

**EMFF OPERATIONAL PROGRAMME**

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| CCI | 2014HU14MFOP001 |
| Title | Fisheries Operational Programme of Hungary |
| Version | 3.0 |
| First year | 2014 |
| Last year | 2020 |
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| Eligible to | 31-Dec-2023 |
| EC decision number | |
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1. PREPARATION OF THE OPERATIONAL PROGRAMME AND INVOLVEMENT OF PARTNERS

1.1 Preparation of the Operational Programme and involvement of partners

Status Report

In order to assist the development of the strategy and the operational programme, the Coordinating Committee for Fisheries Strategy (CCFS), an independent committee consisting mostly of experts, which had played an important role in the development of the Fisheries Operational Programme (FOP) for the previous, 2007–13 period, was reorganized with a broader membership. With its help, the Research Institute for Fisheries, Aquaculture and Irrigation (HAKI) developed a sectoral Status Report (SR) in 2012, which was adopted after a professional consultation.

Members of CCFS included universities and research institutions dealing with fisheries, delegates of professional organizations, fisheries staff of the Ministry of Agriculture (MoA) and other experts, including the ex ante evaluator. The MoA provided a platform for professional consultations from the very beginning of the programming process.

The SR consisted of the following parts:

- Description of the fisheries sector and its evaluation on the basis of 2011 data.
- An updated analysis of the problem tree system of the 2007–13 National Fisheries Strategic Plan and development of a new problem tree system for the 2014–20 period.
- Preparation of the detailed SWOT analyses and the general summary SWOT analysis of fisheries on the basis of the description of the fisheries sector.

CCFS was the highest-level professional consultation body of the initial development stage of the Hungarian Fisheries Operational Programme (MAHOP) and the National Aquaculture Strategy (NAS), exhibiting the first-round opinion-forming potential of civil organizations and NGOs. It also acted as a consultative body to the Fisheries Working Group (FWG) of the Operative Steering Committee (OSC). CCFS returned to a standby mode after the development of the SR and its membership has not yet been reactivated since the reorganization of state administration.

White Paper

In line with the Government Decree No. 38/2012 (III. 12.) on governmental strategic management, the White Paper (WP) to the NAS was prepared on the basis of the SR within the framework of national strategies. The development and consultation on this summary document in 2013 started the elaboration of the NAS. Criteria for white papers were taken into account during its development. A public consultation on the WP was conducted in December 2013.

MAHOP and NAS

The Ministry of Rural Development (MRD) – since 2014, MoA – established the OSC in order to assist the Minister in the development of the Rural Development Programme (RDP) and MAHOP, conducting civil consultations on these programmes and negotiating their adoption by the Commission. The starting document of this process was the SR, which included a SWOT analysis and a problem analysis. The WP was a part of the planning of the 2014-20 period and a basis for the NAS. The MAHOP and NAS were developed practically simultaneously because of the delays in the preparation of fundamental EU legislation.

One of the thematic working groups of the OSC was the Fisheries Working Group (FWG), charged with the task of conducting the professional preparatory work of MAHOP and its finalization on the basis of the opinions received. As other thematic working groups, it was expected to elaborate status reports, situation analyses and, on their basis, target systems in its professional area, which would serve as a basis for programme chapters, as well as to develop the relevant chapters. The FWG was an independent working unit formed from governmental and scientific organizations, professional and civil interest groups and experts, which provided professional assistance to the programming process. The working group consisted of 18 members and 2 permanent invitees, but it was also possible to invite experts on a certain issue on a permanent or ad-hoc basis. Members of the working groups were appointed and relieved of their duties by the OMC chair according to the rules set in the OMC bylaws. Members could attend working group meetings only personally, they could not delegate anyone instead of themselves. The main task of the FWG was to develop the MAHOP. The FWG was a high-level administrative and professional programming and consultative platform, whose work was assisted by CCFS as an independent consultative body.

An early version of MAHOP was prepared by March 2013 for internal consultation and presentation to the Governmental Committee for National Development (GCND). The GCND, chaired by the Prime Minister, is the highest-level body for strategic coordination of development-related issues in the 2014-20 period, which decides on the adoption or modification of operational programmes. However, lacking an approved EMFF Reg. at the time, no decision could be taken on the agreement of the draft with EU requirements. Despite that, public consultations on MAHOP versions 2.0 and 3.0 were conducted on the professional content of the programme in July 2013 and Nov-Dec 2013.

From the reorganization of the governance structure made in 2014 to 2018, the management of EU funds for the 2014–20 period was taken over by the Prime Minister’s Office (PMO). The FOP and MAHOP Managing Authority (MA), which manages the EU funds for fisheries, were coordinated by the Deputy State Secretariat for RDPs (DSSRDP) of the PMO. The purpose of this change was to use these funds more effectively and efficiently, in a coordinated way with other EU programmes. At the same time, fisheries-related professional tasks continued to be performed by the Department of Angling and Fisheries Management (DAFM) of the MoA, from 2018 Department of Fisheries Management (DFM) of the MoA which closely cooperated with the MA on the preparation of the MAHOP for the 2014-20 period. This change influenced the further consultation process.

Regarding the fact that the MA tasks were transferred to the PMO, it caused some change in the role of the relevant line department of the former MoA. The Fisheries and FOP Managing Authority Unit (FMFOPMAU) was transformed. The primary responsibility of MAHOP preparation was transferred to the PMO, but the participation of the new Aquaculture Development Unit (ADU) of the MoA in MAHOP preparation was allowed by the Decision of the Minister of Agriculture No. 5/B/2015 (III. 9.) on cooperation in the programming and implementation process of the EU-cofinanced Hungarian Fisheries Operational Programme for the 2014–20 period and the related governance rules. Under Art. 13 of the Government Decree No. 152/2014 (VI. 6.) on the sphere of competence and authority of the members of the Government, the preparation and implementation of the MAHOP, in accordance with the

National Aquaculture Strategy and on the basis of the actually valid EMFF Reg., fell within the competence of the Minister of the PMO.

After these changes, a MAHOP version 4.0 was prepared by November 2014, which, after the settling of the new mechanism of cooperation between the PMO and MoA was developed into version 5.0. After the final round of public consultation, as well as processing the comments made by the Commission and the ex-ante and SEA evaluators, this version was finally developed into the present, final Version 6.0.

During the consultation process, the selection of the involved partners was done on the basis of Art.4 of the Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds. The widest circle of stakeholders was involved in the initial consultation stage. Later, while maintaining full openness, the affected professional organizations, educational institutions and the involved representatives of the public administration were specifically requested to provide their opinion. The list of selected partners is attached in Appendix 1. Mainly the suggestions received on Version 5.0 are presented here, as the previous comments were already incorporated into earlier versions.

Main recommendations of involved partners

How was the recommendation addressed, or why was it not taken into account

SWOT – delete statement on inadequate commodity supply

Accepted

SWOT – delete statement on competition of angling on fish ponds with angling on natural waters

Accepted

SWOT – delete statement on poor international relations of the sector

Accepted

SWOT – delete statement on the possible appearance of the environmental impact assessment (EIA)

Accepted

When calculating per capita fish consumption, use the international, live-based calculation method instead of the previous “mixed” method

Accepted

Include support to young aquaculture producers

Not acceptable because of legal limitations, but they will receive preference during project evaluation.

In monitoring data, express increase in target values instead of the increment

Declined. The SFC2014 predetermines the format of result indicators.

Description of the method for the calculation of additional costs or income foregone: allow support to fish ponds smaller than 25 ha

Accepted

Several comments requested regional distribution of support or separate support to target programmes

Declined. The allocation and the evenness of fisheries areas do not justify differentiation.

CONSULTATIONS

2012

26–27.01.

2nd Gödöllő Meeting of Fishing and Angling Professionals

02.03.

2nd Professional Forum “Researchers and Producers for the Momentum of Sectoral Development”, Debrecen

23–24.05.

Scientific Conference on Fisheries and Aquaculture – HAKI Days

29.05.

1st (Founding) Meeting of the OSC

05.06.

Parliament Open Day "Reform of the European Union's Common Fisheries Policy and its Impact on Hungary's Natural Water Fisheries and Angling Tourism"

18.06.

External Meeting of the FOP MC–International Workshop on EMFF Planning

26.06.

2nd Meeting of the OSC

28.08.

3rd Meeting of the OSC

11.09.

4th Meeting of the OSC

18.09.

1st (Founding) Meeting of the FWG

09.10.

Founding Meeting of the Coordinating Committee for Fisheries Strategy

12.10.

Conference "Present and Future of the FOP", Gödöllő

16.10.

2nd Meeting of the FWG

18–19.10.

2nd Meeting of LLC

06.11.

5th Meeting of the OSC

06.11.

3rd Meeting of the FWG

04.12.

4th Meeting of the FWG

Nov–Dec

Preparation of the SR by HAKI, consultation and approval of the SR

10.12.

Sectoral Workshop of the Coordinating Committee for Fisheries Strategy, adoption of the SR, Szarvas

17.12.

5th Meeting of the FWG

2013

15.01.

6th Meeting of the FWG

15.01.

6th Meeting of the OSC

24–25.01.

3rd Gödöllő Meeting of Fishing and Angling Professionals

13.02.

7th Meeting of the FWG

20.03.

8th Meeting of the FWG

26.03.

MAHOP 1.0 for internal consultation and discussion by the GCND

09.04.

7th Meeting of the OSC

30.04.

9th Meeting of the FWG

25.06.

8th Meeting of the OSC

24.07.

MAHOP 2.0 for public information and early public consultation

09.09.

10th Meeting of the FWG

12–13.09.

2nd International Carp Conference in Wroclaw

20.09.

OMÉK

01.10.

9th Meeting of the OSC

22.11.

International Conference “Fishing and angling regulations in the Carpathian Basin”

12.11.– 06 12.

Public consultation on the MAHOP 3.0

03–17.12.

Public consultation on the WP

2014

Apr-Dec

Partnership consultation between all authorities involved in the program management and monitoring

14.05. – 06.06.

Limited professional consultation on the programme-writer’s draft of the NAS

10.09.

Conference about Technology and Knowledge Transfer in Fish Farming

13.09.

Farmer Forum (FF) Kiskunhalas

01.10.

Sustainable Development Foundation

13.11.

MAHOP 4.0 based on the outcomes of the public consultation

27.11.

FF Sárospatak

04.12.

„Kapj rá!” Campaign Event

11.12.

MC meeting

11.12.

Society of Hungarian Fish Producers and Fisheries Water Users, Hungarian Aquaculture Association Press Conference

2015

21.01.

„Kapj rá!” Campaign Event

27.02.

FF Nyársapát

12.03.

FF Püspökladány

13.03.

FF Báránd,Sárrétudvar

20.03.

Training of the LEADER Local Action Group

25.03.

Country-wide LEADER meeting

21.04.

Country Planning Workshop

21.04.

„Kapj rá!” Campaign Event

22.04.

Regional Workshop

23.04.

FF Nemesvámos

05.05.

General Meeting, National Society of LEADER Associations

13.05.

OTP Bank Regional Partner Meeting

19.05.

FF Balassagyarmat

21.05.

14th Meeting of the FOP MC

26.05.

Society of Hungarian Fish Producers and Fisheries Water Users, General Meeting

May

Public consultation on the NAS

May

Repeated public consultation on MAHOP 5.0

Apr–May

Ex-ante evaluation of the MAHOP 5.0

11.06.

Open debate of NAS and MAHOP 5.1

Apr–Jun

SEA of the MAHOP 5.0

15.06.–14.07.

Public consultation on the SEA

16.06.

Economic and Agroforum of the South-Plain

During the preparation of the MAHOP, all civil society organizations were involved in the consultations:

- National Agricultural Research and Innovation Centre, Research Institute for Fisheries and Aquaculture
- Research Institute of Agricultural Economics (from 2019 National Agricultural Research and Innovation Centre Research Institute of Agricultural Economics)
- Nature Preservation Department of the MoA
- Fisheries Department of the MoA
- Hungarian Aquaculture Association
- Hungarian Association of Fish Producers and Fishing Water Users
- Fisheries Scientific Council

- University of Debrecen
- Szent István University
- Coordinating Committee for Fisheries Strategy

After the reorganization of the governance structure occurred in 2018, the management of EU funds for 2014-20 is handled by the Ministry of Innovation and Technology (MIT). The MA, which manages the EU funds to be spent for fisheries management, is coordinated by the Deputy State Secretariat responsible for implementation of the RDPs of the MoA. The purpose of the change made in 2018 was to use funds more effectively and efficiently, in a coordinated way with other EU programmes. The fisheries management related professional tasks continue to be performed by DMF of the MoA. The DMF of the MoA provides continuous assistance to the MA in the development of the MAHOP, its implementation, monitoring and control, together with the participants and representatives of the European Commission, as well as with representatives of other ministries.

1.2 Outcome of the ex-ante evaluation

1.2.1 Description of the ex-ante evaluation process

The ex ante evaluation was done according to Commission guidelines. The ex ante evaluator for MAHOP was selected in accordance with Hungarian public procurement rules. The winner was KEMET 2011 Consulting Company, which has significant evaluation experience. The evaluator responsible for the Strategic Environmental Assessment (SEA) was commissioned simultaneously with the ex ante evaluator, but in a separate process.

The ex ante evaluator was involved from the early stages of planning. She participated in all meetings of the CCFS and the Fisheries Management Working Group, as well as the Coordination Group. The process of the ex-ante evaluation started on 26 June 2012. There were three main stages of the programming process when the ex ante evaluators participated in the programme planning and their recommendations were incorporated into the programme under development:

Stage 1, the evaluation of the SWOT analysis and needs assessment took place from January to March 2013. The evaluator made several proposals to improve the internal coherence between the needs assessment and the SWOT. She also suggested to add more opportunities to the SWOT based on positive international trends observed and to shorten the list of weaknesses.

Stage 2, the evaluation of the intervention logic, including budget allocations and the determination of targets and the performance framework was carried out between March and December 2013. The evaluator and the planners discussed Programme objectives and indicators. The evaluators made several recommendations to improve the internal and external coherence of the Programme.

Stage 3, the evaluation of the management and implementation system took place in 2014. The evaluator paid special attention to the new elements of the Programme, the evaluation plan and the data collection measures and made several recommendations on how these need to be specified.

In 2015, the completed version of MAHOP got evaluated and Stage 3 of the evaluation, the finalizing of the programme documents and the incorporation of the results of the ex ante evaluation report was carried out. The recommendations of the ex-ante evaluator were discussed with the programme planners and the MA. The evaluators also followed and evaluated the wider public discussions and partnership events on the Programme.

The evaluator was in a daily work relationship with the MA and the SEA evaluators. The evaluation was done simultaneously with the legislative work. The evaluator continuously evaluated the planning documents as they were prepared and handed over to her. At the stage of finalizing the EMFF Reg., MAHOP was reviewed and, when required because of the legal changes, corrected. The ex ante evaluator received again the modified documents for evaluation and evaluated them once again.

1.2.2 Overview of the recommendations of the ex-ante evaluators and brief description of how they have been addressed

| Topic | Recommendation | How was the recommendation addressed, or why was it not taken into account |
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| 1 - SWOT analysis, needs assessment | <p>The evaluators have made several recommendations especially with regard to the environmental and employment aspects and to the longer term perspectives to further improve the quality of the SWOT analysis:</p> <ul style="list-style-type: none"> • The list of weaknesses is too long and needs to be shortened • There are no enough opportunities identified in the Programme for a successful implementation • The link between the needs and the SWOT needs to be strengthened • The list of needs should be more focused. | <ul style="list-style-type: none"> - The list of weaknesses was revised, some were deleted, others added - The list of opportunities was expanded - The consistency of needs with the SWOT was checked - The needs were reorganized to minimize duplications |
| 2 - Construction of the intervention logic, including the contribution to the EU 2020, the internal coherence of the | The importance of long-term sustainability of Hungarian aquaculture and intensive fish production systems should be better emphasized. The | The number of measures has been reduced, all measures except the ones whose allocation is pre-determined by the EMFF (control, |

| Topic | Recommendation | How was the recommendation addressed, or why was it not taken into account |
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| <p>proposed programme and its relationship with other relevant instruments, the establishment of quantified targets and milestones and the distribution of budgetary resources</p> | <p>number of measures should be shortened in order to better focus the interventions. For this purpose, no measure should be planned under HUF 1 billion.</p> <p>The OP describes in detail the consistency with the Union’s strategic objectives and horizontal priorities, which can be seen as provided. Their realization and fulfilment has been handled throughout the document as major aspects.</p> <p>Linkages between the OP and other operational programmes are sufficiently detailed, measures to avoid double financing have been taken. This should be further specified between MAHOP and EEEOP (in particular, EEEOP Priority 4).</p> <p>The context indicators</p> | <p>monitoring, Technical Assistance) are over HUF 1 billion. Stronger emphasis has been put on sustainability. Information on avoiding double financing between MAHOP and the EEEOP was added to Section 3.4.</p> <p>The indicators are determined in accordance with the experiences of the previous programming period and the available resources. A data base on unit costs is currently unavailable, but will be developed at a later stage.</p> |

| Topic | Recommendation | How was the recommendation addressed, or why was it not taken into account |
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| | adequately show the initial conditions. Result and output indicators are adequate and realistic. Indicators must be in agreement with the available budget. The development of a unit cost data base is recommended. | |
| 3 - Consistency with the CSF, the Partnership Agreement, the relevant country specific recommendations adopted in accordance with Article 121(2) TFEU and where appropriate at national level, the National Reform Programme | Concerning the ex-ante recommendations on public procurements and on the indicators the Programme needs to be updated (action plans and deadlines). | The table was updated. |
| 4 - Rationale for the forms of support proposed in the programme (Article 66 CPR) | As far as the form of support proposed by the Programme is concerned the evaluators recommend to make use of new financial instruments, especially investment funds, which would allow for joint actions with the other funds at | Based on the experiences of the 2007-13 period, the use of financial instruments does not seem to be feasible. There is little demand for this form of support, especially from a given bank. Most farmers already have partner banks. In |

| Topic | Recommendation | How was the recommendation addressed, or why was it not taken into account |
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| | the same time. | view of the amount of the EMFF allocation to Hungary, the limited number of affected partners and the avoidance of the excessive administrative burden, we do not intend to use this option. |
| 5 - Human resources and administrative capacity and the management of the programme | Regarding the planned administrative capacity, the Programme needs to address capacity building, too. How many trainings for how many members of the staff of the implementing authorities will be trained on what subjects. Manuals and procedures of the authorities designed for Programme implementation need to be addressed as well. | Information on capacity building of the MA and other organizations involved in the implementation of the OP have been added to Chapter 6. |
| 6 - Procedures for monitoring the programme and collecting the data necessary to carry out evaluations | This chapter of the MAHOP needs further specification. Elements of the monitoring and evaluation system need to be described and reference to the Programme indicators need to be made. | Chapter 11.2 on monitoring and evaluation was expanded accordingly. |

| Topic | Recommendation | How was the recommendation addressed, or why was it not taken into account |
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| 7 - Measures to promote equal opportunities between men and women, prevent discrimination and promote sustainable development | The description of the measures of the MAHOP need to be specified further. Referring to sustainability, it is not sufficient only to decrease the environmental damages. On the long run these should be avoided. Phrases like interventions to increase biodiversity should better be replaced by more indirect actions like restoring biodiversity. | The chapter on equal opportunities between men and women and non-discrimination was expanded. The statement on decreasing environmental damages was modified. References to biodiversity improvement were changed to biodiversity restoration where appropriate |
| 8 - Measures taken to reduce the administrative burden on beneficiaries | There needs to be a more detailed description of how Hungary intends to decrease the administrative burdens. | Information was added to Chapter 3.4.2 on the reduction of the administrative burden |
| 9 - Requirements for the Strategic Environmental Assessment | No comment provided. | |

2. SWOT AND IDENTIFICATION OF NEEDS

2.1 Swot analysis and identification of needs

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| Union priority | 1 - Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries |
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Strengths

- *High species diversity.*
- *Adequate R&D background for stock and habitat restoration.*
- *Technological elements contributing to the maintenance of natural fish communities have been partly (propagation methods of some fish species) developed.*
- *Environmental conditions are suitable for integrated floodplain management.*

Weaknesses

- *Insufficiency of knowledge base for scientifically founded fisheries, lack of existing methods for the artificial propagation and rearing of several species of the natural fish communities.*
- *The culture-based stocking of fishes (mostly common carp) into natural waters (mainly rivers) changes the natural fish community structure and the natural material flow processes.*
- *Inadequate and obsolete infrastructural background regarding technologies ensuring the maintenance of fish communities with a desirable structure (both qualitatively and quantitatively).*
- *Low efficiency of fish protection, high levels of poaching.*

Opportunities

- *High popularity of recreational fishing (mostly angling) ensures popular support for interventions improving natural ecosystems and fish stocks.*
- *Possibility of using the increased income from recreational fishing and angling for ecological purposes (stock improvement, habitat restoration).*
- *Possibility of using water management facilities (floodwater and irrigation water reservoirs) for fisheries purposes.*
- *New national legislation on fisheries putting a stronger focus on fish protection.*

Threats

- *Access to modern fish finding and fishing technologies may result in increased poaching in some areas.*
- *Degraded habitats cannot or can only partly ensure the required structure of natural recruitment.*
- *Stunting of the populations of several fish species because of overexploitation.*
- *Significant bird damage.*
- *The natural water network is a continuous system allowing the spreading of negative impacts, including the climate-change-related spreading of alien invasive species.*
- *The separation of fishing, water management, nature conservation and other rights makes it difficult to apply for necessary habitat improvement investments and/or to implement them.*
- *Arid summer periods because of the climate change.*
- *Danger of water pollution disasters (because of Hungary's bottom-of-basin position).*

Identification of needs on basis of the SWOT analysis

The following needs were identified on the basis of the SWOT analysis (specific environmental needs, also identified on the basis of the SWOT, are shown below separately):

- Gradual elimination of commercial fishing for the protection of aquatic biodiversity.
- Supporting ecological, maintaining and regulatory fishing for maintaining the desirable structure of fish stocks and culling of alien species in some water types.
- Supporting fish protection in order to suppress poaching.

In spite of the elimination of commercial fishing, UP1 interventions are still considered important in order to assist the restoration of natural stocks and the rehabilitation of natural habitats and develop integrated floodplain management. Fishing on natural waters will be continued in the form of ecological (selective) fishing, fishing for scientific and educational purposes, as well as recreational fishing and angling (which, however, are not a subject of EMFF).

SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

The National Aquaculture Strategy mainly focuses on the development of the aquaculture sector, but the needs identified mostly match Measures 1.1.1 (Improving and promoting innovation, consulting services and promoting partnership between fishermen and scientific experts) and 1.1.2 (Supporting the protection and development of the aquatic fauna and flora) of Chapter III of NAS.

The SWOT analysis is in agreement with NAS in respect to the need of implementing integrated floodplain management, sustainable fisheries management on natural waters and habitat restoration for stock maintenance.

SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

Not relevant for Hungary.

Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

- Supporting integrated floodplain management for the protection and restoration of aquatic biodiversity and ecosystems.
- Supporting scientifically founded habitat and stock protection and restoration programmes, partly using the income from recreational fishing and angling.
- Supporting the ex-situ propagation of ecologically important indigenous fishes and the infrastructural developments required for this purpose.

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| Union priority | 2 - Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture |
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Strengths

- *The wetlands created by fish ponds provide living, feeding and reproductive habitats for many plant and animal species, and thus, fish ponds have a high biodiversity.*
- *The environmental load and energy and input need of pond fish farming is low.*
- *Pond fish culture is based on century-long professional experience.*
- *Extensive fish production guarantees a high level of food safety to consumers, several farms produce fish organically.*
- *Good progress in the development of multifunctional fish farms for the diversification of farm income.*
- *Several intensive fish production systems have been established in the last period, allowing continuous fish production independently from the season.*
- *Several farms produce exotic species with high export potential (e.g. sturgeons for caviar).*
- *Fish produced at intensive farms is mostly processed.*
- *Rich geothermal resources allowing to reduce the energy demand of the production of warmwater and saline-water species.*

Weaknesses

- *Generally poor technical condition (e.g. silting) and technological level of the production infrastructure of ponds.*
- *Production processes are only mechanized to a small extent compared to other agricultural sectors, resulting in a low technical efficiency.*
- *Property protection is a constant issue at most fish farms, absorbing significant additional personnel and material capacities.*
- *The number and capacity of fish storage facilities is insufficient at many pond fish farms, and therefore, a part of the fish harvested in autumn has to be sold immediately. This leaves farmers vulnerable in their affairs with traders, which can result in selling their fish at a low price.*

- *The initial investment need and the energy demand of intensive facilities is high, resulting in their slow spreading.*
- *The age structure among fish farm workers is unfavourable. Experienced workers are generally close to retirement age, while the level of training and the willingness to innovate are generally low among young staff.*
- *Farmers, who mostly deal with pond fish farming, are generally unwilling to innovate and prefer the use of traditional methods, which is an obstacle to the development of the sector.*
- *Many pond farms are situated in nature protection areas where the need to comply with conservational regulations limits their income-generating ability or increases their production costs.*

Opportunities

- *Increasing demand for artificially produced fish species for stocking into natural waters and angling ponds.*
- *Increasing demand for the development of rearing technologies of rare and endangered fishes for restocking natural waters.*
- *Increased focus on environment-friendliness and on the ecosystem services of pond systems.*
- *Increased interest for combined intensive-extensive aquaculture systems.*
- *Closed intensive facilities producing new, exotic species can have an important role in the future.*

Threats

- *Damage to cultured fish stocks from fish-eating animals (mainly great cormorant, in some places, otter).*
- *Extreme changes in temperature (evaporation) and precipitation (excess water in winter and spring, drought in summer) caused by the climate change may result in problems in the planning of water management in wetlands.*
- *The fluctuating quantity and quality of filling water may be a threat to pond fish farming.*

- *An increasing number of intensive facilities use, directly or indirectly, thermal water for production in order to reduce the energy costs. However, the disposal of the resulting saline effluents may be problematic.*
- *Increasing price of fish meal and fish oil because of decreasing marine pelagic fish stocks.*

Identification of needs on basis of the SWOT analysis

The following needs were identified on the basis of the SWOT analysis (specific needs concerning the environment, climate change mitigation and adaptation and promotion of innovation, also identified on the basis of the SWOT, are shown separately below):

- Supporting the sustainable traditional extensive and semi-intensive pond production of market fish.
- Establishment, reconstruction and modernization of aquaculture facilities for increasing the production efficiency and competitiveness, including silt removal of existing aquaculture ponds or their reconstruction with investments into the prevention of siltation.
- Supporting the development of multifunctional fish farms for expansion of the services related to fish production and diversification of the income.
- Promoting the development and practical application of new and innovative aquaculture products and technologies.
- Supporting the creation of sustainable aquaculture enterprises by new farmers.
- Supporting fish health and welfare, including the protection against fish-eating predators.

Hungary wishes to develop both its traditional and dominant extensive and semi-intensive pond fish farming (identified as a strength) and intensive, mostly recirculating aquaculture (identified as an opportunity because of its potential to diversify production, produce high-value species and ensure a continuous fish supply). The identified needs include the development of both directions. (That of intensive aquaculture is treated separately as a specific need concerning the environment, climate change mitigation and adaptation and promotion of innovation.)

SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

The identified needs are in agreement with the priorities and measures defined in the National Aquaculture Strategy, in particular, the strategic objectives defined in Section 2.2.3 of NAS. The NAS includes some strategic objectives not included in the OP (support to young fish farmers), not eligible for EMFF funding (reducing grey and black economy in the aquaculture sector) or directly targeting other funds (e.g. research of innovative fish production technologies under Horizon 2020). Yet, most strategic priorities of NAS are consistent with the MAHOP measures.

SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

Not relevant for Hungary

Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

- Supporting research and development for sustainability and the development of innovative and environmentally friendly intensive and integrated aquaculture systems, including modern recirculating aquaculture systems (RAS).
- Introduction of new aquaculture species with good market potential into production for expanding the product range.
- Supporting the putting onto market of new aquaculture species with good market potential, new or significantly improved products, new or improved procedures or new or improved management and organizational systems.
- Supporting pond aquaculture, as a farming model significantly contributing to the ecological status, biodiversity and landscape.
- Supporting aquaculture that serves environmental purposes and maintains biodiversity, limiting and compensating the extra costs incurred or income foregone in relation to ecological services.
- Supporting the ex situ propagation of ecologically important indigenous species and the infrastructural developments required for this purpose

- Promoting investments increasing the energy efficiency of fish production in order to improve its sustainability and competitiveness.
- Supporting the use of geothermal energy and geothermal waters in fish culture.

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| Union priority | 3 - Fostering the implementation of the CFP |
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Strengths

- *Established system of registration and statistical evaluation of fishing and angling catches.*
- *Functional traceability system for fish and seafood.*
- *Adequate institutional background for data collection, control and enforcement.*
- *Adequate information exchange with other member states.*
- *Existing food chain safety registration system.*

Weaknesses

- *Statistical data provision by fish producers, fishermen and anglers is based on self-assessment, is sometimes incomplete, unreliable and difficult to check (especially concerning economic and financial data).*
- *Obsolete IT infrastructure, data provision is partly still paper-based.*
- *Sanctions for providing incomplete or false data are difficult to enforce.*
- *EU's Data Collection Framework does not sufficiently take into account the specific characteristics of landlocked countries.*

Opportunities

- *The currently developed electronic data collection systems allow checking the data already at the submission stage.*
- *Increased consumer trust (including towards marine products) due to better traceability and consumer information.*
- *New national fisheries regulation in preparation expected to eliminate duplications in the monitoring and control system.*
- *Simpler system of control and enforcement because of the landlocked position of the country.*

Threats

- *Transition period related to the current development of electronic data collection systems (simultaneously paper-based and electronic data submission).*
- *Consumer-provided information is sometimes incomplete or misleading.*

Identification of needs on basis of the SWOT analysis

The following needs were identified on the basis of the SWOT analysis:

- Supporting the development of a modern electronic data collection system.
- Development of a data provision, control and enforcement system corresponding both to European requirements and local characteristics.

SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

The National Aquaculture Strategy mainly focuses on the development of the aquaculture sector, but the needs identified mostly match Measures 3.1 and 3.2 of Chapter III of NAS. While the strategic objectives of NAS in the field of fostering the implementation of CFP have a wider scope than in MAHOP, the needs identified by the SWOT are fully consistent with NAS.

SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

Not relevant for Hungary.

Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

None.

Strengths

- *Availability of quality assurance systems (HACCP, ISO).*
- *Availability of plants processing domestically produced fish, mostly owned by producers.*
- *The available ready-made food products are generally well-accepted by Hungarian consumers.*

Weaknesses

- *Low technological level of processing.*
- *Low and seasonal fish consumption due to religious traditions and the production pattern of pond aquaculture.*
- *The processing level of freshwater fishes is low, the processing of pond-cultured fish with varying size and shape is technologically difficult, a simple adoption of the existing technologies is not an optimum solution.*
- *The additional costs of higher-level processing limit the competitiveness of pond-produced fish with a given consumption value.*
- *The efficiency of operation and market competitiveness of processing plants are low because of the lack of integration among producers.*
- *Lack of technically qualified processing staff and food technology specialists.*
- *Underdeveloped producers' associations, vulnerability to large supermarket chains.*
- *Difficulty of entering the market with new products because of the conservative consumption habits of the Hungarian population.*
- *Poor awareness of the population on the sustainability of pond aquaculture.*

Opportunities

- *Increasing demand for processed and ready-made products.*
- *Increasing consumer awareness on quality issues and traceability.*
- *Increasing economic importance of public catering.*
- *Unsupplied areas (blank spots) in fish marketing.*

- *Better processability and marketability of new fish species.*
- *Animal welfare limitations on marketing live fish.*
- *Increasing the market share of domestic processed fish products by using novel processing and production technologies and modernizing the existing processing plants.*
- *Easily prepared ready-to-cook products can contribute to an increasing fish consumption.*

Threats

- *Cheap imported processed products.*
- *Supermarket processing by supermarket chains (competitive disadvantage because of different regulations).*
- *Difficulty of establishing smaller processing plants because of the strict regulations on their establishment.*
- *Inadequate technological, planning and implementation background because of the small processing volumes.*

Identification of needs on basis of the SWOT analysis

The following needs were identified on the basis of the SWOT analysis (specific needs concerning promotion of innovation, also identified on the basis of the SWOT, are shown separately below):

- Increasing fish consumption (mostly of freshwater fish) and ensuring continuous market fish supply throughout the year by fish production in closed recirculating aquaculture systems.
- Supporting the improvement of quality and increasing of added value of fish products, including the development of processing of freshwater fish in order to expand the product range.
- Supporting the concentration and more efficient use of processing capacities.
- Supporting the training of food industry and processing specialists.
- Promoting the establishment of producer organizations, associations of producer organizations or inter-branch organizations.

- Supporting communication and promotion campaigns popularizing the sustainability of aquaculture products and increasing of the public awareness and acceptance of the sector.
- Supporting the exploration of new markets and the improvement of marketing conditions.

SWOT analysis consistency with the Multiannual National Strategic Plan for aquaculture

The National Aquaculture Strategy mainly focuses on the development of the aquaculture sector, but the needs identified mostly match Measures 5.1, 5.2 and 5.3 of Chapter III of NAS. Similarly to the previous UPs, the scope of the strategic priorities of NAS in this field is wider than allowed by the OP and includes actions within national competence such as the reduction of VAT on fish products. In spite of this, all processing and marketing needs identified by the SWOT are in full agreement with those determined by the NAS.

SWOT analysis consistency with the progress to achieve good environmental status through the development and implementation of MSFD

Not relevant for Hungary.

Specific needs concerning jobs, the environment, climate change mitigation and adaptation and promotion of innovation

Establishment of processing plants equipped with up-to-date and innovative technologies and modernization of the existing ones.

2.2 Context indicators presenting the initial situation

| | |
|-----------------------|---|
| Union priority | 1 - Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries |
|-----------------------|---|

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|--|---|
| 18 - Number of sites restored under the MAHOP | 2013 | 0,00 | number | Managing Authority / Intermediate Body | Indirect indication of the success of restoration measures. |
| 19 - Area of the sites restored under the MAHOP | 2013 | 0,00 | hectares | Managing Authority / Intermediate Body | Direct indication of the area of restoration measures. |

| | |
|-----------------------|---|
| Union priority | 2 - Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture |
|-----------------------|---|

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|--|---|
| 2.1 - Volume of aquaculture production | 2013 | 14.917,00 | tonnes | Research Institute of Agricultural Economics | Production refers only to food fish. Measurement unit: tonne. |
| 2.2 - Value of aquaculture production | 2013 | 22.047,00 | thousand Euros | Research Institute of Agricultural Economics | Production refers only to food fish. |

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|--|---|
| | | | | | Average fish prices correspond to first selling point net prices as reported to FAO. EUR exchange rate calculated on the basis of Hungarian National Bank's mid-market foreign exchange rate of 31.12.2013. |
| 2.5 – Volume of production recirculation system | 2013 | 87,00 | tonnes | Research Institute of Agricultural Economics | |
| 2 - Production volume of intensive aquaculture system | 2013 | 2.197,00 | tonnes | Research Institute of Agricultural Economics | Production refers only to food fish. Intensive systems include both flow-through and RAS. |
| 3 - Production value of intensive aquaculture systems | 2013 | 4.692,00 | thousand Euros | Research Institute of Agricultural Economics | Production refers only to food fish. Average fish |

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|------------------------------|--|
| | | | | | prices correspond to first selling point net prices as reported to FAO. EUR exchange rate calculated on the basis of Hungarian National Bank's mid-market foreign exchange rate of 31.12.2013. Intensive systems include the flow-through systems and RAS. |
| 8 - Employment (FTE) | 2013 | 1.471,00 | FTE | FAO | |
| 9 - Area of fish farms providing environmental services | 2013 | 17.524,00 | hectare | Intermediate Body | Calculated as farm area participating in the Aqua-Environmental Programme in 2013. |

| | |
|-----------------------|--|
| Union priority | 3 - Fostering the implementation of the CFP |
|-----------------------|--|

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|--|----------------------|--------------|-------------------------|--|--|
| 10 - Number of data providers on aquaculture production | 2013 | 383,00 | number | Research Institute of Agricultural Economics | |
| 11 - Fulfilment of data calls under DCF | 2013 | 0,00 | percentage | Research Institute of Agricultural Economics | We expect this indicator to be relevant in the future. |
| 12 - Controls of fish trading points per year | 2012 | 62,00 | number | National Food Chain Safety Agency | |
| 20 - Aquaculture-related registered data requests per year | 2013 | 0,00 | number | Research Institute of Agricultural Economics | |

| | |
|-----------------------|---|
| Union priority | 5 - Fostering marketing and processing |
|-----------------------|---|

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|------------------------------|--------------------------------|
| 5.1.a - N° of Pos | 2013 | 0,00 | number | Managing Authority | |
| 4 - Value of first sales of POs | 2013 | 0,00 | thousand Euros | Managing Authority | |
| 5 - Volume of first sales of POs | 2013 | 0,00 | tonnes | Managing Authority | |
| 6 - Volume of | 2013 | 1.124,00 | tonnes | Research | |

| Context indicator presenting the initial situation | Baseline year | Value | Measurement unit | Source of information | Comment / Justification |
|---|----------------------|--------------|-------------------------|--|---|
| processed fish of domestic origin | | | | Institute of Agricultural Economics | |
| 7 - Fish consumption | 2013 | 5,10 | kg/year/capita | Research Institute of Agricultural Economics | |
| 13 - Value of first sales of non-POs | 2013 | 22.047,00 | thousand Euros | Managing Authority | |
| 14 - Volume of first sales of non-POs | 2013 | 14.917,00 | tonnes | Managing Authority | |
| 15 - Annual value of turnover of EU-marketed production | 2013 | 19.707,00 | thousand Euros | Research Institute of Agricultural Economics | The 19,707 thousand Euro turnover has been calculated as an average of the years 2011-2013. |

3. DESCRIPTION OF THE STRATEGY

3.1 Description of the strategy of the Operational Programme

General objectives of the development of Hungarian fish production

The main objectives of the Hungarian fisheries and aquaculture development strategy have long been to supply high-quality fish to consumers and ensure sustainable development of the sector, in particular, SMEs. Another objective is to increase natural-water fish stocks while maintaining their biodiversity, which is consistent with the “Connecting the Danube Region” pillar and “To restore and maintain the quality of waters” priority area within “Protecting the Environment in the Danube Region” pillar set out in the EU Strategy for Danube Region (EUSDR), as well as with the EUSDR priority area “To preserve biodiversity, landscapes and the quality of air and soils”.

Pond farms based on traditional and sustainable extensive technologies form the backbone of Hungary’s fish production. They play an important role in food safety and contribute to rural employment. Their non-productive functions contribute to water management and maintain biodiversity. In addition to preserving extensive fish farming, production based on up-to-date, innovative technologies must be strengthened in synergy with EU priorities (consistent with NAS Chapter I). This should include both the modernization of existing facilities and the establishment of new ones. The geothermal potential of Hungary is high, allowing to safely produce fish in intensive systems throughout the year. Production of new species and their domestic marketing may contribute to increasing fish consumption.

The main objective of the long-term development of Hungarian aquaculture is to increase sustainable, resource-efficient, competitive fish production based on both traditional and innovative technologies, while reducing negative environmental impacts (consistent with NAS Chapter II). This also agrees with the EUSDR priority area “To preserve biodiversity, landscapes and the quality of air and soils” within “Protecting the Environment in the Danube Region” pillar.

MAHOP also contains measures corresponding to Union priorities 1, 2, 3 and 5, as defined in the EMFF Reg.

General objectives of the OP (consistent with NAS chapter II):

- *Improving the competitiveness of traditional pond farming, while preserving or increasing the biodiversity.*
- *Improving the sustainability of aquaculture by using alternative energy sources and reducing environmental load.*
- *Promoting aquaculture diversification and production of new species.*
- *Developing precision aquaculture applying innovative intensive technologies. Promoting fish processing and the production of highly processed products. Promoting fisheries and aquaculture research and knowledge transfer.*
- *Promoting the horizontal and vertical cooperation of actors in the fisheries sector by facilitating the creation of producer organizations and inter-sectoral organizations.*
- *Increasing fish consumption, promoting fish products, supporting fish marketing. Supporting monitoring, data collection and control.*
- *Increasing the number of spawning sites by habitat improvement in inland natural waters for the qualitative and quantitative improvement of fish populations.*

These priorities correspond to the characteristics of Hungarian fisheries, and thus their funding contributes to the development of fish production. The specific objectives are interweaved with Union priorities, as the main objective of the funding is to improve the level of fish production through modernization, technical development, innovation and environmental sustainability. This will improve production security, the sector's competitiveness, the working conditions and the stability of SMEs.

These measures also contribute to more efficient resource use and maintenance of biodiversity.

Market surveys show that, with targeted marketing, ready-to-cook products from aquaculture fish can contribute to the popularization of fish and increase consumption.

Specific objectives of the OP include support to knowledge transfer from research to production and generation of further knowledge by supporting R&D projects.

The OP will be implemented without a further increase of the administrative burden, it will improve data collection and will support the execution of monitoring and control programmes.

Background information on the determination of the percentage share of individual measures under the Fisheries OP of Hungary

Resources were allocated after consultations with professional organizations, taking into account that, under Hungarian law, investment support within the Fund should be no less than 60% and each measure should be allocated no less than one billion HUF to avoid resource fragmentation.

During preparation of MAHOP previous experiences were taken into account. For instance, in FIFG, 86,9% of the community allocation was used for supporting aquaculture (68,5%) and fish processing (18,9%). In the 2007-13 FOP, 87,1% of the total budget was spent on Axis 2, i.e. investments (aquaculture and fish processing) and Aqua-Environmental Programme for Fish Ponds (AEPFP).

Directions to be supported were also taken into account in the planning procedure (e.g. in the budget allocated to intensive systems). It was taken into consideration whether the potential applicants have mobilizable own resources and whether they wish to increase their production base through further expansion or they prefer to increase the productivity of existing facilities through their modernization. The increasing of fish production also requires the increase of domestic fish consumption through intensive marketing measures.

Consistency of the OP with Union priorities

UP 1. Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries

Specific objective (S.O.) 2: Protection and restoration of aquatic biodiversity and ecosystems (Art. 6(1)(b) of EMFF Reg.)

Measure 1.2: Rehabilitation of registered fisheries waters, including development of spawning grounds and ensuring migration routes for migratory species

(The measure is consistent with Art. 44 (6)(a) and (b) of EMFF Reg.)

Objectives of the measure:

- Restoring biodiversity by promoting the development, creation and restoration of spawning habitats.
- Ensuring the migration routes of migratory fish species.
- Rehabilitation of natural waters through activities aiming at suppression of invasive alien species.
- Protection and restoration of aquatic biodiversity and ecosystems.
- Construction, modernisation or installation of static or movable facilities intended to protect and enhance aquatic fauna and flora, including their scientific preparation, monitoring and evaluation.

Synergies: Measure 2.5 provides stocking material for restocking of rare and endangered indigenous fish species.

Intensity of public aid:

- maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution);
- maximum 100% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution), provided that operation fulfils all of the criteria stipulated in Art. 95(2)(a) or 95(3)(a) of the EMFF Reg.

Beneficiaries: Holders, trustees, leaseholders or, in case of the approval of the leaseholder, sub-leaseholders of fisheries licenses on fisheries management areas on their own, or jointly with the consortium members determined by the MS.

UP 2. Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture

S.O. 1: Provision of support to strengthen technological development, innovation and knowledge transfer (Art. 6(2)(a) of EMFF Reg.)

Measure 2.1: Stimulating innovation in aquaculture

(The measure is consistent with Art. 47(1)(a)-(b) of EMFF Reg.)

Objectives of the measure:

- Supporting the development of technical, scientific or organizational knowledge in the fish production sector which, among others, reduces its negative environmental impacts.
- Decreasing the organic content of the effluent water of fish production facilities by applying innovative water treatment technologies.
- Reducing the dependence on fish oil and fish meal by introducing innovative feeding technologies.
- Promoting the application of innovative technologies in support of sustainable resource use.
- Supporting sustainable production methods.
- Promoting the production and marketing of new aquaculture species with good market potential.
- Supporting the development and putting onto market of new or significantly improved products or new or improved procedures.

Synergies: Measures 2.2, 2.3 and 2.4 strengthen aquaculture innovation, while innovative solutions contribute to the success of all these measures as well as measure 2.5.

Intensity of public aid:

- maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution);

- maximum 100% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution), provided that operation fulfils all of the criteria stipulated in Art.95(2)(a) or 95(3)(a) of the EMFF Reg.

Beneficiaries: The measure must be implemented by MS-approved public or private scientific or technical entities validating the results of the measures or in cooperation with such entities.

S.O. 2: The enhancement of the competitiveness and viability of aquaculture enterprises, including the improvement of safety and working conditions, in particular of SMEs (Art. 6(2)(b) of EMFF Reg.)

Measure 2.2: Productive investments in aquaculture (intensive and pond aquaculture)

(The measure is consistent with Art. 48(1)(a)-(d) and (f)-(h) of EMFF Reg.)

Objectives of the measure:

- Supporting productive investments in aquaculture.
- Supporting the diversification of aquaculture production and the range of produced species.
- Supporting the modernization of aquaculture units, including the improvement of working and safety conditions of aquaculture workers.
- Supporting developments and modernizations improving animal health and welfare, including the purchasing of instruments for the protection of farms from wild predators.
- Supporting investments improving the quality of or increasing the value of aquaculture products.
- Supporting silt removal from existing aquaculture ponds or their reconstruction with investments into the prevention of siltation.
- Income diversification of aquaculture enterprises through the development of complementary activities.

Synergies: Productive investments contribute to the success of all measures of UP2.

Intensity of public aid: maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries: Support can be provided to existing enterprises of the aquaculture sector for the purpose of modernization or increasing production, as long as the development is consistent with the Multiannual National Strategic Plan for aquaculture.

Measure 2.3: Encouraging new aquaculture farmers practising sustainable aquaculture

(The measure is consistent with Art.52 of EMFF Reg.)

Objective of the measure:

- Setting-up of sustainable aquaculture enterprises by new aquaculture farmers.

Synergies: Sustainable aquaculture is strengthened by all UP2 measures and can contribute to the success of measure 2.5.

Intensity of public aid: maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries: New entrepreneurs for the purpose of establishing aquaculture enterprises, as long as the development is consistent with the NAS.

S.O. 3: Protection and restoration of aquatic biodiversity and enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture (Art. 6(2)(c) of EMFF Reg.)

Measure 2.4: Environmental investments in aquaculture

(The measure is consistent with Art. 48(1)(e), (i) and (j) of EMFF Reg.)

Objectives of the measure:

- Supporting investments reducing the negative environmental impact or enhancing the positive effects on the environment and increasing resource efficiency.
- Supporting investments resulting in a substantial reduction in the impact of aquaculture enterprises on water usage and quality, in particular through reducing the amount of water or chemicals, antibiotics and other medicines used, or through improving the output water quality, including through the deployment of wetlands, multitrophic aquaculture systems or aquaponic water treatment units.
- Promoting closed aquaculture systems where aquaculture products are farmed in closed recirculation systems, thereby minimising water usage.

Synergies: Measures 2.1, 2.2 and 2.3 are in synergy with this measure. Measure 2.4 can also contribute to the success of all these measures, as well as measure 2.5.

Intensity of public aid: maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries: Support can be provided to existing aquaculture enterprises, as long as the development is consistent with the NAS.

S.O. 4: Promotion of aquaculture having a high level of environmental protection, and the promotion of animal health and welfare and of public health and safety (Art. 6(2)(d) of EMFF Reg.)

Measure 2.5: Fostering the development of aquaculture providing environmental services

(The measure is consistent with Art. 54(1)(c) of EMFF Reg.)

Objectives of the measure:

- Supporting the services of fishpond production based on traditional technologies that, among others, assist the preservation and improvement of the nature and biodiversity, as well as the protection of landscape elements.

Synergies: Measures 2.1, 2.2, 2.3 and 2.4 can contribute to better operation of aquaculture farms providing environmental services.

Intensity of public aid: 100% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries: Aquaculture enterprises.

UP 3. Fostering the implementation of the CFP

S.O. 1: Improvement and supply of scientific knowledge as well as the improvement of the collection and management of data (Art. 6(3)(a) of EMFF Reg.)

Measure 3.1: Supporting the data collection, management and use relating to the fisheries and aquaculture sector

(The measure is consistent with Art. 77(1) and 77(2)(a), (e) and (f) of EMFF Reg.)

Objectives of the measure:

- Improvement of the collection and evaluation of fisheries and aquaculture data.
- Supporting data collection, management and use for scientific analysis and assisting the implementation of the Common Fisheries Policy.
- Development of data collection and management systems and implementation of pilot projects for the development of existing data collection and management systems.
- The participation of representatives of Member States and regional authorities in regional coordination meetings, meetings of regional fisheries management organisations of which the Union is a contracting party or an observer, or meetings of international bodies responsible for providing scientific advice.

Synergies: This measure supports the implementation, monitoring and evaluation of all applied measures.

Intensity of public aid: 100% of the eligible expenditure (which contains maximum 80% EMFF contribution and 20% national contribution).

The allocation is 1.751.293 EUR, predetermined.

Beneficiaries: Public law bodies or the body designated for the task (National Agricultural Research and Innovation Centre Research Institute of Agricultural Economics).

S.O. 2: Provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden (Art. 6(3)(b) of EMFF Reg.)

Measure 3.2: Implementation of the Union framework for control, inspection and enforcement

(The measure is consistent with Art. 76(1) and 76(2)(c), (d), (h) and (j) of EMFF Reg.)

Objectives of the measure:

- Supporting the development, purchase and installation of elements required for the traceability of aquaculture products, including computer hardware and software.
- The implementation of programmes for exchanging data between Member States and for analysing them.
- Training and exchange programmes, including between Member States, of personnel responsible for the monitoring, control and surveillance of fisheries activities.
- Initiatives, including seminars and media tools, aimed at enhancing awareness, among sectoral stakeholders and the general public.

Synergies: This measure influences all measures related to production, marketing and processing.

Intensity of public aid: 100% of the eligible expenditure (which contains maximum 90% EMFF contribution and 10% national contribution).

The allocation is 700.000 EUR, predetermined.

Beneficiaries: Public law bodies or the designated body for the task (National Food Chain Safety Office).

UP 5. Fostering marketing and processing

S.O. 1: Improvement of market organisation for fishery and aquaculture products (Art. 6(5)(a) of EMFF Reg.)

Measure 5.3.1: Supporting marketing measures for fishery and aquaculture products

(The measure is consistent with Art. 68(1)(a)-(c) of EMFF Reg.)

Objectives of the measure:

- 1. Supporting the establishment of producer organizations, associations of producer organizations or inter-branch organizations.
- 2. Assistance to finding new markets and improving the conditions for the placing on the market of the following aquaculture products:
 - (new) species with good market potential,
 - fisheries and aquaculture products produced by low-impact environmental methods or organic aquaculture products.
- 3. Promoting the quality and the value added:
 - The application for registration of a given product and the adaptation of concerned operators to the relevant compliance and certification requirements in accordance with Regulation (EU) No 1151/2012 of the European Parliament and of the Council.
 - The certification and the promotion of sustainable fishery and aquaculture products, and of environmentally-friendly processing methods.
 - The presentation and packaging of products.

Synergies: This measure influences all measures related to production and processing, thus contributing to the increase of fish consumption.

Intensity of public aid: maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries:

For Objective 1: In aquaculture and fish processing interested organisations not yet recognised as producer organisations/associations of producer organisations/inter-branch organisations.

For Objective 2 and 3: Micro, small and medium-sized enterprises and natural persons producing, processing or distributing aquaculture products, furthermore in aquaculture and fish processing interested producer organisations/associations of producer organisations/inter-branch organisations.

Measure 5.3.2: Communication and promotional campaign for promoting fish consumption

(The measure is consistent with Art. 68(1)(d) and (g) of EMFF Reg.)

Objectives of the measure:

- Contributing to the transparency of production and the markets and conducting market surveys.
- Conducting national or transnational communication and promotional campaigns, to raise public awareness of sustainable fishery and aquaculture products.

Synergies: This measure influences all measures related to production and processing, thus contributing to the increase of fish consumption.

Intensity of public aid: maximum 100% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution), provided that operation fulfils the criteria stipulated in Art. 95(2)(a) of the EMFF Reg.

Beneficiaries: Public law bodies or the designated body for the task.

S.O. 2: Encouragement of investment in the processing and marketing sectors (Art. 6(5)(b) of EMFF Reg.)

Measure 5.3.3: Supporting investments for processing of fisheries and aquaculture products

(The measure is consistent with Art. 69(1)(a)-(b) and (d)-(f) of EMFF Reg.)

Objectives of the measure:

- Supporting fish processing procedures contributing to energy saving or reducing the impact on the environment, including waste treatment.
- Supporting fish processing investments that improve work safety, hygiene, health and working conditions.
- Supporting the processing of by-products resulting from main fish processing activities.
- Supporting the processing of organic aquaculture products.
- Supporting activities leading to new or improved products, new or improved processing technologies, or new or improved management and organisation systems.
- Supporting the production of ready-to-cook, boneless, high-added-value processed fish products.

Synergies: This measure strengthens all aquaculture production related measures, contributing to the increase of fish consumption by providing processed products with high added value.

Intensity of public aid: maximum 50% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Beneficiaries: Micro, small and medium-sized enterprises.

3.2 Specific objectives and result indicators

| | |
|-----------------------|---|
| Union priority | 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries |
|-----------------------|---|

| <i>Specific objective</i> | | <i>2 - Protection and restoration of aquatic biodiversity and ecosystems</i> | | |
|--|------------------------------|--|-----------------------|--|
| Result indicator | Target value for 2023 | Measurement unit | Not applicable | |
| 1.5 - Change in fuel efficiency of fish capture | | litres fuel/tonnes landed catch | ✓ | |
| 1.10.a - Change in the coverage of Natura 2000 areas designated under the Birds and Habitats directives | | Km ² | ✓ | |
| 1.10.b - Change in the coverage of other spatial protection measures under Art. 13.4 of the Directive 2008/56/EC | | Km ² | ✓ | |
| 18 - Change of the number of sites restored under the MAHOP | 15,00000 | number | | |
| 19 - Change of the area of the sites restored under the MAHOP | 1.000,00000 | hectares | | |

| | |
|-----------------------|---|
| Union priority | 2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture |
|-----------------------|---|

| | | | |
|--|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>1 - Provision of support to strengthen technological development, innovation and knowledge transfer</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 2.1 - Change in volume of aquaculture production | 638,00000 | tonnes | |
| 2.2 - Change in value of aquaculture production | 1.046,00000 | thousand Euros | |
| 2.3 - Change in net profit | | thousand Euros | ✓ |

| | | | |
|--|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>2 - Enhancement of the competitiveness and viability of aquaculture enterprises, including the improvement of safety or working conditions, in particular of SMEs</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 2.1 - Change in volume of aquaculture production | 3.247,00000 | tonnes | |
| 2.2 - Change in value of aquaculture production | 6.670, 00000 | thousand Euros | |
| 2.3 - Change in net profit | | thousand Euros | ✓ |
| 2.8 - Employment created | 40,00000 | FTE | |
| 2.9 - Employment maintained | | FTE | ✓ |
| 2 - Change in production volume of intensive aquaculture systems | 795,00000 | tonnes | |
| 3 - Change in production value of intensive aquaculture systems | 2.152,00000 | thousand Euros | |

| | | | |
|---|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>3 - Protection and restoration of aquatic biodiversity and the enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 2.4 - Change in the volume of production organic aquaculture | | tonnes | ✓ |
| 2.5 - Change in the volume of production recirculation system | 3,00000 | tonnes | |
| 2.6 - Change in the volume of aquaculture production certified under voluntary sustainability schemes | | tonnes | ✓ |
| 2.7 - Aquaculture farms providing environmental services | | number | ✓ |
| 2.8 - Employment created | | FTE | ✓ |
| 2.9 - Employment maintained | | FTE | ✓ |

| | | | |
|---|---|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>4 - Promotion of aquaculture having a high level of environmental protection, and the promotion of animal health and welfare and of public health and safety</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 2.1 - Change in volume of aquaculture production | | tonnes | ✓ |
| 2.2 - Change in value of aquaculture production | | thousand Euros | ✓ |
| 2.4 - Change in the volume of production organic aquaculture | | tonnes | ✓ |
| 2.5 - Change in the volume of production recirculation system | | tonnes | ✓ |
| 2.6 - Change in the volume of aquaculture production certified under voluntary sustainability schemes | | tonnes | ✓ |

| | | | |
|--|---|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>4 - Promotion of aquaculture having a high level of environmental protection, and the promotion of animal health and welfare and of public health and safety</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 2.7 - Aquaculture farms providing environmental services | | number | ✓ |
| 2.7 - Aquaculture farms providing environmental services | 17.524,00000 | hectares | |

| | |
|-----------------------|--|
| Union priority | 3 - Fostering the implementation of the CFP |
|-----------------------|--|

| | | | |
|--|---|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>1 - Improvement and supply of scientific knowledge as well as the improvement of the collection and management of data</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 3.B.1 - Increase in the percentage of fulfilment of data calls | 100,00000 | % | |
| 4 - Number of data providers on aquaculture production | 415,00000 | number | |
| 5 - Aquaculture-related data requests per year | 70,00000 | number | |

| | | | |
|---|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>2 - Provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 3.A.1 - Number of serious infringements detected | | number | ✓ |
| 3.A.2 - Landings that have been the subject to physical control | | % | ✓ |
| 6 - Controls of fish trading points per year | 80,00000 | number | |

| | |
|-----------------------|---|
| Union priority | 5 - Fostering marketing and processing |
|-----------------------|---|

| | | | |
|---|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>1 - Improvement of market organisation for fishery and aquaculture products</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 5.1.a - Change in value of first sales in POs | 1.056,00000 | thousand Euros | |
| 5.1.b - Change in volume of first sales in POs | 500,00000 | tonnes | |
| 5.1.c - Change in value of first sales in non-POs | 6.660,00000 | thousand Euros | |
| 5.1.d - Change in volume of first sales in non-POs | 3.388,00000 | tonnes | |
| 8 - Increasing of fish consumption | 1,00000 | kg/capita | |
| 7 - Number of POs | 2,00000 | number | |
| 15 - Annual value of turnover of EU-marketed production | 26.600,0000 | thousand Euros | |

| | | | |
|--|--|-------------------------|-----------------------|
| <i>Specific objective</i> | <i>2 - Encouragement of investment in the processing and marketing sectors</i> | | |
| Result indicator | Target value for 2023 | Measurement unit | Not applicable |
| 5.1.a - Change in value of first sales in POs | | thousand Euros | ✓ |
| 5.1.b - Change in volume of first sales in POs | | tonnes | ✓ |
| 5.1.c - Change in value of first sales in non-POs | | thousand Euros | ✓ |
| 5.1.d - Change in volume of first sales in non-POs | | tonnes | ✓ |
| 9 - Volume of processed fish of domestic origin | 1.600,00000 | tonnes | |

3.3 Relevant measures and output indicators

| | |
|-----------------------|---|
| Union priority | 1 - Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries |
|-----------------------|---|

| <i>Specific objective</i> | | <i>2 - Protection and restoration of aquatic biodiversity and ecosystems</i> | | |
|--|---|--|-------------------------|---|
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 40.1.b-g, i Protection and restoration of marine biodiversity – contribution to a better management or conservation, construction, installation or modernisation of static or movable facilities, preparation of protection and management plans related to NATURA2000 sites and spatial protected areas, management, restoration and monitoring marine protected areas, including NATURA 2000 sites, environmental awareness, participation in other actions aimed at | 1.6 - N° of operations on protection and restoration of biodiversity and ecosystems | 15,00 | Number | ✓ |

| <i>Specific objective</i> | <i>2 - Protection and restoration of aquatic biodiversity and ecosystems</i> | | | |
|---|--|------------------------------|-------------------------|---|
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| maintaining and enhancing biodiversity and ecosystem services (+ art. 44.6.a,b) | | | | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

The objective of the Measure 1.2 is to preserve biodiversity. The measure 2.5 provides stocking material for restocking programmes of rare and endangered indigenous fish species.

| | |
|-----------------------|---|
| Union priority | 2 - Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture |
|-----------------------|---|

| | | | | |
|-------------------------------|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>1 - Provision of support to strengthen technological development, innovation and knowledge transfer</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 47 Innovation | 2.1 - N° of operations on innovation, advisory services | 30,00 | Number | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

The objective of the Measure 2.1 is to promote innovation. Measures 2.2, 2.3, 2.4 and 2.5 all strengthen innovation in aquaculture sector, while innovative solutions contribute to the success of these measures and Measure 2.5.

| | | | | |
|---|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>2 - Enhancement of the competitiveness and viability of aquaculture enterprises, including improvement of safety or working conditions, in particular of SMEs</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 48.1.a-d, f-h Productive investments in aquaculture | 2.2 - N° of operations on productive investments in aquaculture | 160,00 | Number | ✓ |
| 02 - Article 52 Encouraging new sustainable aquaculture farmers | 2.5 - N° of operations on promoting human capital of aquaculture in general and of new | 20,00 | Number | |

| | | | | |
|---------------------------|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | 2 - Enhancement of the competitiveness and viability of aquaculture enterprises, including improvement of safety or working conditions, in particular of SMEs | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| | aquaculture farmers | | | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

Measures 2.2 and 2.3 aims at supporting productive investments. The productive investments contribute to the success of all measures of UP2, and all measures of UP2 strengthen sustainable aquaculture and may contribute to the success of Measure 2.5.

| | | | | |
|---|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | 3 - Protection and restoration of aquatic biodiversity and the enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 02 - Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use | 2.2 - N° of operations on productive investments in aquaculture | 40,00 | Number | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

The objective of the Measure 2.4 is to foster environmental investments. All measures within UP2 contribute to the enhancement of the competitiveness and viability of aquaculture enterprises.

| <i>Specific objective</i> | | <i>4 - Promotion of aquaculture having a high level of environmental protection, and the promotion of animal health and welfare and of public health and safety</i> | | |
|---|---|---|-------------------------|---|
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 54 Aquaculture providing environmental services | 2.3 - N° of operations on limiting the impact of aquaculture on the environment (eco-management, audit schemes, organic aquaculture environmental services) | 90,00 | Number | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

The objective of the Measure 2.5 is to contribute to better operation of aquaculture farms providing environmental services, together with all measures of UP2.

| | |
|-----------------------|--|
| Union priority | 3 - Fostering the implementation of the CFP |
|-----------------------|--|

| | | | | |
|---------------------------------|---|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>1 - Improvement and supply of scientific knowledge as well as the improvement of the collection and management of data</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 77 Data collection | 3.2 - N° of operations on supporting the collection, management and use of data | 2,00 | Number | ✓ |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

This measure (3.1) supports the implementation, monitoring and evaluation of all applied measures.

| | | | | |
|---|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>2 - Provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 76 Control and enforcement | 3.1 - N° of operations on implementing the Union's control, inspections and enforcement system | 1,00 | Number | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

This measure (3.2) influences all measures related to production, marketing and processing.

| | |
|-----------------------|---|
| Union priority | 5 - Fostering marketing and processing |
|-----------------------|---|

| | | | | |
|---------------------------------------|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>1 - Improvement of market organisation for fishery and aquaculture products</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 03 - Article 68 Marketing measures | 5.2 - N° of operations on market measures and storage aid | 10,00 | Number | |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

The measures 5.3.1 and 5.3.2 influence all measures related to production and processing, thus contributing to the increase of fish consumption.

| | | | | |
|---|--|------------------------------|-------------------------|---|
| <i>Specific objective</i> | <i>2 - Encouragement of investment in the processing and marketing sectors</i> | | | |
| EMFF measure | Output indicator | Target value for 2023 | Measurement unit | Include in the Performance Framework |
| 01 - Article 69 Processing of fisheries and aquaculture products | 5.3 - N° of operations on processing | 40,00 | Number | ✓ |

Justification for the combination of the EMFF measures (supported by the ex-ante evaluation and the SWOT analysis)

This measure (5.3.3) supports and strengthens all aquaculture production related measures, contributing to the increase of fish consumption by providing processed products with high added value.

3.4 Description of the programme's complementarity with other ESI Funds

3.4.1 Complementarity and coordination arrangements with other ESI Funds and other relevant Union and national funding instruments of the EMFF

Coordination was ensured by establishing a central coordination system, where the PMO was responsible for all EU funds till 2018, and the MIT has been responsible for them since 2018. In addition to OP-specific monitoring committees, a common Monitoring Committee of the Partnership Agreement was established in order to assist coordination (see Section 11).

On a governmental level, the highest coordinating body related to EU funds is the Governmental Committee for National Development (GCND), which is chaired by the Prime Minister and decides on the highest-level strategic issues regarding the OPs. Its work is assisted by the Coordination Committee for Development Policy, a consultative body operated by the MIT, which is the main forum of coordination and cooperation of managing authorities. Its tasks include the coordination of EU-funded projects and preparatory work of the Government's policy development decisions.

When planning the MAHOP, attention was paid to synergy and complementarity with other ESI funds and OPs. It is a priority to promote the development of fisheries and aquaculture through measures implemented in synergy instead of the previous strict delimitation. On the other hand, attention is also paid to avoid double financing. This is in agreement with both CSF (on EU level) and the PA covering all ESI Funds (on a Hungarian level).

Fisheries and aquaculture development may only be efficient if it is supported jointly by MAHOP and other OPs. MAHOP must contribute to the realization of CSF strategic objectives, while other OPs should contribute to fisheries and aquaculture development, especially where the MAHOP lacks sufficient funds or instruments.

Important areas

Energy saving

MAHOP supports changing of aquaculture production technologies and facilities to more energy-efficient ones, while the Economic Development and Innovation OP (EDIOP) supports investments improving the energy efficiency of the buildings of aquaculture enterprises. MoA provides methodological assistance to the EDIOP Managing Authority in the application of the regulations on provision of public funding to fisheries and aquaculture to this intervention type. The project coordination, the joint participation of the MA representatives in the working groups and platforms, the participation in the Monitoring Committee (MC) and the coordination through a common web platform provide complex information to the potential applicants and allow cooperation in the evaluation of applications in the field of energy efficiency.

Transport infrastructure

MAHOP supports the diversification of the activities of aquaculture enterprises including non-aquaculture activities. The development of farm infrastructure is an important aspect of increasing the number of visitors to farms by providing different services (angling, birdwatching, agrotourism, etc.). On the other hand, other operational programmes, e.g. the Integrated Transport Development Operational Programme (ITOP), the Environment and Energy Efficiency Operational Programme (EEEOP) and the RDP, can contribute to this objective through the development of (off-farm) public visitor infrastructure improving the access to natural and cultural heritage sites, in particular, protected and NATURA 2000 areas. In this respect, MAHOP and these programmes are complementary, which can improve the accessibility of pond farms and contribute to the diversification of their activities.

As the objectives of the interventions are different, the project calls do not need to be coordinated. The coordination of the activities takes place through the participation of representatives of the individual programmes in the Monitoring Committees.

R+D+I

MAHOP supports innovative methods and technologies, including product and process innovation through the application of new fish rearing and handling methods, as well as introduction of new or significantly improved products, new cultured fish species with good market potential or new or improved management and organizational systems. RDI is also supported by the EDIOP and the RDP.

The coordination of the activities in this field takes place through the participation of representatives of the individual programmes in the MCs.

Linkages with other OPs

Environment and Energy Efficiency OP (EEEOP)

The overarching objective of EEEOP is economic growth based on high-added-value production and increase of the employment in harmony with the protection of human life and the environment. In order to attain this general objective, the following horizontal objectives need to be reached in all development areas and intervention directions covered by EEEOP:

- Prevention and mitigation of the undesirable effects of climate change, improving the adaptability;
- Increasing resource use efficiency;
- Prevention and mitigation of pollution;
- Ensuring a healthy and sustainable environment

While these aspects were taken into account during the preparation of MAHOP, direct linkages are limited to the areas of nature conservation and Natura 2000. EEEOP (IV/1-2-3-4) supports single, not maintenance-oriented green infrastructure development by state players responsible for conservation management in order to create conditions for reaching or maintaining a good conservational status in less developed regions, while MAHOP supports farming activities by fisheries users (SMEs) that agree with nature conservation objectives and conservation-oriented development of water bodies used for fisheries in protected and Natura 2000 areas.

MAHOP measures 1.2 and 2.5 have linkages to Priority 4 (Development of the environmental and ecosystem protection) of EEEOP in the cases of the compensation of related extra costs and reduced yield appearing in pond farms located in NATURA 2000 areas. Double financing is avoided as EEEOP Priority 4 mostly supports conservation measures in nature protection areas (and the support is accessible to state-appointed organizations fulfilling conservation management obligations).

Economic Development and Innovation OP (EDIOP)

EDIOP is the operational programme for economic development, supported by both the European Regional Development Fund (ERDF) and the European Social Fund (ESF). It has 8 priority axes, covering the areas of (1) SMEs, (2) R+D+I, (3) ICT, (4) energy, (5) employment, (6) competitive workforce, (7) tourism and (8) financial instruments.

Linkages between EDIOP and MAHOP mainly exist in the areas of improving the competitiveness and promoting the growth of domestic small and medium enterprises. Similarly to EDIOP, MAHOP also supports investments made by SMEs. EDIOP support may be used by fish processing SMEs for activities unrelated to fish production, processing or marketing. MAHOP has a sectoral linkage with EDIOP in the R+D+I sector, as well as in such objectives as the replacement of fossil energy, the spreading of alternative energy sources and, through these, the promotion of more efficient, energy-saving production and processing systems.

Specific examples of linkages to EDIOP:

EDIOP Priority 2 – Research, technological development and innovation

R&D(&I) – and improvement of the competitiveness of aquaculture SME-s (Thematic Objectives 1 and 3)

Cooperation between researchers and producers in fisheries and related areas (e.g. energy efficiency, climate change adaptation, resource protection) cannot be fully funded by MAHOP, and thus, the allocation of additional resources from EDIOP through the specific objective “strengthening of knowledge flow and knowledge use” may be necessary, especially in the field of cooperative RDI projects.

EDIOP Priority 4 (and EAFRD Priority 6)

Tourism development

EDIOP supports larger, while EAFRD, smaller investments into tourism, which do not exclude the fisheries sector from funding. The large projects of EDIOP are difficult to join, but it is possible to find interfaces (Healing Hungary – fish as healthy food, ecotourism, multifunctional pond farming, exploitation of thermal waters).

MAHOP has also two further possible linkages to EDIOP, related to the food industry.

UP5.:

Specific objective 1: Improving market organisation for fishery and aquaculture products and supporting fish marketing

Specific objective 2: Encouragement of investment in the processing and marketing sectors

Rural Development Programme (RDP)

Aquaculture is regarded as a specialized branch of agriculture in Hungary. Fisheries is of great importance in rural development, the maintenance of wetlands, and water resources management. Several linkages have been identified between the MAHOP and the RDP, mostly due to farmers involved both in agricultural and aquaculture activities. Double financing is avoided as aquaculture-related activities or these farmers cannot be supported from the RDP, while their non-aquaculture activities are eligible. Activities related to fish production, processing or marketing are supported from MAHOP.

Specific examples of linkages to RDP:

Measures 2.1 and 2.5 of the MAHOP have linkages to the M10 (Agri-environment-climate) of the RDP, as well as to its M4.4 in the cases of supporting the development of technical, scientific knowledge in the fish production sector for reducing its environmental impact. MAHOP M1.2 is also complementary with the M12 of RDP concerning the protection of Natura 2000 areas.

Priority 6. Promotion of social inclusion, poverty reduction and supporting economic development in rural areas.

This priority includes the LEADER programme. While Hungary does not use the CLLD instrument of EMFF, enterprises involved in fisheries and aquaculture may participate in LEADER LAGs and apply for EAFRD development funds for which they are eligible (e.g. infrastructure development, diversification).

8.2.1. Knowledge transfer and information actions:

This measure serves the improvement of the professional competence of the production and service sector and the renewal of the continuing vocational education system and, as such, may also be complementary to the life-long learning, dissemination, professional training and networking components of MAHOP.

8.2.2. Advisory services, farm management and farm relief services:

This measure directly serves the realization, structuring and strengthening of a demand-driven operation of the extension system and may also support the provision of professional, scientific, marketing, legal or economic extension services.

8.2.16. Cooperation:

The measure supports cooperation among the mostly small and spatially fragmented rural actors in order to help them to get to markets more effectively, attain economically viable size, generate knowledge, experience and information for innovation and transmit it to users, as well as promote short supply chains (SSCs). The measure is in synergy with the MAHOP support to processing, marketing and the direct sale of self-produced aquaculture products (link to SSCs).

M10 - Agri-environment and climate measures

Most important MAHOP linkages:

- Supporting sustainable rural development.

Pond farms and intensive aquaculture systems are typically situated in rural areas, contributing to the objective by increasing local employment and utilizing areas less suited to agricultural production.

- Preserving and improving the condition of the environment (soil and water) by developing production schemes adapted to local conditions.

Water is preserved in a good condition when used as a production medium in pond aquaculture, pond farms play an important part in mitigating the negative impacts of flood and excess water events, while polyculture results in a species structure adapted to local conditions.

- Elimination and prevention of environmental loads of agricultural origin.

Water used as a production medium in aquaculture is released to natural waters in quantities that do not result in environmental loads of agricultural origin.

- Strengthening agricultural practices based on sustainable use of natural resources.

Water, as a resource, has primary importance in fish production and its management is done in a maximally sustainable way in aquaculture. Areas with poor soils can be utilised in an economically feasible way through aquaculture.

- Climate change mitigation and adaptation through suitable production structure and change of the land use

The use of renewable energy plays a major part in climate change mitigation and adaptation. New energy use approaches are spreading both on pond farms and in intensive aquaculture, thus contributing to the elimination of climate-change-causing factors.

Territorial and Settlement Development OP (TOP)

There are linkages between the TOP and the MAHOP in the field of economic development (local economic infrastructure development and tourism development). The TOP mainly provides local conditions for economic growth and employment expansion, thus promoting business infrastructural background on a local level (TOP Measure 1.1.)

Sustainable tourism development aims to promote territorial level tourism and thematic tourism development that accomplish county-level coordinated development based on tourism attraction elements. These developments aim at regional economic diversification, boosting local economy and local employment (TOP Measure 1.2).

Human Resource Development OP (HRDOP)

HRDOP receives support from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). MAHOP has linkages to the HRDOP Priority 3 (Developing Knowledge Capital), which supports investment into knowledge, skills and lifelong learning,

as well as the strengthening of research, technological development, innovation and networking.

A pre-condition of the EMFF is the existence of management and administrative capacity for adequate and frequent monitoring and evaluation. This may require additional resources from HRDOP Priority 5, mainly in order to support the expanding of data collection and analysis by AKI, HCSO and IB.

3.4.2 Main actions planned to achieve a reduction in administrative burden

In order to reduce the administrative burden, MAHOP follows the below general principles:

- use of a common terminology,
- development of unified procedures from the submission of applications to their approval so that the single processes and steps follow each other, their beginning and end, the preceding and following processes and their deadlines are clearly defined,
- development of the consultation / cooperation scheme of the MA / the IB with applicants and beneficiaries during the development and implementation of the projects,
- development of an adequate and reliable electronic system for the preparation, submission (together with annexes), management, evaluation and selection of project applications, management of project reports and the entire project process.

During the implementation of the Fisheries Operational Programme of 2007-13, there was a strong demand for reducing the excessive administration and simplify the administration process. The most efficient way of simplifying the applicants' administrative obligations is to transform the application process into an electronic one. Up to now, the submission of documents in the application process has been paper-based, some of the annexes have had to be submitted either in original or as a certified copy. This makes the application process time-consuming and costly. The submitted documents are scanned by the intermediate body and the subsequent processes are done electronically. We wish to develop a fully electronic system of submission and application management in the 2014-20 period.

It is also an important objective to simplify the process of the provision of monitoring data for beneficiaries. The electronic data submission systems currently developed by both AKI and (National Food Chain Safety Office) NÉBIH allow online submission of data by the

beneficiaries on a simple online platform. The acceptable ranges of the individual values are pre-defined, which allows to identify and correct the wrong data already at the stage of submission.

3.5 Information on the macro-regional or sea-basin strategies (where relevant)

Hungary is a participant in the EU Strategy for the Danube Region (EUSDR). Some of the MAHOP measures directly contribute to the implementation of EUSDR pillars and priority areas. In particular, the MAHOP Measure 1.2 (Management of Natura 2000 areas, and rehabilitation of natural waters, including development of spawning grounds and ensuring migration routes for migratory species) is in synergy with the “Connecting the Danube Region” pillar and “To restore and maintain the quality of waters” priority area of “Protecting the Environment in the Danube Region” pillar of EUSDR, especially as concerns actions aiming at ensuring the migration routes of fishes. The pillar “Building Prosperity in the Danube Region” includes an action on the improvement of competitiveness of rural areas, where the development of fisheries areas with the involvement of FLAGs is envisaged. This could be a further synergic area with EMFF.

However, Hungary chose not to apply the CLLD instrument because it lacks sufficiently coherent areas with a sufficient percentage of population living from fisheries or aquaculture, and thus, it will not have FLAGs to be involved in this EUSDR action.

The EUSDR priority area “To preserve biodiversity, landscapes and the quality of air and soils” of „Protecting the Environment in the Danube Region” pillar can also be complemented by MAHOP Measure 1.2 as regards halting the deterioration in the status of all species and habitats. The same priority area has a target of maintaining and enhancing ecosystems and their services by establishing green infrastructure and restoring degraded ecosystems, which is in line with MAHOP Measures 2.3, 2.4 and 2.5.

While the implementation of the EUSDR is the responsibility of the Ministry of Foreign Affairs and Trade, a Budapest Danube Contact Point is operated by the PMO in order to facilitate coordination with OP managing authorities, also established within the structure of the PMO.

4. REQUIREMENTS CONCERNING SPECIFIC EMFF MEASURES

4.1 Description of the specific needs of Natura 2000 areas and the contribution of the programme to the establishment of a coherent network of fish stock recovery areas as laid out in Article 8 of the CFP Regulation

There are over 1.95 million ha of Natura 2000 areas in Hungary. The designation was initially based on existing nature protection areas, but previously unprotected areas have also been added to the network. 90% of Hungary's nature protection and Natura 2000 areas are affected by agriculture, fishery or forestry, i.e. maintaining of the balance of ecosystems and ecosystem services is only possible through the use of environmentally conscious farming methods.

The general objective of the Natura 2000 network is to protect the bird species naturally occurring in the Member States, as well as to preserve biodiversity and ensure the long-term survival of species and habitats. The National Prioritised Action Framework (PAF) of Hungary for Natura 2000 includes several priorities and actions which are in line with MAHOP measures. These include (bold numbers in brackets show the related MAHOP measure):

Priority F1: Wetlands and floodplains

Measure M12: Natura 2000 compensation payments **(2.5)**.

Measure M22: Creating artificial infrastructure to ensure the dispersal and migration of species of Community interest (e.g. building fish passes) **(1.2)**.

Priority F2: Living communities of aquatic habitats

Measure M11: Investments to improve the conservation status of species of Community interest living in natural waters subject to fishing (e.g. rehabilitation of spawning areas) **(1.2)**.

Measure M22: Creating artificial infrastructure to ensure the dispersal and migration of species of Community interest **(1.2)**.

Measure M16: Restoration and rehabilitation of degraded or heavily altered habitats **(1.2)**.

Measure M9: Introducing/applying specific management regimes to ensure the protection of species of Community interest living in extensive fishponds **(1.2)**.

Measure M10: Investments to improve the conservation status of species of Community interest living in extensive fishponds and other water bodies utilised for fishing **(1.2)**.

Measure M12: Natura 2000 compensation payments (1.2).

Measure M20: Ecological restoration measures to reduce the fragmentation and discontinuity of habitats, to improve ecological connections among natural sites and to enhance the dispersal and migration of species of Community interest (1.2).

During the implementation of the Natura 2000-related MAHOP measures 1.2 and 2.5, PAF priorities will be taken into account.

While some MAHOP measures support Natura 2000 indirectly, MAHOP does not provide direct support to Natura 2000-related programmes. Support to Natura 2000 areas is mostly provided by EEEOP and RDP. However, actions supported by MAHOP reinforce the realization of Natura 2000 objectives, especially as many Hungarian pond farms are situated in Natura 2000 areas. Thus, actions improving the biodiversity on these ponds contribute to Natura 2000 objectives. Here, the competent nature conservation authority prescribes special management rules and all aquaculture activities must be conducted according to these management plans. The related extra costs and reduced yield can be compensated from Natura 2000 under Measure M12.

MAHOP also envisages a compensatory support for the income foregone related to environment-friendly fish production. The voluntary self-restrictions to which farmers commit themselves may be similar to the obligations under Natura 2000 management plans, but they are independent of these and are not limited to farms based in Natura 2000 areas.

4.2 Description of the action plan for the development, competitiveness and sustainability of small-scale coastal fishing

Not relevant for Hungary.

4.3 Description of the method for the calculation of simplified costs in accordance with Article 67(1)(b) to (d) of CPR Regulation

Applying simplified cost options

The Common Provisions regulation includes options to calculate eligible expenditure of grants and repayable assistance on the basis of real costs in accordance with point a) of Art.

67 (1), but also on the basis of flat rate financing, standard scales of unit costs and lump sums in line with points b), c) and d) of Art. 67 (1).

Where simplified costs are used, the MA calculates eligible costs according to a predefined method based on outputs, results or some other costs. Using simplified costs means also that the human resources and administrative effort involved in management of supports can be focused more on the achievement of policy objectives instead of being concentrated on collecting and verifying financial documents.

Simplified costs also contribute to more correct use of supports (lower error rate).

For simplified cost options, it is important to ensure proper ex ante assessment and related documentation of the method, since it is only the control of the achievements that is done ex-post.

The MA communicates the beneficiaries, in the document setting out the conditions for support, the exact requirements for substantiating the declared expenditure and the specific output or outcome to be reached. The MA defines simplified cost options ex ante and determines them for example in the call for proposals or at the latest in the document setting out the conditions for support.

4.4 Description of the method for the calculation of additional costs or income foregone in accordance with Article 96 of Reg. No. 508/2014

The obligations under the AEPFP of the previous period will be continued with some modifications to make the programme more coherent. In 2007-13, a partial compensation was paid to participating farmers in the first two years of the five-year period.

In the new period, a „Target programme for wetland and aquatic habitat protection" is launched by Hungary under Measure 2.5. The participation is voluntary. Those who join must follow a number of „green" aquaculture practices supporting aquatic wildlife for five years. As seen before, these measures do increase the bird fauna on the ponds, which also results in increased predation. In particular, along with rare and endangered species, the Great Cormorant is also attracted to ponds. The income foregone is expressed as the loss from predation. The calculation is based on the most significant and best documented damage by

Great Cormorant, damage by other species is neglected. The calculation is based on literature data; when widely ranging data were available, the most conservative estimate was taken in order to avoid overcompensation. A detailed description of the programme including the underlying assumptions and simplifications is included in Appendix 3. The environmental benefits of the measures are shown by the experiences of the previous programming period, but also will be demonstrated by a prior assessment conducted by competent bodies designated by the State.

The calculation is based on the following figures:

- Great Cormorant population of Hungary: 18.000 (weighted average after Faragó and Gosztonyi, 2013)
- Operating fishpond area: 22.000 ha (AKI, 2013).
- Cormorant density on ponds: $18.000/22.000=0,8$ ind./ha
- Feeding days on ponds: 180 days/year (conservative estimate)
- Bird-days per hectare: $180 \times 0,8 = 144$ days/ha
- Daily consumption: 0,5 kg/ind. (Keresztessy et al. 2013.)
- Common carp price: 650 HUF (2,10 EUR)/kg [under point (b) of Art. 25(2) of Ministry of Agriculture Decree 89/2015 (XII. 22.), based on the average of one-summer carp]
- Consumption per bird: $0,5 \times 180 = 90$ kg (58.500 HUF / 188,65 EUR)
- Consumption per hectare: $0,5 \times 144 = 72$ kg (46.800 HUF / 150,92 EUR)

The income foregone will be determined on the basis of the operating pond area of the participating farmers.

In order to avoid an excessively complicated model, a number of assumptions and simplifications were made, which are described in detail in Appendix 3. While the number of these assumptions seems high, they all act towards a lower estimate of income foregone, i.e. they reduce the chance of overcompensation. The probability of overcompensation is also decreased by the fact that only a partial compensation will be paid, equalling 30% of the calculated income foregone. Another reason for this decision is to reduce the reliance of farmers on compensation. The chosen percentage is deemed sufficient to motivate farmers to use farming practices providing environmental services but not enough to fully cover the bird

damage, and thus, farmers will be motivated to choose investments in farm sustainability, including protection against bird damage.

4.5 Description of the method for the calculation of compensation according to relevant criteria identified for each of the activities deployed under Article 38(1), 53, 54, 55 and 70

During the calculation of the income foregone due to the „Target programme for wetland and aquatic habitat protection", this was expressed in terms of bird damage on the assumption that if the bird population increased as the result of the applied measures, this would result in an increased fish consumption by the birds. Fish consumption by Great Cormorant was used as a model to calculate the damage, as it is known to cause the highest losses and, as a consequence, its damage is the best-documented. Damage by other species or the theoretical value of ecosystem services was neglected.

A number of assumptions and simplifications were made (see Appendix 3) in order to simplify the calculation. When different data were available in the literature, the most conservative estimates were made to avoid overcompensation. In order to further ensure that no overcompensation occurs, it was decided that, in accordance with Art. 67(1)a) of the CPR regulation, the compensation will only cover 30% of the calculated income foregone.

The participants do not receive normative support for their participation in the programme, the amount payable is based on their voluntary commitment to apply environment-friendly farming practices and the damage caused by the increased bird population.

Further details of the programme are attached in Appendix 3.

4.6 As regards the measures for the permanent cessation of fishing activities under Article 34 of Regulation (EU) No 508/2014, such description shall include the targets and measures to be taken for the reduction of the fishing capacity in accordance with Article 22 of Regulation (EU) No 1380/2013. A description of the method for the calculation of the premium to be granted under Articles 33 and 34 of Regulation (EU) No 508/2014 shall also be included

Not relevant for Hungary.

4.7 Mutual funds for adverse climatic events and environment incidents

Not relevant for Hungary.

4.8 Description on the use of technical assistance

4.8.1 Technical assistance at the initiative of the MS

Similarly to the programme of the previous period, Hungary intends to use the possibility of technical assistance (TA) at the initiative of the MS in the 2014–20 period as well.

According to Art. 78 of the EMFF Reg., the technical assistance allocation to be used at the initiative of the MS cannot exceed 6% of the total amount of the operational programme. However, under the Partnership Agreement, the TA allocation for Hungary will not exceed 0,9% of the total OP amount. The Government of Hungary will provide the eventual extra costs if this amount is not sufficient.

Measures related to the preparation, management, monitoring, evaluation, information and communication, networking, complaint management, control and audit of the Operational Programme may be supported from the TA fund. Further application areas of the TA are measures for decreasing of the administrative burden on beneficiaries, including electronic data exchange systems, and the strengthening of the fund management and fund use capacities of the authorities and beneficiaries of the MS.

Objectives of the technical assistance measures:

- Providing support to certain – mostly administrative – activities in order to ensure the implementation of the Operational Programme.
- Supporting measures related to the preparation, management, monitoring, evaluation, publication and control of the Operational Programme, as well as dissemination tasks.
- Supporting the preparation of preparatory studies – e.g. action plans and market studies for information purposes.
- Supporting the expenses related to the management of the Operational Programme, as well as the operational costs of the management, monitoring and control system operated by the MA.

- Supporting the development of an adequate institutional and administrative framework for the implementation of the Operational programme (including salary-like payments to official persons and honorariums of the employed experts).
- Supporting the organization and preparation of the interimevaluation.
- Supporting the preparation of the studies indicated in the relevant chapter of the Operational Programme, as well as other studies and evaluations becoming necessary during MAHOP implementation.
- Supporting the professional training of official persons participating in MAHOP implementation or working in areas affected by the CFP.
- Implementation of the evaluation plan.

Intensity of public aid: 100% of the eligible expenditure (which contains maximum 75% EMFF contribution and 25% national contribution).

Maximum 0,9% of the total EMFF allocation, as determined by the Hungarian PM, which in monetary terms is 351.867 EUR.

Beneficiaries: Public law bodies.

4.8.2 Establishment of national networks

Not relevant for Hungary.

5. SPECIFIC INFORMATION ON INTEGRATED TERRITORIAL DEVELOPMENT

5.1 Information on the implementation of CLLD

5.1.1 A description of the strategy for CLLD

According to the definition of the EMFF Reg., “fisheries and aquaculture area” means an area with a sea, river or lake shore, including ponds or a river basin, with a significant level of employment in fisheries or aquaculture, that is functionally coherent in geographical, economic and social terms and is designated as such by a Member State. Analyzing the fisheries of Hungary, it has no coherent area providing significant level of employment in fisheries or aquaculture. This is due to the fact that the production units are practically evenly distributed and the country has no area that would make a coherent unit in geographical, economic and social terms. It is important to note that the support allocation of the country and the limitations of the administration do not allow a CLLD-like sharing or allocation of the available funding.

5.1.2 A list of criteria applied for selecting the fisheries areas

Not applicable.

5.1.3 A list of selection criteria for local development strategies

Not applicable.

5.1.4 A clear description of the respective roles of the FLAGs, the managing authority or designated body for all implementation tasks relating to the strategy

Not applicable.

5.1.5 Information on advance payments to FLAGs

Not applicable.

5.2 Information on integrated territorial investments

| EMFF measures covered | |
|------------------------------|--|
| | Article 40.1.b-g, i Protection and restoration of marine biodiversity – contribution to a better management or conservation, construction, installation or modernisation of static or movable facilities, preparation of protection and management plans related to NATURA2000 sites and spatial protected areas, management, restoration and monitoring marine protected areas, including NATURA 2000 sites, environmental awareness, participation in other actions aimed at maintaining and enhancing biodiversity and ecosystem services (+ art. 44.6.a,b) |
| | Article 47 Innovation |
| | Article 48.1.a-d, f-h Productive investments in aquaculture |
| | Article 52 Encouraging new sustainable aquaculture farmers |
| | Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use |
| | Article 54 Aquaculture providing environmental services |
| | Article 77 Data collection |
| | Article 76 Control and enforcement |
| | Article 68 Marketing measures |
| | Article 69 Processing of fisheries and aquaculture products |

Indicative financial allocation from EMFF

0,00 €

6. FULFILMENT OF EX-ANTE CONDITIONALITIES

6.1 Identification of applicable ex-ante conditionalities and assessment of their fulfilment

6.1.1 Applicable EMFF specific ex-ante conditionalities

| Ex-ante conditionality | Union priorities to which conditionality applies | Fulfilled |
|---|--|-----------|
| 2 - The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014 | 2 | Yes |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 1, 2, 3 | Yes |

6.1.2 Criteria and assessment of their fulfilment

| Ex-ante conditionality | Criterion | Fulfilled | Reference | Explanation |
|--|---|-----------|---|--|
| 2 - The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014 | 1 - A multiannual national strategic plan on aquaculture is transmitted to the Commission at the latest by the day of transmission of the operational programme | Yes | National Aquaculture Strategic Plan 2014-2020 | An initial version of the strategy was completed by 30 June 2014, and approved for transmission to the Commission by the Minister of Agriculture on 6 July 2015. (Ref.: HHgF/264/2015) |
| 2 - The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014 | 2 - The operational programme includes information on the complementarities with the multiannual national strategic plan on aquaculture | Yes | National Aquaculture Strategic Plan 2014-2020 | MAHOP measures are based on the NAS. Information on the complementarity of the OP and the NAS are included in the |

| | | | | |
|---|--|-----|---|--|
| | | | | chapters on MAHOP preparation and the strategy, as well as the SWOT analysis. |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 1 - A description of the administrative capacity to prepare and implement the section of the operational programme pertaining to the 2014-2020 national control financing programme as referred to in point (o) of Article 18(1) | Yes | http://www.nebih.gov.hu | NÉBIH is responsible for control in Hungary, but, being a landlocked country, the control activities have a much more limited scope, mainly covering traceability issues. NÉBIH officials regularly take part in EFCA-organized trainings. |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 2 - A description of the administrative capacity to prepare and implement the national control action programme for multiannual plans, as provided for in Article 46 of Regulation (EC) No 1224/2009 | Yes | Not applicable. | The mentioned multiannual plans refer to marine fish stocks, and thus, they are not relevant to Hungary. |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as | 3 - A description of the administrative capacity to prepare and implement a common control programme that may be developed with other Member States, as | Yes | Not applicable | The development of a common fisheries control system is only obligatory to marine countries, this criterion cannot be applied to landlocked |

| | | | | |
|---|--|-----|----------------|--------------|
| provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | provided for in Article 94 of Regulation (EC) No 1224/2009 | | | MSs. |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 4 - A description of the administrative capacity to prepare and implement the specific control and inspection programmes, as provided for in Article 95 of Regulation (EC) No 1224/2009 | Yes | Not applicable | Marine issue |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 5 - A description of the administrative capacity to apply a system of effective, proportionate and dissuasive sanctions for serious infringements, as provided for in Article 90 of Regulation (EC) No 1224/2009 | Yes | Not applicable | Marine issue |
| 4 - Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009 | 6 - A description of the administrative capacity to apply the point system for serious infringements, as provided for in Article 92 of Regulation (EC) No 1224/2009 | Yes | Not applicable | Marine issue |

| | | | | |
|---|--|--|--|--|
| 1380/2013 and further specified in Regulation (EC) No 1224/2009 | | | | |
|---|--|--|--|--|

6.1.3 Applicable general ex-ante conditionalities and assessment of their fulfilment

Four general ex ante conditionalities are applicable to EMFF:

- The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds (applicable to UP2, UP3 and UP5).
- The existence of arrangements for the effective application of Union state aid rules in the field of the ESI Funds (applicable to UP2, UP3 and UP5).
- The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA (applicable to UP2, UP3 and UP5).
- The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation (applicable to UP1, UP2, UP3 and UP5).

Conditionalities 2 and 3 have been fulfilled upon submitting the OP to the Commission, and will not be discussed here (a detailed evaluation of fulfilment of all relevant conditionalities is included in Appendix 4). Conditionality 1 has not yet been fully fulfilled in the time of the OP submission to the Commission. While the relevant legal provisions regarding public procurement and transparent contract awarding have already been transposed, the development of institutional capacity is still in progress (mostly fulfilled, but further staff increase is foreseen).

Conditionality 4 remained unfulfilled due to its special character when the OP was submitted to the Commission. While arrangements have been made for the development of a reliable indicator system and an effective data collection and monitoring system, the evaluation of the success of these arrangements was only possible after the adoption of the Operational Programme.

6.2 Description of the actions to be taken, the bodies responsible and the timetable for their implementation

6.2.1 Actions envisaged to achieve the fulfilment of the EMFF specific ex-ante conditionalities

| Ex-ante conditionality | Criterion | Actions to be taken | Deadline | Bodies responsible for fulfilment |
|------------------------|-----------|---------------------|----------|-----------------------------------|
|------------------------|-----------|---------------------|----------|-----------------------------------|

The EMFF specific ex-ante conditionalities are fulfilled.

6.2.2 Actions envisaged to achieve the fulfilment of the general ex-ante conditionalities

Fulfilment of the general ex-ante conditionalities have not yet been completed in the time of submitting the OP to the Commission. A special emphasis was placed on the

- development of administrative capacities at the MA and other institutions involved in programme implementation,
- improvement of statistical data collection and the evaluation of the progress on the basis of appropriately selected result indicators,
- development of an adequate IT system for data collection, processing and access is a crucial element
- control of the indicators' consistency and fulfilment

4. Public procurement

- **Practical guides** to ensure uniform application of the current procurement rules
Deadline: the representatives of the DG GROW and DG REGIO have been informed on sending updated guidelines (having regard to the new Act) a.s.a.p.
Responsible authority: PMO
- **Summaries** providing detailed guidelines, regular updating of the **guidance documents**
Deadline: first deadline: 1 Jun 2015. Agreed with the representatives of DG GROW and DG REGIO on sending the documents after short finalization period (a.s.a.p.).
Responsible authority: PMO

- **Organisation of conferences assisting with the proper application of the procurement rules**
Deadline: Dec 2016. 3/4 conferences have been organized already.
Responsible authority: PMO
- **Publication of model procurement notices and documents**
Deadline: Agreed with the representatives of DG GROW and DG REGIO on sending the documents after short finalization period (a.s.a.p.).
Responsible authority: PMO
- **Unified interpretation of the law throughout the institutional system**
Deadline: In progress
Responsible authority: PMO
- **E-procurement:** A very important measure to ensure transparent contract award procedures.
Deadline: agreed with the representatives of DG GROW and DG REGIO on sending the strategy after finalization period (a.s.a.p.). Starting PILOT programme: Dec 2016
Responsible authority: PMO
- **Continuous headhunting and recruitment of experts for the controlling tasks of the PMO:**
Deadline: In progress, the necessary resources are available. By the end of 2016 the number of experts will increase by 25 %.
Responsible authority: PMO
- **Increase in administrative personell of the PPCD**
Deadline: the increase is continuous
Responsible authority: PMO
- **Development of the Monitoring and Information System**
Deadline: According to the needs of the changes occurring in the implementation period.
Responsible authority: PMO

7. Statistical systems and result indicators

Most of the actions had to be fulfilled until Dec 2016.

- **Aquisition of the databases, preparation of the sample data collections' recordings, creating the individual databases of the interventions.**
Responsible authority: PMO* central coordination, Ministeriums in charge
- **Preparation of the adequate IT system for the programming period 2014-20.**
Deadline: In progress. The preparation has been started in 2013.
Responsible authority: PMO* central coordination, Ministeriums in charge
- **Evaluating database**
Responsible authority: PMO* central coordination, Ministeriums in charge
- **Establishment of targets of the result indicators**
Responsible authority: PMO* central coordination, MA
- **System of consistent indicators: The confirmation of the baseline values and targets of the output and result indicators will be in the frame of this measure**
Responsible authority: PMO* central coordination, MA
- **Procedures to ensure the adaptation of the indicator system during the operations.**
Responsible authority: central coordination

*till 2018, MIT since 2018

7. DESCRIPTION OF THE PERFORMANCE FRAMEWORK

7.1 Table: Performance framework

| | |
|-----------------------|--|
| Union priority | 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries |
|-----------------------|--|

| Indicator and measurement unit, where appropriate | Milestone for 2018 | Targets for 2023 |
|---|---------------------------|-------------------------|
| Financial indicator (EUR) | 1.000.000,00 | 2.271.373,00 |
| 1.6 - N° of projects on protection and restoration of biodiversity, ecosystems (number) | 10,00 | 15,00 |

| | |
|-----------------------|--|
| Union priority | 2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture |
|-----------------------|--|

| Indicator and measurement unit, where appropriate | Milestone for 2018 | Targets for 2023 |
|--|---------------------------|-------------------------|
| Financial indicator (EUR) | 3.000.000,00 | 32.946.045,00 |
| 2.2 - N° of projects on productive investments in aquaculture (number) | 25,00 | 160,00 |

| | |
|-----------------------|---|
| Union priority | 3 - Fostering the implementation of the CFP |
|-----------------------|---|

| Indicator and measurement unit, where appropriate | Milestone for 2018 | Targets for 2023 |
|--|---------------------------|-------------------------|
| Financial indicator (EUR) | 500.000,00 | 2.966.895,00 |
| 3.2 - N° of projects on supporting the collection, management and use of data (number) | 1,00 | 2,00 |

| | |
|-----------------------|--|
| Union priority | 5 - Fostering marketing and processing |
|-----------------------|--|

| Indicator and measurement unit, where appropriate | Milestone for 2018 | Targets for 2023 |
|--|---------------------------|-------------------------|
| Financial indicator (EUR) | 2.000.000,00 | 12.261.334,00 |
| 5.3 - N° of projects on processing (number) | 10,00 | 40,00 |

7.2 Table: justification for the choice of output indicators to be included in the performance framework

| | |
|-----------------------|--|
| Union priority | 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries |
|-----------------------|--|

| | |
|--|--|
| Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority | One of the most important objectives for a landlocked country is to ensure the sustainability of fish populations in its inland waters, both quantitatively and in terms of biodiversity. This sustainability is influenced, among others, by recreational activities, whose importance need not be explained. This and other negative impacts can not only be influenced in positive direction by fish stocking (which is not eligible for EMFF support), but also by the development of habitats and spawning grounds. |
| Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation) | The number of fisheries areas, which exceeds 1.500 and the 150.000 ha inland water surface would require a higher funding allocation but, taking into account the resource use of the previous period, the planned funding can be regarded as justified. |
| Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement | The measure is in agreement with the chapter "Endangered biodiversity and natural values of community importance" of the EU Thematic Objective 6 on environmental protection and the promotion of efficient resource use. |

| | |
|-----------------------|--|
| Union priority | 2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture |
|-----------------------|--|

| | |
|--|---|
| Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority | Aquaculture development was in the focus of the strategy already in the previous period. We intend to cover at least half of the increase in fish consumption from domestic production. For this purpose, at least the funding ratio determined for the previous period and used for the implemented investments needs to be ensured. The separate treatment of intensive systems and greenfield investments will assist the monitoring |
|--|---|

| | |
|---|--|
| | <p>of processes.</p> <p>The operations included in the Performance Framework are related to the measure 2.2 and its share is 55,8% of the total public financial allocation to the UP2.</p> |
| Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation) | During the planning, the allocated amounts and the share of extensive and intensive production have been determined on the basis of the targeted increase of fish consumption and the experiences of the previous funding cycles. Special attention was paid to environmental services and wide application of innovation. |
| Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement | The measures are mainly in relation with the EU Thematic Objective 3 on improving the competitiveness of small and medium enterprises. The fisheries and aquaculture sector is specifically mentioned in the PA because of the EMFF, but the statements on agriculture also apply to fisheries enterprises. |

| | |
|-----------------------|---|
| Union priority | 3 - Fostering the implementation of the CFP |
|-----------------------|---|

| | |
|--|--|
| Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority | <p>Data collection and control have been new elements among the supported activities, even though these two areas had already had an important role in Hungarian fisheries and aquaculture before. A data collection and control plan will be prepared for the use of the available funding on the basis of a broad professional background, which will contribute to the establishment of a common support system including both the EU and national funding sources.</p> <p>The operations included in the Performance Framework are related to the measure 3.1 and its share is 71,44% of the total public financial allocation to the UP3.</p> |
| Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of | The amounts allocated in advance will be used in the most complex systems ensuring the most efficient outputs. |

| | |
|--|---|
| implementation, expert advice, conclusions of ex-ante evaluation) | |
| Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement | The measures are in line with the spirit of the data collection and control sections of the PA. |

| | |
|-----------------------|--|
| Union priority | 5 - Fostering marketing and processing |
|-----------------------|--|

| | |
|--|---|
| Rationale for the selection of output indicators included in the performance framework , including an explanation of the share of financial allocation represented by operations, which will produce the outputs, as well the method applied to calculate the share, which must exceed 50% of the financial allocation to the priority | <p>Within the three-component system aiming at the increase of fish consumption (production-processing-marketing), the role of processing and, in particular, enterprises producing domestic products with high added value is determining. At the same time, in order to use the advantages of better organization, the establishment of producer and inter-branch organizations needs to be promoted.</p> <p>The operations included in the Performance Framework are related to the measure 5.3.3 and its share is 72,88% of the total public financial allocation to the UP5.</p> |
| Data or evidence used to estimate the value of milestones and targets and the calculation method (e.g. unit costs, benchmarks, standard or past rate of implementation, expert advice, conclusions of ex-ante evaluation) | During the planning, the allocated amounts and the share of marketing and investment interventions have been determined on the basis of the targeted increase of fish consumption and the experiences of the previous funding cycles. Special attention was paid to environmental issues and wide application of innovation. |
| Information on how the methodology and mechanisms to ensure consistency in the functioning of the performance framework have been applied in line with the provisions of the Partnership Agreement | The measures are mostly related to the EU Thematic Objective 3 on improving the competitiveness of small and medium enterprises. The fisheries and aquaculture sector is specifically mentioned in the PA because of the EMFF, but the statements on agriculture also apply to fisheries enterprises. |

8. FINANCING PLAN

8.1 Total EMFF contribution planned for each year (€)

| Year | EMFF main allocation | EMFF performance reserve |
|--------------|-----------------------------|---------------------------------|
| 2014 | 0,00 | 0,00 |
| 2015 | 9.455.066,00 | 647.179,00 |
| 2016 | 5.148.380,00 | 328.620,00 |
| 2017 | 5.231.824,00 | 333.946,00 |
| 2018 | 5.353.563,00 | 341.717,00 |
| 2019 | 5.390.170,00 | 344.053,00 |
| 2020 | 5.487.443,00 | 350.262,00 |
| Total | 36.066.446 | 2.345.777,00 |

8.2 EMFF contribution and co-financing rate for the union priorities, technical assistance and other support (€)

| Union priority | Measure under the Union Priority | Total support | | | Main allocation (total funding less performance reserve) | | Performance reserve | | Performance reserve amount as proportion of total Union support $h = f / a * 100$ |
|--|---|---|--|---|--|-----------------------------------|-------------------------------|---|--|
| | | EMFF contribution (performance reserve included) a | National counterpart (performance reserve included) b | EMFF co-financing rate $c = a / (a + b) * 100$ | EMFF support d = a - f | National counterpart e = b - g | EMFF Performance reserve f | National counterpart g = b * (f / a) | |
| 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries | 1 - Article 33, Article 34 and Article 41(2) (Article 13(2) of the EMFF) | 0,00 | 0,00 | | 0,00 | 0,00 | 0,00 | | 0,00% |
| 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries | 2 - Financial allocation for the rest of the Union priority 1 (Article 13(2) of the EMFF) | 1.703.530,00 | 567.844,00 | 75,00% | 1.703.530,00 | 567.844,00 | 0,00 | 0,00 | |
| 2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture | - | 24.709.534,00 | 8.236.512,00 | 75,00% | 23.062.594,00 | 7.687.532,00 | 1.646.940,00 | 548.980,00 | 6,67% |
| 3 - Fostering the implementation of the CFP | 1 - the improvement and supply of scientific knowledge and collection and management of data (Article 13(4) of the EMFF) | 1.751.293,00 | 437.824,00 | 80,00% | 1.646.216,00 | 411.555,00 | 105.077,00 | 26.269,00 | 6,00% |
| 3 - Fostering the implementation of the CFP | 2 - the support to monitoring, control and enforcement, enhancing institutional capacity and an efficient public administration without increasing the administrative burden (Article 76(2)(a) to (d) and (f) to (l)) (Article 13(3) of the EMFF) | 700.000,00 | 77.778,00 | 90,00% | 658.000,00 | 73.111,00 | 42.000,00 | 4.667,00 | |
| 3 - Fostering the implementation of the CFP | 3 - the support to monitoring, control and enforcement, enhancing institutional capacity and an efficient public administration without increasing the administrative burden (Article 76(2)(e)) (Article 13(3) of the EMFF) | 0,00 | 0,00 | | 0,00 | 0,00 | 0,00 | | |

| | | | | | | | | | |
|--|---|----------------------|----------------------|--------|----------------------|----------------------|---------------------|-------------------|--------------|
| 5 - Fostering marketing and processing | 1 - Storage aid (Article 67) (Article 13(6) of the EMFF) | 0,00 | 0,00 | | 0,00 | 0,00 | 0,00 | | 6,00% |
| 5 - Fostering marketing and processing | 2 - Compensation for outermost regions (Article 70) (Article 13(5) of the EMFF) | 0,00 | 0,00 | | 0,00 | 0,00 | 0,00 | | |
| 5 - Fostering marketing and processing | 3 - Financial allocation for the rest of the Union priority 5 (Article 13(2) of the EMFF) | 9.196.000,00 | 3.065.334,00 | 75,00% | 8.644.240,00 | 2.881.414,00 | 551.760,00 | 183.920,00 | |
| 7 - Technical assistance | - | 351.866,00 | 117.289,00 | 75,00% | 351.866,00 | 117.289,00 | 0,00 | 0,00 | 0,00%* |
| Total | | 38.412.223,00 | 12.502.581,00 | 75,44% | 36.066.446,00 | 11.738.745,00 | 2.345.777,00 | 763.836,00 | 6,00% |

*Due to the particularities of SFC, the performance reserve for Technical assistance has been added to the performance reserve for UP2.

8.3 EMFF contribution to the thematic objectives of the ESI funds

| Thematic objective | EMFF contribution (€) |
|---|------------------------------|
| 03 - Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF) | 31.172.355,00 |
| 06 - Preserving and protecting the environment and promoting resource efficiency | 6.888.002,00 |

9. HORIZONTAL PRINCIPLES

9.1 Description of the actions to take into account the principles set out in articles 5*, 7 and 8 of the CPR

9.1.1 Promotion of equality between men and women and non- discrimination

Equal opportunities for men and women

The promotion of female employment appears as a priority during rural development in MAHOP measures. The principle of equal opportunities for men and women will be applied as a horizontal principle across the measures. The contribution of the supported interventions to equal opportunities will be consistently taken into account during the programming, management, monitoring and evaluation so that the outputs of individual activities could benefit women and men equally. Special attention will be paid to avoid that any of the interventions is contrary to the principle of equal opportunities for men and women. The impact of individual activities on equal opportunities will be continuously monitored and assessed. MAHOP will not support any project influencing negatively the equal opportunities of men and women. Care will be taken so that the needs of both men and women are considered during the implementation of the projects.

In order to allow the MAHOP to contribute to equal opportunity goals, i.e. the social equality between men and women, the following aspects will be treated with special attention:

- Equality between men and women is indispensable for the improvement of economic growth and competitiveness;
- Similarly to other EU member states, Hungary must further strengthen its commitment to the improvement of the employment of females and their support in other areas (e.g. in order to improve the compatibility of family and work);
- All measures must take into account the gender mainstreaming.

However, when discussing this issue, it should be noted that that traditional fisheries and fish culture have been based on male employment for millennia. Nowadays and in the upcoming period, higher employment of female staff is possible in the intensive fish production and fish processing in addition to production- and fisheries-related administrative tasks. Information on equal opportunities for men and women and the

methods of their support will be indicated in the project calls and will also be treated with special attention during the implementation of the projects.

Non-discrimination

The prohibition of discrimination and support of equal opportunities will be fundamental of the MAHOP and will be respected and supported during the implementation of all Union priorities. The MA ensures equal opportunities of applicants during the project applications, without regard to sex, race, ethnicity, religion or beliefs, disability, age or sexual orientation. During the planning, preparation and implementation of the OP, care will be taken to ensure equal treatment and equal opportunities for all groups. All projects will be required to follow a non-discriminatory approach and maintain maximally open communication and cooperation with all relevant groups. MAHOP will not support any project infringing on the principle of equal opportunities. Information on equal opportunities will be included in all further programme documents. The MA will also pay attention to the monitoring of compliance with the equal opportunity principle during the implementation of the OP.

9.1.2 Sustainable development

Environmental protection requirements

MAHOP takes into account environmental protection requirements. Application rules (especially for innovation and investment projects) require compliance with environmental provisions. In cases defined by the law, an environmental impact assessment can be a precondition of the project. Care will be taken during the evaluation of applications to avoid conflict of the supported activities with environmental legislation. Only applications that are at least environmentally neutral will be eligible for support. MAHOP project calls will define the environmental requirements to be met. Whenever applicable, EU criteria for green public procurement will be taken into account in infrastructure projects.

Environmental protection indicators

The measure “Supporting productive investments into aquaculture” allows the funding of activities that reduce the energy demand, the introduction of more environment-friendly practices and resource-efficient operation. Changes in the pond surface of farms adopting

organic production and providing environmental services, as well as the number of projects related to nature conservation, avoiding the environmental impacts of aquaculture and adapting fisheries activities to species protection are monitored as programme-specific result and output indicators.

Energy efficiency

Fish ponds efficiently use available resources (land, water, feed) for fish production. The establishment or expansion of recirculating aquaculture systems reduce the water use. The measure “Supporting productive investments into aquaculture” supports activities that contribute to a more resource-efficient aquaculture.

Climate change mitigation and adaptation

The expected natural and socio-economic effects of climate change and the climate vulnerability of ecosystems and sectors will get a significant focus in the strategic planning of the next period. The conceptual framework of adaptation and preparedness influences the climate safety status and risks of water management, rural development and other sectors, as well as the possible directions of preparation. The fisheries and aquaculture sector also has to align itself with these trends.

Climatic extremes influence the water management and the distribution of aquatic organisms. Climate change may result in extreme temperature and precipitation fluctuations in wetlands, which influences the water level, water quality, water stratification and mixing, thus affecting the distribution of living organisms; therefore, it is an important factor of both fisheries and biodiversity conservation. Worse water quality (especially changes in dissolved oxygen concentrations) allows the proliferation of pathogens and the appearance and spreading of invasive species, thus modifying the species composition. This affects the fish fauna, the food organisms and the predators alike, influencing the entire ecosystem and decreasing ecosystem services.

Well-regulated fisheries may help in adaptation. The integration of aquaculture and agriculture helps farmers to combat extreme water conditions. There are several possibilities of excess water retention: water storage in fish ponds and reservoirs, reduction of flood wave by temporary flooding of areas of low agricultural value, etc. The applying of water-efficient solutions in times of drought can reduce damages from

water shortage at pond farms (water recirculation with water treatment), and the stored waters can also be used for agricultural purposes.

Funds for supporting the ecosystem services of fish ponds and compensating the related extra costs and income foregone will be allocated under the MAHOP measure “Fostering the development of aquaculture providing environmental services”.

Disaster resilience and risk prevention and management

Fish ponds are generally established in less valuable, low-lying areas. They contribute to both the protection against floods and excess water in winter and spring and the reduction of drought damage in summer by storing the water during the flood- and excess-water-prone spring period and using it for fish production during the summer drought. However, being located next to rivers, they are vulnerable to bigger floods.

During the implementation of MAHOP, care will be taken to avoid increased risks due to the supported activities. Only applications not resulting in increased risk will be eligible. When necessary, MAHOP project calls will contain information on disaster resilience and risk prevention and management.

Protection of the quality of surface waters

Integrated floodplain management and improvement of the longitudinal continuity of rivers (Measure 1.1), contribute to a better ecological status and improvement of the water quality of watercourses, which is in line with the objectives of the Water Framework Directive (WFD). Extensive fish ponds also act as water treatment installations, often releasing cleaner water than received. During the implementation of MAHOP, water quality protection issues will be maximally taken into account.

Recommendations of SEA editors

A number of actions were proposed aiming at increasing environmental awareness, using renewable resources, introduction of resource-efficient systems, reducing pollution, increasing waste recycling and protecting aquatic species. The recommendations will be maximally taken into account during the development of project calls.

9.2 Indication of the indicative amount of support to be used for climate change objectives

| EMFF measures contributing to the climate change objectives | Coefficient % |
|---|----------------------|
| 01 - Article 40.1.b-g, i Protection and restoration of marine biodiversity – contribution to a better management or conservation, construction, installation or modernisation of static or movable facilities, preparation of protection and management plans related to NATURA2000 sites and spatial protected areas, management, restoration and monitoring marine protected areas, including NATURA 2000 sites, environmental awareness, participation in other actions aimed at maintaining and enhancing biodiversity and ecosystem services (+ art. 44.6.a,b) | 40,00 |
| 01 - Article 47 Innovation | 40,00 |
| 01 - Article 48.1.a-d, f-h Productive investments in aquaculture | 0,00 |
| 02 - Article 52 Encouraging new sustainable aquaculture farmers | 0,00 |
| 02 - Article 48.1.e, i, j Productive investments in aquaculture - resource efficiency, reducing usage of water and chemicals, recirculation systems minimising water use | 40,00 |
| 01 - Article 54 Aquaculture providing environmental services | 40,00 |
| 01 - Article 77 Data collection | 0,00 |
| 01 - Article 76 Control and enforcement | 0,00 |
| 03 - Article 68 Marketing measures | 0,00 |
| 01 - Article 69 Processing of fisheries and aquaculture products | 40,00 |

| The indicative EMFF contribution (€) | Share of the total EMFF allocation to the operational programme (%) |
|---|--|
| 5.921.042,00 | 15,41% |

10. EVALUATION PLAN

Objectives and purpose of the Evaluation Plan

In order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion.

It is necessary to evaluate the effectiveness, efficiency and impact of assistance from the ESI Funds in order to determine the impact of programmes in relation to the targets under the Union strategy for smart, sustainable and inclusive growth.

The programmes financed by ESI Funds focus on results. Impact and result evaluation of the operational programme and its complementary programmes promotes Union priorities' implementation.

Evaluation supports to supervise and follow up (general and specific) objectives of the operational programme across the whole evaluation period.

Evaluation plan means a strategic document that provides to achieve the objectives, attends the programme and promotes intention to result orientation. (Appendix 10.)

Governance and coordination

An evaluation plan shall be drawn up by the MA or Member State and may cover more than one programme. It shall be submitted in accordance with the Fund-specific rules.

The MA, namely PMO DSSRDP is the body responsible for coordination of the operational programme evaluation activities.

MoA DFM assists evaluation activity of the MA.

The evaluation plan shall be submitted to the Monitoring Committee no later than one year after the adoption of the operational programme. New evaluation needs could be arisen during the programme period, thus evaluation plan has to be supervised by the Monitoring Committee.

Evaluation topics and activities

Managing authority ensures operational programme evaluation, including evaluation and review of the effectiveness, efficiency and impact.

The operational programme has relevant linkages to other ESI Funds, with other operational programmes on the following areas:

- energy saving (Economic Development and Innovation Operational Programme, EDIOP)
- transport infrastructure (Integrated Transport Development Operational Programme, ITOP, Environment and Energy Efficiency Operational Programme, EEEOP and RDP)
- research, development and innovation (Economic Development and Innovation Operational Programme, EDIOP, and RDP)

Contribution of operational programme to the results is needed to evaluate by impact evaluations that cover all of the Union priorities.

In order to measure achieving the operational programme impacts and Union objectives, qualitative analyses could be applied in most cases.

Evaluations to be performed are the following types: ex ante (feasibility) evaluation, on-going (mid-term) evaluation, ex post (result) evaluation, impact evaluations (theory-based impact evaluations and counterfactual impact evaluations), project evaluations.

The bodies concerned have the following commitments:

- Managing Authority: coordination and follow up of evaluations, creating evaluation plan, collecting necessary data for evaluation, ensuring resources
- Monitoring Committee: supervising, modifying evaluation plan, approving modified evaluation plan, supervising and submitting evaluations to the Commission
- European Commission: spread best practises of evaluation methods, supervising evaluation plans' content and evaluations' statements, performing ex post evaluations

At least once during the programming period, an evaluation shall assess how support from the ESI Funds has contributed to the objectives for each priority.

If values of the result indicators representing needed improvement to achieve objectives are not eligible, MA takes the needed measures.

Data and information strategy

Hungary provides the resources necessary for carrying out evaluations, and ensures that procedures are in place to produce and collect the data necessary for evaluations.

Data collector organisations for evaluations: MA, IB, Hungarian Central Statistical Office, National Tax and Customs Administration of Hungary, Research Institute of Agricultural Economics, National Food Chain Safety Office etc.

The planned data collection measures serve correcting monitoring system as well.

Timeline

Evaluations refer to the whole programming period. The MA can implement ad hoc evaluations across this period.

By 31 December 2022, the MA shall submit to the Commission, for the operational programme, a report summarising the findings of evaluations carried out during the programming period and the main outputs and results of the operational programme, providing comments on the reported information.

Impact evaluations have to be carried out to be insertable into the evaluation report required till 31 December 2022. The aim of this report is to support ex post evaluation.

Specific requirements for evaluation of CLLD

Not applied by Hungary.

Communication

Evaluation plan has to be published by suggestion of the Commission due to the strategic significance of evaluation plans and in order to share best practises among managing authorities. The monitoring committee shall review implementation of the evaluation plan at least once a year and shall modify it if needed. Review and approval of the evaluation plan are foregone by monitoring committee appointment on expected results and timing of the operational programme.

All evaluations are made available to the public on the following websites:

www.halaszat.kormany.hu and www.palyazat.gov.hu

Resources

At the initiative of the Commission and a Member State, the ESI Funds may support the evaluation measures.

Evaluations shall be carried out by internal or external experts that are functionally independent of the authorities responsible for programme implementation.

Monitoring committee may set up special workgroups in order to take relevant partners into evaluation.

11. PROGRAMME IMPLEMENTING ARRANGEMENTS

11.1 Identification of authorities and intermediate bodies

| Authority/body | Name of the authority/body | Email |
|---|--|-----------------------------------|
| Managing Authority | Deputy State Secretariat for Rural Development Programmes, Ministry of Agriculture | Jozsef.Viski@am.gov.hu |
| Certifying Authority | Hungarian State Treasury | filep.nandor@allamkinestar.gov.hu |
| Audit Authority | Directorate General for Audit of European Funds | katalin.major@eutaf.gov.hu |
| Intermediate Body of the Managing Authority | Hungarian State Treasury | kondra.laura@allamkinestar.gov.hu |

11.2 Description of the monitoring and evaluation procedures

In the 2014-20 period, a result-based approach has come to the forefront in relation to the ESI funds, including the European Maritime and Fisheries Fund. This means that the contribution of the OP to the EU 2020 strategy will be monitored continuously and sanctions will be possible in case of non-compliance. Because of this, the MA will prepare at least one analysis during the programming period, showing how the support from ESI Funds contributes to the attainment of priority objectives. This analysis will include an evaluation of the monitoring indicators (in particular, the result indicators) by the evaluator, showing the physical and financial progress of the Operational Programme. Non-compliance with the milestone and indicator targets may have financial consequences, and therefore, thorough and timely evaluation is of utmost importance.

The tasks of the minister responsible for the use of European Union resources allow the Ministry led by him to perform, among others, control, monitoring, evaluation, financial, appeals-related and communication activities related to its coordination tasks. It also controls the regularity of public procurement procedures conducted during the use of

grants provided in the frame of the programmes, operates and develops a unified monitoring and information system supporting the implementation of the programmes. The Certifying Authority keeps its financial records in the monitoring and information system, which also includes keeping an account of amounts recoverable or withdrawn following cancellation of all or part of an EMFF contribution. The MA, among others, records the announced calls in the monitoring system.

In order to ensure the efficient, high-quality implementation of MAHOP, the MA will develop an efficient monitoring and evaluation system. The current information system (Development Policy Database and Information System - DPDIS) includes indicators for both physical and financial implementation.

Data for the monitoring are routinely collected by the MA, the IB (financial indicators), the Research Institute of Agricultural Economics (aquaculture data) and the National Food Chain Safety Administration (data on natural-water fisheries). Table 2.2 on context indicators shows which institution is responsible for the individual indicators.

During the collection of monitoring data, the MA wants to minimize the reporting obligation of the beneficiaries, simplify reporting and reduce the occurrence of errors (simplification). Yet, all data necessary for the evaluation must be made available to the Research Institute of Agricultural Economics (AKI) for their use in evaluations and for statistical purposes. Linking of the different data sources (CSF, NTCA, AKI, etc.) assists streamlining. Further information on data collection is included in Chapter 13.

In the 2014–20 period, the CPR and the EMFF Regulations do not expect Member States to do the intermediate evaluation at a given time. An approach where the evaluation is an integral part of the programming cycle and can be done at any suitable time within the programming cycle should be applied instead. In view of this, continuous evaluation requires continuous reporting.

The collecting and evaluating of the different indicator types belongs to different bodies. The MA and the IB have a leading impact on the financial indicators through the appropriate timing of calls for proposals, deadlines, control and grant transfer. The reaching of the calculated targets of output indicators depends mostly on the professional quality and elaboration of the strategy.

11.3 General composition of the Monitoring Committee

The Monitoring Committee (MC) of the Hungarian EMFF Operational Programme follows up the implementation of the operative programme independently.

The MC of the Partnership Agreement (PA) follows up in collaboration with the MC-s of the operative programmes the accordance and coordination between the programmes financed from the ESIF, the realization of the objectives defined in the PA in accordance with the Art. 9. of the CPR and the realization of the horizontal principles and policies.

The MA ensures the adequate balance between the governmental and non-governmental bodies representing in the MAHOP Monitoring Committee.

The Chairperson of the MAHOP Monitoring Committee is appointed by the Prime Minister. Upon invitation of the minister responsible for the use of EU funds, members with equal voting rights are delegated to the MAHOP Monitoring Committee by the following entities:

Members with voting right

- Chair
- State Secretary Responsible for the Rural Development
- State Secretary Responsible for the EU Developments
- Managing Authority of the Hungarian EMFF Operational Programme
- State Secretary Responsible for the Public Finances
- Person responsible for the relevant policy
- Representative bodies of the competent county governments
- The councils' representative bodies belonging to the competent cities with county rights and the general assembly of the capital
- The relevant economic, professional and governmental representative bodies
- Social partners
- Civil and non-governmental organizations (in particular the partners and bodies responsible for environmental protection, promoting climate, energy usage, sustainable development, gender equality, social inclusion, equal opportunities and non-discrimination)

Members with advisory rights

- The European Commission, – inasmuch as it contributes to the financing of the certain program – the European Investment Bank, Council of Europe Development Bank, the minister responsible for international financial relations
- Certifying Authority
- Audit Authority
- Intermediate Body
- The minister responsible for the development policy related to the utilization of non-EU development funds

The tasks of the Secretariat for the MAHOP Monitoring Committee are performed by the MA. The list of members of the Monitoring Committee is public. During the operation of the monitoring committee, the involved partners learn about their responsibilities related to data protection, confidentiality and conflicts of interest.

The Monitoring Committee meets at least once a year. The detailed rules of its operation are determined in its rules of procedure, which are developed on the basis of the principles set by the minister responsible for the use of EU resources in agreement with the European and national institutional, legal and financial frameworks, and are then adopted by the Monitoring Committee itself.

The functions and tasks of the Monitoring Committee are defined in the Art. 49. of the CPR Regulation and in the Art. 113 of the EMFF Reg.

11.4 A summary description of the information and publicity measures to be carried out in accordance with Article 120

The MA, in the spirit of transparency and its duty to inform, provides information on its operational programme on a webpage of unified format, and ensures its accessibility. The webpage informs the potential beneficiaries on the financing opportunities offered by the Operational Programme. In addition, in the frame of the wide dissemination of information, the MA regularly publishes news on the role and results of EMFF and MAHOP.

In the frame of this information obligation, the MA describes the conditions of receiving grants, publishes the winning applications and applicants, but also provides information on irregularities and the related financial measures.

In order to ensure the transparency of EMFF contributions, the MA maintains an inventory of operations in a CSV or XML format, which includes a list and summaries of OP-related operations. The inventory of operations is updated at least once in six months.

Based on the experiences of the previous programming period, the MA will publicate the list of beneficiaries on the www.halaszat.kormany.hu and the www.palyazat.gov.hu websites according to the Annex V. of the EMFF Reg.

The elaboration of the communication strategy is in progress for the MAHOP in which the provisions of the Art. 119. (4) of the EMFF Reg. and the Commission Implementing Regulation (EU) No 763/2014 are taken into account.

12. INFORMATION ON THE BODIES RESPONSIBLE FOR IMPLEMENTING THE CONTROL, INSPECTION AND ENFORCEMENT SYSTEM

12.1 Bodies implementing the control, inspection and enforcement system

| |
|---|
| Name of the authority/body |
| National Food Chain Safety Agency (NÉBIH) |

12.2 Brief description of human and financial resources available for fisheries control, inspection and enforcement

The control of marine fisheries falling within the scope of the CFP is not relevant for Hungary as a landlocked country. Controlling tasks related to the use of fishes from Hungarian natural waters in aquaculture facilities are performed by the agricultural directorates of district offices as first-instance authorities. In case of alien and locally absent species, the first-instance authority is the Agriculture Directorate of NÉBIH. The food chain safety control of fisheries and aquaculture products, as a food chain safety control task, is within the competence of the district offices.

The district offices control the fulfilment of hygienic, food safety, food quality and traceability requirements at any stage of the production, processing, storage, transportation and marketing of food products, including fisheries and aquaculture products.

NÉBIH also operates the food chain safety control information system (FELIR), which, among others, contains the findings of all controls and studies performed in the frame of food chain safety control activities. These data are stored electronically in a way allowing their linking to individual clients.

The control in the fisheries sector has 3 levels in Hungary.

1. Fisheries guards employed by the fisheries right owners

Fisheries right owners are obliged to guard – or ensure the guarding of - the fish stock and habitats of the fisheries water according to Art. 56 of Act. No. CII of 2013 on fisheries and the protection of fishes.

If fisheries water used by one entitled person is bigger than 50 hectares, the person is obliged to employ a number of fisheries guards proportional with the water area.

2. State fisheries guards' service

Permanent group of state fisheries guards

The group consists of public officials with higher education qualifications who passed the provost and fisheries guard exam. The task of the group is regular presence on fisheries areas of the country where the fisheries rights are owned by the Hungarian state. The state fisheries guards can not only control on watersides but also they can track the movement of fish and fish products from the water to the table. Thus, they can also control at restaurants and in fish shops. The work plan and work schedule of the group are set up by the Agriculture Directorate of the NÉBIH.

Group of state fisheries guards performing control campaigns

The group consists of persons with higher education qualifications who passed the provost and fisheries guard exam: employees of Agriculture Directorate and Directorate of Priority Business of the NÉBIH and the desk officers for fisheries affairs employed by districts; approximately 40 persons.

The group performs previously planned, coordinated control campaigns, under the direction of the Agriculture Directorate.

3. Fisheries Authority

The authority consists of the desk officers for fisheries affairs employed by districts, the fish farming inspector employed by the NÉBIH and the colleagues responsible for the coordination.

12.3 The major equipment available, in particular the number of vessels, aircraft and helicopters

Not relevant for Hungary as a landlocked country.

12.4 List of selected types of operations

| Type of Operation | Description |
|--|---|
| c - The development, purchase and installation of the components, including computer hardware and software, which are necessary to ensure the traceability of aquaculture products | The objectives of the measure are to support the development, purchase and installation of elements required for the traceability of aquaculture products, including computer hardware and software, and the promotion of the labelling of aquaculture products. The measures will be implemented by a designated body. |
| d - The implementation of programmes aiming at exchanging and analysing data between Member States and analysing them | Hungary will implement the programmes for exchanging data between LLC and for analysing them. |
| h - Training and exchange programmes, including between Member States, of personnel responsible for the monitoring, control and surveillance of fisheries activities | The MA will organise training and exchange programmes, including between Member States, of personnel responsible for the monitoring, control and surveillance of fisheries activities including participation of experts in trainings organized by the European Fisheries Control Agency. |
| j - Initiatives, including seminars and media tools, aimed at enhancing awareness, among sectoral stakeholders and the general public, of the need to fight illegal, unreported and unregulated fishing and of the implementation of the CFP rules | Organising seminars, lectures and conferences, aimed at enhancing public awareness, of the need to fight illegal, unreported and unregulated fishing and of the implementation of the CFP rules |

12.5 Link to priorities defined by the Commission

Out of the priorities defined by the Commission, the following are relevant to Hungary in relation to the control and enforcement system:

- control and enforcement of traceability requirements including the system of labelling for ensuring consumer information according to Art.58 of Council Regulation (EC) 1224/2009 and Paragraph 7 Art. 67 of EC Implementing Regulation 404/2011;
- validation and exchange of data between Member States according to Art. 109-110 of Council Regulation (EC) 1224/2009 and Articles 143-146 of EC Implementing Regulation 404/2011;
- the control and enforcement of the catch certification scheme according to Articles 14-21 of Council Regulation (EC) 105/2008.

13. DATA COLLECTION

13.1 A general description of activities of data collection foreseen for the period 2014-2020

13.1.1 Activities

Data collection in the period 2014–16:

In order to start the Hungarian Fisheries Operational Programme for the 2014–20 period, it is indispensable to develop the collection and analysis of sectoral statistical data according to EU criteria, which, in Hungary, is done with the involvement of the Research Institute of Agricultural Economics (AKI). In Hungary, AKI is responsible for the collection of aquaculture data (data on fish production in pond farms and intensive farms, as well as data collection on nursed fry). In this respect, the collection of the following **socio-economic data on aquaculture and fish processing** is planned for in the 2014–16 period (and the programming period):

- employment (full-time, part-time, temporary employment), length of employment, gender ratio of the staff per production unit;
- size of the company, its income (for those who use double-entry bookkeeping) or profit before tax (for those who do not use double-entry bookkeeping);
- consumer prices, farmgate prices;
- stocking and harvesting data of pond farms, area data, production indices and production of intensive fish production facilities by county, by farm and by unit of time.

Data collection in the post-2016 period

Continuing the collection of the above socio-economic data. In addition, we plan to expand data collection in the field of fish processing and to develop a Fisheries Information System allowing the preparation and publishing of forms available, downloadable and submit table on the internet.

In the field of fish processing, the 2013 production of the 23 most important processing plants was studied in 2014 through personal visits. The information collected during in-depth interviews was analyzed and compiled into an analytic material discussing, among others, the following main thematic areas:

- volume and value of the processing of domestically produced freshwater fish;

- volume of the processing of freshwater fish imported from EU member states;
- volume of the processing of freshwater fish imported from third countries;
- composition of the processing of marine fish;
- volume and value of products processed at different levels;
- share of valuable domestic fish species to the whole production.

General description of data collection until 2014

Data are provided by all business entities operating in the form of business partnerships, as well as individual farms owning fish ponds and intensive fish production facilities.

The data collection/purchasing is done annually, the questionnaires are self-filled – they are posted to the respondents, are filled by the responsible person at the business entity in question and are returned by mail or fax to the directorate of agriculture of the district office that has jurisdiction over the farm site. The questionnaires are then forwarded by the district office to AKI.

Tools improving the willingness to provide data include questionnaires downloadable from the internet, communicating the findings to the data providers and personal contacts.

The receiving of the questionnaires, the checking of their completeness and their recording are done by the AKI Statistical Unit, more specifically, the person responsible for data collection within the unit.

In the frame of data preparation, the completeness of the incoming questionnaires and their complete filling are checked. Data in incompletely filled questionnaires are found out by calling the data provider on the phone. If the call is unsuccessful, the missing data are added using imputation methods.

The process of checking and correcting continues during registering of the questionnaires, too. The correction of errors includes the arithmetic relations within the table. In order to ensure adequate coverage, the person responsible for sectoral statistics consults experts and fisheries inspectors.

13.1.2. Eligible cost categories for the entire period:

- Investment costs
- Development costs
- Personnel costs
- IT development
- Mobilization costs

General description of data collection performed by AKI

Data collection is obligatory under the National Statistical Data Collection Programme (NSDCP). This includes the authorization to control the fulfilment of the reporting obligation.

„Harvest” data collection method (under Registration number 1249) was integrated into Information System for Agricultural Strategy (ISAS) during 2014. The aim of this statistical branch is to provide an overall aspect on Hungarian national fish stocks and fisheries activities. Data is collected from about 460 data suppliers, all of them are fisheries companies or private fisheries farms possessing fishponds or intensive fish producer plants. Data collection happens once a year. Data submission deadline is 20th January followed by current year (from 2016, deadline is 31st March followed by current year).

Data suppliers are composed of all the fisheries companies or private fisheries farms possessing fishponds or intensive fish producer plants, namely those organisations that operate within „Fishpond” branch according to Land Registry Office.

The above-mentioned Fisheries Information System will ensure the possibility of identification of data providers (identification number, reference number, address, contacts). Electronic data provision will be available only to registered and confirmed data providers and field data collection staff.

The percentage of contacted data providers returning the questionnaire and the total coverage compared to the results of the previous reference period will be regularly checked during the data collection.

Data providers are informed by AKI on their reporting obligation through direct contact.

Incoming questionnaires, checking their completeness and if needed, data recording are implemented by the person responsible for data collection within AKI Statistical Unit. Head of Aquaculture research group coordinates technically this work.

During questionnaire recording, controlling and correcting faults keep going. Correction processes cover on numerical context within table.

In the interest of the right data cover, the person responsible for sectorial statistics consults with experts and fisheries inspectors. Data have been collected in electronic way since 2014. Consequently, data collection processes work in automated method: filled questionnaires' data automatically get into database. Incoming questionnaires, their control and sending warning e-mails are all automated.

Electronic questionnaire consists of six modules. Data suppliers have own identification number and password, so in this way data could be recorded safely on the web. Approx. two-thirds of data suppliers records data through web, rest of them fulfills this task by post or fax. Among data suppliers there are more small, private fish producers who do not possess proper informatics skills and equipment. Hence the latter possibilities are ensured for those who have some difficulty with using web.

13.2 A description of data storage methods, data management and data use

The data are uploaded into the already mentioned Information System for Agricultural Strategy (ISAS), where mathematical formula are incorporated into individual cells for control purposes, in order to find logically wrong or unrealistic data. The system indicates all incorrect data, allowing the correction of errors already at the stage of data input. The correction of wrong data or the adding of missing data may be done using the imputation function of the ISAS system according to specific protocols.

In order to check and correct errors, the person responsible for data collection must know the area in question thoroughly. He/she should continuously monitor what kind of data providers are active in this sector and what kind of specialities are typical of them. This knowledge allows to conclude which data should be regarded as wrong and which are acceptable, and how these data can be collected.

During checking of the uploaded questionnaires, the previous report of the data provider must also be checked. The acceptable difference compared to the previously reported value for the same cell should be determined in percentage terms. After correction, imputation or acceptance of all data presumed wrong or missing, the questionnaire is approved.

If the data provider later corrects (i.e. resubmits) the questionnaire on the basis of new data, it must be checked again and the previous value in the database may be replaced by the new one only after approval.

Data users include governmental bodies, research institutions, higher educational institutions, individual data requestors, researchers and media representatives. The data are also used by EU institutions (Eurostat, DG Agriculture), and other international organizations (OECD, FAO), whose data needs can be fully met.

Data supplies contain analyses and research results beside raw statistical data, and they are continuously improving both in their content and in their appearance. So final users can get first quality sufficient informations. Professional requirements established by Eurostat, FAO or the EU claim developing data collections. These data collections are partly to be compulsorily implemented on the basis of EU regulations and partly serve satisfaction of state and professional research claims.

The unique ISAS / Market Price Information System (ISAS / MPIS infrastructure) and web-based framework started their operation on 1st January 2014. Thus, a unique statistical information system being available on the web changed the former paper-based system.

The new system facilitates sectorial actors, agricultural management and agricultural research work by ensuring widespread access of processed informations, as well as establishing and supporting decision-making mechanism of various user groups (producers, processors, professional organisations, managing bodies). Due to developments data suppliers' burdens reduce, while data circulation among systems gets better and speeds up. Moreover, surplus information can be appended for data suppliers, professional organisations and citizens. Improvement enhances agricultural producers' information supply, and rises public benefit of this present state information systems and databases, consequently improves exploitation of information around domestic

agricultural producers. The new system is suitable for complete implementation of quality criteria formulated by EUROSTAT.

Legal background

The Act No. XLVI of 1993 on the statistics specifies confidential management of data suppliers' data.

Confidentiality declaration

The persons responsible for data collection sign a secrecy/ confidentiality declaration.

Access to micro data

Only appointed and authorized workers of Research Institute of Agricultural Economics can get access to micro data, strictly for the reason of research and statistics.

Data security

Security of data suppliers' data is ensured by a multilevel informatical security system.

Technical level:

Entering into the server room occurs in a controlled way. Portal service operating 24 hours a day provides accession for only persons possessing permission. Servers work in an air-conditioned room provided continuous uninterruptible electricity supply.

Application level:

Registered records are made on each entering case or other activities. The whole communication process flows through an attested and encrypted information channel between data user and data server. Classification of certificate used for encrypting is „Class B”.

An EAL 3-class application level firewall (Level 7) guarantees protocol security. Communication between backend and frontend systems occurs in a way controlled by firewall. System authentication could be accomplished by double factor if needed.

In case of less than 3 data suppliers, the data is not published in the interest of preventing identification by logical conclusion.

Quality and more efficient data collection is intended to be achieved by applying this system. Integrating data into the system accordingly results in development of professional data collection and data management.

Agreements associated with participation on data collection research and expert meetings could be come into force.

AKI is represented on every fisheries meetings. It is connected with fish producers, representation bodies, research centers, universities, other partner institutions and public offices as well, and participates in all the coordination groups.

13.3 A description of how sound financial and administrative management in data collection will be achieved

Until the summer of 2014, the responsible body for data collection and data transmission to the international organisations was the Fisheries and FOP Managing Authority Unit (FMFOPMAU), Department of Forestry, Fisheries and Hunting at the MoA. From the summer of 2014 to the spring of 2018, this role was taken over by the DAFM ADU at the MoA and the DSS ARDP MAD FFU at the PMO.

For the reasons of the governmental organisational changes, the responsible bodies for data collection and data transmission to the international organisations are DFM ADU at the MoA and the DSS RDP MAD FFU at the MoA.

The FMFOPMAU ensured continuous communication between the MA and the CA until the summer of 2014.

The FMFOPMAU was also responsible for the description of the negotiations on data collection-related information in the Annual Implementation Report.

Agreements related to participation in regional coordination groups on data collection are prepared continuously along with the participation in scientific and expert meetings. Their preparation is based on consensus.

Human and technical resources devoted to data collection including major equipment: data are registered in the ISAS system of the Research Institute of Agricultural Economics, in a web-based platform, in an ORACLE database. Access to the database is

ensured by a server. The system is supervised by 2-3 IT and professional coordinators. 3 research workers strengthen fisheries sector presence in AKI.

Maintaining social, economic data collection and expanding data collection in fish processing area are needed. In addition, establishing a separate (not integrated) Fisheries Information System and a Test System is scheduled in order to obtain cost and profitability data.

The National Correspondent, a person with the appropriate expertise from AKI, was designated by the MA of the EMFF OP.

14. FINANCIAL INSTRUMENTS

14.1 Description of the planned use of financial instruments

Based on previous experiences HU considers the using of financial instruments not reasonable. The Hungarian EMFF OP is relatively small-scale compared to the other MSs' fisheries operative programmes. There is no remarkable demand which would make the using of financial instruments necessary. Based on the above HU decided to not resort to financial instruments in the programming period 2014-20.

14.2 Selection of the EMFF measures planned to be implemented through the financial instruments

Not relevant for Hungary.

14.3 Indicative amounts planned to be used through the financial instruments

0,00 (€)

Appendixes

- The list of partners consulted_Appendix 1
- Intervention logic_Appendix 2
- Target programme for wetland and aquatic bird habitat protection_Appendix 3
- Actions envisaged to achieve the fulfilment of the general ex ante conditionalities_Appendix 4
- Multiannual National Strategy Plan on Aquaculture of Hungary_Appendix 5
- Report of the ex-ante evaluation final_Appendix 6
- Report on Strategic Environmental Assessment_Appendix 7
- Statement of the Managing Authority about the Strategic Environmental Assessment_Appendix 8
- Summary description of the management and control system_Appendix 9
- Evaluation Plan_ Appendix 10