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The Agricultural Information and Extension Systems in Hungary

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헝가리의 농업 정보 및 농촌지도 시스템

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요 약

이 연구는 1990년대 이후 헝가리 농촌지도의 특징적인 변화를 고찰하였다. 헝가리의 농촌지도사업은 오랜 역사를 가지고 있으며 주로 대규모 농장을 대상으로 한 농업기술전파에 주력하였다. 1990년대 이후 사유재산의 인정과 시장경제체제로의 전환과 함께 시장에서의 경쟁력이나 지속성에 대한 요구는 농촌지도사업의 방향전환을 요구하게 되었다.

유럽연합의 농업정보시스템 표준화에 요구와 헝가리 내의 농산업구조의 변화는 농업정보시스템 구축의 필요성을 낳게 되었다. 헝가리에서 농업정보시스템의 개발은 농업경제연구정보원(AKII, Research and Information Institute for Agricultural Economics)과 중앙통계사무소(Hungarian Central Statistical Office)에서 이루어졌다. 시스템 개발의 주요 분야는 농업통계, 농장회계자료네트웍, 시장정보시스템의 세 가지이며 이들의 복합적인 농업정보시스템으로 형성되었다. 본 연구에서는 위의 세 가지 주요 범주의 개발배경과 진행사항, 문제점들을 살펴보고 개선방향을 제시하였다.

헝가리 농업 · 농촌개발부(The Ministry of Agriculture and Rural Development)의 최근 정책의 특징은 전국적인 농촌지도상담 네트웍의 구축이라고 할 수 있다. 현재의 헝가리 농촌지도사업체계는 크게 세 부분으로 나누어 볼 수 있다. 첫째 농업농촌개발부의 군사무소는 지역사회의 독농가나 선도농가와의 밀접한 관계를 유지하며, 이러한 독농가나 선도농가로 하여금 지역의 농민들에게 도움을 줄 수 있도록 하는 것이다. 둘째는 민간 자문가들이 농장을 방문하여 현장에서 농민들에게 전문적인 도움을 주도록 하는 것이다. 민간 자문가들은 도 단위의 전문지도사들로부터 정보나 기술에 대한 전문적인 도움을 받는다. 세 번째는 전문교육기관을 통한 농민들에 대한 직접적인 교육이다. 이러한 교육들은 농민들에게 무료로 제공되며, 교육과정이나 프리젠테이션, 전시 등을 통해 이루어진다.

현재 헝가리 농촌지도체계는 그 실행과정, 효율성, 조직적인 면에서 완성되지 못하였고 전환기에 처해 있다. 효율적인 농촌개발을 위해서는 농촌지도상담의 효과나 조직면에서 많은 연구와 정비가 필요한데 이는 헝가리의 국가적 이익의 증대와 유럽연합의 목적에 부합하기 위해서도 적극적인 관심과 노력을 필요로 하는 분야이다.

이러한 필요성을 바탕으로 농촌지도사업의 새로운 모델을 제시하면, ① 수도인 부다페스트에 농촌지도사업을 전반적으로 책임지는 중앙부서를 설립하여 효과적인 농촌발전을 지원하며, ② 7개의 도에 농학계 대학과 연구소를 중심으로 하는 지역센터를 설립하여 도내의 농촌지도상담활동과 영농에서 농업관련 사안에 대해 문제해결 중심의 도움을 주도록 하며, 지역센터는 자율적, 독립적으로 운영하도록 하고, ③ 50여개의 군에 일선지도기관을 설립하여 농업인들이 쉽게 방문할 수 있도록 하며, 지역의 특수한 상황이나 사안에 대해 융통성 있게 대처할 수 있도록 하는 것이다.

Key Words : Agricultural information, Extension systems, Hungary

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I . INTRODUCTION

Information is becoming increasingly important in politics as well as in industry and agriculture. As a result of the growing complexity of political and economic interrelationships, problems can no longer be solved properly without a sufficient supply of high-quality information. The time and costs involved in collating, preparing and assessing this information are continually rising and epitomize the transformation currently taking place from an industrial to an information society. Yet information is only of any value if it can be used to draw clear findings that can then be implemented in the form of practical action. For this to happen in practice, decision-makers must have clear objectives in mind.

The brief outline below provides a breakdown of the various stages in the decision-making process:

- *Diagnosis,* as the first phase in the economic and agricultural policy decision-making process.
- *Planning,* which consists of the systematic drafting and compilation of bases for decisions.
- *Decision,* as a specific act that represents the outcome of the decision making process.
- *Implementation,* which involves putting the decision into practice.
- *Monitoring* as the basis for the immediate correction of undesired developments and a means of avoiding wrong decisions being taken in future. (5.)

In a comprehensive restructuring process such as is currently underway in the countries of Central and Eastern Europe, the timely and adequate availability of relevant information and analysis provides both policy-makers and business with necessary elements in the decision-making process.

Agricultural policy in Hungary is currently facing complex tasks that require sound knowledge of the economic situation regarding agriculture and the probable consequences of different policy measures. The central basis for decision-making on agricultural policy in the European Union is provided by general agricultural statistics, the Economic Accounts for Agriculture (EAA) and Farm Accountancy Data Networks (FADN), as well as by related agricultural policy information and analysis systems. These information systems are also explicitly demanded by the EU Commission and therefore serve as a means of preparing for EU membership, one of the goals pursued by the Republic of Hungary.

Besides all these, the importance of up-to-date reports on markets and prices is growing steadily. Those companies operating on the agricultural market must adjust to new market conditions, whilst the administrative authorities must react to market imperfections, if and when these arise, and promote the development of functioning markets. A comprehensive Market and Price Information System (MIS) can meet this demand. (5.)

The agricultural extension (consultation) can be also considered one peculiar information system, which parallely with the agricultural education - has a relatively long history in Hungary. The consultation system, however has gone through many changes during the recent decades. In the socialist era the main task was to give technical-technological support to the large-scale farms, nowadays, in a private ownership dominated, market-oriented economy the growing need for competitiveness and sustainability

stipulates new requirements to the consulting system. After several attempts during the 90s the present Hungarian strategy targets to set up a consultation network on the basis of the prevailing agricultural universities, colleges and research institutes.

Ⅱ. ELABORATION OF A COMPLEX AGRO-INFORMATION SYSTEM

The idea of improving the Hungarian agricultural information system arose mainly form the intention of accessing to the European Union, but the structural changes in Hungarian agri-business sphere (production, food-processors and traders) induced the need of improvement too.

The objective of this was to develop such a complex agricultural information system, which has to fulfil the tasks as follows:

- to supply undertakings with adequate information;
- to satisfy information requirements of the agricultural administration;
- to ensure EU conformity.

To implement the above mentioned objectives it is necessary:

- to determine the content of the information system and subsystems;
- to develop and determine the conditions of operation of the subsystems (with special regard to legislation);
- to run a complex agricultural-economic information system.

The main goals were targeted and approved at governmental level (Ministry of Agriculture and Rural Development), the program itself was elaborated by two main professional institute:

- **Hungarian Central Statistical Office** (KSH)
- **Research And Information Institute for Agricultural Economics** (AKII)

These two institutes elaborated a project, that covers not only agricultural statistics but the whole agricultural-information system. (The project was supported by Phare sources too.) The development of definite areas was carried out in harmony with each other but separately at organizational and technical level. Therefore it was necessary to define three subprojects:

1. ***Agricultural Statistics***
2. ***Development of Farm Accountancy Data Network***
3. ***Development of Market Information System***

Ⅲ. DEVELOPMENT OF AGRICULTURAL STATISTICS

The Hungarian Central Statistical Office (KSH) introduced a new agricultural statistical data collection system from 1st January 1995. The KSH made an effort to take into consideration the requirements of international economic and statistical organizations as much as possible, but the harmonization of the Hungarian agricultural statistical system with the EU Standards needs further significant development.

The most important deviation from the EU requirements is the classification of holdings, which does not ensure the comparability in many cases. The harmonization has to be solved mainly within the frame of EUROSTAT.

To ensure the small sample sized, less expensive statistical surveys to reflect the wide variety of holdings it is necessary to apply the

prevailing classification (typology) system and sampling method used by the EU. The conditions of classification and of sampling method based on it are not given in Hungary, it is necessary to develop them as soon as possible. To develop an EU conform system it is necessary to know the size and composition of the population according to the standards of EU. The observation of farm structure is carried out by the General Agricultural Census (AMÖ) in every 10 years in Hungary. The EUROSTAT requires to execute a survey on the structure of agricultural holdings in every two years therefore censuses need to be carried out more frequently in the future (it is also possible to apply the representative method meeting some requirements). *[1., Németh,F.]*

The main objective was to transform the Hungarian agricultural statistical system in conformance with the EU requirements in order to satisfy the information need of the EU and Hungary. Within the agricultural statistical subproject emphasis was put on the following topics:

- *Farm typology, classification updating of the farm register, addition of the missing data (complementary survey, SGM-calculations).*
- *Survey on the structure of agricultural holdings*
- *Comparison of the natural characteristics (indicators) of the agricultural activities and production (EU expectations - Hungarian practice)*

After the implementation of the first project period the agricultural statistics project may was planned to be expanded in the following points:

- Remote sensing in the statistics of land use and crop production (Adaptation of the land use categories of EU in Hungary; overview of experiences in the agricultural utilization of remote sensing; developing the program of the utilization of remote sensing in land use statistics and in the improvement of crop statistics)
- Labor and earnings in the agriculture (developing the EU harmonized categories adequate to describe the employment in the Hungarian agriculture, full and part time, permanent and seasonal workers - ; collecting data on them in the frame of farm structure survey; follow up surveys; forming the income categories convenient to characterize the agriculture, meeting the requirement of national accounts, EU arrangements, household statistics; measurement of earnings and total income in agriculture in cooperation with FADN and household statistics

Ⅳ. THE FARM ACCOUNTANCY DATA NETWORK (FADN)

The establishment of a network of test farms, which is the source of data for FADN, started in 1995 (with German state fund, under the supervision and finance of the Ministry of Agriculture) after a PHARE Project that started in 1991 brought some minor results. The program is technically and scientifically coordinated by the Research and Information Institute for Agricultural Economics (AKII). There were also some other professional or scientific organizations and institutions that took part in the implementation. After the year of preparation in 1995 the test-farm data collection method was introduced in 50 farms in 1996. The farms involved were mainly private enterprises where the whole system of accountancy had to be developed with the help of accounting

agencies. The official establishment of the network was ordered by the Act CXIV of 1997.

The main objective was to develop a totally EU-conform system parallel with the gradual increase of the number of test-farms. Apart from the fulfillment of the requirements of the Commission of the EU the data to be collected should also support the decision making and control process in connection with the objectives of the national agricultural policy.

FADN has been gradually developed since 1996 in Hungary. In 1998 out of 19 it covered 12 counties and app. 1200 farms of different types. Although objective conditions were insufficient, sample farms were selected in a way to adequately represent diversity of farms in the given region from the viewpoint of business type (legal definition), operation size and type of farming.

In every farm data collection is based on double entry book-keeping. If a farm is otherwise not obliged to keep double entry books, book-keeping agencies, specially selected for this purpose take care of it. Central procession, analysis of data as well as publishing results are carried out by the Research and Information Institute for Agricultural Economics (AKII) under the control and general supervision of the Ministry of Rural Development and Agriculture. Progress of development is regularly observed by the EU Commission. Harmonization of the relevant legislation i.e. appropriateness of the Hungarian FADN was an independent point in the agenda of the screenings in 1999 in Brussels.

V. THE MARKET INFORMATION SYSTEM (MIS)

By the way of introduction the question would arise that why it was necessary to establish a separate market information system when there has been an appropriate statistical data collection, data processing and data servicing functioning in Hungary.

The activities carried out both by the business and the governmental sphere could be equally characterized by the fact that they need to think in advance - and make decisions - on short and long range. (3.)

For strategic (long-term) decision-making the information deriving from the traditional statistical data collection and the assessments made of them could be relatively well utilized, however for the operative decisions these information sources are not appropriate, in the majority of cases. The reason of it is because the data collected by the traditional way are

〈Table 1〉 Types of information, which can help the authorities and of the actors of the market

	Professional authority (Ministry of Agriculture and Rural Development)	Business sphere (production, processing, trade)
Prompt market information	• for operative decisions: using for market support, export/import ban, etc.	• compass for short-term decisions of production and sale respectively
Product-chain assessment, prognostics	• decisions on long range, central and regional agricultural policy, elaboration of agricultural strategy	• corporate planning on long-range, the establishment of the business strategy respectively. The formulation and modification of the productive structure.

available generally after several months delay, when a step of intervention - motivated on the basis of that information - or a business decision will not be timely anymore. Therefore in the case of the market information system the emphasis lays on the ***timeliness*** of price and quantitative information. (3.)

In the complex agricultural information system the market information system means such a special sub-system which cannot rely on the mechanism of the "traditional" statistical data collection by itself, but it is primarily based on the collection, and processing of primary data since the quick, immediate access to the data is a key issue.

In the member-states of the European Union there is an experience obtained that this multilateral complex function is not carried out by the "traditional" statistical date collecting systems, but separate market price and quantity monitoring systems which have been separately established for this purpose. Naturally these systems are in close cooperation with the other agro-information sub-systems however they cannot be substituted by each other.

From the up to date data on price and quantity (that is to say from the market information) statistical time series can be formulated which could be used for other scientific or practical purposes, however this can not be imagined in the opposite way.

By the help of the traditional statistics we may reach conclusions of ex-post type, but this does not mean any assistance for the "consumers" of market information for their short-term actions demanding prompt decisions. However by the help the up to date feasibly available market price and quantitative data further by the background information attached to them and by - the quickly available secondary information (exchange rate, informational market data bases) there is a possibility for deducting ex ante type conclusions too. (3.)

The development of a market information system, which was operational, impartial, reliable and able to reflect the market situation (price, stock, etc.) started in 1991 in the frames of PHARE Program. The market information system was developed in AKII because of the professional knowledge accompanied the fact that AKII was a neutral institution without governmental influence. The system which has been operating since 1991 involved the product groups of fruits, vegetables and cut flowers (AKII Market Information Service) *[2., Neszmélyi-Gresa]*. This system works within the Department of Market Information in AKII, with the involvement of 20 domestic and 5 foreign data supplier partners (wholesale and consumer markets), later the monitoring activity was extended to the main hypermarket chains retail prices too.

A separate project was initiated and partially financed by the Netherlands on potato price information in 1997.

Because of numerous market failures of the recent few years and the requirements of the forthcoming EU membership, there was a growing emphasis on the demand from both the Ministry and the market players for a market information system in connection with the major products of the Hungarian agriculture (cereals, pork, beef, poultry, dairy products), that are regulated by the Agricultural Market Regime. Since the end of 1997 the AKII Department of Market Information System started to establish the monitoring system of the strictly regulated commodities too.

Besides vegetables and fruits the market information system covers also commodities as

follows: sugar, sugar-beet, sunflower, cereals, meat, pigs (livestock), poultry, dairy products.

The Main tasks in the field of market information system were:

1. The determination of the circle of data which were necessary to be collected and the determination of the frequency of the data collection in accordance with international (EU) standards.

2. The creation of the necessary data supplier's background, further the division of the country to monitoring regions. In the certain monitoring regions, by the processing of the data supplied by the market actors working in the region aggregated data were generated (the individual data could not be published).

3. A larger view had to be assured for the system on the foreign market process. Therefore beside the existing price information of the foreign markets the mutual data exchange with other European or overseas countries is desirable.

4. The improvement of the availability of collected and processed information, database. The feedback of the aggregated data to the data suppliers' circle was also very important. (Formerly market prices were available on TV-teletext, then recently the price information, market- and product-chain analyses became available on AKIIs Internet website (http://www.akii.hu)

VI. THE AGRICULTURAL EXTENSION (CONSULTATION) SYSTEM

1. Brief historical background of the agricultural consultation in Hungary

The potentials of the professional consultation came into being already in the Middle Ages in Hungary. There are records about such activities of certain monastic orders for instance, while the **Instructions of Marie Theresa** empress offered state support to the agricultural experts who committed themselves to this issue. The consultation activity carried out by **Tessedik** and **Balásházi** two pioneers of the Hungarian agriculture merit to be mentioned on international level too.

The first authentic written document was published in Hungary in **1892**, in which the minister of agriculture approved of the functioning of the Consultation Committee which was created from the teaching staff of the **Kolozsmonostor** and **Magyaróvár agricultural academies**. This Committee gave advises and guidelines in 2216 cases between 1900-1916.

The institutional frames of agricultural consultation started to get shaped primarily in the agricultural training network, however this time this system was unable to get developed as a nation-wide body.

Shortly after the World War II, Hungary became a socialist country, where the so-called agricultural collectivization nearly abolished the private ownership of farms and created **large-scale state** or **cooperative farms**. These large-scale agricultural farms created new conditions for the institutionally organized agricultural consultation work, which was launched at the early 60s. The Government in his Decree No. 2.026/1964. and in that of the Ministry of Agriculture (FM) No. 17/1964. made decision about the **establishment of the agricultural consultation network**. Thus, the consultation based on large-scale farms began in 1965. This work was carried out by consultants of agricultural high education and research

institutes, state farms, other companies and bodies of professional supervision, designated by the Ministry.

The Decree No. 10/1968. MÉM* determined the major principles and frames of the institutionally organized agricultural consultation. This assured the asserting of the principles of self-reliance, volunteering and financial interest. Further it determined the most important conceptual, formal, structural, operational, guiding and supervisory requirements. By the voluntary registering, it was admitted to the Central Directory of Professional Consultants, which created the possibility that its functioning should become nation-wide.

From the leaders respectively from the representatives of the bodies having been admitted to the **Central Directory of Professional Consultants**, the **National Agricultural Consultation Committee** (OMSZB) was formed, on April 25, 1968.

The initiatives of the initial period became nation-wide by the end of the eighties and they concerned all the agricultural large-scale farms. This time more than 7000 of agricultural consultants of about 225 institutes of professional consultation carried out activity mainly for agricultural large-scale units. *[6., Sallai]*

Outstanding results were achieved especially in the field **of plant protection** and **agro-chemistry**. The transfer of the new scientific achievements to the practice became rapid and efficient through the established network of plant protection specialists. The **Phytosanitary and Soil-protection Stations** served as centers of consultation, besides of which these institutions functioned as authorities too. *[8.,Soltész]*

During the later period of the socialist era in Hungary (1970-80s) besides the large-scale farms a **semi-individual way of small-scale farming** became more and more popular. This was small-scale, e.g. family-based farming activity, in many cases done on separately used land or premises with individual financial interest, but tied to large scale socialist farms on certain points like buying up products, using machinery, etc. In the most cases people worked as full time workers at the large scale farm, then in their free time they were involved in their household-farms the so-called *second economy*, growing vegetables, breeding pigs or poultry, etc. (usually the labor-intensive and less capital-intensive sectors were carried out in this form.) The agricultural consultation therefore had to gradually focus also on these small-scale producers, however it had never become as efficient as it was in the sphere of large scale farms. These consultation system could not prepare these small holders for the full-time, professional market-oriented farming, that was even not a goal that time.

2. Changes in the agricultural consultation system after 1990

As a result of the compensation and privatization process, the individual and joint (corporation) way of farming, based on private ownership became predominant in Hungary after the comprehensive political-economic changes of 1989-90. In order to assure the efficient and profitable farming, an entrepreneurial-type consultation system was set up under the

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* *Note: The name of agricultural ministry changed several times in Hungary durig the recent decades as follows: before 1968: Ministry of Agriculture (FM - Földmuvelésügyi Minisztérium), 1968-1990: Ministry of Agriculture and Food (MÉM Mezogazdasági és Élelmezésügyi Minisztérium), 1990-1998: Ministry of Agriculture (FM - Földmuvelésügyi Minisztérium), 1998- Ministry of Agriculture and Rural Development (FVM - Földmuvelési és Vidékfejlesztési Minisztérium*

auspices of the Ministry of Agriculture, which also rendered state subsidies to it.

The demand for agricultural consultation emerged in the period preceding the political metamorphosis, as a consequence of the social and economic changes occurred by the end of the eighties. Following the elections of 1990 the new government had to face with such problems concerning the agrarian sector /the narrowing of the foreign markets, mainly in Eastern Europe, the unsettledness of the new principles of the international labor division, etc./ which had already affected the Hungarian economy since the eighties.

The economic policy of the changing of the regime had to face with a multi-fold heap of problems, which independently from the political changes needed a new model of action and attached a great importance to the professional consultation. Therefore the new regime had to struggle with the tasks of crisis management, the gradual decomposition of the agrarian system based on the previous, non-market friendly ownership relations and those of the establishment of professional consultation. The Paragraph VII. of the document entitled The agricultural policy and program of the Government was dealing with the professional training and consultation. Within this document the following guidelines could be read: *The rapid evolvement of the market economy based on private ownership is inconceivable without the establishment and operation of the individual institutional system of professional consultation. The government initiates and supports the establishment of private and state institutions dealing with different types of professional consultation. In this activity we may reckon with the national knowledge, practice and the large-scale financial and professional support of the advanced countries.*

A multi-level development was expected in the professional consultation, in which an important role was played by the professional consultation network, operated between the frames of middle and high education institutes, the services of different professional centers of consultation, further the consulting activity of certain industrial firms and conserns. The government also supports the consulting activity of the farmers interest representation organizations too.

In 1991 several steps were made in order to establish a **state-run professional network** (based on the universities). For example at the University of Agricultural Sciences, Gödöllõ (now: Gödöllõ Campus of Szent István University), with the assistance of the Government of the Republic of Ireland the first training course was organized where the trainers of the agricultural professional consultants were trained by experts (trainers training). During this course Danish, Irish and Hungarian experts created the syllabus of the training course set for professional consultants, then pursuently at three universities of agriculture the agricultural consultants training courses of 300 hours, were launched.

Still in 1991 a public tender invitation was launched, on the initiation of the Ministry, in order to explore the potential models of professional consultation, entitled *The professional agricultural consultation service of entrepreneurs*. The more than thirty submitted works proved that the Hungarian experts approve and support the establishment of the professional consultation network and with their different ideas feel to be ready to get involved in it. Thus in December, 1991 the draft of the national agricultural consultation network was prepared. The network had to perform three main functions:

- delivery of biological, technological, technical, economic, managerial, etc. knowledge of production and processing
- acceleration of the practical adaptation of scientific results, the increase of the intellectual potential being necessary for the modernization of production,
- and the asserting the guidance of the state.

The Ministry however did not implement the elaborated concept finally. *[6., Sallai]*

Since 1992 the Ministry of Agriculture (FM) began to divert the establishment of the system more and more to a **business-oriented** professional consultation. Besides that PHARE funds the development of experimental units of agricultural high education institutes and the planning and establishment of the information system was continuously running, practically only in the establishment of the creation of business based consultation was concrete ministerial arrangement. In the frames of it the FM regulated that what way could the private consultants give professional advises on business base, with supplementary state subsidies. This system was attached to the county offices of FM, and became rather bureaucratic and the operation became almost impossible because the necessary information network was not set up.

The next regulation of the agricultural consultation system was in March, **1993**. This was the time when the agricultural ministers Decree No. 10/1993./III. 17/FM appeared which disposed of the introduction of the ***Professional Consultants Register***. This Register contained the enumeration and main data of those entities and individual entrepreneurs who carried out agricultural and sylvicultural professional consultation, and respectively state subsidy could be demanded after their consultation services.

To get admitted to the Register, application was necessary, The most important condition was that highly qualified experts disposing with a great practical experience (being also neutral from the point of business interest) should be admitted, who were able to solve all the main problems of the management in a complex way. By the help of the consultant the farmers or managers could access to the following information which helped their decision making in certain issues of the management, like:

- growing and breeding technologies,
- agro-chemical aspects,
- environmental management,
- finance-accountancy.

The majority of the consultants, admitted to the Register majored in agriculture or horticulture, many of them possessed with the specialization of plant protection or farm management. Besides them a big number of financial auditors and qualified accountants were also involved. *[6., Sallai]*

The problems of the business-oriented consultation system appeared quite in a short time. The state-subsidized consultation carried out by private entrepreneurs did not fulfill the hopes, furthermore caused also the collapse of the former, outstanding plant protection consultation system. The state organizations of plant protection were pushed off from the operative administration but no any other forms of organization could emerge to take this task over. The entrepreneurial type of consultation could not reach success even in this field, however it got a distinguished attention in the private consultants activity. As a result of the amendment of the professional chambers the Chamber of Plant Protection Specialists could not survive, it had to merge to the Chamber of Agriculture.

In **1994** a new structure, the so-called ***local***

farm experts system was introduced with the view of assisting the information supply of the farmers and make the farmers and the consultants closer to each other.

The main tasks of the local farm experts were:

- providing sectoral information,
- monitoring the changes in the ownership relations,
- providing market information,
- providing information on training/education, legal and credit issues, environmental information,
- local statistical data and information supply.

The local farm experts system induced criticism within professional circles, even the newly established government (of 1994) did not support this system, so nearly the half of the local farm experts total staff (768) were employed then as so-called farm-notaries of the Chamber of Agriculture. *[8., Soltész]*

3. The agricultural extension (consultation) system in Hungary nowadays

The main framework of the consultation system did not change significantly since the mid-90s, however an important step was made in **1996**, when ***budgetary (state) institutions*** could be also admitted to the Professional Consultants Register. The Ministry of Agriculture and Rural Development (FVM) recognized that this model of consultation was inappropriate to make the necessary information and knowledge available for farmers during the intensive period of accession to the European Union.

Mention must be made about the foreign financial assistance which means additional souces besides to domestic funds for the development and mainainance of the system. In 1991 Hungary received 700 million ECU support, from which 3 million was spent on the development of the consultation system. (Hungary was rendered more than 1 billion ECU from **PHARE**, however only the half of this amount was used so far). In the frames of PHARE 2000 programme Hungary receives 108 million Euro non-refundable support, and 30% of this amount would serve spatial (rural) development and the extension (consultation) purposes. In addition, a 38 million Euro **SAPARD** fund can also be used for the support of agriculture and rural development.

The framework of the present Hungarian agricultural extension (consultation) system (see Figure 4.) consists of three levels: the (former) local farm-experts, the registered private consultants and the high education institutes. It is also visible that the Ministry of Agriculture and Rural Development (FVM) is the leading institution, which acquires the necessary information (e.g. number of consultants, registered farmers, the volume of the applied subsidy, etc.) through the county offices of the Ministry of Agriculture and Rural Development. The county offices of FVM keep close contact with the ***local farm-experts***, whose main task is to register the farmers. The ***registered private consultants*** provide professional assistance to the farmers in the frames of contracts. These consultants need professional support from the ***specialists*** *by topics* whose task is to mediate the new technologies and information to the consultants. Their role can be considered as a bridge between the new results of research and the prevailing farming practice, as they:

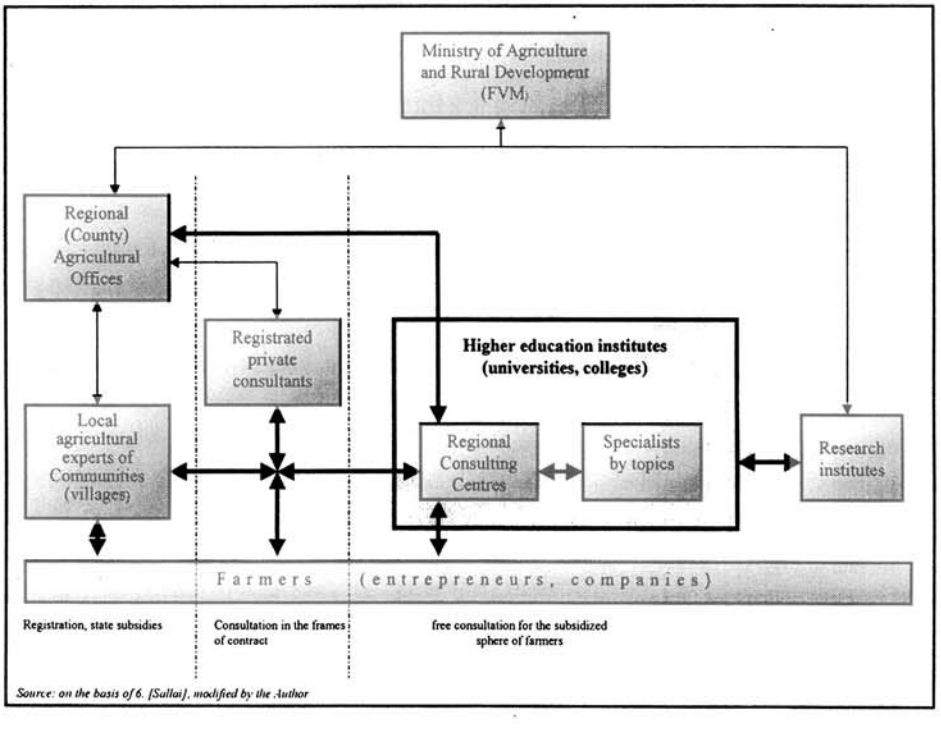
- keep in touch with research institutes, universities to be up-to-date in the results of research,
- study and analyze the data and results of research related to their specific field, they

participate in the elaboration of training/education plans and other activities, through which they can provide the information to the consultants or the farmers. *[6., Sallai]*

The third level is represented by the higher education institutes, which provide free of charge professional assistance to those farmers, which are subsidized by the government. In the year 1999 the Ministry of Agriculture and Rural Development entrusted the high education institutes to organize non-payable professional events (like study courses, presentations, shows) for farmers, providing 800 million HUF budget for this purpose. On the basis of this there were about 700 such events and 200 study courses organized for those farmers, which had lower yearly turnover than 500.000 HUF (cca. 2.000 USD). In spite of all these efforts, the polls, carried out later showed that the participating farmers, however appreciated these possibilities would have preferred the regular, individual consultation at their farms instead. It can be said that the collective ways of consultation (like presentations, courses) seemed not to be the most efficient ways to provide necessary skills and information to the farmers.

It can be stated that the agricultural extension system is still in an interim phase in Hungary, hence the establishment of a new model in conformity with the European Unions practice becomes more and more urging task. According to county-level surveys there are big differences among the extent, the professional level and efficiency of the consulting activity.

For example in 1998 in county *Vas* there were only 50 concluded contracts on consultation,



〈Figure 1〉 The Present System of Agricultural Consulting(Extension) in Hungary

while in county *Somogy* there were 200. The FVMs Register of Consultants contained 583 names in 1998, however only 150 of them performed really consultation. *[6., Sallai]*

4. The perspectives if the extension system

There were already numerous ideas and plans elaborated for the future development of the agricultural extension system, however the majority of them could not be implemented because of lack of financial means or other resources. *Szendrõ et al.* noted: *in the recent 10 years debate is going on only about the structural framework and the system itself, while the producers are neglected.[8., Soltész]*

The most recent proposal, which has already been submitted to the Ministry and its elaboration in details is already under process. According to this proposal a new organization, the ***National Consultation Service (OSZK)*** is planned to be established with a headquarters in Budapest under the auspices of FVM in 2001. The National Consultation Service would consist of 7 ***Regional Centers*** and numerous ***sub-centers***, which could operate autonomously with professional independence. These Regional Consultation Centers are planned to be built on the bases of agricultural universities/colleges or research institutes, their main tasks would be the coordination of the consulting activity and assistance in the problem-solving of the agriculture-related issues of the region. According to surveys the regional centers could be established in locations as follows:

- Debrecen (North-Lowland region),
- Gyöngyös (North-Hungary),
- Kecskemét, Szeged or Szarvas (South-Lowland),
- Gödöllõ (Central Hungary),
- Veszprém or Martonvásár (Central-Transdanubiua),
- Keszthely, Mosonmagyaróvár or Sopron (West-Transdanubia),
- Kaposvár (South-Transdanubia).

The placing of the location of sub-centers can be more flexibly adapted to the specific conditions and tasks of the region. The main principle is that the farmers could access their sub-center or consultant within a 50 kilometers distance. At the first stage 15 regional sub-centers are planned to be established, then in a later phase 35-40 such sub-centers could operate. *[6., Sallai]* (Figure 5. shows the possible regional and sub-regional consulting centers in Hungary.)

fund can also be used for the support of agriculture and rural development.

The question, whether this model can be the best solution for the agricultural consulting system or not, cannot be answered with simple yes or no. The accession process to the European Union might require changes. furthermore the European Union itself is also going through changes continuously. The accession process is often mentioned as jumping on a running train. Strong efforts have to be made to find the appropriate way of a creative harmonization with the EU while focusing always on the national interests.

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