evidence-based planning.

However, with the VP as a stable planning starting point, the CAP Strategic Plan should in many points be more or different than the RDP. Regulatory changes, the new performance-linked delivery system, CAP I planning expectations, a significant increase in green expectations and separate planning for the transition period 2021-22 all pose challenges to institutional actors.

It is therefore understandable that the need for capacity in the planning process has increased: planning did not only require many internal-external coordination and partnerships, but also took place at a time when human planning capacity was extremely demanding. In addition to the core activity, the closure of the 2020 period (AIR), the publication of new calls in the transition years 2021-2022, the evaluation of the previous period (19 thematic evaluations), the ex ante and SEA processes in parallel with the planning, and the organisational changes that started in mid-2022, have simultaneously tried to plan a regular, robust and enforceable programme and implementation system of good national interest for 2023-2027.

In addition to the involvement of external competence and capacity (ex ante evaluators, SEA evaluators, external experts, environmental impact monitors), designers were also supported by innovative IT-based design support tools. IT solutions were already available, social media offered opportunities to reach target groups quickly and even representatively (e.g. social impact monitoring (PSM) and the results of thematic evaluations provided designers with up-to-date thematic knowledge and figures that were able to meaningfully support position-making and preparation of management decisions between options.

In summary, on the basis of the CAP Strategic Plan v.1.0 formally submitted on 30.12.2021 and the sub-materials and working versions that have not yet been finalised and approved, we see that the planning process has delivered acceptable results as expected, in line with the regulatory options and despite the challenges posed by the planning environment, but if possible, it can be further developed along the lines of the proposals made.

D. DETAILED FINDINGS OF THE ASSESSMENT OF THE SITUATION, SWOT AND NEEDS ANALYSIS

1. The SWOT and the range of needs, i.e. the strengths, weaknesses, opportunities and dangers of agriculture, and the underlying needs, remain agro-dominant. At the same time, rural development, environmental, natural and forestry aspects are not represented, although it should be pointed out that the

presentation of these topics has improved significantly during the planning process.

2. The situation assessments and the relevant sections of the Environmental Strategy Papers have been fundamentally aligned. The inclusion in the CAP Strategic Plan of the EU Green Deal, the EU Biodiversity Strategy 2030 and the Natura 2000 PAF, which has been developed in the meantime, could have been further strengthened.
3. The consistency between CAP I and II is addressed in the descriptions of SOs only in one case, although the impacts of Pillar I have a fundamental impact on the national environmental conditions. The direct findings on Pillar I of the CAP could have been reflected in the relevant places and emphasis.
4. The greening and good environmental and climate performance incentive plans, the network plans and the content elements necessary to underpin the Agricultural Knowledge and Innovation Scheme (AKIS) plans are of sufficient quality and quantity. These essentially provide the basis for technically justified innovations in the next programming period in these areas.
5. As regards the management and development of disadvantaged regions and the strategic territorial differentiation of the CAP, the descriptions of SOs show real points of analysis for few SOs. The assessment of the situation and the SWOT, and thus the range of needs, contain overwhelmingly national findings, despite the very different agricultural and other characteristics such as education.
6. After several developments, rural development remains under-represented in SWOT, despite the fact that rural development and the ability to live in villages are an essential, long-term factor in retaining young farmers and making agrobiznis attractive. The Hungarian Government's decision to exclude any Hungarian region among the EU's 20 poorest regions (Country Building Goal 5) is well linked to this.
7. As regards the consistency and delineation of the CAP Strategic Plan with the Hungarian Operational Programmes and their possible and proposed management mechanisms, the SWOT continues to provide minimal guidance. A number of problems have arisen in the past, e.g. by providing resources to the food industry and rural settlements below 5000 inhabitants, where in many cases sub-optimal solutions have been found, which should not be repeated.
8. Overall, the SWOT analysis is comprehensive and its coherence is appropriate, interpreted within the framework provided by the European Commission.
9. It remains the case that not all SWOT elements are directly derived from the findings of the assessments of the situation, often focussing on an essential aspect, in some cases missing. This is not surprising given the long and multi-stakeholder process of developing SWOT. The coherence of the assessment of the situation and of the SWOT findings has significantly improved in several stages during the planning process, but the fragmentation of tasks during the final planning period is unlikely to allow for the complete clean-up of structures and logical chains.
10. The quality of SWOT documents is different, but all fulfil its core function. The substantiation and level of detail of the findings are not evenly solid, but this is not easy to achieve given the different complexity or thematic volume.
11. In addition to the exemplary SWOT partnership, there was little involvement of green and environmental organisations in the discussions and little involvement of rural development organisations. The partnership, which follows the planning process, shows that the partnership involvement in the agricultural sector (including forestry and food operators) has been so extensive that it may have weakened rather than strengthened the coherence of SWOT and Situational Assessment. By contrast, this area is also under-represented in relation to agricultural land from a partnership perspective, which may also be the cause of lack of content and disproportionality.
12. The quality and adequacy of needs in themselves is fundamentally good. As a result of the reclassification of needs prior to the prioritisation of needs (among SOs, main needs vs. sub-needs, aggregations and disaggregations), the quality of the needs has significantly improved, as well as a significant proportion of the results of previous evaluations have been integrated into the planning. Since the needs are a direct basis for interventions, which are likely to have been prioritised in the last period of planning, compared to the more far-reaching SWOT and situation analysis items.
13. The main themes identified for further development in the context of needs, in line with and reinforcing the results of the situation analysis and the SWOT evaluation, are green and environmental themes, rural development (including: disadvantaged areas) and forestry. We recommended that planning meetings take place at strategic level and with a thematic focus (i.e. not based specifically and

technocratically on each SWOT and Needs item or on the evaluation comments on them, but rather on the subject as a unit and focussed on the topic only), but it was no longer possible to conduct these discussions in a meaningful way due to lack of time. In the absence of separate consultations, the evaluators' requests, which were documented with a reasoned and concrete proposal, were carried over.

14. The working method related to the prioritisation of needs was realistic and well documented, but the outcome in itself is necessarily subjective, which, after consultation with the factual justifications (SWOT), was capable of supporting interventions. Prioritisation and assessment of needs (see: ENRD 1.7) suggests the importance of each theme, given that the priority of needs is also an important factor in determining the importance and framework of interventions. The optional ranking shows even more: it gives visibility to which areas of intervention are expected to play a role in the strategy's portfolio, regardless of the themes. According to the method used for ranking, the values used as a basis for prioritisation were determined from the average of the scores of the working group participants (or the average of the averages), with several personal and organisational duplications being eliminated.

15. The outcome of the needs ranking follows well the evolution of agricultural and rural development and is in line with global and EU expectations and trends in the sector. Based on our assessment, it explicitly welcomed the high priority given to competitiveness, digitalisation and sustainability goals, while recognising the social aspect.

16. The ranking intervention structure created not only an organic continuation, but also a historic opportunity: it is a unique opportunity, exceptionally, not to harm each other, to meet the growth and development goals and to meet sustainability and green expectations, but to support each other through digitalisation and innovation, to set the domestic agroium on a new development path, for which the multiplication of top-up support resulting from the exceptionally high domestic co-financing rate of 80 %, announced in accordance with the government decision, is an unprecedented opportunity.

In the context of the analysis of the situation, the SWOT and the prioritised needs, the key findings of the evaluators, based on the official CAP Strategic Plan submitted for formal evaluation, are the above.

In summary, we see that the SWOT included in the CAP Strategic Plan has substantially changed and benefited from the changes compared to the previous first report of the ex-ante evaluation of 5 July 2021: SWOT is more mature and has become capable of supporting intervention planning by updating needs. At the same time, please note that, in line with the expected further changes in interventions, the previously established intervention logic (situation analysis, SWOT and needs) may require further changes that may affect the entire intervention logic system.

E. FINDINGS ON INTERVENTION LOGIC, TARGETS AND MILESTONES

The new challenge of the CAP Strategic Plan, compared to previous programming periods, is the introduction of a unit amount system for both the monitoring system and the annual accounts. This element is also of great importance at the planning stage, as the subsequent factual value (with the exception of some of the additional options provided for in the legislation) will in principle be compared to the design values, and it is therefore particularly important to include in the CAP Strategic Plan an appropriate, prudent and later meaningful planning calculation.

A detailed proposal for the design of the methodologies for the calculation of unit amounts recorded in the SFC has been set out, the main elements of which are: in addition to the unit amount calculation, the minimum and maximum values should be explained (if they appear); For IACS intervention and average unit amount, a detailed justification shall be provided for the reason why the uniform unit amount has been discarded; the data sources underlying the calculation and the correction methods used shall be specified. Most of these were still under review at the time of preparation of this document;

We recommend that databases and calculation tables with detailed background calculations be kept in a structured way, under the supervision of the Monitoring Unit.

Most of the CAP ST fulfilled the expectations and legal requirements in relation to the combination of R indicators and interventions. In some cases, insufficient information was available to assess compliance with the requirement, and in some other cases there were questions about compliance; in the related chapter, these suggestions and proposals are set out in detail.

All elements of the Specific Objectives (SO) – R Indicators – Interventions – Necessities are characterised

by a broad association, which includes not only the very relevant links but also the more partial, minor links. This association technique masks true, substantial, essential relationships. In order to show clearly the intervention logic and relevance, it is suggested to “clean” the combinations and to indicate only those links where the link is direct and significant, as is the case for interventions and R indicators. The intervention logic is also a condition for a coherent presentation of the justification for objectives in Chapter 2 of the CAP.

The future CAP ST performance assessment will focus on R indicators, including result indicators marked “PR”; failure to comply with the plan values results in serious sanctions. Accordingly, we considered the risk of fulfilling each result indicator in several respects (e.g. strong dependence on an intervention; TOP-up ratio; on the basis of novel intervention; calculation challenges). A total of 18 (including 7 “PR”) R indicators present a core risk: while their value is strongly influenced by an intervention, other interventions also contribute to achieving their value, albeit at a much lower intensity.

The risk is much higher than 5 R (namely: R.02, R.11, R.38, R.40, R.43PR) which rely on a single intervention. When finalising the planning, consideration should be given to at least one additional intervention with a direct and strong link to the indicators indicated, if any. And mitigation of this risk should in any case be given particular attention in the implementation of interventions, especially in the case of the R.43PR indicator.

A top-up ratio well above 50 % appears for the following indicators marked ‘PR’: R.01PR (59 %), R.19PR (83 %), R.17PR (61 %), R.41PR (70 %). In the event of a decrease in resources, the profit or loss indicators are expected to decrease; it is suggested that consideration be given to significantly reducing the top-up share of interventions that have a specific impact on the achievement of result indicators in order to avoid future sanctions.

Presents a higher risk than any other intervention (already highlighted in the past):

- Compensatory payment for the fight against antimicrobial resistance RD33b_G17_AMR_70 is the sole responsibility of the R.43PR indicator and the intervention itself is novel.
- Special attention is also given to 3 interventions for the fulfilment of the “PR” result indicators:
 - o DP17_G01_ECOS_16 Agro-Ecology Basic Programme (AÖP, Ecoscheme) – among several interventions, but it is the only one to provide value in relation to R.14PR and R.12, in addition to which 7 (!) flagship result indicators also play an important role, with the intervention itself being novel.
 - o RD19_G01_AEC_70 Agricultural Environmental Management Payments (AKG) – its single influence appears in the case of R.33, but in addition, if not unique, has a strong influence on the value of 7 (!) key result indicators.
 - o RD20_G02_ORF_70 Support for organic farming – In the case of the R.29PR indicator, it has sole influence and two other key results indicators strongly build on it in terms of outcome.

F. FINDINGS ON THE COHERENCE OF THE STRATEGIC PLAN

In the framework of the ex-ante evaluation, coherence was examined along the whole planning logic, based on needs based on the analysis of the situation and the findings of the SWOT, through the availability of indicators, targets and the necessary financial envelopes through the building of interventions on them.

The study has been grouped around priority themes, in order to be able to react quickly and to help on the most prominent issues, continuing the ex ante evaluation thinking that started in the years 2020-21. In selecting themes, we have previously taken into account the thematic focus at EU level, the domestic policy needs and expectations, as well as the groups of interventions that, based on their financial weight and/or their potential overall impact on the implementation of the plan, their novelty and their multiplier effect, were considered to be a priority area for ex ante evaluation.

Accordingly, the thematic subjects for the evaluation of coherence are:

- Renewable energy
- Antimicrobials
- Generational renewal
- LEADER

- Digitalisation
- Green interventions
- Investments

In most cases, each thematic coherence analysis follows a standard structure – logically, it follows the main milestones of the planning process and the resultant outputs. However, in the case of the green architecture, the analysis has been presented in a simplified way, given that this topic has been extensively addressed in the parallel report of the Strategic Environmental Assessment.

Our analysis shows that intervention coherence within each theme tends to be much more advanced than in previous versions, but the data content is even more deficient to assess the details. The lack of a final version of the intervention logic is limited to the proper presentation of the logical links.

Detailed feedback (positive feedback and criticism) was also provided for each intervention to allow designers to check the coherence of intervention plans from a different perspective as a result of a cross-sectional analysis.

G. FINDINGS ON THE FINANCIAL PERSPECTIVE

The financial plan for the CAP Strategic Plan has not yet been finalised, but the audited version of 2022/05/10 was already in the possession of management decisions on the basis of which the designers and evaluators did not expect substantial movements at that time.

In drawing up the financial plan, the designers took into account and applied the financial planning requirements, limitations and ring-fencing criteria of the SPR. The audited financial plan meets these conditions.

EU absorption expectations apply to the EU-funded side of the Financial Perspective. As CAP Pillar I support is expected to be disbursed with a relatively high degree of certainty (or, according to experience so far, only the uncertainty expected for the new AÖP intervention within Pillar I), the allocation of EU funds (without co-financing and own resources) in Pillar I also has a low risk of absorption and exposure. As beneficiaries are expected to be self-sufficient in the implementation of projects in Pillar II of the CAP, any difficulties in absorbing CAP Pillar II interventions do not jeopardise the payment of EU funds.

It is difficult to make a substantiated estimate of the borrowing situation in the agricultural sector until 2027 in the current turbulent period. Planners are not in an easy position, as they would need to prepare financial models for absorption of CAP Strategic Plan funds, building on and responding to realistic macroeconomic projections in advance, which are largely determined by the possibility of securing co-financing and thus by borrowing opportunities.

In the economic environment currently projected by the central government to be uncertain, including post-COVID demand predominances, the direct effects of high energy prices partly as a result of the Ukraine-Russia war and the direct effects of high wages as a result of past economic activity, and the resulting inflation, among others, as well as difficulties in accessing a number of external markets, companies are expected to invest less in the years of the CAP Strategic Plan implementation period (2023-27) than those projected in the first years of the planning period.

During the implementation period of the RDP, which lasted virtually from 2014 to 22, the companies made a very large amount of investments, thanks to the capital accumulated during the economic cycle at the time, which was available and earned, and to a globally favourable, low interest rate environment at market level. After completion, and due to the macroeconomic outlook described in the previous paragraph and the uncertainties in some important export markets, companies' capital position and revenue expectations are weaker, their new capacity-building investments tend to operate at higher overall cost levels and borrowing rates are high (except for favourable borrowing opportunities for the State-supported sector, mainly for SMEs, such as the Agricultural Széchenyi Card).

The CAP Strategic Plan is in a difficult situation when it should anticipate years ahead of the challenges of the years ahead. Some indications of this can also be seen in the text (e.g. at the start of the design, the 'Training credit environment' included in the SO2 SWOT items has already been deleted by designers on the basis of the situation known today). Especially in the case of interventions supporting investments (LEIPs, farms, forestry), there is a risk of difficulties in spending high envelopes properly. This is

counterbalanced by the fact that these investment interventions are located in Pillar II of the CAP, which is more advantageous in terms of EU absorption rules, and that a significant part of the envelope is made up of top-up resources, which can be adapted to demand in a flexible, dynamic and national context. Although no ex ante evaluation task was required, we examined which groups of interventions were affected by top-up funding to help identify the management margin of AM during the implementation period. Top-up resources amount to EUR 4.232 billion according to the Financial Perspective of 10.5.2022. There is a significant concentration of source allocation. 55 % of top-up funds are linked to two groups of interventions (ÉLIP, farm development), while almost 80 % of the funds relate to these two interventions and forestry interventions, business development and digitalisation.

Top-up resources account for the vast majority of the funds for these interventions. The top-up resources allocated to them amount to around EUR 2.9 billion, i.e. almost HUF 1.200 billion in current prices. Depending on the investment intervention under consideration, its share of the top-up total may be above 90 % (around 90 % for the two interventions with the highest funding envelopes). Governments around the world are starting to prepare for a global crisis, which may have an impact on top-ups financed by budgetary resources. If the domestic budget situation is forcing, it may be possible to reduce the framework for interventions that are predominantly planned from top-up resources or to defer the use of the envelopes. Given that top-up resources have been taken into account by planners when planning O indicators in general, and thus indirectly in the R-indicators' targets, a possible reduction of the top-up framework would result in the expected absence of the R indicator values planned for the top-up framework, which could also increase the risk of financial sanctions.

It is proposed to review the funding framework for agricultural holdings with the largest financial envelopes, LIFPs and forestry interventions in line with the current macroeconomic situation and projections, taking into account external environmental and corporate financial conditions and opportunities. Should it be decided that part of the funds may be reallocated to other interventions, it is proposed that the beneficiaries of these should be AKG or NPIs. Our analysis of the AKG identified a deficit of around HUF 218 billion for the period 2025-27 (maintenance), which needs to be resolved and re-allocated until the formal resubmission of the CAP Strategic Plan. In our view, the NTB is the most effective way of protecting the environment/nature while meeting the related R-indicators, so that the increase in resources can lead to a specific benefit of absorption and an increase in indicator value.

It is proposed to consider which proposed conceptual scenarios are possible for the use of support funds used for planning purposes and interpreted in higher forint-forints based on the expected weaker forint-euro exchange rate during the implementation period. One way of using potential exchange rate gains is to consider AKG maintenance and NTB financing.

H. PROPOSALS ON INSTITUTIONAL CAPACITIES, DATA COLLECTION AND IMPLEMENTATION

1. In the new rules of procedure, it is proposed to clearly separate the roles of Paying Agency (PA) and Intermediate Body (IB) and to create the possibility to designate several intermediate bodies. In the case of intermediate organisational functions, it must be ensured that both the legal-contract and process-side conditions for flexible use of the services requested by the MA are in place. This is extremely important if the same body is designated in both roles, but there would be significant benefits of a set-up in which several intermediate bodies are available to the MA.

2. It is proposed to designate IBs from the background organisations managed by the Wallet for interventions requiring specific professional competences and to designate the MÁK as IB for the management of area-based and investment interventions. In this way, the PA would be able to allocate more capacity to handle single applications and payments. If more than one IB were to be designated, the project selection may involve capacities with expertise corresponding to the theme area concerned, or, in the case of several IBs, the overall restrictive effect of one or two bottlenecks should be reduced.

3. It is proposed to include in the IB functions activities for which the implementation system is currently unable to provide sufficient capacity to achieve the objectives of the CAP Strategic Plan. This could include targeted outreach to potential beneficiaries, support for project generation and the development of project ideas by providing advice and mentoring.

4. We recommend that functions to improve the qualifications and skills of beneficiaries, in particular the Green Support Network, be available at the beginning of the new implementation period. This will allow applicants to make development decisions and develop project proposals on the basis of appropriate information (in particular in the green area, where there is a strong demand).
5. It is proposed to further develop the current system in response to changes in reporting expectations (increased volume, granularity and tightening). In this context, it is proposed to prepare and conclude a cooperation agreement between the MA and the PA on the division of labour in the monitoring tasks of the CAP Strategic Plan, setting out the methodology for the production of indicators with reference to the data processing manual of the CAP Strategic Plan.
6. It is proposed to lay down in a ministerial order or in the Ministry's SMSP the designation for professional contact with the indicators of the CAP Strategic Plan. It is also proposed to publish the Data Processing Manual of the CAP Strategic Plan prepared by the Indicator sub-working group as a ministerial instruction, thereby laying down the definition of indicators and the methods for calculating targets.
7. We recommend launching the planned IT procurement in order to launch IT developments to support increased and more complex data needs as soon as possible. The requirements are currently being drafted. The necessary project resources and contractual framework are in place. The financial framework for IT development is also provided, and the procurement of the developer is in a preparatory phase.
8. As soon as possible, it is proposed to make the least possible change to the established and consolidated system in the 2014-20 period, so as to minimise the time needed for learning and migration and the resulting number of errors. It is proposed to create rules that ensure the regulatory autonomy of rural development, as much as possible with the legal solution applied in the 2014-2020 period. This is also important because a significant change in the legal framework would require a significant change in the rules of procedure of the Paying Agency, and thus a major overhaul of the supporting IT system. This is expected to cause a slippage that the tight implementation schedule of the CAP Strategic Plan does not allow for.
9. It is proposed to include in the rules of procedure of the CAP Strategic Plan the Forum for the Preparation of Applications (PEMCS) and to involve the Monitoring Department of the MA and the Paying Agency and the IB as a mandatory member. When establishing the procedure for the new period, the process of preparing and amending calls for proposals should be regulated in such a way as to include both those responsible for the indicators concerned and the bodies responsible for monitoring.
10. The rules of procedure should provide the basis for the use of grant management solutions that preserve implementation capacities and reduce the administrative burden. Examples of such simplifications include, but are not limited to, the pre-qualification system, objective ("automatic") criticism, unsecured advance payments and simplified cost options.
11. It is proposed to maintain and strengthen environmental impact monitoring beyond 2023. In this context, it is proposed to include in calls for proposals and article decrees an obligation to tolerate environmental monitoring activities and to give priority to the areas concerned in the selection of projects in order to increase the willingness of farmers to cooperate.
12. It is proposed to achieve a higher level of data transparency in order to ensure a more efficient functioning of the monitoring system. This could be an opportunity, for example, to provide a coverage of assisted areas to data collection organisations.
13. It is recommended to develop and conclude long-term cooperation agreements with partner organisations involved in environmental data collection (e.g. Hungarian Association for Made and Nature Conservation) at the beginning of the funding cycle.
14. Existing external capacities are recommended (e.g.: national park directorates) further involvement in on-the-spot checks in the new funding period. For example, when monitoring High Natural Value Areas, this ensures the necessary competence to properly assess the state of the environment. It would be appropriate to broaden the scope of such professionals, taking into account that this is in itself also limited by a significant shortage of professionals.
15. It is recommended that the Territorial Monitoring System be further developed in order to support on-the-spot checks. The continuous improvement of the system and methodologies will require further efforts to ensure that the widest range of standards can be followed and checked by remote sensing.

16. It is proposed to create a dedicated department (e.g. a unit) within the MA for the management of evaluations and to reinforce the new function with at least three staff members. The new department could be responsible, inter alia, for drawing up the evaluation plan (implementing the principle of continuous evaluation), launching and operating knowledge management and disseminating activities for evaluations in the 2014-2022 period.

17. It is recommended to provide training and development opportunities for staff working in the monitoring and evaluation function on good practices in monitoring and evaluation through the ENRD.

18. It is proposed to further increase the number of staff for both the MA and the intermediate organisational function, in line with the increase in the volume of cases that can be planned in the coming years.

19. It is proposed to increase wages and minimise organisational changes in order to stabilise and reduce turnover. The continuous adjustment of wages to market conditions alone is expected to reduce fluctuations. In addition, organisational changes should be limited to what is strictly necessary and accompanied by active change management in order to retain and maintain the motivation of staff with experience in the system.

20. It is proposed to set up a human resources management organisational unit in the MA and in the bodies performing the intermediate organisational function in order to meet the challenges posed by the increasing number of staff and the HR functions that have not been institutionalised so far. One of the most important new tasks is the introduction of a performance evaluation system for the MA and PA staff (using Technical Assistance resources), which also acts as a financial incentive to reward maintenance.

I. PROPOSALS FOR SIMPLIFICATION OPTIONS

Institutional system workload

1. It is proposed that after the next version of the CAP Strategic Plan, a capacity model is drawn up to anticipate the capacity needs of each institutional system function. By running this model on a regular basis, capacity forecasts can be updated. This will give managers an accurate picture of whether individual decisions are taken (e.g.: publication date) impact on the required capacities and their timing. In many cases, minor timing changes or periodic reallocation of capacity can lead to significant accelerations in lead times. Such a capacity model has already been prepared in Hungary on behalf of the Prime Minister's Office, so there is also a technical, methodological history and benchmarking basis.

2. It is proposed to increase human resources in line with the increase in pressure, possibly as a result of sound capacity planning (see our previous proposal). At the same time, it is only a solution to deal with the sudden increase in workload, but the peaks are not constant, making it unnecessary to scale up permanent capacities. Due to the long training time, it is not always possible to achieve adequate expansion within the time available.

3. It is proposed to set up a pre-qualification system for development topics involving large-scale sources with complex award criteria, such as investments in food, innovation projects, livestock investments, horticultural investments, crop storage and dryers, short supply chains.

4. It is proposed to examine the possibility of including the FADN as part of the pre-qualification for agricultural investment aid, thus allowing for a transparent understanding of a number of valuable farming data, offering better targeting for future interventions and fine-tuning of tender parameters. It is recommended that a call for proposals be developed and published.

Simplified cost option

5. For 12 rural development interventions, it is proposed to examine whether flat rates or flat rates can be used in addition to the payment options already indicated.

6. For 12 rural development interventions, it is proposed to revise the indication of the payment modalities as it only covers flat-rates. We consider it possible that some cases may involve lump sums or it may be necessary to indicate the category of reimbursement of costs actually incurred by the beneficiary.

7. For 2 rural development interventions, it is proposed to revise the inclusion of the unit cost option. These interventions typically finance investments whose cost structure is concentrated, with relatively few supporting documents. In such a case, the benefits of simplified cost options are not so significant as to

justify additional resources and risk-taking. Flat-rate financing is also considered justified in these cases.

8. For 5 rural development interventions, we propose not to solve the unit cost in view of the expected significant number of municipal beneficiaries, as it is difficult to manage the expected losses and profits under unit costs in municipal accounting. In such a case, the itemised accounting and the combination of flat-rate costs are less risky.

9. We recommend a comprehensive reconciliation and revision of the indications for payment solutions for sectoral interventions. On the basis of this information, we do not see an absolute reason to indicate all payment options for this number of interventions.

10. In the case of apiculture and oenological interventions, the indications are still missing and it is proposed to replace them.

Support for farmers' applications

11. In the context of monitoring and IT development, it is proposed to develop a functionality in 2022 to provide tailor-made and informed support to farmers in decisions on green architecture grants. In this context, we recommend that the LPIS base the data requirements for this function on the natural assets coverages and the previous grants already used. It is recommended that the functionality is designed to ensure that recommendations reach farmers in the most immediate and rapid way possible. To this end, we recommend using the channels of the National Chamber of Agriculture, which operates the Green Support Network. In such a system, it is proposed to create a strong basic package for those for whom a specific recommendation is not induced, because it is common for customers to choose the basic package.

12. It is proposed to use the system to further support policy objectives after the introduction of business case support. In this context, it is proposed to increase the environmental performance level of the proposed standards from one year to the next. Typically, after an initial commitment, customers accept the next step more easily than they would need to take a larger step immediately. We also recommend that the system provides positive feedback on the environmental impact of decisions. Feedback will shape a sense of satisfaction about delivery, the loss of which is already expected to be counteracted by those concerned.

J. FINDINGS ON THE IMPLICATIONS AND SYNERGIES OF THE STRATEGIC PLAN WITH OTHER (OPERATIONAL) PROGRAMMES

Virtually all 2021-27 OPs, the Recovery and Resilience Plan and the Hungarian Village Programme have identified areas, topics and target groups that potentially overlap with the interventions foreseen in the CAP Strategic Plan.

In these cases, the solution is to adjust the delineation accordingly, where possible in such a way that the delineation does not only create flexible capacity for both demand and supply-side actors in the aid policy system, but also leads to mutually supportive, synergistic solutions by ensuring their complementarity and mutualisation.

The programmes are currently under planning. On the basis of the experience of the previous period, designers already have ideas for delineation, but neither their final coordinated inclusion in both relevant programmes, nor the coordinated coordination and fixing of synergies that the Commission often lacks, have been fully implemented.

The process of consultation with other OP designers initiated in the framework of the ex ante evaluation of the CAP Strategic Plan was sincerely welcomed by all relevant ministries. The identification of managers and experts in potentially overlapping areas has started but has not yet been completed, so there is still room for constructive solutions to be shared.

As a co-ordinated and synergistic solution, it is proposed to treat certain calls in the CAP Strategic Plan and Operational Programmes as complex projects and to use innovative and coordinated procedural elements to support this, avoiding demarcation problems in order to exploit the potential synergies that can be presented to the European Commission in all relevant programmes.

The use of "one-size-fits-all calls" could be used as a tool for multiple pairs of calls: in the event of two overlapping interventions, a (information) document presenting a brief summary of both calls and the relationship between the two calls may be published on the application interface together with the second call. The proposed document would have an informative role and would not create a legal obligation for

the Managing Authorities. Official information related to the calls would continue to be included in the relevant calls for proposals, which will be referred to in the factsheet. A call/legal title regulation involved in a given link between the two programmes could give an extra point during project selection/application evaluation to the beneficiary who also submits a grant application for the other call until the evaluation, and thereby participates in the use of synergistically matched funding opportunities – in line with the policy intention thus embodied as a result of inter-ministerial coordination. According to preliminary information, this solution can be applied to several programmes.

SEA summary

Social consultation of the SEA

The involvement of relevant organisations and the public is particularly important in the SEA process. As part of the SEA team, this activity was carried out by the Association of Hungarian Conservationists (MTVSZ), which has significant references and credibility on the subject.

During the preparatory phase of social consultation, the relevant social groups were identified, during which more than 300 civil, professional, scientific, agricultural and business organisations were made available on the basis of previous experience and the relevant ENRD recommendation. The Hungarian Association of Conservationists, as the organisation responsible for social consultation, has set up a subpage on its website (www.mtvsh.hu) for the social coordination of the SEA process of the CAP Strategic Plan, as well as a closed group on www.facebook.com.

During the consultation of the SEA Thematic Report, the bodies responsible for the protection of the environment and the National Environment Council (hereinafter: Oct) and the National Council for Sustainable Development (hereinafter referred to as NFFT) were consulted in January 2021. The thematic report of the SEA was finalised by processing and summarising the opinions received.

During the consultation of the SEA environmental assessment, the Ministry of Agriculture, which was responsible for preparing the CAP Strategic Plan at the end of August 2022, sent the consultation documentation of the CAP Strategic Plan together with the environmental assessment to the bodies responsible for the protection of the environment, as well as to the OAP and the NFFT. In parallel, a press release was issued by the Ministry and a press release was published on 2 September in the Hungarian National newspaper. News about the process were published on the website of the Ministry of Agriculture, on the website of the concertating Hungarian Association of Conservationists and in the above-mentioned Facebook group. The Ministry also asked 317 civil, professional, scientific, agricultural and business stakeholders and members of the Monitoring Committee of the National Environment Council and Rural Development Programme to comment by direct email. Public authorities and social partners had 31 days to comment.

To ensure face-to-face feedback, a partnership workshop was organised on 27 September 2022 by the Ministry of Agriculture at the Ministry's building in Budapest. 18 participants participated in the nearly 3 hours forum, a detailed reminder of the Forum can be found in Annex 4.

During the consultations, the following bodies responsible for the protection of the environment were consulted:

- national environmental and nature protection authority
- national Chief Medical Officer
- Minister for Forestry, Soil Protection, Quantitative Protection of Land and Agri-environment
- Ministry of the Interior National Directorate-General for Disaster Management
- Minister for Mining
- Budapest Government Office
- Minister for the Protection of Cultural Heritage
- Ministry of the Interior National Directorate-General for Disaster Management

The organisations directly involved in the consultation process are:

- The National Environment Council and its members
- Organisations represented in the Rural Development Programme Monitoring Committee
- The National Council for Sustainable Development
- Office of the Commissioner for Fundamental Rights
- Nature protection and environmental NGOs
- County Directorates of the National Chamber of Agriculture
- Other public, farming, civil society and municipal organisations and organisations representing interest groups affected by the objectives and interventions of the CAP Strategic Plan

Place of publication of SEA results

The submitted version of the SEA, together with a summary of the opinions received and how they are dealt with, will be published at the end of October 2022 on www.mtvsh.hu, slatezat.gov.hu and am.gov.hu website. The authorities involved in the process, listed above, will receive a detailed reply to their comments.

Effects of CAP Strategic Plan interventions on climate change mitigation, adaptation and dissemination of sustainable energy

Overall, the expected balance of the CAP Strategic Plan from the point of view of climate change mitigation cannot be clearly established at this stage. The Plan contains a significant number of support elements that can reduce agricultural emissions and increase the carbon sequestration capacity of the domestic territory. At the same time, supported investments can further increase the intensity of raw material production, which may have a greater negative impact than the result of emission reductions. The result depends on the technical details of the supported projects and the incentives for farming practices. These will be truly impacted by the calls for proposals, which are not detailed according to the CAP Strategic Plan. It is therefore important to prioritise climate change mitigation when developing detailed rules for support schemes in the implementation of the Plan and to measure its effectiveness through environmental impact monitoring.

Effects of CAP Strategic Plan interventions on protecting soil quality and preventing soil erosion

The CAP Strategic Plan is expected to be a step forward in protecting soil quality and preventing soil erosion. This requires farmers to choose standards to maintain soil quality in a significant area, in particular under the Agroecological Fund Programme, and to reduce soil erosion through changes in conditioning and the emergence of payments to encourage agro-ecological land use change and maintenance. As soil regeneration can only be measured over a long period of time, it is of utmost importance that significant progress is already made in this area during this funding period. Therefore, from the first years of implementation, once applications have been supported, it will be worthwhile to assess potential impacts, and from the second half of the cycle to monitor the real effects of soil conditions through impact monitoring. The strengthening of the conditions for support should be stepped up until agriculture achieves sustainability in terms of soil status.

Effects of CAP Strategic Plan interventions on the protection and quantitative protection of surface and groundwater from nutrient and pesticide pollution

In conclusion, it can be concluded that the CAP Strategic Plan will have both a negative and a positive impact on water quality. The result cannot be established in advance. A positive overall impact can be achieved if water protection aspects are integrated into the detailed rules and award criteria of the aid

schemes. Here too, it is important to estimate both the potential impacts and the back-testing of impacts already during implementation.

Impact of CAP Strategic Plan interventions on improving air quality, sustainable waste management and promoting the circular economy

Some management practices, where sustainability considerations are considered to be relevant, can contribute to reducing air pollution, especially for solid particles and airborne pesticides. In particular, the 'Basic Agro-Ecology Programme', which among its optional requirements helps to protect air quality by minimising uncovered soil surface, winter soil cover, non-rotational tillage and cover of plantations. Some elements of 'Agro-ecological non-productive investments', 'Agro-ecological land use change payments' and 'Support for agricultural irrigation communities that improve water use efficiency' can contribute locally to reducing air dust contamination by increasing soil cover, reducing wind speed and increasing the area of irrigable areas.

Overall, the CAP Strategic Plan is expected to have a positive impact on air quality, sustainable waste management and the achievement of a circular economy, especially if awareness-raising actions are able to change farmers' attitudes in addition to compliance and have a meaningful impact on farming practices.

Impact of CAP Strategic Plan interventions on protecting biodiversity, enhancing ecosystem services and protecting habitats and Natura 2000

Among the interventions of the Strategic Plan, the highest value in terms of biodiversity and ecosystem services is those that include measures with a proven positive impact on mitigation of adverse impacts on ecosystems and habitat restoration, while being most trade-off-free, few of them having a neutral impact, or increasing pressures and intensification of production.

The AKG's targeted measures have the potential to mitigate adverse impacts on habitats and species, based on the experience of recent cycles. In this cycle, it is important to refocus and expand the range of support for 'High Natural Areas', as it has been demonstrated that these targeted aids have the highest environmental added value. In this context, priority should be given to producers with the highest level of pledges in the selection process. The provisions of the AKG should be aligned with the additional elements of the CAP's green architecture (conditionality, AÖP, Natura 2000 compensation, non-productive investments), so that mandatory and voluntary standards can complement each other in order to provide farmers with the highest possible, most significant territorial coverage and the longest possible impact.

Compensatory payments to maintain the ecological status of Natura 2000 grassland and forest areas and to conserve grasslands as grasslands are also a highly successful form of support in international comparisons.

A payment to encourage agro-ecological land-use change is key to restoring the ecological network and landscape features of agricultural land, as well as encouraging land-use change in areas with limited suitability for arable farming, with ecological benefits in all its elements. Support for organic farming and certain measures for apiculture interventions are intended to reduce the environmental impact of farming, in particular to reduce the range of chemical pesticides and to reduce the amount of chemical pesticides. In the case of the latter, particular emphasis should be placed on support for bee health and environmental exposure tests, which will contribute to the identification and monitoring of the impact of pesticides that are dangerous to bees.

All the requirements of the basic agro-ecological programme can contribute to changing agricultural practices, including reducing environmental pressures, in the case of arable land, grassland and plantations, although the expected degree of impact may vary considerably.

The effects of climate change have become increasingly evident in recent years, and adaptation to them is unthinkable without preserving and maintaining diverse biological bases. In addition to natural biodiversity, these objectives are highly served by interventions to preserve agro-biodiversity, i.e. the diversity of plant and animal genetic resources.

Among the interventions that are expected to have a significant negative conservation impact, support for agricultural irrigation communities, aimed at improving water efficiency, is a priority. Irrigation and associated infrastructure (linear, irrigation ditches) have direct negative conservation effects (e.g.: destruction of nests and branches of bird species nesting on the ground, risk of collision, creation of ecological traps). Irrigation also opens up the possibility for intensive arable and horticultural crops to be grown in areas where there has been a predominant extensive cultivation of arable land, with the result that suitable habitats continue to shrink. In water-scarce areas, irrigation can lead to further depletion of surface and groundwater resources, increasing water scarcity.

The achievement of a farming activity as one of the basic conditions for the basic and redistributive income support for sustainability should encourage those concerned to use areas with unfavourable production conditions and thus limited suitability for arable farming (drought, inland water and erosion) and to maximise the cultivated area, such as the use of elements of the agricultural ecological network for farming purposes, which should be assessed as a direct and significant negative impact and is contrary to the objectives of the biodiversity strategies. That effect is cushioned by the fact that the farmer is also entitled to receive that aid by maintaining the area in the state of culture ('maintenance').

The energy use of agricultural waste (biomass) in the context of rural development cooperation for the development of a biomass-based economy can have a positive impact in terms of reducing GHG emissions, while biomass production primarily for energy purposes can also generate significant additional environmental pressures through intensification of production (soil degradation, crop protection), habitat conversion and loss.

Support for the control of endo- and ectoparasites in animal welfare interventions in the small ruminants and cattle sectors may have a direct negative impact on the invertebrate fauna of agricultural land and on the protected vertebrate species that feed them. Insect control by non-selective agents (piretroides) reduces the food source of bird and bat species that feed on flying insects, and active substances (e.g. ivermectin) entering the soil with faeces can have adverse effects on the soil and/or on the soil surface.

It is hoped that the CAP Strategic Plan should restore a number of previously dead agricultural habitats and protect them in a meaningful way. If this can be achieved and interventions characterised by direct and indirect negative impacts are redesigned, it is also expected to have a positive impact on biodiversity developments.

Impact of CAP Strategic Plan interventions on the preservation of the landscape, the protection of landscape features and cultural heritage

Overall, it is hoped that the CAP Strategic Plan will have a positive impact on the preservation of the landscape, but this also requires increasing farmers' environmental and landscape awareness in this area and not only achieving minimum standards, but also the value of the landscape, natural and cultural values that the farmer hosts in the area he is cultivating. This can be expected from awareness-raising actions.

Impact of CAP Strategic Plan interventions on sustainable development, human health protection, social justice and cultural heritage

The CAP Strategic Plan can contribute to a more sustainable and just society in several areas. At the same time, the resources provided for this are not sufficient in themselves to address the existing problems. There is therefore a need for strong support from other development programmes in this area.

General assessment

Overall, as a result of the evaluation of interventions, the implementation of the CAP Strategic Plan creates environmental safeguards with the guarantee elements of the green superstructure, in particular the mandatory requirements for enhanced conditionality. By requiring compliance with the environmental directives and the basic environmental conditions of strategic importance, deterioration of the environmental condition of utilised agricultural areas can, in principle, be prevented.

By supporting voluntary elements of the green superstructure, the Common Agricultural Policy also provides an economically realistic alternative for farmers engaged in environmentally sound land use. These subsidies can contribute to the improvement of the environmental status of almost all environmental aspects.

In addition, the support of the Common Agricultural Policy can contribute, directly or indirectly, to the intensification of agricultural production. Agricultural production with higher inputs and more efficient technology is the cause of many environmental problems. The irrational land use and erosion of the elements of the agricultural ecological network, which are heated by the aid, are also partly attributed to the negative environmental impacts of the plan.

The assessment of the situation without a CAP Strategic Plan is therefore twofold. On the one hand, the absence of environmental guarantees and voluntary environmental subsidies would reduce the scope for environmentally friendly land use. On the other hand, in the absence of any impact on the intensity of agricultural production, it is conceivable that there is a reduction in the use of inputs and a failure to cultivate unsuitable land. This would certainly have environmental benefits. In addition, a strong differentiation in land use intensity is likely to be a consequence of the absence of the plan: the cultivation intensity of high-quality arable land would be further strengthened, inter alia due to the lack of environmental guarantees, while the abandonment of cultivation on low-quality fields could be envisaged in the absence of the plan.

2. Recommendations of the ex-ante evaluation and SEA and how they have been addressed

Title / Reference	Category of recommendation	Date	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
1.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
10.	SEA specific recommendations	15-07-2022					X	X				
11.	SEA specific recommendations	15-07-2022						X				
12.	SEA specific recommendations	15-07-2022					X					
13.	SEA specific recommendations	15-07-2022						X				
14.	SEA specific recommendations	15-07-2022		X		X	X			X		
15.	SEA specific recommendations	15-07-2022		X		X	X			X		
16.	SEA specific recommendations	15-07-2022		X		X	X			X		
17.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
18.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
19.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
191	SEA specific recommendations	13-10-2022				X	X	X				
192	SEA specific recommendations	13-10-2022				X	X	X				
193	SEA specific recommendations	13-10-2022				X	X	X				
2.	SEA specific recommendations	15-07-2022					X	X				
20.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
21.	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
22.	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X
23.	SEA specific recommendations	15-07-2022				X						
231	Intervention logic/contribution to objectives	13-10-2022	X							X		
24.	SEA specific recommendations	15-07-2022				X						
25.	SEA specific recommendations	15-07-2022					X					
26.	SEA specific recommendations	15-07-2022					X					
27.	SEA specific recommendations	15-07-2022					X	X				
28.	SEA specific recommendations	15-07-2022					X	X				
29.	SEA specific recommendations	15-07-2022						X				
3.	Measures to reduce the administrative burden	15-07-2022				X	X	X				

Title / Reference	Category of recommendation	Date	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
30.	SEA specific recommendations	15-07-2022					X					
31.	SEA specific recommendations	15-07-2022				X	X	X				
32.	SEA specific recommendations	15-07-2022				X	X	X				
33.	SEA specific recommendations	15-07-2022				X	X	X				
34.	SEA specific recommendations	15-07-2022					X					
35	SEA specific recommendations	15-07-2022						X				
36	SEA specific recommendations	15-07-2022				X	X	X				
37	SEA specific recommendations	15-07-2022				X	X	X				
38	SEA specific recommendations	15-07-2022					X					
39	SEA specific recommendations	15-07-2022				X	X	X				
4.	SEA specific recommendations	15-07-2022				X	X	X				
40	SEA specific recommendations	15-07-2022				X	X	X				
41	SEA specific recommendations	15-07-2022				X	X	X				
42	SEA specific recommendations	15-07-2022				X	X	X				
43	SEA specific recommendations	15-07-2022					X					
44	SEA specific recommendations	15-07-2022				X	X	X				
45	SEA specific recommendations	15-07-2022				X	X	X				
46	SEA specific recommendations	15-07-2022					X					
47	SEA specific recommendations	15-07-2022					X					
48	SEA specific recommendations	15-07-2022					X					
49	SEA specific recommendations	15-07-2022				X	X	X				
491	SEA specific recommendations	13-10-2022				X	X	X				
492	SEA specific recommendations	13-10-2022				X	X	X				
5.	SEA specific recommendations	15-07-2022				X	X					
50	SEA specific recommendations	15-07-2022									X	
501	SEA specific recommendations	13-10-2022									X	
51	SEA specific recommendations	15-07-2022						X			X	
52	SEA specific recommendations	15-07-2022						X		X		
53	SEA specific recommendations	15-07-2022						X				
54	External/internal coherence	15-07-2022					X					
55	External/internal coherence	15-07-2022					X					
56	External/internal coherence	15-07-2022						X		X		
57	External/internal coherence	15-07-2022								X	X	
58	External/internal coherence	15-07-2022				X	X	X				
59	External/internal coherence	15-07-2022						X		X		
6.	SEA specific recommendations	15-07-2022					X	X				
60	External/internal coherence	15-07-2022				X	X			X		
61	External/internal coherence	15-07-2022								X		
62	External/internal coherence	15-07-2022					X			X		
63	External/internal coherence	15-07-2022				X				X		
64	External/internal coherence	15-07-2022					X			X		
65	External/internal coherence	15-07-2022				X	X	X		X		
66	External/internal coherence	15-07-2022				X		X				
661	SEA specific recommendations	13-10-2022				X		X				
662	Intervention logic/contribution to objectives	13-10-2022							X			
67	External/internal coherence	15-07-2022					X					

Title / Reference	Category of recommendation	Date	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	SO9	XCO
68	SEA specific recommendations	15-07-2022					X					
69	SEA specific recommendations	15-07-2022					X					
7.	SEA specific recommendations	15-07-2022					X					
70	SEA specific recommendations	15-07-2022						X				
71	SEA specific recommendations	15-07-2022					X	X				
72	SEA specific recommendations	15-07-2022					X					
73	SEA specific recommendations	15-07-2022					X					
74	SEA specific recommendations	15-07-2022				X	X	X				
75	SEA specific recommendations	15-07-2022					X					
76	SEA specific recommendations	15-07-2022					X					
77	External/internal coherence	15-07-2022					X					
78	External/internal coherence	15-07-2022									X	
79	External/internal coherence	15-07-2022				X	X	X				
8.	SEA specific recommendations	15-07-2022					X	X				
80	External/internal coherence	15-07-2022									X	
81	External/internal coherence	15-07-2022				X	X	X			X	
82	External/internal coherence	15-07-2022						X				
83	External/internal coherence	15-07-2022				X		X		X		
84	External/internal coherence	15-07-2022				X		X		X		
85	External/internal coherence	15-07-2022						X				
86	External/internal coherence	15-07-2022				X						
87	External/internal coherence	15-07-2022				X						
88	External/internal coherence	15-07-2022				X						
89	External/internal coherence	15-07-2022						X				
9.	SEA specific recommendations	15-07-2022					X	X				
90	External/internal coherence	15-07-2022					X			X		
91	External/internal coherence	15-07-2022				X	X	X		X		
92	External/internal coherence	15-07-2022						X		X		
93	External/internal coherence	15-07-2022				X				X		
94	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X
95	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X
96	External/internal coherence	15-07-2022	X	X	X	X	X	X	X	X	X	X
97	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X
98	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X
99	Measures to reduce the administrative burden	15-07-2022	X	X	X	X	X	X	X	X	X	X

1. - Description

It is proposed to revise the intervention logic as follows:

- allocate a needs-based objective in Chapter 5 to interventions responding to SO underlying needs
- when assigning the R indicator to the intervention, (3) establishing the link between SOs and R indicators, particular attention should be paid to ensuring that the results of interventions planned to achieve the objectives are representative and that the response to needs can be justified.
- when combining any of the two elements of the intervention logic, the most important criterion should be that only and explicitly direct and substantial links should be specified.

While the overall intervention logic of the CAP Strategic Plan is understandable, chapters 2 and 5 of the

SFC (version 26.5.2022) show that coherence can be further developed:

- The range of interventions responding to the objectives set by the needs and the feedback of the result indicators to the corresponding specific objective in several cases does not constitute a completed logical chain
- Indicators showing the results of interventions responding to the needs underlying the specific objectives have not always been combined with the relevant SO

In the annexes to the ex ante report, a separate chapter and detailed tables present the findings and suggestions concerning the coherence of each intervention theme.

1. - Justification

The detailed proposals are constantly being taken into account in the further development of the CAP Strategic Plan by planners.

10. - Description

The environmental added value of the practice of non-rotational cultivation is undeniable, but it is important to provide for restrictions on the use of plant protection products at the same time.

The use of non-rotational tillage can sometimes lead to significant pesticide use. In formulating the standard, efforts should be made to define the use of plant protection products which is still technologically acceptable but which has a minimum environmental impact.

10. - Justification

The technical direction of the proposal is agreed by the designers. The feasibility of the specifications needs to be further analysed prior to their introduction.

11. - Description

Introduction of a complementary package of measures to halt biodiversity loss: **introduction of** compensation payments for Natura 2000 arable land.

The proposed missing support element can make a significant contribution to changing trends affecting biodiversity with a persistent negative trend. The proposed support element will contribute to the strategic goals of reducing pesticide use and will lead to habitat changes that benefit several sectors (wild game management, beekeeping). The proposed intervention facilitates the possibility of a higher level of consistency between the CAP Strategic Plan and the Natura 2000 PAF. The introduction of the intervention contributes to Article 28/2017. (X. 25.) for the implementation of Decision AB.

11. - Justification

The technical direction of the proposal is agreed by the designers, but the financial and implementation conditions for its introduction during the current planning period have not been met. The introduction of a new payment in the next planning cycle is realistic.

12. - Description

Introduction of a compensation payment under the Water Framework Directive.

In order to preserve and improve the status of domestic surface and groundwater, it is appropriate to introduce an aid measure similar to the Natura 2000 compensation scheme.

12. - Justification

The technical direction of the proposal is agreed by the designers, but the financial and implementation conditions for its introduction during the current planning period have not been met. The introduction of a new payment in the next planning cycle is realistic.

13. - Description

Introduction of a complementary package of measures to halt biodiversity loss:
Introduction of long-term fallow rearing/bee-preservation TECS and Gyepreservation TECS in High Natural Value Areas.

The proposed missing support element can make a significant contribution to changing processes affecting biodiversity with a persistent negative trend. The proposed support element will contribute to the strategic goals of reducing pesticide use and will lead to habitat changes that benefit several sectors (wild game management, beekeeping). The two above-mentioned sets of thematic specifications of the High Natural Areas Programme have been proposed under the [Birds & Farmland Initiatives](#) supported by the EU Commission in the initiative of the Domestic Partner (MME).

13. - Justification

The technical direction of the proposal is agreed by the designers. The new AKG will be launched as of 2024. It will be possible to enforce the proposal.

CAP ST does not exclude the possibility of introducing a new TECS.

14. - Description

Separate renewable energy generation intervention

It is proposed to launch a specific intervention to support renewable energy investments, to be decoupled from the envelope for investment interventions in agriculture, food and small municipalities, Teachas, for the purpose of increasing the dedicated renewable energy generation capacity linked to R.15.

It is proposed to set the envelope for the intervention at least HUF 90 billion so that the CAP Strategic Plan, like other programmes, contributes to the objectives of carbon neutrality of domestic energy production in the National Energy and Climate Plan (NECP), in proportion to the resources available to it. An envelope of HUF 90 billion allocated to a new separate renewable energy investment intervention will allow the implementation of approximately 300 MW renewable capacity (R.15) with a support rate of 50 %, i.e. 10 % of the difference between the current and the target NECP. The new intervention will allow the R.15 target to be doubled (currently: 151 MW).

In line with EU and domestic policy objectives and in order to ensure the achievement of the target related to indicator R.15, it is proposed to make funds directly available for this purpose. Market developments – green transition, high fossil energy prices, security of supply – are all leading to increasing market demand, with entrepreneurs' willingness to invest on the rise.

In line with the above approach, the three relevant interventions were used for modelling investments to support separate renewable energy production ((1) development of agricultural holdings, (2) development of food processing by adding value to agricultural products, (3) development of small municipalities and farmyard infrastructure). On the basis of the RDP thematic evaluation on energy efficiency and renewable energy, it is assumed that 20 % of corporate beneficiaries (1-2) and 80 % of small municipal beneficiaries (3) will carry out real estate renovations or new developments that also require energy development. Also based on previous assessments, we estimate that an average of 15 % of each property's investment amount will be spent on renewable energy development.

Along this logic, an envelope of HUF 90 billion allocated to a new separate renewable energy investment intervention will allow the implementation of a nominal installed capacity of around 300 MW with a subsidy rate of 50 %. Taking into account the requirement of the National Energy and Climate Plan (based

on which the extension of solar capacity is the central element of Hungary's renewable energy production and which should increase from 680 MW in 2016 to 6 500 MW in 2030), this represents almost 10 % of the difference between the current 3 000 MW target and the 6 500 MW target.

Based on experience and due to its widespread applicability, simple installation and accounting, renewable energy generation capacity is expected to support predominantly solar panels, to a lesser extent solar collectors, biomass boilers and geothermal development. Accordingly, the proposed envelope is based on solar development, taking into account that the capacity installed in the development must not exceed the economy's own energy use.

14. - Justification

The proposal was accepted by the designers and a specific intervention was created in the CAP ST.

15. - Description

Mandatory renewable energy production in case of land development (new construction or renovation) Specific wording for renewable energy production is proposed. In this context, it is proposed to require the use of renewable energy generation development to cover at least 50 % of the energy use of the new/renovated building (heat and/or electricity) in case of site development, building renovation, both new construction and deep renovation.

As of 30 June 2022, Decree No 31/2022 requires compliance with the nearly zero-energy (NZ) requirement level for newly built properties and renovations reaching at least 50 %, which is practically impossible to achieve without the use of renewable energy generation. In addition to residential buildings, similar requirements should apply to farm buildings and municipal properties. Taking into account the domestic NECP's energy strategy targets in line with the EU Fit for 55 targets (6 500 MW nominal solar panel capacity by 2030), as well as the multiplication of fossil fuel costs in the context of the current war situation and aspects related to the enhanced security of supply and self-sufficiency, we consider it appropriate to use the support, in addition to the objectives of the CAP Strategic Plan and the underlying EU greening requirements, to serve domestic policy and long-term national goals, as well as the safe and sustainable operation of businesses. The mandatory requirement could ensure that the renewable energy intervention framework is used and the target R.15 indicator is increased.

15. - Justification

The designers agree with the technical direction of the proposal.

Energy development will be mandatory for developments financed by green investment interventions. At the same time, it is not possible to extend this requirement to all investments because there will be developments that do not concern, for example, buildings, so that connecting with renewable energy requirements would be unrealistic.

16. - Description

Use of unit costs in indicator calculation based on EDIOP benchmark values

It is proposed to use unitary values of EUR 1100/kWp for installed renewable energy production capacities under the support of green investments in agricultural holdings that are dedicated and strongly supportive of renewable energy production (RD01c_E01_FRM_73). This value takes into account the unit values used in the EDIOP, adjusted for the current and expected HUF/EUR exchange rate and inflation, predominantly based on the installation of solar panel systems as the expected determining technology. When setting the target value for R.15, in addition to the specific value, designers are invited to take note of the draft legislation which, once in force, requires adequate storage capacity to be provided for the authorisation of additional solar panel systems, in order to prevent network anomalies and overload. Depending on the system size, this may amount to between 30 % and 60 % of the investment value of a given scheme, so it is recommended to calculate an average value of 40-50 %.

The above, which has been applied in the EDIOP for several years and has been revised several times (see last version. GINOP-4.1.5-22) is technically justified and validated on the market side. From a support policy perspective, it is beneficial that similar values in CAPST and EDIOP do not require further explanation in any programme (NB: EDIOP Plus no longer continues to support renewable energy for businesses) to the EU Commission. The specifics reflect market realities, for which the associated overall payback times have been significantly reduced by high fossil energy prices over the past period, so they cannot be seen as limiting market mechanisms but serve only to determine realistic prices.

16. - Justification

The proposal was taken into account by the designers in the planning of the financial envelope and unit amount of the interventions concerned and the related indicator R.

17. - Description

LAGs excellence programme to increase local synergy of development resources

Leader Local Action Groups represent a key element of the Hungarian territorial development system. The only organisation system covering the entire rural area of the country, with a dedicated task to increase synergies between development resources at local level. The LEADER approach and the LAG “infrastructure” are ideal to increase synergies between different development programmes at local level. At home, this should be prioritised among LEADER’s strategic objectives and supported by the CAP Strategy as well as towards the co-ministries.

In order for LAGs to have a sufficient impact on their environment development programmes, they need more capacity in this respect.

The LAGs currently have 2 full-time employees, all in the country’s 105 LAGs. As part of the implementation of the CAP Strategic Plan, these LAGs will have to resubmit their Local Development Strategy (HSF) in order to renew their status. In the preparation of the 2023-2027 LFS, it is important to require LAGs to promote local synergies as a priority. On the basis of our proposal, well performing LAG organisations could, on the basis of effectiveness for 2014-20 and increase local coordination and synergy with non-VP programmes 2014-20, add one to three additional persons/HACS 3 to 5 persons, tailored to the needs, while maintaining the current system of 2 persons/HACS. It is proposed to open this option to LAGs meeting the main thresholds, known as the ‘HCS Programme of Excellence’, by requiring LAGs to declare their intention to participate in the LAGs in the programme of excellence in relation to the LFS, presenting the relevant results of the 2014-20 period as a justification. In the LAG excellence programme, the amount of aid obtained in previous years through the LAG (not only VP) and the amount of aid obtained from other OPs and domestic programmes could be a selection criterion, which should be accompanied by a sufficiently motivating threshold for those who actually perform well.

Provided that the eligibility limits for the LAG Excellence programme are set at 30 % of LAGs successfully and plan to employ an average of + 2 for each of them (i.e. 4 instead of the current 2), the estimated resource needs are as follows over the whole time horizon of the CAP ST: 30 LAGs x 2 persons x 5 years x HUF 12 per year total employer expenditure = HUF 3.6 billion.

Differentiated development of LAGs is justified. Positive discrimination against well-functioning LAGs on the basis of excellence in a way that does not infringe the acquired rights of existing LAGs can help to further develop high performers. LAGs can play an essential role in creating different resources locally and in a coordinated way, thereby facilitating decentralised and local synergies with other programmes, which the Commission has repeatedly called into question in connection with the RDP.

17. - Justification

The designers agreed to the proposal.

Linked to the proposal, LAGs will be able to implement development projects from LAG-managed funds during the CAP ST period. The implementation of the projects will also provide resources for recruiting colleagues in the development and facilitative work.

18. - Description

Promoting better coordinated rural development.

Under LEADER, it is also possible to facilitate coordination and even better use of rural development within the framework of the CAP Strategic Plan. If proven alignment with a LAG's LAG could provide additional points for the evaluation of CAPST Pillar II rural development and agricultural applications, this would also contribute to the needs-based and coordinated nature of local interventions, and thus their feasibility and sustainability.

By increasing the role of the LAG's HFS, the targeting and local acceptance of LAGs can be greatly improved. Local actors would see even more tangible value in matching with local strategy and individual involvement in promoting local strategic goals. LAGs also play a pre-screening role by awarding extra points, which tends to increase the reflection of grant applications, their overall quality and a greater degree of decentralisation of the preparation of individual applications. Thus, the LEADER approach and the LFS could have a development impact beyond the resources allocated to the LAG, in order to address problems in terms of social, employment and local quality of life.

18. - Justification

In the project selection procedure, the assessment of compliance with the HFS may be problematic and we do not support the proposal.

19. - Description

Launch a LEADER training and mentoring programme within the framework of the CAP Network
There would be an opportunity to increase their role in addressing local social, employment and competitiveness issues through targeted and continuous training of staff working in LAGs in order to exploit local synergies. It is proposed to provide a continuous training and information programme for LAG staff, which will increase their preparedness and hence the positive impact of LAGs in these areas.
A good example and analogy of the training and mentoring programme could be the National Entrepreneurial mentoring programme carried out by the MKIK with EU funding of HUF 3.6 billion since 2018. This includes access to information, training, mentoring and even individual counselling services for the smallest businesses. Experts and mentors in participating enterprises (medium or large companies with experience in similar developments) with support, guidance and local MKIK coordinator support. A LEADER training and mentoring programme could be run with a similar principle, processes and envelopes, which would open up new opportunities for exploiting local synergies, while at the same time providing a synergy tool to be presented to the European Commission, from which all local development would benefit, regardless of programme and funding opportunities.

Funds for rural development are expected to increase significantly over the period 2023-2027. For this resource to be effective, there is a need for an appropriate level of knowledge and good practice on rural development among stakeholders. A good platform for this is the LEADER LAG network, which can provide information through its contacts with local actors and use it as regards its own resources. Thus, a significant multiplier effect can be achieved by training LAGs.

19. - Justification

The designers agreed to the proposal. During the CAP ST period, the CAP Network has a strong role to play in training and mentoring LEADER LAGs.

191 - Description

In order to ensure the flow of information related to interventions, in particular to small-scale applicants, it

is appropriate to provide advice free of charge.

The proposal aims to further develop the CAP Strategic Plan.

191 - Justification

This is one of the reasons for the creation of the Green Support Network under the AKIS.

192 - Description

It is suggested that consideration be given to the introduction of results-based approaches for certain objectives (e.g. biodiversity conservation, water retention).

The proposal aims to further develop the CAP Strategic Plan.

192 - Justification

We will be treated in the course of implementation.

193 - Description

Through agri-environmental management measures, the development of floodplain landscape management in suitable areas should be promoted.

The proposal aims to further develop the CAP Strategic Plan.

193 - Justification

We will be treated in the course of implementation.

2. - Description

Acknowledging the many positive progress already made in the areas of nature and environment, we see a need to further increase the level of environmental ambition of the CAP Strategic Plan compared to Option 1.0.

We see a significant increase in the framework for non-productive investments in Agro-ecological as a good opportunity to improve biodiversity, soil and water protection and pollinators at the same time.

It is proposed to triple the budget of EUR 19910349 (total public expenditure) in the financial plan of 05.10 of the CAP Strategic Plan. In parallel, the targets for the related output indicators R17, R26, R32 and O21 should be increased. There is also a need to increase the envelope for maintaining these investments to a sufficient extent.

Agro-ecological non-productive investments (NPIs) are an element of the CAP Strategic Plan that can specifically achieve nature, environmental objectives and related indicators (including the level of environmental ambition) in one of the most effective ways.

A further advantage of the amendment could be that it does not affect the current rather complex system of green architecture, thus reducing the risk of splitting the coherence of aid.

2. - Justification

The technical direction of the proposal is agreed by the designers. The INST envelope for CAP ST is more than seven times higher than the funding used in 2014-2020.

In addition to the current constraints on the allocation of funds, there is no further possibility to increase the AÖNTB envelope, but if there is sufficient farmer interest and sufficient resources to be used during implementation, AÖNTB will be a priority for transfers.

20. - Description

Management of certain funds in the CAP Strategic Plan and Operational Programmes in complex calls

The planning identified a number of CAP ST interventions with a pair of synergies in one of the OPs. In such cases, it is recommended that a new information document be published in addition to the usual calls for proposals: call for complex projects, presenting the two calls, highlighting links. We recommend that additional points be awarded to applicants who also submit an application for the other call for proposals in the framework of the award criteria for these calls.

Proposed grant management steps:

- Together with the second call, a document presenting a short summary of both calls and the link between the two calls (invitation to complex projects) may be published on the application form. This document is limited to a substantive presentation of the grants and links, and the detailed elements will continue to be included in each call for proposals.
- Both calls could award an extra point to the beneficiary who submits an application for the other call until the evaluation, thus taking part in the use of synergistically matched funding opportunities.
- The Managing Authorities undertake to inform each other of the applications submitted.

Call pairs identified during the CAP ST-OP consultation:

- CAP Strategic Plan: digitalisation of agricultural and forestry enterprises – DIMOP Plus: SME digital skills development
- CAP Strategic Plan: animal husbandry developments – KEHOP Plus: biogas production based on manure
- CAP Strategic Plan: rural infrastructure development – DIMOP Plus: public service app development
- CAP Strategic Plan: local Wi-Fi Access- DIMOP Plus: broadband development
- CAP Strategic Plan: digitalisation in agriculture, food – DIMOP Plus: Big Data, AI
- CAP Strategic Plan: maintenance of NPIs – KEHOP Plus: habitat development and reconstruction

It is also proposed to add these possibilities for cooperation to Chapter 4.5 of the CAP Strategic Plan, which deals with the coordination of the CAP Strategic Plan between the Funds.

The CAP Strategic Plan, the Operational Programmes and the Recovery and Resilience Plan will finance developments in a number of areas in a number of ways. In such cases, it should be ensured that grants can be taken into account in synergy. The proposed method is relatively simple to implement and does not require any procedural or IT development on either side.

20. - Justification

The proposal was accepted by the designers. Chapter 4.5 of the CAP is already designed in line with the proposal.

As part of the finalisation of the CAP ST, the designers of the other programmes have been contacted and links identified.

21. - Description

Improving the coordination of rural development support in the review of LEADER LFSs

It is proposed to specify in the CAP Strategic Plan that for rural development interventions, synergies will be implemented at local level through the planning work of LEADER LAGs. To this end, the review of the LEADER LFSs would require LEADER LAG to examine the Integrated Territorial Programme of the counties concerned and to develop its own goals in a complementary way, seeking synergy. It is also proposed to specify in TOP Plus that the counties should be given a mandatory consultation opportunity

for LEADER LAGs in the county with a view to coordinating planned developments.

In the area of rural development, there is a significant overlap between the objectives and areas supported by the CAP Strategic Plan and TOP Plus. This provides an opportunity to coordinate the two sources to multiply each project's impact across the entire value chains. To this end, it is essential to have a coordination mechanism in place. The present proposal provides a forum for this.

21. - Justification

The designers accept the proposal.

As part of the finalisation of the CAP ST, the designers of the TOP have been contacted and cooperation initiated.

22. - Description

It is proposed to revise the SCO plans in the CAP Strategic Plan as follows:

- For 12 interventions for rural development, it is proposed to examine whether flat rates or flat rates can be used in addition to the payment options already indicated.
- For 12 interventions for rural development, it is proposed to revise the indication of the payment modalities as it only covers flat-rates. We consider it possible that in some cases lump sums may be involved or it may be necessary to indicate the category of reimbursement of costs actually incurred by the beneficiary.
- For 2 interventions for rural development, it is proposed to revise the inclusion of the unit cost option. These interventions typically finance investments whose cost structure is concentrated, with relatively few supporting documents. In such a case, the benefits of simplified cost options are not so high as to justify the necessary resources and risk-taking. Flat-rate financing is also considered justified in these cases.
- For 5 interventions for rural development, we propose not to solve the unit cost in view of the expected significant number of municipal beneficiaries, as it is difficult to manage the losses and profits expected under the application of unit costs in municipal accounting. In such a case, the itemised accounting and the combination of flat-rate costs are less risky.
- We propose a comprehensive reconciliation and possible revision of the indications of payment solutions for sectoral interventions. On the basis of this information, we do not see an absolute justification for indicating all payment options for this number of interventions, which are currently missing in the case of apiculture and oenological interventions.

It is clear from the CAP Strategic Plan that Hungary plans to make significant progress in simplifying payments. A simplified payment is expected for a significantly higher number of interventions compared to the Rural Development Programme. Based on the experience with simplified payment solutions in other operational programmes, it is proposed to revise the flags used in the current plan version for certain types of interventions. As part of the ex ante evaluation report, we prepared a detailed table of types of payments and our proposals.

22. - Justification

The proposals were reviewed by the designers in the relevant interventions.

23. - Description

In addition to the positive impact of the intervention on the livestock sector, addressing the potentially increased environmental impacts (GHG emissions, increase in noise, odour, waste load) in synergy with other CAP Strategic Plan interventions is an important task (e.g. by supporting investments to reduce the environmental burden on livestock farms).

The proposal aims to further develop the CAP Strategic Plan.

23. - Justification

To be treated during implementation.

231 - Description

It is proposed to carry out a comprehensive evaluation that examines the social impact of the implementation of the domestic CAP Strategic Plan and provides for the possibility of feedback in order to increase the contribution of the support system to social justice.

The operation of the aid scheme can change income conditions at the level of beneficiaries and affect the profitability of farming. Although the support scheme includes checks and balances to address, for example, economic-size biases, it is necessary to review the social impact from time to time.

231 - Justification

We will be treated in the course of implementation.

24. - Description

It may be appropriate to measure variable GHG emissions under the intervention in order to monitor the balance between economic/sectoral benefits and environmental burdens, in addition to monitoring the increase in product diversity of animal origin.

The proposal aims to further develop the CAP Strategic Plan.

24. - Justification

To be treated during implementation.

25. - Description

Domestic fruit and vegetables contain more hazardous pesticide residues than the EU average. Investments aimed at a meaningful and substantial reduction in pesticide use or in support of the ecological transition should therefore be given a special focus in the conditionality of interventions and in the selection of applications.

The proposal aims to further develop the CAP Strategic Plan.

25. - Justification

To be treated during implementation.

26. - Description

In the fruit and vegetables sector, irrigation is an essential element of technology, and it is therefore proposed to support primarily those farms where irrigation planning has taken into account the provisions of the regional river basin management plans, in terms of the source, volume and potential pollution of surface and groundwater resources.

The proposal aims to further develop the CAP Strategic Plan.

26. - Justification

To be treated during implementation.

27. - Description

With regard to the development of apiculture training material, it is appropriate to involve public and non-governmental actors in the nature conservation sector, on the one hand, to highlight common objectives and to develop joint programmes (e.g. a strict ban on the use of plant protection products dangerous to bees) and to clarify professional conflicts (e.g. the perception of certain highly honeying alien and invasive plant species, damage to certain protected bird species).

The proposal aims to further develop the CAP Strategic Plan.

27. - Justification

To be treated during implementation.

28. - Description

When replanting and replanting, preference is given to environmentally friendly agro-technical solutions: e.g. minimisation of soil disturbances, development of grassland queues, reduced use of pesticides.

The proposal aims to further develop the CAP Strategic Plan.

28. - Justification

To be treated during implementation.

29. - Description

The elimination of natural habitats (e.g. grasslands) in the planning and authorisation of replanting is not eligible, or the removal of habitats in order to re-establish former vineyard areas cannot be considered as replanting/conversion.

The proposal aims to further develop the CAP Strategic Plan.

29. - Justification

To be treated during implementation.

3. - Description

We propose to significantly reduce the administrative burden related to the use of the Agro-ecological Basic Programme and Agro-ecological NPIs by significantly simplifying the application solution.

We recommend that these aids be shown in the single application in such a way that the farmer proposes requirements on the basis of the specificities of the area claimed. This can be done by developing an algorithm based on the LPIS covers.

It is also proposed that agro-ecological non-productive investments can be applied for each year as long as the framework lasts. This will ensure that farmers' interest reaches what is necessary to achieve the intended positive natural and environmental impacts.

Interventions to achieve the environmental objectives of the CAP Strategic Plan constitute a complex system that is difficult to understand by farmers with a number of rules. These commitments and developments are not necessarily linked to the immediate interests of the economy, so applicants spend less energy on understanding them. It is therefore possible for farmers to use the necessary number of aids if they are easy to see and use. The proposed solution can be developed on the basis of the appropriate

coverage of the LPIS and the data of the Territorial Monitoring System can be used for monitoring the use of grants. These IT developments can be covered in the framework of the already launched CAP Strategic Plan Monitoring IT development.

3. - Justification

The technical direction of the proposal is agreed by the designers. However, it is not recommended to add this new functionality to the single application system.

This functionality is planned to be implemented in accordance with the proposal, but as a separate system, so that the farmer receives a proposal on the relevant subsidies/standards through the IT system.

The preparation of the function is part of the already launched IT preparation project.

30. - Description

We propose to abolish the green harvesting premium. This purely market-regulating form of aid cannot be justified from the point of view of environmental sustainability, since the environmental externalities of cultivation (machinery emissions, plant protection) occur but are not offset by any economic return: the aid therefore creates a net environmental burden.

30. - Justification

To be treated during implementation.

31. - Description

Agri-environmental payments should provide for possibilities to support environmental problems requiring specific land use.

The proposal aims to further develop the CAP Strategic Plan.

31. - Justification

To be treated during implementation.

32. - Description

Support for the use of High Natural Value Areas for nature conservation purposes should continue to be ensured. The necessary revision and expansion of the ATN programme will contribute to slowing down biodiversity loss. It is appropriate to extend the system with a set of thematic standards for the protection of species requiring specific land use (e.g. introduction of a set of standards for the protection of cancer vipers, further development of the package of standards to promote the use of hostages, launch of a set of standards called “earpreserve standards”, integration of the results of the Birds@Farmland project).

The proposal aims to further develop the CAP Strategic Plan.

32. - Justification

To be treated during implementation.

33. - Description

Further support for solutions to environmental problems of a zonal nature (e.g. drought, inland water, erosion) should be prioritised within the framework of the intervention.

The proposal aims to further develop the CAP Strategic Plan.

33. - Justification

To be treated during implementation.

34. - Description

It is necessary to preserve and expand the set of water retention standards, especially in areas where guidance is provided in the relevant strategic documents (e.g. River Basin Management Plans).

The proposal aims to further develop the CAP Strategic Plan.

34. - Justification

To be treated during implementation.

35 - Description

In the context of horizontal thematic sets of specifications, a strong representation of the standards for the protection of small wild game and pollinators, including in the form of a stand-alone set of thematic specifications, is required.

The proposal aims to further develop the CAP Strategic Plan.

35 - Justification

To be treated during implementation.

36 - Description

In the context of agri-environmental payments, it is justified to maintain the system of optional provisions.

The preliminary results of the impact assessments indicate that they may be relevant to environmental performance and should therefore be maintained/extended.

36 - Justification

To be treated during implementation.

37 - Description

In order to maximise the environmental impact, consideration should be given to implementing longer-term support for an area (beyond the five-year funding cycle) within the framework of the intervention. This can be done either by extending the duration of grant agreements or by prioritising previously assisted areas in the selection criteria.

The proposal aims to further develop the CAP Strategic Plan.

37 - Justification

To be treated during implementation.

38 - Description

It is necessary to align the call for proposals with other support for environmentally friendly land use and land use change (e.g. non-productive investments) in terms of scope, content and implementation of the CAP Strategic Plan.

The proposal aims to further develop the CAP Strategic Plan.

38 - Justification

To be treated during implementation.

39 - Description

In the selection criteria, the priority of farmers with the highest environmental commitments should be guaranteed overall (by non-thematic set of standards) for all sets of intervention standards.

The proposal aims to further develop the CAP Strategic Plan.

39 - Justification

To be treated during implementation.

4. - Description

Increase the vertical coherence of the CAP Strategic Plan in order to increase the coverage of non-productive areas and achieve environmental objectives.

To this end, it is necessary to increase the mandatory levels of conditionality as follows:

GAEC1 Further tightening of the requirement to conserve permanent grassland (not just national ratios) is justified, as follows:

- *the maintenance of grassland at farm level is mandatory, or*
- *hacking of grassland is prohibited*

GAEC4 Specifications for buffer strips:

We consider that there is a need to tighten the rules currently in place when establishing buffer strips along water courses. Subject to restrictions on the application of feed materials and plant protection products used in the fertilisation process, or

1. by increasing the width of the buffer strip (min. 5 m as a general rule), or
2. to ensure that direct and diffuse water pollution is prevented by changing the cultivation method (e.g. 6 m wide pilds, grassland strips)

The size of the coastal buffer strips should be synchronised in Act LVII of 1995 on water management, as well as in Government Decree No 83/2014. (III.14.) with widths for specific coastal lanes specified in Section 1(11) of Government Decree No 14/1999, which ensure that water-maintenance and water damage control works can be carried out. The implementation of this limitation in the public interest by farmers would also be ensured by requiring a mandatory design as a condition for aid (the width of the coastal strip is 3, 6 and 10 metres from the coastline depending on the classification of the waters).

Consideration should be given to banning the drainage of inland water and rainwater in vulnerable and drought-sensitive areas, as well as a ban on water-intensive crops in drought-sensitive areas.

The expansion of areas subject to erosion measures (possibly including drought- and inland water-sensitive areas) and land-use change areas are justified in order to reduce complex environmental problems (erosion, deflation, drying, loss of biodiversity). This will lead to a reduction in the area of forced cultivation. To this end, it is proposed to add the following provision to the GAEC5 specifications: 'Rotational tillage in target land use change areas shall not be permitted.'

For GAEC 8, it may be justified to *increase the share of landscape features/non-productive elements* (from 3 % to at least 4 %) and to apply a sufficiently high weighting factor to areas created with non-productive investments.

At the same time, it is justified to *reduce the weighting factor for nitrogen-fixing crops* (from 1 point to a maximum of 0.5 points), as it can be assumed that a significant proportion of farmers intend to meet the GAEC requirement by growing these species – on the basis of previous greening experience.

We propose to include in the specifications of non-productive landscape features a *requirement for the conservation of archaeological sites located on agricultural land, which contributes to the long-term preservation of our cultural heritage*.

It is also proposed that *consideration be given to the introduction of a requirement to preserve tensile and border-marking stones located in utilised agricultural areas*.

Land use that does not meet the conditions of the production area causes a number of environmental problems. The proposal complements the multi-component set of instruments currently included in the CAP Strategic Plan for the establishment and maintenance of non-productive areas (AÖP, NTB establishment and maintenance aid) in a way that ensures that environmental damage is avoided and that helps farmers to join.

The increase of non-productive areas contributes significantly to achieving the strategic goals of reducing pesticide use. The proposed changes to the Good Agricultural and Environmental Conditions will result in a higher environmental contribution to the basic requirements of the CAP, justified by deteriorating environmental parameters.

4. - Justification

The proposals were discussed in detail. There is consensus in the technical direction, but the way in which it is implemented is proposed by the CAP ST.

Incentivising land-use change through conditionality can lead to social problems, as it typically affects producers who manage with low profitability and the areas concerned play a significant role in their livelihoods.

In view of the above, the policy aims to stimulate land use change through the AÖP and the AÖNTB.

40 - Description

In the selection criteria, preference should be given to farmers applying for agri-environmental support to maintain land use change for environmental purposes.

The proposal aims to further develop the CAP Strategic Plan.

40 - Justification

To be treated during implementation.

41 - Description

In the selection criteria, preference should be given to farmers applying for areas that have received agri-environmental payments in the past.

The proposal aims to further develop the CAP Strategic Plan.

41 - Justification

To be treated during implementation.

42 - Description

Support for organic farming: It is proposed to include as much territorial space as possible under support in order to achieve a higher environmental positive impact. The reduction of areas during the planning period should be avoided.

The proposal aims to further develop the CAP Strategic Plan.

42 - Justification

To be treated during implementation.

43 - Description

Prioritise water sensitive areas (erosion, inland water, drought, nitrate vulnerable areas), including target drinking water protection areas.

The proposal aims to further develop the CAP Strategic Plan.

43 - Justification

To be treated during implementation.

44 - Description

Agro-ecological land use change: Overall, farmers with the highest environmental pledges should be guaranteed in the selection criteria for all the areas targeted by the intervention.

The proposal aims to further develop the CAP Strategic Plan.

44 - Justification

To be treated during implementation.

45 - Description

Agro-ecological land use change: Favouring agro-ecological non-productive investments on the impact areas of activities supported under other operational programmes (e.g. KEHOP habitat development or water investments) in the selection criteria of the application (e.g. by attaching a statement of support from the relevant nature conservation or water bodies).

The proposal aims to further develop the CAP Strategic Plan.

45 - Justification

To be treated during implementation.

46 - Description

Agro-ecological land use change: In the case of non-productive investments, in particular for measures to preserve surface water, the introduction of a so-called result-based payment system should be considered.

Given that investments in water conservation and their maintenance are unique and highly dependent on the characteristics of the area in question, the payment system would need to be adapted accordingly. Examples of potential indicators of the result-based payment system could be the amount of water preserved (m³) that is not relevant or the extent of soils with water cover and permanent moisture (ha) or the duration of the water cover.

46 - Justification

To be treated during implementation.

47 - Description

Agro-ecological land use change: For non-productive investments for water protection purposes, priority

should be given to farmers in areas sensitive to water protection, as well as to land managers in surface water bodies and groundwater areas that are not in good condition due to diffuse pollution, in order to achieve the WFD targets set by 2027.

The proposal aims to further develop the CAP Strategic Plan.

47 - Justification

To be treated during implementation.

48 - Description

Agro-ecological land use change: It should be considered that some of the interventions for water protection should be combined with irrigation investments and only the development of complex water management systems should be supported.

The proposal aims to further develop the CAP Strategic Plan.

48 - Justification

To be treated during implementation.

49 - Description

Agro-ecological land use change: When defining the eligible areas or establishing the selection criteria, we propose to take into account the geospatial databases and technical results produced in the framework of the national strategic nature planning projects (KEHOP Nöszép, Green Infrastructure and Land Characteristics).

The proposal aims to further develop the CAP Strategic Plan.

49 - Justification

To be treated during implementation.

491 - Description

Payment to encourage agro-ecological land use and maintenance: The intervention justifies the promotion of floodplain landscape management in agricultural and forest areas.

The proposal aims to further develop the CAP Strategic Plan.

491 - Justification

We will be treated in the course of implementation.

492 - Description

It is proposed to promote the economic exploitation of these breeds for breeds supported in the context of the conservation of animal genes. Accordingly, participation in branded/trademark production schemes or the inclusion of a geographical indication in the selection criteria should be considered.

The proposal aims to further develop the CAP Strategic Plan.

492 - Justification

We will be treated in the course of implementation.

5. - Description

In line with the previous SEA proposal for conditioning, it may be justified to reduce the maximum plate size to around 30 hectares.

The introduction of practice can be of great importance in adapting to climate change and reducing wind erosion.

5. - Justification

The proposal is accepted by the designers and moved to the CAP ST.

50 - Description

Animal welfare: When using internal parasite control, it must be guaranteed that harmful active substances (Ivermectin) are not released into the environment.

The proposal aims to further develop the CAP Strategic Plan.

50 - Justification

To be treated during implementation.

501 - Description

The intervention should avoid supporting activities that cause immediate environmental problems (e.g. insecticides on livestock farms).

The proposal aims to further develop the CAP Strategic Plan.

501 - Justification

We will be treated in the course of implementation.

51 - Description

Animal welfare: In the context of the intervention, it may be appropriate to examine how it can help maintain domestic grassland by grazing livestock. This solution can benefit both animal welfare and the environment and nature conservation. The proposal aims to further develop the CAP Strategic Plan.

51 - Justification

To be treated during implementation.

52 - Description

Forest-environment: In the case of reconstructing cleansing, it is proposed to include, in addition to a habitat function for at least three protected species, the visual perception of the high landscape features of the landscape features, and the reason for the preservation of cleansing functions as a point of view.

The proposal aims to further develop the CAP Strategic Plan.

52 - Justification

To be treated during implementation.

53 - Description

Forest-environment: In some stocks that do not have NATURA 2000 designation, it is proposed to include the conservation of ‘treasures of significance for the landscape and/or landscape’ in certain environmental value-adding farmers’ pledges.

The proposal aims to further develop the CAP Strategic Plan.

53 - Justification

To be treated during implementation.

54 - Description

It is recommended that the purchase of equipment for non-rotational cultivation (no till) is eligible.

The proposal aims to further develop the CAP Strategic Plan.

54 - Justification

To be treated during implementation.

55 - Description

Farm development: It is proposed to include among the selection criteria solutions that mainstream sustainable water management, water use and protection.

The proposal aims to further develop the CAP Strategic Plan.

55 - Justification

To be treated during implementation.

56 - Description

Farm development: We recommend that brownfield investments and/or landscape-specific architectural solutions (placement, size, shape, material, colour) be prioritised when building, developing or renovating buildings and structures.

The proposal aims to further develop the CAP Strategic Plan.

56 - Justification

To be treated during implementation.

57 - Description

Farm development: It may be appropriate to include in the selection criteria a preference for production to the local market, for example through the producer’s participation in local, community-supported farming systems, short supply chains or participation.

The proposal aims to further develop the CAP Strategic Plan.

57 - Justification

To be treated during implementation.

58 - Description

Farm development: The application of the DNSH principle could be a good tool and reference for comprehensive sustainability mainstreaming.

Under the EU Regulation 2020/852 (Taxonomy Regulation), an economic activity is considered sustainable if it contributes substantially to one of the specified environmental objectives and does not at the same time cause significant harm to any of the environmental objectives.

58 - Justification

To be treated during implementation.

59 - Description

Afforestation: Quality objectives and management guidelines for a given natural habitat, a Natura 2000 site, a protected site, a landscape unit and a green infrastructure area must be taken into account when determining the location of the planting, the choice of tree species composition and the way in which it is cultivated.

The proposal aims to further develop the CAP Strategic Plan.

59 - Justification

To be treated during implementation.

6. - Description

The use of soil conditioning, plant conditioning or microbiological or N-fixing products makes it possible to meet the requirements of the AÖP using additional/substitute inputs. It is proposed to delete or supplement the standard in such a way as to ensure the exclusion of other nutrient substitutes used.

Without complementing the practice, a reduction in the input of environmentally justified input cannot be guaranteed.

6. - Justification

The technical direction of the proposal is agreed by the designers. The AÖP scoring system has been amended as suggested.

60 - Description

Afforestation: It is necessary to take greater account of the climatic aspects when determining support for deployments.

Afforestation of areas with inadequate climatic conditions may have a negative impact on the water content of the soil and on the amount of groundwater.

60 - Justification

To be treated during implementation.

61 - Description

Afforestation: Priority support is proposed for the planting of woody plant communities that are close to nature and connect elements of the ecological network, with spatial focus on the results of the mapping of domestic green infrastructure (NÖSZTÉP).

The proposal aims to further develop the CAP Strategic Plan.

61 - Justification

To be treated during implementation.

62 - Description

Afforestation: From a water protection point of view, it is essential that installations take place in areas sensitive from the point of view of water protection and water base protection, in particular in areas of multiple sensitivity, both with additional points in the selection criteria and with an increase in aid intensity.

The proposal aims to further develop the CAP Strategic Plan.

62 - Justification

To be treated during implementation.

63 - Description

Afforestation: In addition to the primary examination of climatic conditions and their definition as eligibility criteria in the context of afforestation aid, it is proposed to give priority to the following areas in the selection criteria:

- Natura 2000 network sites, protected natural areas,
- designated areas of the ecological and green infrastructure network;
- water and water base sensitive areas,
- areas affected by wind or water erosion,
- areas of particular sensitivity.

The proposal aims to further develop the CAP Strategic Plan.

63 - Justification

To be treated during implementation.

64 - Description

Forestry: For all activities, it is important to protect soil quality and use minor interventions for soil erosion (e.g. small machinery, avoidance of slope work). Another important task is the proper management of forests (rather water retention techniques, small spatial planning).

The proposal aims to further develop the CAP Strategic Plan.

64 - Justification

To be treated during implementation.

65 - Description

Rural infrastructure: It is recommended to specify among the principles governing the establishment of selection criteria that the maintenance and operation plan and the feasibility study should include how the investment in question serves the local and regional objectives of environmental, nature conservation and climate protection.

The proposal aims to further develop the CAP Strategic Plan.

65 - Justification

To be treated during implementation.

66 - Description

Rural infrastructure: In order to increase the environmental efficiency of infrastructure developments, it is proposed to prioritise investments based on existing infrastructure (e.g. use of brownfield sites) and to limit the installation of green surfaces.

The proposal aims to further develop the CAP Strategic Plan.

66 - Justification

To be treated during implementation.

661 - Description

Due to the impact of ICT technologies on the landscape, landscape integration criteria should be prioritised in their design.

The proposal aims to further develop the CAP Strategic Plan.

661 - Justification

We will be treated in the course of implementation.

662 - Description

We recommend that consideration be given to reducing the minimum required farm size in the case of young farmers' start-up aid, in order to ensure that the intervention also supports newcomers.

The proposal aims to further develop the CAP Strategic Plan.

662 - Justification

We will be treated in the course of implementation.

67 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: Only after adaptive processes, land-use changes and the potential of biological funds have been exhausted, irrigated areas should be expanded and technical equipment for irrigation water installed.

The proposal aims to further develop the CAP Strategic Plan.

67 - Justification

To be treated during implementation.

68 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: As a mandatory activity, we propose to create technical conditions for water retention best suited to the local conditions (e.g. construction of reservoirs, installation of controllable artefacts, removal of drainage ditches).

The proposal aims to further develop the CAP Strategic Plan.

68 - Justification

To be treated during implementation.

69 - Description

Investment in agricultural holdings to improve water efficiency and support for agricultural irrigation communities that improve water efficiency: Only water efficient technologies are proposed.

The proposal aims to further develop the CAP Strategic Plan.

69 - Justification

To be treated during implementation.

7. - Description

Changing the inclusion of nitrogen-fixing crops and organic duplicates between non-productive elements defined under GAEC 8 in such a way that they are either deleted or the point of delivery with these crops is reduced to 1 point.

According to the experience of greening, farmers are encouraged to replace their obligations to reduce production (e.g. greening organic focus areas) by producing nitrogen-fixing crops or organic secondary crops. This solution does not lead to the necessary change in the agricultural environment and the proposed amendment is therefore justified.

7. - Justification

The technical direction of the proposal is agreed by the designers. The AÖP scoring system has been amended as suggested.

70 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: When developing complementary infrastructure for irrigation development, in particular when setting up the flooding and sewerage system that transports irrigation water, it is appropriate to avoid ecological trap solutions.

Plastic-lined sewers can cause the death of individuals from many animal species.

70 - Justification

To be treated during implementation.

71 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: Investments in irrigation development in protected natural areas and Natura 2000 sites are incompatible with national conservation objectives and with the EU Birds and Habitats Directives due to their direct habitat conversion effect. We consider investments in irrigation development in these areas to be ineligible.

71 - Justification

To be treated during implementation.

72 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: Higher incentive support in the application selection process, priority for selection criteria is proposed if the applicant undertakes to develop the entire farm water supply system for integrated landscape management through territorial water retention and water retention, especially when implemented in cooperation e.g. by the proposed landscape management community.

The proposal aims to further develop the CAP Strategic Plan.

72 - Justification

To be treated during implementation.

73 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: When setting eligibility criteria for irrigation development interventions, it is appropriate to exclude protected and Natura 2000 sites.

The proposal aims to further develop the CAP Strategic Plan.

73 - Justification

To be treated during implementation.

74 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: In the selection principles, 3. The environmental, climate and adaptation aspect is proposed to be expanded as follows: 3. "Implementing environmental, climate, landscape management and adaptation aspects"

The proposal aims to further develop the CAP Strategic Plan.

74 - Justification

To be treated during implementation.

75 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: In water-scarce areas, irrigation development should only be supported by territorial restrictions on water-intensive crops, or only if the necessary water resources are retained in the reservoir.

The proposal aims to further develop the CAP Strategic Plan.

75 - Justification

To be treated during implementation.

76 - Description

Support for on-farm investments improving water efficiency and for agricultural irrigation communities that improve water efficiency: It is necessary to include in the selection criteria that an investment is eligible (Article 74 of the CAP Strategic Plan) if “the water body concerned has not been classified less than good in the relevant river basin management plan for reasons related to water quantity”.

The proposal aims to further develop the CAP Strategic Plan.

76 - Justification

To be treated during implementation.

77 - Description

Forest fires: We recommend that the project plan and the maintenance plan, which form the basis for the evaluation of applications, include an assessment of the expected environmental impacts. Conservation interests must be safeguarded in the design of exploration and firebreaks and water retention facilities, and attention must be paid to the welfare of the soil and of the large trees (biotope trees) in the forest stands.

77 - Justification

To be treated during implementation.

78 - Description

Cooperation: In particular, it is proposed to support the development, further development or introduction of quality schemes that account for the environmental and social parameters of the production of the products in addition to proof of geographical origin or traditional cultivation/processing methods, i.e. the certification will make it possible to understand the sustainability performance of the farms producing the products.

The proposal aims to further develop the CAP Strategic Plan.

78 - Justification

To be treated during implementation.

79 - Description

Training, advice: In order to improve the environmental impact of training and advisory programmes, it is expected that all trainers and advisors have comprehensive and specialised knowledge of sustainability and environmental integration, including knowledge of the environmental system linked to EU agricultural policy.

The proposal aims to further develop the CAP Strategic Plan.

79 - Justification

To be treated during implementation.

8. - Description

The exclusive use of biological agents authorised in organic farming on at least 50 % of the plantation area.

Use only soil conditioning, plant conditioning or microbiological preparations on at least 30 % of arable land.

8. - Justification

The technical direction of the proposal is agreed by the designers. The feasibility of the specifications needs to be further analysed prior to their introduction.

80 - Description

REL: Priority should be given to supporting REL schemes in which appropriate certification systems are able to prove the origin of products and ensure full transparency in the short supply chain, as well as to make consumers aware of the environmental (or social, economic) sustainability performance of farmers involved in the sale of RELs.

The proposal aims to further develop the CAP Strategic Plan.

80 - Justification

To be treated during implementation.

81 - Description

Social Entrepreneurship: We recommend that preference be given to farms or social cooperatives which manage in an environmentally sound manner (e.g. non-chemical and/or organic farming) or to mainstream environmental aspects in processing and providing services.

The proposal aims to further develop the CAP Strategic Plan.

81 - Justification

To be treated during implementation.

82 - Description

Ecotourism cooperation: For developments in protected areas and Natura 2000 sites, the relevant impact assessments and impact assessments are mandatory. Independently of these, it is proposed to draw up a guide to the intervention to guide the integration of active and eco-tourism developments with natural and landscape conditions and local load capacity, as well as environmental sustainability aspects.

The proposal aims to further develop the CAP Strategic Plan.

82 - Justification

To be treated during implementation.

83 - Description

Ecotourism cooperation: Tenders should exclude tourism events with landscape and environmental pressures (e.g. large regional festivals).

The proposal aims to further develop the CAP Strategic Plan.

83 - Justification

To be treated during implementation.

84 - Description

Ecotourism cooperation: Large-scale accommodation should be avoided for investments.

The proposal aims to further develop the CAP Strategic Plan.

84 - Justification

To be treated during implementation.

85 - Description

Ecotourism cooperation: In the case of developments affecting protected areas, it is recommended that the relevant National Park Directorate be consulted on the project plan.

The proposal aims to further develop the CAP Strategic Plan.

85 - Justification

To be treated during implementation.

86 - Description

Biomass cooperation: Bioenergy production should be based as much as possible on agricultural waste and residues. We recommend including it in the selection criteria and taking into account, as a first priority, the origin and production conditions of the raw materials used as energy sources. We recommend that biomass from intensive farming that is primarily produced for energy use should be assessed negatively against agricultural waste.

86 - Justification

To be treated during implementation.

87 - Description

Biomass cooperation: Under the cascade principle, the energy use of biomass of wood origin can only be supported if the wood in question (e.g. wood chips, woodwork waste) cannot be used as a secondary input for the production of preserved products (e.g. particle board).

The proposal aims to further develop the CAP Strategic Plan.

87 - Justification

To be treated during implementation.

88 - Description

Biomass cooperation: It is proposed to include in the evaluation criteria for each proposal the calculation of the expected GHG savings and to include a minimum saving value in the tender specifications. The Annexes to RED II 2018/2001 may be used for the calculation.

The proposal aims to further develop the CAP Strategic Plan.

88 - Justification

To be treated during implementation.

89 - Description

Hunting management: It is appropriate to establish co-operations which have a combined benefit for both agricultural production and the conservation of biodiversity. Therefore, it is necessary to focus primarily on resolving conflicts with huntable species whose populations are sensitive and show signs of decline in the long term (e.g. hares, huntable wild geese species).

The proposal aims to further develop the CAP Strategic Plan.

89 - Justification

To be treated during implementation.

9. - Description

It is appropriate to complement practices on grassland (e.g. extensive grazing, grazing of native farm animal breeds) and to impose the current standard under condition or to reduce its score.

It may be appropriate to complement grassland practices in the following areas (also taking into account the overlap with the AKG measure):

- Legislation requiring extensive grassland use (avoiding grazing adapted to the type of grassland)
- Standard to encourage the use of grazing (e.g. grazing with native livestock)
- Specification for preference for nature-friendly mowing methods (prohibition of dry-inflicted cases, requirement of alternative cascades)
- In the case of grasslands, it is proposed to regulate the minimum stubble height as a separate provision, as follows: The minimum tensile height of 10 centimetres during mowing is mandatory.

Currently, the grassland practice only limits the ploughing of grasslands, which is otherwise undesirable, which essentially leads to the avoidance of direct environmental damage, and it is therefore necessary to raise the level of ambition. The types of specifications listed will make the range of practices of the AÖP for grasslands more flexible and at the same time increase its environmental added value.

9. - Justification

The technical direction of the proposal is agreed by the designers. Certain provisions of the AÖP have been amended accordingly.

90 - Description

LEADER: It is proposed to include as eligible objectives: protection of local natural assets and natural resources, preparation for local designation of sites, maintenance of local protected areas, local awareness-raising on nature protection.

The proposal aims to further develop the CAP Strategic Plan.

90 - Justification

To be treated during implementation.

91 - Description

LEADER: We recommend that the integration of environmental and climate aspects be a priority when assisting and mentoring LEADER groups, and that mentors should be prepared for specific integration opportunities.

The proposal aims to further develop the CAP Strategic Plan.

91 - Justification

To be treated during implementation.

92 - Description

LEADER: Where local natural assets are exploited as tourist attractions, involve the regionally competent national park directorates and nature protection NGOs active locally and nationally active in community planning. In addition to possible legal obligations (environmental impact assessment and Natura 2000 impact assessment), prepare a detailed impact assessment of the scale and effects of the expected additional load (e.g. increase in traffic) and include mitigation measures in the planning.

The proposal aims to further develop the CAP Strategic Plan.

92 - Justification

To be treated during implementation.

93 - Description

LEADER: In the case of investments involving more land take, prioritise brownfield development, minimise the loss of green areas and use environmentally sound, sustainable construction and operation solutions.

The proposal aims to further develop the CAP Strategic Plan.

93 - Justification

To be treated during implementation.

94 - Description

Development of a pre-qualification system

(a) It is proposed to set up a pre-qualification system for development topics involving large sources with complex award criteria, such as:

- investments in the food industry;
- innovation projects
- investments in livestock,
- investments in horticulture,
- crop storage and dryers,
- short supply chains.

(b) It is proposed to examine the possibility of pre-qualification for agricultural investment aid by launching a call for proposals. Sorting the aid applications received in 2014-2020 in descending order on the basis of resource requirements, it can be established that the largest 500 aid applications (around 5 %) cover 25 % of the aid applied for. The concentration is even higher when looking at the registration numbers.

This is also an opportunity, as it is almost certain that beneficiaries currently active in the RDP will apply also during the CAP Strategic Plan period.

In the implementation system for business development operational programmes (GOP, EDIOP, EDIOP+), the pre-qualification system is playing an increasing role. This is applied to calls for proposals where high-value projects are expected and where the applicant's eligibility can be assessed in a complex, time-consuming activity. The important advantage of pre-qualification is that it can start before the call for proposals is elaborated, so that time-consuming processes can take place before submission and the project selection can be carried out quickly with the qualification. Another option is if the pre-qualification is not carried out by the institutional system, as this could lead to the inclusion of additional capacity in the implementation.

In addition, in the case of agriculture, the fact that there is a database of representative sector benchmarks, the FADN (Farm Accountancy Data Network), which has an established methodology, organisational, IT and procedural framework, could benefit from the specificity of the sector.

94 - Justification

To be treated during implementation.

95 - Description

Developing the role of an intermediate organisation (CS)

(a) It is proposed to designate Intermediate Bodies (IBs) from among the background organisations managed by the Wallet for interventions requiring specific professional competences, and to designate the Hungarian State Treasury (MÁK) as IB for area-based and investment interventions.

(b) It is recommended to include among the IB functions activities for which the implementation system is currently unable to provide sufficient capacity to achieve the objectives of the CAP Strategic Plan, such as:

- project generation,
 - pre-qualification
 - targeted information to potential beneficiaries;
 - support the development of project ideas by providing advice and mentoring. In the 2014-2020 period, the management of the project selection procedure was carried out exclusively by the PA for the MA. Under Community legislation, this is not an unconditional dedicated task of the PA, and the MA may delegate this to IBs.
- The designation of IBs would be appropriate for a number of reasons:
- the PA would be able to allocate more capacity to handle the single application and to allocate payments,
 - if more than one IB is designated, capacities with expertise corresponding to the subject area may be included in the project selection and, in the case of several IBs, the overall paralysing effect of one or two bottlenecks should be less respected.
 - The use of the IB role would also allow for under-resourced functions in the 2014-2020 period, such as professional support for beneficiaries, mentoring (e.g.: EIP, REL, LEADER) can be implemented without compromising the tasks of the PA. The role of the IB could be established by contract or by law, which would also provide the wallet with an additional regulatory tool.

95 - Justification

To be treated during implementation.

96 - Description

Development of the new rules of procedure

It is also proposed to launch a legislative preparation/review project in Q2-2022 to establish the rules of procedure for rural development support for the period 2023-2027, using the basis of the 2014-2020 rules of procedure. At the beginning of the 2014-2020 period, the uncertainty surrounding the procedure for rural development support and the late development of IT systems caused a significant delay. The

institutional system was able to complete this delay almost only until the end of the programming period, and IT developments were still subject to long waiting times. It is critical for the success of the 2023-2027 period that this problem is not repeated. This requires the swift establishment of the procedure for the implementation of the CAP Strategic Plan and the start of the adaptation of the IT framework to the structure of the new programme and to the new rules of procedure. It is worth taking into account the experience that the smaller the procedural change, the less lead time the institutional system can move to the new system, so it is worth making only the necessary changes. At the same time, a new procedure for the management of Pillar II of the CAP is worthwhile in order to ensure that the portfolio can control the performance of the institutional system on its own and respond quickly to new challenges.

96 - Justification

To be treated during implementation.

97 - Description

Regulating the tasks related to reporting obligations

(a) It is necessary to prepare and conclude a cooperation agreement between the MA and the PA on the division of labour in the monitoring tasks of the CAP Strategic Plan or to lay down detailed rules for cooperation at legislative level.

(b) The methodology for the production of indicators shall be laid down in the regulation with reference to the data processing manual document of the CAP Strategic Plan. In the 2014-2020 period, despite the plans, the division of labour between the departments concerned was not regulated in relation to the tasks required to fulfil the reporting obligations.

This has caused a number of problems that could typically be overcome by additional individual commitments by professionals working in the theme area. For example, the PA supported the preparation of reports in this area beyond EU and domestic legal obligations. Due to the lack of a regulatory framework, monitoring tasks are difficult to predict and this has contributed to the inadequacy of the resources of the departments concerned for the full performance of the tasks. The 2023-2027 period should not start in the absence of this regulation, and if possible, this should be done earlier. Given that in the 2023-2027 period, the achievement of the targets is accompanied by much more severe financial sanctions than at present, monitoring and control areas should be given more prominence. Regulations in the form of contractual or government decrees should cover which institutional unit's tasks, responsibilities and deadlines for each reporting obligation are to be performed. In view of the above, it is necessary to start working on the regulation of the distribution of tasks in relation to the monitoring function, also considering that some monitoring tasks should be carried out in an intermediate organisational role.

97 - Justification

To be treated during implementation.

98 - Description

Regulate the procedure for the publication of calls for proposals in the new period

a) In the rules of procedure of the CAP Strategic Plan, it is proposed to include the Forum of the Preparatory Task Force (PEMCS) and the Monitoring Department of the MA and the Paying Agency as a mandatory member.

(b) It is proposed to support the process of preparing the grant scheme with a workflow software solution. In order to meet the commitments of the CAP Strategic Plan, the call for proposals should take into account the indicator targets that the respective calls contribute to. The selection criteria should be set in such a way that the spending of the respective envelope ensures that the targets are met proportionately and the accounting rules should also take into account the milestones assigned to the targets. Where reporting obligations related to specific indicators make it necessary, the call for proposals shall require

beneficiary data to be provided.

During the RDP period – typically due to short deadlines – the criterion of achievement of the indicator targets was not properly considered during the preparation of the calls for proposals, nor the related project selection criteria, the optimisation of commitments and the requirement for beneficiary data to be provided. However, these aspects will still lead to a slowdown in programme implementation due to the amendment of the call and the slowdown of project closures, so it is more appropriate to manage all at the beginning of the call's life cycle. In order for calls for proposals to meet the above criteria, the monitoring function should also be integrated into the process of preparing and approving calls for proposals. When establishing the procedure for the new period, the process of preparing and amending calls for proposals should be regulated in such a way that there is a forum (e.g.: PEMCS), where those responsible for the relevant indicators and the organisational units responsible for monitoring (MA, PA, possibly Intermediate Body) are included.

98 - Justification

To be treated during implementation.

99 - Description

Development of a human resources management function

(a) utilising technical assistance resources to implement a benchmarking system for the MA and PA staff, which also acts as a financial incentive to reward maintenance.

(b) Establishment of a human resource management organisational unit in the MA and the PA. The most important element of any aid policy institutional set-up is the trained staff who manages the processes. The European Union's aid policy is complex and the experience gained is therefore of great importance. The RDP's institutional system was constantly understaffed and almost unmanageable in the 2014-2020 period due to multiple organisational changes, subdued salaries to market opportunities, the move of the MA to Kecskemét and the almost complete lack of human resources management function. Failure to eliminate this would pose a significant risk to the drawdown performance of the 2023-2027 period.

It is therefore important, on the one hand, to ensure organisational stability and, on the other hand, to establish a well-designed financial incentive system and a human resources management department in the MA and the PA. Without these, it is also difficult to imagine an increase in the planned number of staff following an increase in tasks.

99 - Justification

To be treated during implementation.

3. Ex-ante evaluation report

See attached document(s)

4. Strategic environmental assessment report

See attached document(s)

Annex II on the SWOT analysis

See attached document(s)

Annex III on the consultation of the partners

See attached document(s)

Annex IV on the crop-specific payment for cotton (where relevant)

Annex V on the additional national financing provided within the scope of the CAP Strategic Plan

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD52_R12_BIC_77 Rural development cooperation for the development of a biomass-based economy	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950 National co-financing [EUR]: 726352 Additional national financing [EUR]: 3109259 Total [EUR]: 4 383 562
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD43_R02_LOC_73 Rural infrastructure development in small settlements	163,182,065.97	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 29968698 National co-financing [EUR]: 39725948 Additional national financing [EUR]: 163182066 Total [EUR]: 232 876 712
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD37_F04_FRC_77 Co-operative support for forest fire prevention and risk reduction	4,109,302.33	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 3135000 National co-financing [EUR]: 4155698 Additional national financing [EUR]: 4109302 Total [EUR]: 11 400 000
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD15_W04_COP_77 Supporting sustainable water management communities that improve water efficiency	4,205,160.88	X			Union contribution [EUR]: 547945 National co-financing [EUR]: 726346 Additional national financing [EUR]: 4205161 Total [EUR]: 5 479 452

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD11_B07_DVF_73 Diversification of activities of farmers	95,125,836.25	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 7397260 National co-financing [EUR]: 9805671 Additional national financing [EUR]: 95125836 Total [EUR]: 112 328 767
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD02_D01_FRM_73 Supporting the digital transition of agricultural holdings	258,043,963.05	X			Union contribution [EUR]: 3973824 National co-financing [EUR]: 5267626 Additional national financing [EUR]: 258043963 Total [EUR]: 267 285 413
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD48_R07_QSP_77 Support for information and promotion activities for quality schemes	4,205,149.73	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950 National co-financing [EUR]: 726352 Additional national financing [EUR]: 4205150 Total [EUR]: 5 479 452
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD18_I03_JGR_73 Agricultural Risk Management System (Pillar III) Digitalisation of the National Agricultural Hail Mitigation System	12,105,766.17	X			Union contribution [EUR]: 684932 National co-financing [EUR]: 907932 Additional national financing [EUR]: 12105766 Total [EUR]: 13 698 630
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and	ENVCLIM(70) - RD24_G07_GAX_70 Ex situ conservation and technical support of animal genetic resources	1,095,890.41	X			Union contribution [EUR]: 1643836 National co-financing [EUR]: 1643836 Additional national financing [EUR]: 1095890 Total [EUR]: 4 383 562

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
the level of support for farmers for the period 2021-2027						
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD45_R04_GIS_77 Support for cooperation to establish a new PDO/PGI/GJ/TSG and to carry out a new activity related to the operation of the quality scheme in the framework of EU quality schemes	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 447950 National co-financing [EUR]: 593794 Additional national financing [EUR]: 3109259 Total [EUR]: 4 151 003
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	KNOW(78) - RD60_A04_ADP_78 Advisory services	147,484,931.12	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 24937643,60 National co-financing [EUR]: 33056876,40 Additional national financing [EUR]: 147484931,12 Total [EUR]: 205 479 451,11
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD49_R09_SCC_77 Rural Development Cooperation for the Development of Short Supply Lances	2,790,697.67	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 684932 National co-financing [EUR]: 907932 Additional national financing [EUR]: 2790698 Total [EUR]: 4 383 562
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD44_R03_POG_77 Support to producer groups, producer organisations	23,969,417.01	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 5479452 National co-financing [EUR]: 7263459 Additional national financing [EUR]: 23969417 Total

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
						[EUR]: 36 712 328
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD01a_E01_FRM_73 Development of agricultural holdings	1,064,818,610.13	X			Union contribution [EUR]: 56000000 National co-financing [EUR]: 74232558,14 Additional national financing [EUR]: 1064818610,13 Total [EUR]: 1 195 051 168,27
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD19a_G01_AEC_70 AGRI-environmental management payments (AKG)	90,000,000.00	X			Union contribution [EUR]: 226951909.81 National co-financing [EUR]: 226951909.81 Additional national financing [EUR]: 90000000 Total [EUR]: 543 903 819,6
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD28_G11_GPI_70 Conservation in situ of plant genetic resources	1,643,835.62	X			Union contribution [EUR]: 1369863 National co-financing [EUR]: 1369863 Additional national financing [EUR]: 1643836 Total [EUR]: 4 383 562
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD40_F07_INP_73 Investments for competitive forestry (for-profit)	86,015,111.63	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 2054793 National co-financing [EUR]: 2723795 Additional national financing [EUR]: 86015112 Total [EUR]: 90 793 700
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for	COOP(77) - RD61_A05_EIP_77 European Innovation Partnership (EIP) cooperation	20,872,867.28	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 6575352 National co-financing [EUR]:

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
farmers for the period 2021-2027						8716164 Additional national financing [EUR]: 20872867 Total [EUR]: 36 164 384
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD35_F02_FEC_70 Forest multi-annual commitments (Multiannual Commitments)	18,922,843.00	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 22821900 National co-financing [EUR]: 22821900 Additional national financing [EUR]: 18922843 Total [EUR]: 64 566 643
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD29_G12_AWC_70 Animal welfare aid in the small ruminants sector	5,147,013.70	X			Union contribution [EUR]: 4823753 National co-financing [EUR]: 4823753 Additional national financing [EUR]: 5147014 Total [EUR]: 14 794 521
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD57_R15_LDR_77 Preparation and implementation of LEADER strategies	13,773,001.00	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 82483682,44 National co-financing [EUR]: 82305280,16 Additional national financing [EUR]: 178 383 562 Total [EUR]: 178 383 561
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD01b_E01_FRM_73 Support for investments by young farmers	85,355,757.75	X			Union contribution [EUR]: 10420312 National co-financing [EUR]: 13812972 Additional national financing [EUR]: 85355758 Total [EUR]: 109 589 041
Government Decree No 1003/2021. Government Decision (I. 11.) on	INVEST(73-74) - RD01e_E01_FRM_73 Support for	12,000,000.00	X			Union contribution [EUR]: 3440000 National co-financing

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	investments in animal holdings for disease control, by reducing tail docking in the pig sector					[EUR]: 4560000 Additional national financing [EUR]: 12000000 Total [EUR]: 20 000 000
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD01d_E01_FRM_73 Farm development to reduce ammonia emissions	46,654,985.66	X			Union contribution [EUR]: 3500000 National co-financing [EUR]: 4639535 Additional national financing [EUR]: 46654986 Total [EUR]: 54 794 521
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD20_G02_ORT_70 Support to organic farming	0.00	X			Union contribution [EUR]: 63064332 National co-financing [EUR]: 63064332 Additional national financing [EUR]: 0 Total [EUR]: 126 128 664
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	RISK(76) - RD14_I03_DMMF_76 Agricultural Risk Management System Pillar I: Agricultural Damage Risk Management Fund	79,859,034.60	X			Union contribution [EUR]: 1759791 National co-financing [EUR]: 2332746,21 Additional national financing [EUR]: 79859034,6 Total [EUR]: On the basis of 83951157,81 SA 61783, these amounts are cumulated with the amount of government money (approximately HUF 7.5 billion per year).
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD26_G09_GAV_70 In vitro conservation of animal genetic resources	1,095,890.41	X			Union contribution [EUR]: 1643836 National co-financing [EUR]: 1643836 Additional national financing [EUR]: 1095890 Total [EUR]: 4 383 562
Government Decree No 1003/2021.	INVEST(73-74) -	98,830,890.59	X			Matching funds and additional

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	RD38_F05_AFI_73 Support for investments in afforestation and creation of woodland					national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 20527169,25 National co-financing [EUR]: 27210433,57 Additional national financing [EUR]: 98830890,59 Total [EUR]: 146 568 493,34
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD39_F06_AFM_70 Maintenance of investments in afforestation and support for income replacement	78,740,890.20	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 84442389,75 National co-financing [EUR]: 84442389,75 Additional national financing [EUR]: 78740890,20 Total [EUR]: 247 625 669,70
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD19_G01_AEC_70 Agricultural environmental management payments (AKG)	0.00	X			Union contribution [EUR]: 373253570 National co-financing [EUR]: 373253570 Additional national financing [EUR]: 0 Total [EUR]: 746 507 140
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD50_R10_SEC_77 Rural development cooperation for the development of social enterprises	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950 National co-financing [EUR]: 726352 Additional national financing [EUR]: 3109259 Total [EUR]: 4 383 561
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of	ENVCLIM(70) - RD27_G10_GPX_70 Ex situ conservation of plant genetic resources and micro-organisms	1,095,890.41	X			Union contribution [EUR]: 2739726 National co-financing [EUR]: 2739726 Additional national financing [EUR]: 1095890

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027						Total [EUR]: 6 575 342
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD33_G16_ANB_70 Animal welfare aid in the apiculture sector	5,147,013.70	X			Union contribution [EUR]: 4823753 National co-financing [EUR]: 4823753 Additional national financing [EUR]: 5147014 Total [EUR]: 14 794 521
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INSTAL(75) - RD08_B04_BIS_75 Generational renewal by supporting start-up rural and young forest entrepreneurs	16,310,927.05	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 1232877 National co-financing [EUR]: 1634278 Additional national financing [EUR]: 16310927 Total [EUR]: 19 178 082
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD25_G08_GAI_70 Conservation in situ of animal genetic resources	2,739,726.03	X			Union contribution [EUR]: 18904110 National co-financing [EUR]: 18904110 Additional national financing [EUR]: 2739726 Total [EUR]: 40 547 945
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD07_B03_YFO_77 Generational renewal, economic transfer cooperation	40,331,305.50	X			Union contribution [EUR]: 1506854 National co-financing [EUR]: 1997457 Additional national financing [EUR]: 40331305,5 Total [EUR]: 43 835 616,5
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of	RISK(76) - RD16_I01_INS_76 Agricultural Risk Management System (Pillar II MCS): Subsidised agricultural insurance	61,675,692.90	X			Union contribution [EUR]: 4109589 National co-financing [EUR]: 5447595 Additional national financing [EUR]:

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027						61675693 Total [EUR]: 71 232 877
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD47_R06_QSJ_77 Support for adherence to quality assurance and management systems	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950 National co-financing [EUR]: 726352 Additional national financing [EUR]: 3109259 Total [EUR]: 4 383 562
Government Decree No 1003/2021. Government Decree No 11/1996 of 11 January 2004 Decision on the renewal of rural Hungary, maintaining the competitiveness of the domestic agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD32_G15_AWC_70 Animal welfare aid in the poultry sector	8,168,404.36	X			Union contribution [EUR]: 31675981 National co-financing [EUR]: 31675981 Additional national financing [EUR]: 8168404 Total [EUR]: 71 520 366
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD20a_G02_ORT_70 Support for organic farming	53,509,977.00	X			Union contribution [EUR]: 63064332 National co-financing [EUR]: 63064332 Additional national financing [EUR]: 53509977 Total [EUR]: 179 638 641
Government Decree No 1003/2021. Government Decree No 11/1996 of 11 January 2004 Decision on the renewal of rural Hungary, maintaining the competitiveness of the domestic agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD42a_R01_RAN_73 Rural infrastructure development in closed garden areas	5,379,452.00	X			Union contribution [EUR]: 100000 National co-financing [EUR]: 0 Additional national financing [EUR]: 5379452 Total [EUR]: 5 479 452
Government Decree No 1003/2021. Government Decision (I. 11.) on	INVEST(73-74) - RD41_F08_INN_73 Investments	60,720,911.63	X			Matching funds and additional national aid under this intervention

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	for the environmental sustainability of forestry (non-profit)					for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 2054793 National co-financing [EUR]: 2723795 Additional national financing [EUR]: 60720912 Total [EUR]: 65 499 500
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD46_R05_GIJ_77 Cooperation in the case of an existing national quality scheme or a PDO/PGI/GI/TSG or organic product registered in an EU quality scheme	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950 National co-financing [EUR]: 726352 Additional national financing [EUR]: 3109259 Total [EUR]: 4 383 561
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD04a_E02_FON_73 Adding value to agricultural products	1,171,901,879.58	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 49780822 National co-financing [EUR]: 65988531 Additional national financing [EUR]: 1171901880 Total [EUR]: 1 287 671 233
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD09a_B05_SML_73 Sustainable development of small farms	75,769,353.30	X			Union contribution [EUR]: 2054795 National co-financing [EUR]: 2723797 Additional national financing [EUR]: 75769353 Total [EUR]: 80 547 945
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	COOP(77) - RD51_R11_TUC_77 Rural development cooperation for active and eco-tourism development in the region	3,109,259.32	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 547950

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
industry and the level of support for farmers for the period 2021-2027						National co-financing [EUR]: 726352 Additional national financing [EUR]: 3109259 Total [EUR]: 4 383 561
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	KNOW(78) - RD58_A01_TRA_78 Training and demonstration programmes	7,964,319.85	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 2465753 National co-financing [EUR]: 3268557 Additional national financing [EUR]: 7964320 Total [EUR]: 13 698 630
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD12_W01_WTO_73 On-farm investment to improve irrigation and water efficiency	169,098,438.99	X			Union contribution [EUR]: 7397260 National co-financing [EUR]: 9805671 Additional national financing [EUR]: 169098439 Total [EUR]: 186 301 370
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	RISK(76) - RD17_I02_IST_76 Agricultural Risk Management System (Pillar IV MKR): Agricultural crisis insurance scheme	9,366,040.14	X			Union contribution [EUR]: 684932 National co-financing [EUR]: 907932 Additional national financing [EUR]: 9366040 Total [EUR]: 10 958 904
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD42_R01_RAN_73 Rural infrastructure development in schools	29,945,842.63	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 4794521 National co-financing [EUR]: 6355527 Additional national financing [EUR]: 29945843 Total [EUR]: 41 095 891
Government Decree No 1003/2021.	ASD(72) - RD34_F01_NAF_72	45,326,028.80	X			Matching funds and additional

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	Natura 2000 compensation payments for forest areas					national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 54744436,50 National co-financing [EUR]: 54744436,50 Additional national financing [EUR]: 45326028,80 Total [EUR]: 154 814 901,80
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD30_G13_AWC_70 Animal welfare aid in the beef sector	30,882,082.19	X			Union contribution [EUR]: 28942521 National co-financing [EUR]: 28942521 Additional national financing [EUR]: 30882082 Total [EUR]: 88 767 123
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INSTAL(75) - RD05_B01_YFS_75 Generational renewal with start-up support for young farmers	3,045,930.70	X			Union contribution [EUR]: 88232877 National co-financing [EUR]: 15570508 Additional national financing [EUR]: 3045931 Total [EUR]: 106 849 315
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD01c_E01_FRM_73 Support for green investments in agricultural holdings	214,451,704.42	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 44555084 National co-financing [EUR]: 59061390 Additional national financing [EUR]: 214451704 Total [EUR]: 318 068 178
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for	INSTAL(75) - RD06_B02_YFY_75 Generational renewal with support for the economy	40,331,305.50	X			Union contribution [EUR]: 44555084 National co-financing [EUR]: 59061390 Additional national financing [EUR]: 214451704 Total [EUR]: 318 068 178

Basis	Intervention	Budget	higher number of beneficiaries	a higher aid intensity	providing financing to a certain operation within the intervention	Additional information
farmers for the period 2021-2027						
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD36_F03_GEN_70 Multi-annual commitments for forest genetics	9,000,000.00	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 3000000 National co-financing [EUR]: 3000000 Additional national financing [EUR]: 9000000 Total [EUR]: 15 000 000
1003/2021. Government Decision (I. 11.) on the renewal of rural Hungary and maintaining the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	ENVCLIM(70) - RD33b_G17_AMR_70 Compensation payment for the fight against antimicrobial resistance	11,437,808.22	X			Union contribution [EUR]: 10719452 National co-financing [EUR]: 10719452 Additional national financing [EUR]: 11437808 Total [EUR]: 32 876 712
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD04b_E03_FOF_73 Support for green investments linked to adding value to agricultural products	14,017,202.93	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 5753425 National co-financing [EUR]: 7626633 Additional national financing [EUR]: 14017203 Total [EUR]: 27 397 260
Government Decree No 1003/2021. Government Decision (I. 11.) on renewing rural Hungary and preserving the competitiveness of the Hungarian agriculture and food industry and the level of support for farmers for the period 2021-2027	INVEST(73-74) - RD09b_R14_OGR_73 Support for small enterprises in the ornamental horticulture sector	3,972,498.85	X			Matching funds and additional national aid under this intervention for all activities falling outside the scope of Article 42 TFEU. Union contribution [EUR]: 176757 National co-financing [EUR]: 234306 Additional national financing [EUR]: 3972499 Total [EUR]: 4 383 562

National financial assistance in the fruits and vegetables sector under Regulation (EU) 2021/2115

	Calendar year 2023	Calendar year 2024	Calendar year 2025	Calendar year 2026	Calendar year 2027	Total 2023-2027
Estimated amount of national financial assistance (in EUR) (Article 53)	14,741,003.00	19,567,930.00	20,808,274.00	21,714,671.00	22,422,686.00	99,254,564.00

The annual estimated amount of national financial assistance in the Fruits & Vegetables sector per region concerned and the total for the Member State

- Eastern Hungary (statistical planning regions of Budapest, Pest, North Hungary, North Great Plain, South Great Plain)
- year 2023 2024 2025 2026 2027
- EUR 12757373 16934762 18008198 19792626 19405366
- West Hungary (Statistical Planning Regions of South Transdanubia, Central Transdanubia, West Transdanubia)
- year 2023 2024 2025 2026 2027
- EUR 2004618 2661028 2829701 2952962 3049244

Annex VI on transitional national aid (where relevant)

a) the annual sector-specific financial envelope for each sector for which transitional national aid is granted

Sector	The sector-specific financial envelope, EUR				
	2023	2024	2025	2026	2027
Tej	27,091,500.0 0	24,382,350.0 0	21,673,200.0 0	18,964,050.0 0	16,254,900.0 0
Fattened bulls	9,563,500.00	8,607,150.00	7,650,800.00	6,694,450.00	5,738,100.00
Suckler cows (coupled)	6,946,500.00	6,251,850.00	5,557,200.00	4,862,550.00	4,167,900.00
Bovine extensification	6,946,000.00	6,251,400.00	5,556,800.00	4,862,200.00	4,167,600.00
Tobacco (Virginia)	5,543,500.00	4,989,150.00	4,434,800.00	3,880,450.00	3,326,100.00
Ewes (coupled)	53,000.00	47,700.00	42,400.00	37,100.00	31,800.00
Ewe supplementary	1,050,000.00	945,000.00	840,000.00	735,000.00	630,000.00
Tobacco (Burley)	1,908,500.00	1,717,650.00	1,526,800.00	1,335,950.00	1,145,100.00

b) where relevant, the maximum unit rate of support for each year of the period

Sector	Maximum unit rate of support, in %				
	2023	2024	2025	2026	2027
Tej	0.01	0.01	0.01	0.01	0.00
Fattened bulls	112.40	101.16	89.92	78.68	67.44
Suckler cows (coupled)	30.31	27.28	24.24	21.21	18.18
Bovine extensification	54.31	48.88	43.45	38.02	32.59
Tobacco (Virginia)	1,926.16	1,733.55	1,540.93	1,348.31	1,155.70
Ewes (coupled)	0.05	0.04	0.04	0.03	0.03
Ewe supplementary	4.83	4.34	3.86	3.38	2.90
Tobacco (Burley)	2,603.68	2,343.32	2,082.95	1,822.58	1,562.21

c) where relevant, information as regards the reference period modified in accordance with the Article 147(2) second subparagraph

Sector	informations as regards the reference period modified
Tej	NOTE: The specific values are expressed in euros.

	<u>NOTE:</u> The indicative specific values are given below, as the data are received only to two decimal places. 2023: EUR 0,016391; 2024: EUR 0,014752; 2025: EUR 0,013113; 2026: EUR 0,011474; 2027: EUR EUR 0,009834. <u>CHANGE OF REFERENCE PERIOD:</u> For the dairy premium, the actual historical reference was the milk quota available to producers on 31 March 2007. The revision of the reference period is complicated by the fact that since 2015, i.e. since the end of the milk quota system, farmers are not obliged to report on their actual milk production and delivery, so there is no such statistical source for 2018. The appropriate equivalent approximation reference is to use the data available under the Voluntary Coupled Support Scheme (VCS) for dairy cows. In practice, this means a change in the calculation method. The old production data, based on quotas, would be replaced by a calculated value obtained by multiplying the national average annual milk yield for 2018 (7 809 litres/individual) by the number of dairy cows (211659) paid under the VCS scheme in 2018. The revised value of each entitlement would be based on this new production figure. Old entitlements will be withdrawn and redistributed to those who benefited from the VCS scheme in 2018 for dairy cows according to the number of animals covered by the payment. According to our analysis, this represents the approach closest to quota-based statistics, even if the average milk yield varies from one breed to another. NOTE: The support would remain decoupled as it would cover a previous reference period (2018), but would still allow beneficiaries to be updated, allowing for a better targeting of the NPH. Other conditions would remain unchanged. The maximum financial envelope will be respected. Impact of the update: The number of entitlements is reduced by 15 %, but this changes the possible specific value to a minimum. <i>In the allocation of historical base entitlements updated on the basis of the 2018 base year, a small part of the potentially eligible entitlements (nearly 306000 entitlements) were not claimed by the producers. In order to maximise the positive effects of the base update, farmers who are already eligible would be able to claim unallocated entitlements, subject to objective criteria.</i>
Fattened bulls	NOTE: The specific values are expressed in euros.

	Entitlements were allocated on the basis of the year 2006. Farmers were eligible for this aid, provided that they received coupled bulls in 2006. Taking into account that a similar item exists under VCS, this appears to be the most appropriate proxy source for updating the reference period in 2018. Old entitlements will be withdrawn and redistributed to those who received the coupled bull in 2018, according to the number of animals covered by the payment. NOTE: The support would remain decoupled as it would cover a previous reference period (2018), but would still allow beneficiaries to be updated, allowing for a better targeting of the NPH. The maximum financial envelope is respected and the support rate is limited to the ratio between the envelope and the entitlements of farmers who are eligible and who fulfil the conditions for support in the current year. Impact of the update: The number of entitlements is reduced by 10 %, resulting in an increase in the possible specific value. <i>In the allocation of historical base entitlements updated on the basis of the 2018 base year, a small proportion of potentially eligible entitlements (225 entitlements) were not claimed by farmers. In order to maximise the positive effects of the base update, farmers who are already eligible would be able to claim unallocated entitlements, subject to objective criteria.</i>
Suckler cows (coupled)	NOTE: The specific values are expressed in euros. This envelope is paid in coupled form, and the review of the reference period may still be useful and increase targeting. The maximum number of eligible units is currently 117000 animals, which was laid down in the Accession Treaty of Hungary in 2003, as it was the highest number of suckler cows for which coupled aid could be granted. The value itself was determined in the accession negotiations on the basis of the average number of suckler cows between 1998 and 2000. In 2004, Hungary introduced the SAPS system rather than the standard system, but had to respect the aid ceilings established for the standard scheme when designing sector-specific complementary national aids (top-up envelopes). This is therefore a base of more than 20 years. This value should therefore be updated. As the number of suckler cows has increased over the last decade, 117000 animals represent only around half of the potentially eligible population. Taking into account that VCS includes a similar item, this seems to be the most appropriate proxy source for updating the reference period in 2018. Old entitlements (individual aid ceilings) will be withdrawn and then redistributed to farmers keeping suckler cows in 2023 up to the number of animals that received suckler cow payments in 2018 under the VCS scheme (229215). Where a farmer keeps a suckler cow animal during the reference year under the premium conditions, he shall be entitled to a

	premium for those animals, but no more than the amount of the entitlements available to him. Whereas the number of new entitlements (229215) exceeds the number of current entitlements, the rate of the unit payment will decrease significantly NOTE: The update would make it possible to divide the entitlements into more animals and thus to better target the NCP. Other conditions would remain unchanged. The maximum financial envelope as well as the specific ceiling set in the 2013 Decision are respected. Impact of the update: The number of entitlements increases by 118 %, which in turn results in half of the possible specific maximum value.
Bovine extensification	NOTE: The specific values are expressed in euros. Entitlements were allocated on the basis of the year 2006. Farmers were eligible for this premium, provided that they received an extensification payment for coupled cattle in 2006. Rearing is considered to be extensive if the livestock density on the holding does not exceed 1.4 livestock units per hectare. The calculation was carried out in accordance with the rules provided for in Article 132(3a) of Council Regulation (EC) No 1782/2003. The forage area was calculated from the SAPS area of the holding minus arable land and CNDP energy crops. The revision would take place on the basis of VCS data for 2018 for fattening bulls and suckler cows, allowing farmers to receive payment entitlements for established animals if they are kept extensively. The livestock density of holdings would be determined by taking into account the presence of male bovine animals, cows and heifers present in the calendar year in question and the ewes for which coupled support (VCS) has been established for the same calendar year. Old entitlements will be withdrawn and new entitlements allocated to those who fulfil the density criterion of 1.4 livestock units/ha mentioned above. Since the geospatial application (GSAA) provides better data on the actual forage area, pasture is used as forage area for the calculation of density. NOTE: The support would remain decoupled as it would cover a previous reference period (2018), but would still allow beneficiaries to be updated, allowing for a better targeting of the NPH. Other conditions would remain unchanged. The maximum financial envelope will be respected. Impact of the update: The number of entitlements would increase by 7 %, resulting in a slight decrease in the possible unit value.

	<i>In the allocation of historical base entitlements updated on the basis of the 2018 base year, a small part of the potentially eligible entitlements (nearly 1000 entitlements) were not claimed by the farmers. In order to maximise the positive effects of the base update, farmers who are already eligible would be able to claim unallocated entitlements, subject to objective criteria.</i>
Tobacco (Virginia)	NOTE: The specific values are expressed in euros. Entitlements were allocated on the basis of the year 2006. Farmers who received coupled tobacco support in 2006 were eligible for this support. Although, as a result of the restructuring programme, the tobacco production area has almost halved over the last decade, this sector continues to play an important social role by providing employment opportunities for low-skilled workers in less developed regions. Actual production differs greatly from the reference data. In the case of Virginia tobacco, 4 058 hectares are compared to the actual ~2 878 ha. Old entitlements will be withdrawn and new entitlements will be allocated to those who produced Virginia tobacco in 2018. The tobacco area of each producer is established on the basis of the area indicated as Virginia tobacco production area within the approved 2018 SAPS area. NOTE: The support would remain decoupled as it would cover a previous reference period (2018), but would still allow beneficiaries to be updated, allowing for a better targeting of the NPH. Other conditions would remain unchanged, i.e. the conditions approved in 2012 should apply. The maximum financial envelope will be respected. Impact of the update: The number of entitlements is reduced by 29 %, resulting in a significant increase in the possible specific value. <i>In the allocation of historical base entitlements updated on the basis of the 2018 base year, a small proportion of potentially eligible entitlements (132 entitlements) were not claimed by farmers. In order to maximise the positive effects of the base update, farmers who are already eligible would be able to claim unallocated entitlements, subject to objective criteria.</i>
Ewes (coupled)	NOTE: The specific values are expressed in euros. <u>NOTE:</u>

	The indicative specific values are given below, as the data are received only to two decimal places. 2023: EUR 0,05; 2024: EUR 0,045; 2025: EUR 0,04; 2026: EUR 0,035; 2027: EUR 0,03. In the case of milk production: 2023: EUR 0,04; 2024: EUR 0,036; 2025: EUR 0,032; 2026: EUR 0,028; 2027: EUR 0,024. <u>CHANGE OF REFERENCE PERIOD:</u> We do not make any changes to the reference period, and the title will be continued under the conditions previously approved.
Ewe supplementary	NOTE: The specific values are expressed in euros. We do not make any changes to the reference period, and the title will be continued under the conditions previously approved.
Tobacco (Burley)	NOTE: The specific values are expressed in euros. Entitlements were allocated on the basis of the year 2006. Farmers who received coupled tobacco support in 2006 were eligible for this support. In the last decade, tobacco production area has almost halved, and this sector continues to play an important social role by providing employment opportunities for low-skilled workers in less developed regions. Actual production differs greatly from the reference data. For Burley tobacco, 1 800 hectares are compared to the actual 733 hectares. The old entitlements will be withdrawn and new entitlements will be allocated to those who produced Burley tobacco in 2018. The tobacco area of each producer is established on the basis of the area indicated as Burley tobacco area within the approved SAPS area for 2018. NOTE: The support would remain decoupled as it would cover a previous reference period (2018), but would still allow beneficiaries to be updated, allowing for a better targeting of the NPH. Other conditions would remain unchanged, i.e. the conditions approved in 2012 should apply. The maximum financial envelope will be respected.

	Impact of the update: The number of entitlements is reduced by 55 %, resulting in a significant increase in the possible unit value. <i>In the allocation of historical base entitlements updated on the basis of the 2018 base year, a small proportion of the potentially eligible entitlements (46 entitlements) were not claimed by the producers. In order to maximise the positive effects of the base update, farmers who are already eligible would be able to claim unallocated entitlements, subject to objective criteria.</i>

d) a brief description of the complementarity of the transitional national aid with CAP Strategic Plan interventions

Transitional national aids (TNAs) were also an important element of the Hungarian agricultural support scheme in the previous aid period 2015-2022. Despite the smaller size of the NDP compared to the direct aid envelope, these amounts, together with the related direct aids, were able to achieve the desired objectives in the sectors concerned. However, it is important to see that these objectives were typically not to increase emissions, but to prevent the sector from shrinking (e.g. sheep farming) or even eliminating it completely (e.g. the tobacco sector). The vast majority of the beneficiary sectors are livestock sectors and, from a social point of view, through jobs in disadvantaged areas (around 20 thousand people, including those employed in processing), tobacco production is a priority.

In the case of dairy and meat cattle rearing and sheep farming, this form of aid, financed from the national budget, complements the resources from coupled aid on a similar basis, although the beneficiaries are not entirely the same. However, in the case of tobacco production referred to above, the NCP provides almost half of the targeted support to the sector.

Based on the findings of the SWOT analyses, the identified needs and the experience of the social consultation, it was decided to continue granting transitional national aid in order to support sensitive sectors, making use of the option provided for in Article 147 of Regulation (EU) 2021/2115, with a phasing out.

Based on the results of the preliminary analyses, it is considered useful to update them for reference periods in 2006 or earlier. This could significantly improve the targeting of the NCP for certain sectors. Improved targeting will enable the NCP to contribute to the common objectives of the CAP, first, SO1 and, secondly, SO8, by complementing coupled aid more effectively and by reaching a closer circle of beneficiaries to genuine production.

Given that the conditionality of the NCP is in line with coupled aid, these funds also contribute to the achievement of the specific objectives of the CAP in response to the following identified needs:

- SO1: Sub-demand 1.1.1: A predictable basic income for farmers;
- SO1: Sub-demand 1.1.3: Improving the profitability of small farms;
- SO1: Principal requirement 1.2: Reducing income fluctuations due to natural (weather) and market risks;

Description of complementarity

In general, the purpose of transitional national aid is to contribute to the achievement of SO1 objectives through the fulfilment of identified needs through complementarity. However, this complementarity is gradually weakened, given that the maximum size of sectoral envelopes is reduced from year to year.

1. Ewe rearing:

In the case of ewes, the premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. Both schemes operate in a form linked to production, so that the number of beneficiaries is virtually the same. Of the two items, EU funds account for the largest part (EUR 28.4) and the unit value of the transitional national aid is marginal, i.e. only EUR 0,05 per animal. It is worth mentioning that the specific value for ewes involved in milk production is lower (EUR 0.04), but producers of sheep's milk may apply for an additional payment in Pillar II in case of additional animal welfare commitments.

As indicated in the presentation of the ewe premium, it is of utmost importance for ewe farmers and their families that coupled coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring the required level of resilience even in the event of fluctuations in income due to weather and market risks.

This is the basis for the additional transitional national aid scheme for animals kept in less-favoured areas in decoupled form, with a specific amount of EUR 4.83. However, the complementary nature of the aid can be seen at sectoral level, as it reaches only a limited number of ewe farmers.

The support under these three schemes is intended to contribute to the economic and environmental sustainability of the sector and, by requiring the use of registered fanners, to guarantee a quality product base.

2. Foie grip bulls

In the case of bulls, premiums come from two sources: EU-funded coupled subsidies and transitional national aids financed by national funds. While the EU leg is coupled to production, the transitional national aid scheme operates in a decoupled form, so that the number of beneficiaries does not overlap completely. This part will be improved by the amendment of the reference period. Of the two items, the EU budget is more certain (EUR 54.35) and the unit value of the transitional national aid varies depending on current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. However, this is significantly below the indicative EUR 101,07. The use of the approved financial envelope is not close to the approved maximum value, which has been below 80 % in recent years.

As indicated in the presentation of the foie gripped bull premium, it is of utmost importance for fattening farmers and their families that coupled coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

This is the basis for the decoupled transitional national aid for cattle extensification, the amount of which varies according to current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. At the same time, the complementary nature of this can be seen at sectoral level, as only a part of the cattle farms keeps their herds extensively.

3. Suckler cow premium

In the case of suckler cows for meat production, premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. Both schemes operate in a production-linked form, although the number of beneficiaries is not the same. This is because for the transitional national aid there is a cap on the number of eligible animals, which is capped at 117000 animals. Using the option provided for in the Strategic Plan Regulation, the ceiling on the number of eligible animals will be increased to the number of suckler cows receiving support under the Voluntary Coupled Support Scheme in 2018 (229215), which will significantly bring the number of beneficiaries in line with each other. Of the two items, the EU budget is more predictable (~EUR 140), the unit value of the transitional national aid varies according to current national budgetary possibilities and will be halved (to a level of around EUR 30) as a result of this update.

As indicated in the presentation of the suckler cow premium, it is of particular importance for suckler cow farmers and their families that coupled coupled payments for genuine production and improved targeted transitional national aid constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

This is the basis for the decoupled transitional national aid for cattle extensification, the amount of which varies according to current national budgetary possibilities, around EUR 60 per entitlement over the last 2 years. At the same time, the complementary nature of this can be seen at sectoral level, as only a part of the cattle farms keeps their herds extensively.

4. Dairy premium:

In the case of dairy cows, the premiums come from two sources: EU-funded coupled premiums and transitional national aids financed by national funds. While the EU leg is coupled to production, the transitional national aid scheme operates in a decoupled form, so that the number of beneficiaries does not overlap completely. As a result of the review of the reference period, the overlap between the beneficiaries of the two schemes will be improved. Of the two items, the EU budget is more predictable (~EUR 317) and the unit value of the transitional national aid varies depending on current national budgetary possibilities. Comparison/complementarity is made difficult by the fact that coupled aid is paid on an animal basis and transitional national aid is paid per kilogram of milk calculated.

As indicated in the presentation of the dairy cow premium, it is of utmost importance for dairy farmers and their families that coupled payments that specifically support genuine production and transitional national aid together constitute a genuine safety net ensuring an expected level of resilience even in the event of fluctuations in income due to weather and market risks.

The aim of the intervention is to maintain the economic, social and environmental services provided by the sector by maintaining the profitability of milk production and, indirectly, to supply the raw material for milk processing in Hungary within a reasonable transport distance.

It should also be pointed out that even before 2023, the support for dairy cow farms was supplemented by an animal welfare intervention in Pillar II, where additional payments may be requested in case of additional animal welfare commitments. This will continue under the CAP Strategic Plan.

5. Support for the tobacco sector:

Complementarity is limited in the case of tobacco production, given that targeted support under the CAP Strategic Plan will only be channelled through transitional national aid. At the same time, the update of the reference period will provide an opportunity to improve the link between the holders of entitlements and the number of farmers who become active in tobacco production.

Other annex: Consistency with and contribution to the Union targets for 2030

National contribution to the EU 2030 target of 50% reduction of nutrient losses, while ensuring no deterioration in soil fertility

Hungary is committed to efforts towards environmental and climate goals. The interventions operated outside the CAP Strategic Plan and beyond are reported in detail in Chapter 3.

National contribution to the EU 2030 target of 10% of agricultural area under high-diversity landscape features.

Hungary is committed to efforts towards environmental and climate goals. The interventions operated outside the CAP Strategic Plan and beyond are reported in detail in Chapter 3.

National contribution to the EU 2030 target of 25% of the EU's agricultural land under organic farming

Hungary is committed to efforts towards environmental and climate goals. The interventions operated outside the CAP Strategic Plan and beyond are reported in detail in Chapter 3.

National contribution to the EU 2030 targets of 50% reduction of the overall use and risk of chemical pesticides, and use of more hazardous pesticides

Hungary is committed to efforts towards environmental and climate goals. The interventions operated outside the CAP Strategic Plan and beyond are reported in detail in Chapter 3.

National contribution to the EU 2030 target of 50% reduction of sales of antimicrobials for farmed animals and in aquaculture

Hungary is committed to efforts towards environmental and climate goals. The interventions operated outside the CAP Strategic Plan and beyond are reported in detail in Chapter 3.

National contribution to the EU 2025 target to roll-out of fast broadband internet in rural areas to achieve the objective of 100% access

Hungary's National Digital Strategy (NDS) for 2030 sets out four specific targets for network development:

- DI1: 95 % of households covered by a gigabit network by 2030
- DI2: The share of major transport routes and cities with county rights with 5G network should reach 100 % by 2023
- DI3: National Telecommunications Core Network (NTG) endpoints at district headquarters reach at least 80 % by 2025
- DI4: The share of public education and vocational education and training institutions with network connections of at least 1 Gbps should be 100 % by the end of 2025

We aim to achieve the objectives through the following measures:

Di I.1 Design and implementation of the network development programme “Gigabit Hungary 2030”

The objective of the measure is to design and implement the national network development programme ‘Gigabit Hungary 2030’ in order to achieve at least symmetric 1 Gbps connectivity across all demand areas by 2030. The action should achieve 75/70/65 % of residential/business/public sector needs by 2025. 95 % of residential needs by 2030 and 100 % of business and public institutional needs with internet access with a bandwidth of at least 1 Gbps. **The NDS does not distinguish between rural and non-rural areas, and the developments concern the entire territory of the country.**

The main elements of the measure are:

- Development of **basic telecommunications infrastructure** for nextgeneration fixed and wireless networks;
- Support for the **development of Gerinc, backhaul (zone) and local** networks in the form of tenders in areas where the market does not develop on its own;
- **Operation of a ultrafast Internet Programme Office, a network of supervisory engineers and a Broadband Competence Office (BCO) for public support and professional monitoring of Gigabit developments**
- If the tender does not involve development, the involvement of **state-owned enterprises** is analysed, including, if necessary, financial instruments.

Di II.1 Geographical extension of the DJG network, connection of district headquarters, municipalities, capacity-building and connection of institutions

The objective of the measure is to develop and increase the capacity of the DJG users (e.g. public education and vocational training institutions) to connect to the backbone network at the closest possible point by using a short backhaul network. The development of the public network can reduce market exposure and achieve cost savings in the supervised network. Thanks to the development, the steady increase in bandwidth demand does not lead to an unjustified increase in costs.

The main elements of the measure are:

- Creation of **traffic hubs** in flood centres;
- Development of a network probe, **monitoring of active traffic** to increase availability;
- Further develop a **network monitoring system** to detect potential errors and their location more quickly and speed up the intervention. This will achieve a higher level of availability and a more cost-effective operation;
- Development of **traffic management** in order to achieve the best network traffic;
- **Creation of channels with a capacity of 100 Gbit/s or more** between backbone network equipment, thereby increasing network permeability. In order to fully and seamlessly serve the growing endpoint needs and the expectations of DOS, research and the digitalisation of public collections, improvements are needed to ensure a single service at the endpoints, regardless of their geographical location;
- **Equipment replacements** in order to increase capacity through the acquisition of a more modern set of equipment, the supervision and operation of which can be carried out in a more uniform and cost-effective manner;
- **The establishment of access points**, at each of the relevant service locations;
- **Connecting endpoints to the network** on an optical line with dark fibre rental;
- **Provision of pre-aggregation nodes**;
- **Enabling network** solutions for research (e.g. Quantum communication);
- Implementation of a **digital education network and application platform**

Di II.2 Deployment of Wi-Fi network infrastructures managed in educational and community spaces in public education and vocational training colleges

The objective of the measure is to implement the development of Wi-Fi networks for education in school education and vocational education and training colleges.

The main elements of the measure are:

- The deployment of **centrally managed WiFi networks in learning rooms, public spaces and living rooms**;
- **Establishment and development of eduroam and Guest networks**;
- Installation, installation and installation of training rooms suitable for **online group work** (smart TV, camera, microphone, etc.)

Di III.1 National Telecommunications Gerinc Network (NTG) extension, bandwidth extension and related network developments

The objective of the measure is to develop the network of inpatient healthcare institutions, penitentiary institutions, district locations without the NTG endpoints, which hitherto do not have a fibre network. This enables municipalities and public bodies to provide up-to-date e-administration services. Another important objective is to ensure flexibility in meeting substantially increased and rising bandwidth needs by increasing capacity.

The main elements of the measure are:

- Further development of district aggregation network;
- NTG backbone capacity expansion (including development of NTG network capacities for government workers to work from home);
- Optical connection of hospitals;
- Optical connection of penitentiary (BV) institutions;
- Other network and security developments necessary to safely service NTG connections.

DOCUMENTS

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent by
Átmeneti nemzeti támogatások	Annex VI: Transitional national aid	22 Dec 2021		Ares(2025)9161526	Átmeneti nemzeti támogatások	27 Oct 2025	Nagy, Attila
RD19_G01_AEC_70 - AKG_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	23 Dec 2021		Ares(2025)9161526	RD19_G01_AEC_70 - AKG_háttérszámítás RD19_G01_AEC_70 - AKG_háttérszámítás2	27 Oct 2025	Nagy, Attila
RD20_G02_ORT_70 - ÖKO_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	23 Dec 2021		Ares(2025)9161526	RD20_G02_ORT_70 - ÖKO_háttérszámítás RD20_G02_ORT_70 - ÖKO_háttérszámítás2	27 Oct 2025	Nagy, Attila
RD28_G11_GPI_70 - Növényi gén in situ_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	23 Dec 2021		Ares(2025)9161526	RD28_G11_GPI_70 - Növényi gén in situ_háttérszámítás	27 Oct 2025	Nagy, Attila
RD29_G12_AWC_70 - Állatjólét kiskérődző_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	23 Dec 2021		Ares(2025)9161526	RD29_G12_AWC_70 - Állatjólét kiskérődző_háttérszámítás	27 Oct 2025	Nagy, Attila
KAP ST Társadalmasítás	Annex III: Consultation of the partners	29 Dec 2021		Ares(2025)9161526	KAP ST Társadalmasítás	27 Oct 2025	Nagy, Attila
RD30_G12_AWC_70 - Állatjólét szarvasmarha_háttérszámítás 1. - Tejelő szmarha háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	29 Dec 2021		Ares(2025)9161526	RD30_G12_AWC_70 - Állatjólét szarvasmarha_háttérszámítás 1. - Tejelő szmarha háttérszámítás	27 Oct 2025	Nagy, Attila
RD32_G12_AWC_70 - Állatjóléti támogatások a baromfi ágazatban intézkedés háttérszámítása	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	29 Dec 2021		Ares(2025)9161526	RD32_G12_AWC_70 - Állatjóléti támogatások a baromfi ágazatban intézkedés háttérszámítása3 RD32_G12_AWC_70 - Állatjóléti támogatások a baromfi ágazatban intézkedés háttérszámítása4 RD32_G12_AWC_70 - Állatjóléti támogatások a baromfi ágazatban intézkedés háttérszámítása1 RD32_G12_AWC_70 - Állatjóléti támogatások a baromfi	27 Oct 2025	Nagy, Attila

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					ágazatban intézkedés háttérszámítása2		
CCO SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	CCO SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO1 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO1 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO2 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO2 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO3 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO3 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO4 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO4 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO6 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO6 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO7 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO7 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO9 SWOT hatástanulmány	Annex II: SWOT analysis	14 Jun 2022		Ares(2025)9161526	SO9 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO5 SWOT hatástanulmány	Annex II: SWOT analysis	20 Jun 2022		Ares(2025)9161526	SO5 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
SO8 SWOT hatástanulmány	Annex II: SWOT analysis	1 Jul 2022		Ares(2025)9161526	SO8 SWOT hatástanulmány	27 Oct 2025	Nagy, Attila
Consultation of the partners	Annex III: Consultation of the partners	14 Sept 2022		Ares(2025)9161526	Consultation of the partners	27 Oct 2025	Nagy, Attila
Magyarország KAP Stratégiai Terve 2023-2027 Stratégiai Környezeti Vizsgálat	Annex I: Ex-ante evaluation and Strategic Environmental Assessment (SEA) referred to in Directive 2001/42/EC	13 Oct 2022		Ares(2025)9161526	Magyarország KAP Stratégiai Terve 2023-2027 Stratégiai Környezeti Vizsgálat	27 Oct 2025	Nagy, Attila
KAP Stratégiai Terv előzetes (ex ante) értékelés - Értékelési jelentés	Annex I: Ex-ante evaluation and Strategic Environmental Assessment (SEA) referred to in Directive 2001/42/EC	28 Oct 2022		Ares(2025)9161526	KAP Stratégiai Terv előzetes (ex ante) értékelés - Értékelési jelentés	27 Oct 2025	Nagy, Attila
Húsmarha állatjólét háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development	9 Oct 2023		Ares(2025)9161526	Húsmarha állatjólét háttérszámítás	27 Oct 2025	Nagy, Attila

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	interventions specified in the strategy						
RD24_G07_GAX_70 - Állati gén ex situ_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	20 Nov 2023		Ares(2025)9161526	RD24_G07_GAX_70 - Állati gén ex situ_háttérszámítás3 RD24_G07_GAX_70 - Állati gén ex situ_háttérszámítás1 RD24_G07_GAX_70 - Állati gén ex situ_háttérszámítás2 Védett őshonos és veszélyeztetett állatfajták_háttérszámítás fajtarekonstrukcios_tamogatas_mellekletek_230310	27 Oct 2025	Nagy, Attila
RD25_G08_GAI_70 - Állati gén in situ_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	20 Nov 2023		Ares(2025)9161526	RD25_G08_GAI_70 - Állati gén in situ_háttérszámítás1 RD25_G08_GAI_70 - Állati gén in situ_háttérszámítás2 RD25_G08_GAI_70 - Állati gén in situ_háttérszámítás3 fajtarekonstrukcios_tamogatas_mellekletek_230310 Védett őshonos és veszélyeztetett állatfajták_háttérszámítás fajtarekonstrukcios_tamogatas_insitu_230310	27 Oct 2025	Nagy, Attila
RD26_G09_GAV_70 - Állati gén in vitro_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	20 Nov 2023		Ares(2025)9161526	fajtarekonstrukcios_tamogatas_invitro_exsitu_230310 Védett őshonos és veszélyeztetett állatfajták_háttérszámítás RD26_G09_GAV_70 - Állati gén in vitro_háttérszámítás1 RD26_G09_GAV_70 - Állati gén in vitro_háttérszámítás2 RD26_G09_GAV_70 - Állati gén in vitro_háttérszámítás3 RD26_G09_GAV_70 - Állati gén in vitro_háttérszámítás4	27 Oct 2025	Nagy, Attila
RD27_G10_GPX_70 - Növényi gén ex situ_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	20 Nov 2023		Ares(2025)9161526	RD27_G10_GPX_70 - Növényi gén ex situ_háttérszámítás fajtarekonstrukcios_tamogatas_mellekletek_230310 fajtarekonstrukcios_tamogatas_invitro_exsitu_230310 Védett őshonos és veszélyeztetett állatfajták_háttérszámítás	27 Oct 2025	Nagy, Attila
Erdészeti beavatkozások egységkölség háttérszámításai	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	4 Dec 2023		Ares(2025)9161526	Erdészeti beavatkozások egységkölség háttérszámításai	27 Oct 2025	Nagy, Attila
RD33_G15_ANB_70 - Állatjólét méhészet_háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	4 Dec 2023		Ares(2025)9161526	RD33_G15_ANB_70 - Állatjólét méhészet_háttérszámítás	27 Oct 2025	Nagy, Attila
Tanácsadási Szolgáltatások Egységkölségének Meghatározása – Háttéranyag	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	19 Dec 2023		Ares(2025)9161526	Tanácsadási Szolgáltatások Egységkölségének Meghatározása – Háttéranyag	27 Oct 2025	Nagy, Attila
AKI_egysegekoltsegszamitas_ontozesi_kozosseg	Annex Chapter 5: Direct payments,	4 Jun 2024		Ares(2025)9161526	AKI_egysegekoltsegszamitas_ontozesi_kozosseg	27 Oct 2025	Nagy, Attila

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	sectoral and rural development interventions specified in the strategy						
AÖNTB_egységköltség	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	4 Jun 2024		Ares(2025)9161526	AÖNTB_egységköltség 1 AÖNTB_egységköltség 2	27 Oct 2025	Nagy, Attila
Agro-ökológiai nem termelő beruházások, Agro-ökológiai földhasználat-váltást ösztönző kifizetés háttérszámítás	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	6 Jun 2024		Ares(2025)9161526	AÖNTB_háttérszámítás_2 AÖNTB_háttérszámítás_1	27 Oct 2025	Nagy, Attila
Eco-Scheme szankciórendszer	Annex Chapter 7: Governance and Coordination system	11 Jun 2024		Ares(2025)9161526	AÖP szankciórendszere 2025	27 Oct 2025	Nagy, Attila
CIS Anyajuh Keretemelés háttéranyag	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	3 Sept 2024		Ares(2025)9161526	CIS Anyajuh Keretemelés háttéranyag	27 Oct 2025	Nagy, Attila
Allatjoleti_tam_szamitasi_javaslat_OMME_jav	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	19 Nov 2024		Ares(2025)9161526	Allatjoleti_tam_szamitasi_javaslat_OMME_jav	27 Oct 2025	Nagy, Attila
Minőségrendszerek_háttérszámítás_RD46	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	22 Nov 2024		Ares(2025)9161526	Minőségrendszerek_háttérszámítás_RD46	27 Oct 2025	Nagy, Attila
RD20_G02a_ORT_70 HU_ÖKO új beavatkozás háttérszámítása	Annex Chapter 5: Direct payments, sectoral and rural development interventions specified in the strategy	22 Nov 2024		Ares(2025)9161526	ÖKO_egységösszeg_KAP_ST_20241114_1 ÖKO_egységösszeg_KAP_ST_20241114_2	27 Oct 2025	Nagy, Attila
RD19_G01a_AEC_70 – Agrár-környezetgazdálkodási kifizetések (AKG)	Annex Chapter 5: Direct payments, sectoral and rural	12 Dec 2024		Ares(2025)9161526	AKG_egységösszeg_KAP_ST_20241113_1 AKG_egységösszeg_KAP_ST_20241113_2 TECS vállalásai	27 Oct 2025	Nagy, Attila

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	development interventions specified in the strategy				TECS_referenciaszint		
Programme snapshot 2023HU06AFSP001 7.0	Snapshot of data before send	27 Oct 2025		Ares(2025)9161526	Programme snapshot 2023HU06AFSP001 7.0 Programme snapshot 2023HU06AFSP001 7.0	27 Oct 2025	Nagy, Attila
Information about corrections to the CAP Strategic Plan of Hungary under Article 119(12) of Regulation (EU) 2021/2115 CCI: 2023HU06AFSP001	Formal communication to MS	4 Nov 2025		Ares(2025)9466321	HU_CSP_DP06_correction_peppermint_Acknowledgement.docx	4 Nov 2025	CCEMPL, ctempl