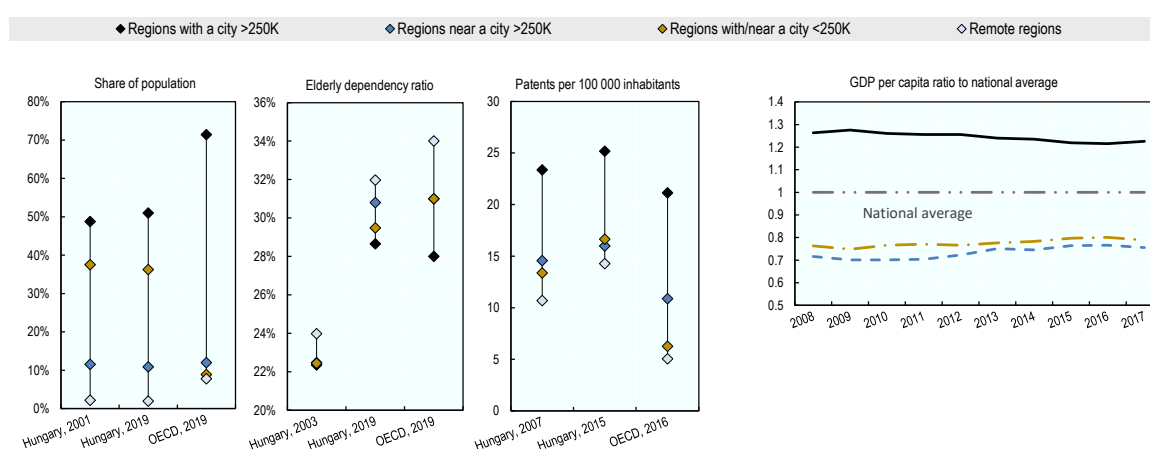


# Hungary

## Statistical profile

Figure 1. Statistical profile



	Population growth 2008-2019 (%)	Growth in employment 2008-2017 (%)	GVA per worker (1 000 USD ppp)	GVA manufacturing share (%)	Hospital beds per 1 000 inhabitants
Regions with a city >250K	0.0 (0.7)	1.3 (0.9)	54 (92)	20 (18)	5.2 (8.0)
Regions near a city >250K	-0.6 (0.3)	1.7 (0.5)	47 (79)	32 (26)	7.0 (8.1)
Regions with/near a city <250K	-0.5 (0.2)	1.3 (0.0)	49 (71)	39 (23)	6.9 (4.9)
Remote regions	-1 (0.5)	0.6 (0.2)	40 (73)	25 (18)	7.7 (4.6)

Note: OECD average is presented in parenthesis. Data for hospital beds are from 2018 and data for GVA per worker, GVA by sector and unemployment rate are from 2017. GVA and GDP are measured in USD PPP (2015). The OECD average by order in the table has been made with 33, 25, 26, 25, 19 countries with available data. Employment growth measured as employment in the workplace.

Source: (OECD, 2020<sub>[1]</sub>) OECD Regional Statistics (database), <http://dx.doi.org/10.1787/region-data-e>.

## Policy framework and Institutional setting of rural development

### Rural Definition

- ❖ Hungary' rural definition followed the definitions stated in the 1305/2013/EU regulation. This definition is used in the Rural Development Program, which covers the whole territory of the country, including NUTS 2 and NUT3 regions. An area is a rural area if a city or town or village has less than 10,000 inhabitants, or has more than 10,000 inhabitants but the part of the city is an outskirt and there are rural settlements. The capital of Hungary Budapest and its agglomeration are not included. The "rural areas" definition covers more

than 3000 cities, villages, towns, more than 4 million inhabitants and over 84000 km<sup>2</sup> area. The definition recognises the existence of mixed rural/urban areas.

### **National rural policy**

- ❖ Hungary has a national rural policy defined by the Hungarian Rural Development Program (RDP). There are also a series of national rural development schemes whose implementation is carried out by the Herman Ottó Institute. The RDP has 6 main goals: i) Fostering knowledge transfer and innovation in agriculture, forestry, and rural area, ii) Enhancing farm viability and competitiveness, iii) Promoting food chain organisation, iv) Restoring, preserving and enhancing ecosystems related to agriculture and forestry, v) Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy and v) Promoting social inclusion, poverty reduction and economic development in rural areas

### **Lead ministry(ies) and other co-ordination bodies in charge**

**Table 1. Main institutions in charge of rural development policies at the national level**

Ministries/Departments (most important first)	Role
Ministry of Agriculture – State secretary responsible for rural development.	Responsible for the implementation of the 2014-2020 Hungarian Rural Development Program.
Hungarian State Treasury	Paying the subsidies to the beneficiaries and carry out the on the spot checks and assess the submitted applications for support.
Ministry Of Innovation And Technology	Responsible for the assessment of the submitted applications via an established project-assessment system.

**Table 2. Main institutions in charge of rural development policies at the sub-national level**

Institutions	Role
County government offices	Responsible for the assessment of the submitted rural development support applications.

### **Key objectives in rural policy and delivery mechanisms**

- ❖ Hungary's rural development policy allocates a high degree of importance to economic areas (Table 3). Table 4 shows the main priorities of rural policy.
- ❖ The main delivery mechanisms of the rural development policy in Hungary are dedicated grants program and contracts and agreements with local communities.

**Table 3. Relevance of sectors in rural development policy**

Policy areas	Hungary	Average OECD
Environment	40%	30%
Social	30%	30%
Economic	30%	40%

*Note:* Self-reported responses from country delegate to the question: “Please grade from 1 to 10 the importance rural development policies in your country assigns to economic, social and environmental areas”.

*Source:* OECD (2018), “Responses to the institutional survey on rural policy in OECD countries”.

**Table 4. Relevant objectives in rural development policy**

Top objectives (Order does not imply ranking)	Programmes	Main financial mechanisms to support the strategy
Agricultural production	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Land occupation, resilience and landscape preservation	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Environmental sustainability	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Innovation support to “rural” sectors	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Service delivery	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Support to private sector, jobs and investment	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries
Rural-urban linkages	Hungarian Rural Development Program	Non-refundable supports plus own resources by beneficiaries

*Note:* Objectives presented are the objectives with higher scores in the survey responses.

*Source:* OECD (2018), “Responses to the institutional survey on rural policy in OECD countries”.