COMPARISON OF THE OBJECTIVES OF THE NATIONAL ACTION PLAN FOR DEVELOPING ORGANIC FARMING WITH THE RESULTS OF A PRIMARY RESEARCH

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Abstract: *Industrial, integrated and organic production systems coexist in today's agriculture. It is generally believed that industrial production systems are severely degrading the environment and causing diseases in humans. As a result, there is a growing demand for healthy food and environment today. That's why organic farming is one of the fastest growing agricultural management methods in the world. Producers and consumers think this is the most environmentally sustainable practice, which is believed to provide healthy and safe food for consumers. These are the reasons for its rapid spreading, experienced globally in the last few years. Organic farming approach focuses on maintaining and restoring harmony between humans and the environment, and it is the only production system, which has been clearly defined by EU regulations. The main reasons for choosing this subject were the growing interest in sustainable agricultural solutions in recent years, and the greening process of the Common Agricultural Policy. In the CAP, organic farming is treated as a key to reaching sustainable management of natural resources and producing healthy food for consumers. Despite these processes, the number of organic farms and the area utilised by them had hardly changed in Hungary between 2007 and 2012. Moreover, according to the reports of Biokontroll Hungária Ltd., the number of registered farms changed from 1,541 (2009) to 1,282 (2012). In this research paper, we would like to explore the causes of this negative trend in Hungary. Our analysis reveals complex factors in the background, which are hard to resolve in the near future. We think that the biggest problems are in the lack of sites for processing raw materials, unorganised market of organic products, insufficient purchasing power of customers, and therefore in the producers' disappointment in organic farming. Organic farming production appears in the Rural Development Programme of Hungary for the 2014–2020 period because of its contribution to reservation of water resources, preservation of land in good state and mitigation of environmental impacts of agriculture, and on the other hand, because of the boost effect in agricultural employment through increased labour-demand. Concerning the latter factor, our survey shows that is very difficult to hire labour force for agricultural work, so we think that the Government's hope in this respect is unfounded.*

Keywords*: organic farming, Hungary, agriculture*

INTRODUCTION

Organic production is the only production system, which has been clearly defined by EU regulations. Our choice of subject was motivated by the growing interest in sustainable agricultural solutions in recent years, since even the Common Agricultural Policy considers for its priority the sustainable management of natural resources. Organic farming provides the framework for future-oriented food systems, contributes to EU's strategy for sustainable and inclusive growth until 2020, which aims at a greener, more resource-effective and more competitive economy. Supporting the organic sector may lead to interesting results in the field of rural development; highly strengthening the role of agriculture (IFOAM EU GROUP, 2010). Organic food and organic farming are still growing constantly in Europe. According to IFOAM survey, 37.2 million ha of arable land is currently used for organic farming in the world, 10.6 million ha of it being in Europe.

The market research institute of the Organic Monitor estimated the turnover of organic products to be $63 billion (€45 billion) in 2011. It means a growth of 6.7% compared to 2010. The USA is leading the table with its turnover of €21 billion, while €21.5 billion are spent on organic products in Europe, with an outstanding value of €6.6 billion in Germany (NEMZETI AKCIÓTERV, 2013).

The European Commission created The European Action Plan for Organic Food and Farming in 2004, which was responsible for setting up the market of organic products and operating it throughout the EU (IFOAM EU GROUP, 2010). Hungary has developed the National Action Plan for Developing Organic Farming (2014–2020) with the formulated objective of increasing the area of arable land used for organic farming.

Organic farming production appears in the Rural Development Programme of Hungary (2014–2020) as a development need because of its contribution to reservation of water resources, preservation of land in good state and mitigation of environmental impacts of agriculture, but also because it can increase employment through higher labour-demand. According to the 2013 report of the UN Conference on Trade and Environment, it is necessary to have paradigm shift concerning the development of agriculture both in developing and developed countries, and to have a really organic approach to increasing efficiency (SÁRKÖZY, 2013). The proportion of agricultural land for organic farming was 2.4% in Hungary in 2010, which is below the EU average of 4.7%. The share of arable land used for organic farming is the highest in Austria, but it is also over 10% in Sweden, Estonia and the Czech Republic (Fig. 1).

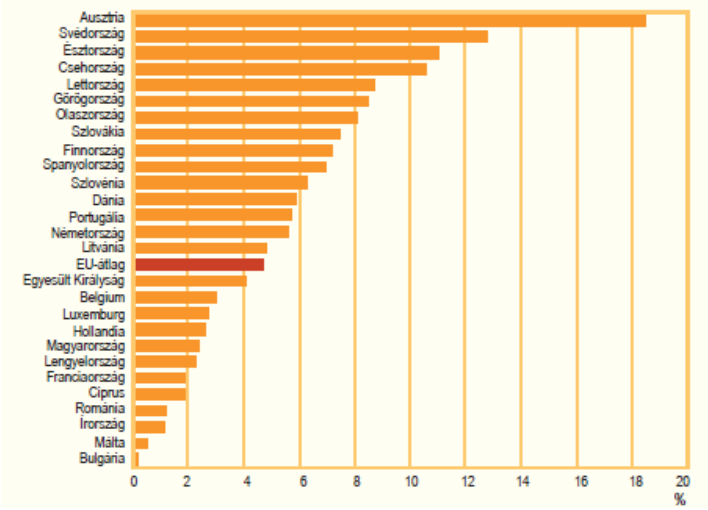

Fig. 1 Proportion of agricultural land for organic farming in the total of arable land
Source: KSH, 2011.

Our aim is to compare the results of the primary research of Kőszegi from 2012 with the objectives formulated in the National Action Plan for Developing Organic Farming for the years 2014–2020. Within this paper, we analyse if the National Action Plan answers and provides solutions to conclusions and proposals formulated in the result of the former research. We also want to reveal what has caused the decrease or stagnation of the number of organic farms in Hungary.

MATERIALS AND METHODS

The objectives of the National Action Plan for Developing Organic Farming are the following:

1. *Action step: Developing regulations, procedures concerning organic farming, activities*
2. *Action step: Increasing production volume in compliance with market demand and development of processing*
3. *Action step: Development of training, research & development and professional advisory systems relating to controlled organic farming activities*
4. *Action step: Development of systems for data acquisition*
5. *Action step: Promoting the consumption of organic products, and increasing consumer awareness of and confidence in these products*
6. *Action step: Establishing producer-consumer networks, improving cooperation between producers and with other actors*

The research from 2012 applied the method of depth interviews to survey organic farmers, while the consumption and purchasing habits of the population of Bács-Kiskun County concerning organic food were valued over a questionnaire. Most of the interviewees were selected randomly from the public list of organic farmers on the website of Hungarian Bioculture Association (Magyar Biokultúra Szövetség). There were depth interviews with altogether 15 farmers. Among them there were both controlled farmers and those in the process of switching over, as well as some who had given up organic farming. The non-representative survey of the population with a questionnaire was performed from October 2011 to early January 2012. Respondents were volunteers and anonymous. In the survey of the population of Bács-Kiskun County, there were 216 evaluable questionnaires from a total of 280.

RESEARCH RESULTS

There has been a fallback in the number of organic farmers in Hungary since 2005 (Fig. 2). Though there was a slight growth in 2009, but it was followed by decreasing number of producers in 2010 and 2011. In 2012, the number of organic farmers grew, however there was only an insignificant increase in the area concerned (Fig. 3).

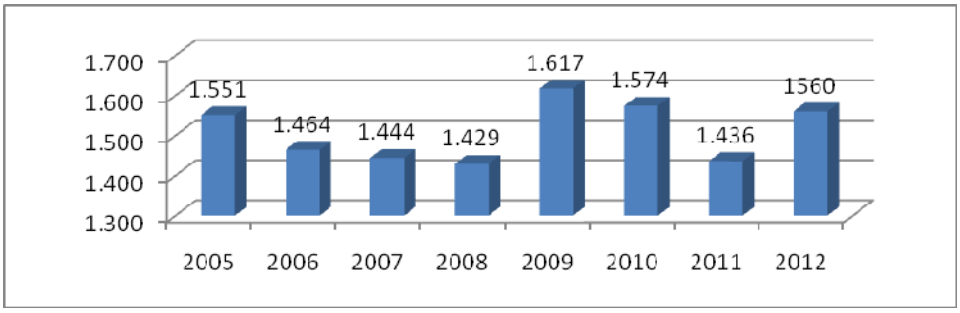

Fig. 2 Number of agricultural producers

Source: Own construction based on KSH data, 2014.

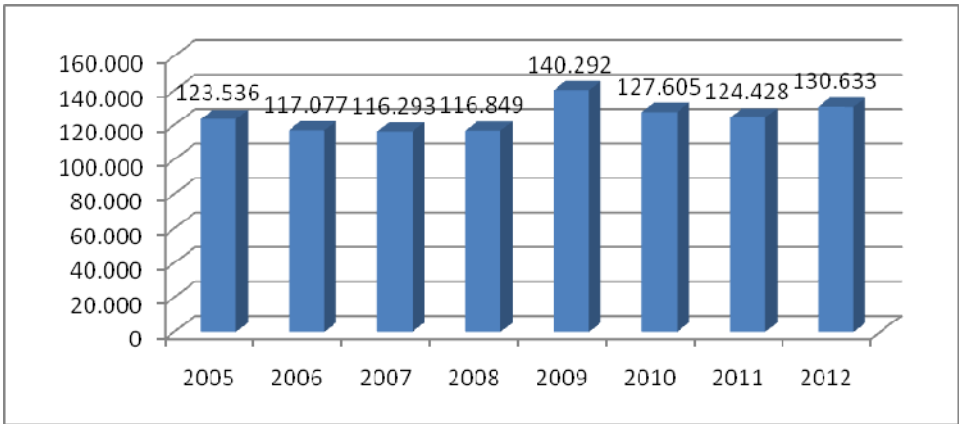

Fig. 3 Agricultural land for organic farming, ha

Source: Own construction based on KSH data, 2014.

The area of agricultural land used for organic farming has grown for almost 140% since 2000, but this process broke after 2004 because the agro-environmental programme (AKG), which was launched that year, did not involve support to organic farming. Organic producers can apply for support again, within the AKG programme launched in 2009. Probably this might contribute to increasing area of land for organic farming in 2009, reaching 140 thousand hectares. Between 2004 and 2006, producers could realise more secure income with growing COPF plants, because of the EU support scheme of that period.

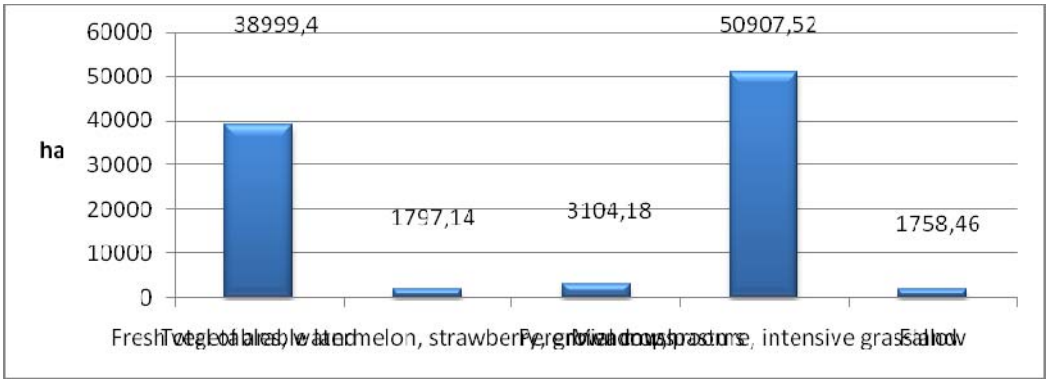

Fig. 4 Structure of reorganised areas concerning their utilisation in 2012

Source: Biokontroll Hungária, 2012.

In Hungary, organic farms are primarily engaged in plant production, but most of these areas are meadows, pastures, and growing cereals is also outstanding (Fig. 4).

According to the objective formulated in the Action Plan, the area of land used for organic farming should be increased to 300 thousand hectares by 31st August 2020. The ideal area of organic production would be 600 thousand ha among domestic conditions, according to Radics, but not the way as it is done now, in the records. Many pastures were included in organic land, although there is no real farming on them. Or to be more precise, what happens is "dictated" by nature (RADICS, cited: HAJTUN, 2012). In Germany, farmers owning dismembered lands with less favourable soil types of poorer productivity were more present among those who switched over to organic farming. From the formerly surveyed farmers, there was only one who was motivated by reorganising his sandy area of poorer quality for organic use.

1. *Action step: Developing regulations, procedures concerning organic farming, activities*

The first action step treats the preservation of our native and endangered agricultural animal varieties and landraces as a priority. Farmers involved in the study had chosen landraces appropriate to the specific site and varieties of high hardiness. In organic farming, the basic requirements are appropriate and specific adaptability, since in lack of these there cannot be formed balance and harmony between ecological and production conditions and the landraces, which is a prerequisite for successful production and high product quality. Organic farming is particularly related to the idea that varieties emerged in a specific area feels good there, leading to formation of healthier stocks with less external energy input requirements, creating higher-quality end products. The application of landraces and biodiversity is not simply a conservation activity, but rather the question of our entire lifestyle, profitable farming, survival and national safety (MÁRAI, 2010). Four of the studied farmers are living in farms with their families, while four farmers possess farm estates, used for crop and livestock production. This fact proves that organic farms contribute to survival of farms characteristic to lowlands landscape and treated as Hungaricum, thus they can preserve culture, traditions, ensuring sustainable development. Bálint Csatári (2012) said the following about farms on his lecture at Kecskemét College: "In Hungary a town is a town. A village is a village, but the farms are a special world, the world of farms." Thus he emphasises the importance of the survival of farms. Animals in farms can also be tourist spectacles to visitors; therefore they mainly breed local, native varieties. Keeping native livestock is in connection with natural and landscape conservation as well.

2. *Action step: Increasing production volume in compliance with market demand and development of processing*

According to the words of wine-growing farmers, the biggest problem of the region was that they could not process grapes and sell it as organic must or wine. Although there are some processing plants in the county, but none of them does procession in small quantities, and the separation of organic grapes also makes a problem, since it cannot be mixed with grapes from conventional production at all. The major challenge for organic farms is in the lack of processing plants and slaughter-houses. It would be necessary to enable construction of processing plants and slaughter-houses with state support that would also process smaller quantities of raw materials and animals, thus they could resolve the farmers' problems. These slaughter-houses and processing plants could employ a considerable labour force, thus contributing to lowering unemployment. With their establishment, there would be more meat and other products on the shelves, which could greatly squeeze out expensive foreign vegetable and fruit juices, jams from the market and also guarantee the freshness of these products.

3. *Action step: Development of training, research & development and professional advisory systems relating to controlled organic farming activities*

The local government of Fülöpjakab has organised a course, finances from grants. There were about 130 farmers participating in the course from some 20 settlements of the region. After successful completion of the course, organic farmers from Fülöpjakab and its surrounding established the Fülöpkert Bio Co-operative. Members of the co-operative had a common machine park also from grants, and they brought their products jointly to the organic market in Budapest. As an effect of this small initiative, today Fülöpjakab is called as "citadel of organic farming". A series of lectures and a course were started in 2012, on

the initiative of farmers from Fülöpjakab and Kiskunfélegyháza. They hope to convince more and more people to switch over to organic farming.

4. *Action step: Development of systems for data acquisition*

During our research, we observed as a deficiency that organic farms are not summarized numerically by counties and settlements. There is a map in Hoffer's PhD thesis (2009) showing the number of organic farms by settlements. In our opinion, a map compiled in such form could be part of yearly reports of controlling organs.

5. *Action step: Promoting the consumption of organic products, and increasing consumer awareness of and confidence in these products*

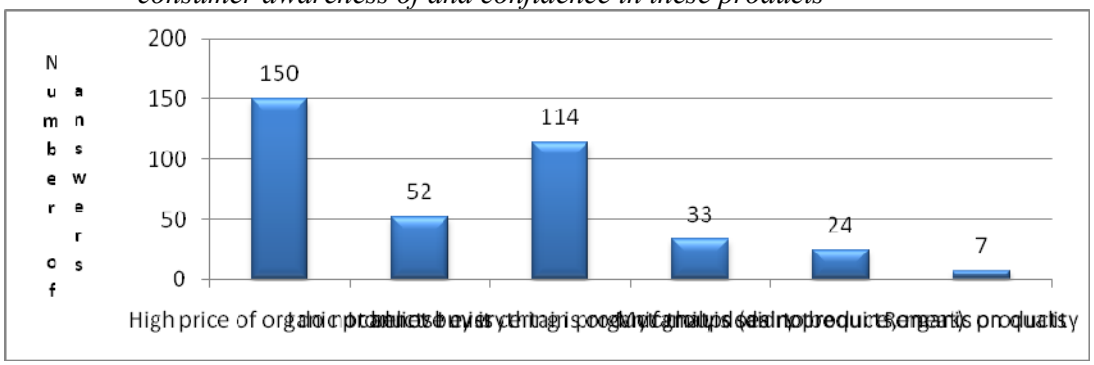

Fig. 5 Obstacles to purchasing organic products *(n=216)*

Source: Kőszegi, 2012.

It is visible form the results of the former research survey that behind the obstacles to purchasing there are still the high prices of organic products and the customers' distrust in them. According to the survey, personal contacts with the producers are the most important information resources for customers, since consumers purchase with their eyes and during the personal contact they can be sure that the purchased products originate from organic farming. They also consider for important the personal example of their friends and relatives, since people are more willing to trust people they know than TV commercials (Fig.5).

Fig. 6 Importance of information resources in popularising organic products *(n=216)*

(1= is not important at all; 5= is very important)

Source: Kőszegi, 2012.

It would be important to widespread professional articles, trade journals, to sell them by newsvendors, so that people can also be informed about the results of certain experiments, the organic days, different events, or the causes of food scandals, thus reducing distrust in people (Fig 6). Professional journals like Biokultúra also present families dealing with organic farming, so people can be informed where they can find organic farms in their surrounding that maybe they have not heard about. The least importance is given to Internet advertisements, because most of the interviewees are of middle age or older who maybe use the computer less.

6. *Action step: Establishing producer-consumer networks, improving cooperation between producers and with other actors*

Also in Hungary, people are giving more and more importance to farmers selling own products from their homes. Direct selling has key importance in most of the considered farms as well. It is a common feature of farms involved in the programme that they can produce their products only in small quantities and they manage procession within their farms. Thus due to small packages and the lack of ability to enforce their interests, they cannot (or do not even want to) reach to the shelves of supermarkets, and they do not even have funds for marketing beside production and processing. As a result of the above, there was established the so-called pantry-tour (Kamra-túra) network with its own identity, emblem and its website (see: www.kamra-tura.hu). Kamra-túra is not a web shop, so there is no selling over the website, but locally at the farmers'. Some of the farmers participating in the earlier survey established a co-operative. Members of the co-operative had a common machine park from grants, and they brought their products jointly to the organic market in Budapest. However, the co-operative broke up after a short while, because everyone wanted to share only the smallest part of common expenses, and jointly going to the marketplace was also dysfunctional in the long run.

CONCLUSIONS

The realisation of the Action Plan may have numerous advantages as it can create now workplaces, but the primary research also mentions that there is a problem among farmers that they can hardly find reliable employees for agricultural works. Despite high unemployment rate, many people are averse to manual labour in farms so it is more and more difficult to find adequate, reliable workers (KŐSZEGI, 2012). In our opinion, the processing plants and slaughter-houses could employ more labour force. They can provide healthy and good-quality products to people, but it is inevitable to lower prices and to create trust among consumers.

The number of organic farms may grow with the realisation of the objectives, but we think that dealing with organic farming in the long run is the question of belief and trust. Making profits cannot be the priority of organic farming. According to researches, this is one of the reasons for decreasing or stagnant number of organic farms in Hungary.

It is an important objective to involve organic products in public catering, so that they can reach such consumers, children who have not tasted these products before. In our opinion, providing healthy food to children is a key task, but we must encounter insufficient purchasing power. This objective is not feasible successfully without state and EU support.

We consider for a key task to develop such sales networks like direct sale. The direct contact of the buyer and the seller may reduce uncertainty of customers concerning the products.

The European Commission has initialised the promotion of organic farms in the following period within so called greening. Thirty percent of direct payments are connected to it. The additional support of greening will depend of environmental accomplishment. Producers will have to make additional efforts to achieve maximum support. According to the Commission's proposal, supporting organic farming will not be realised within agro-environmental programme, but as a separate measure.

It can be stated about the Action Plan that it was developed based on former researches and it took into consideration these results. It reveals the problems of organic farms and searches for measures to resolve them. The former, non-representative research is also successful in exposing problems, insufficiencies around organic farms, thus it is of indicative character.

We consider it for important to make a survey of organic farms on settlement level. After summarising data and breaking them down to settlement level, we could outline territorial distribution of organic farms, which would provide significant information during further researches.

The realisation of the objectives of the Action Plan requires constant monitoring. It should be evaluated in another research to what extent the support scheme influences enterprising spirit in the long run.

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