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MINISZTERIUM

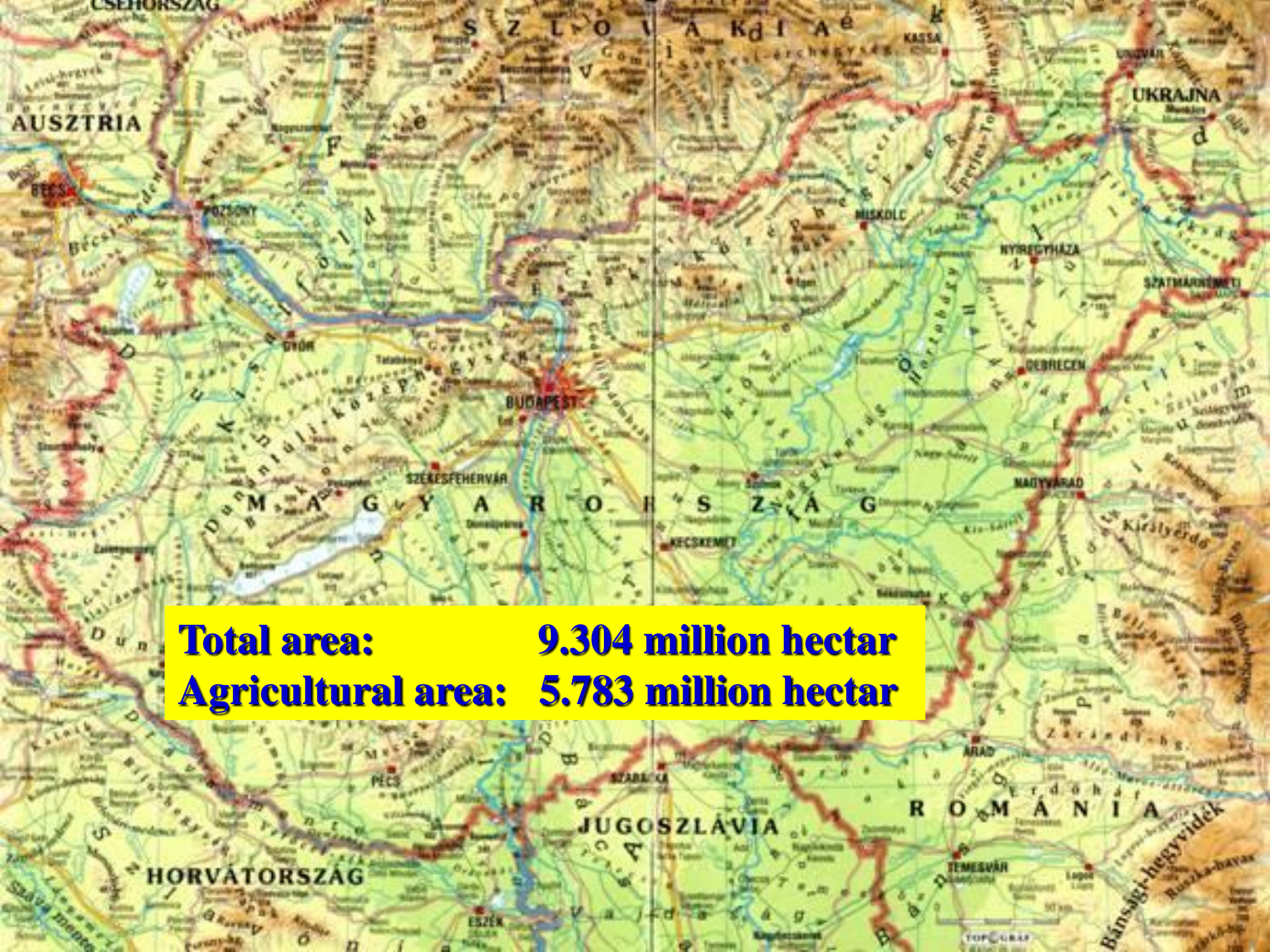
ESA Annual Meeting 2011

Promoting innovation for the Hungarian seed and farming sector

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Total area: 9.304 million hectar
Agricultural area: 5.783 million hectar



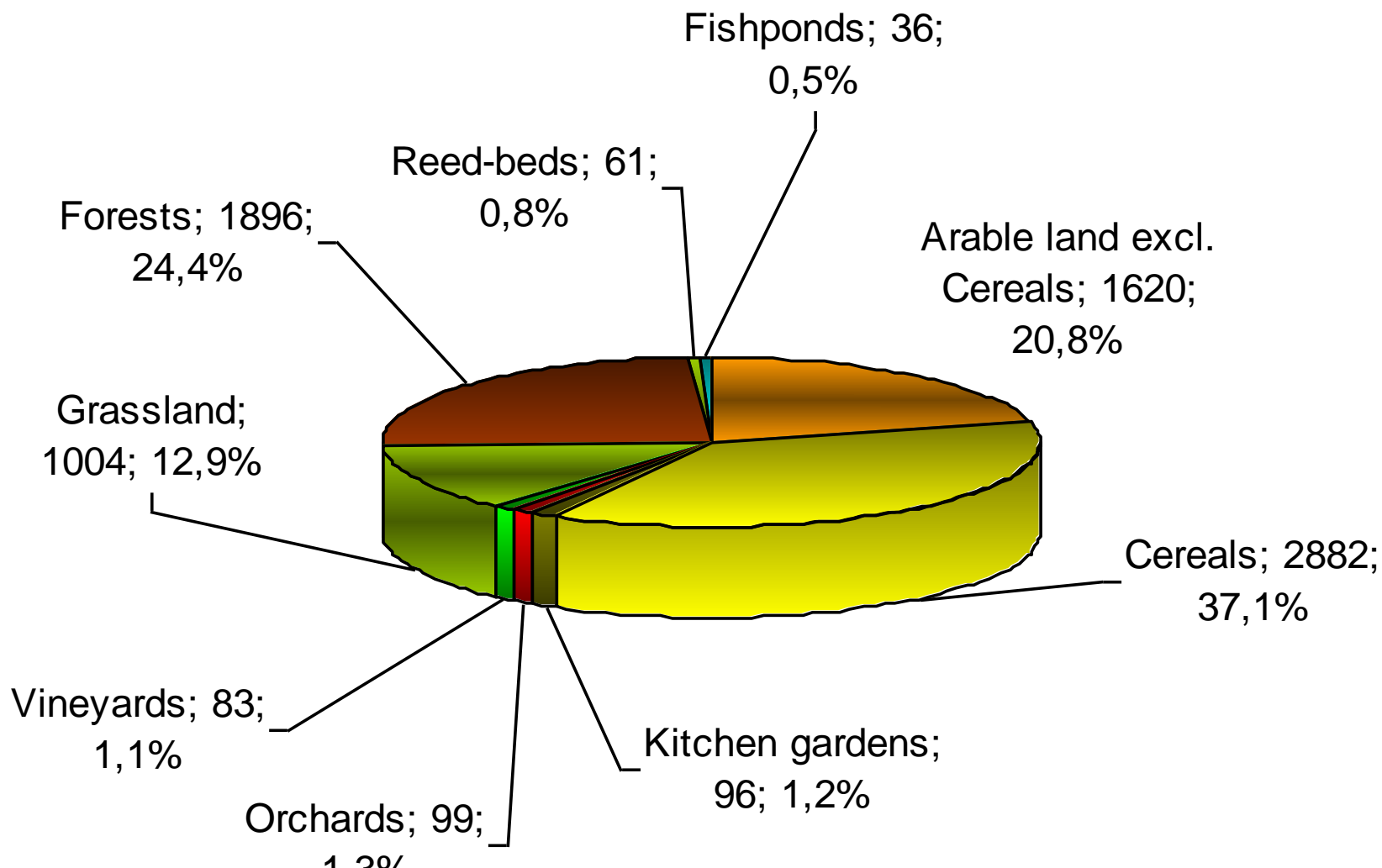
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Endowments and place of agriculture in Hungarian national economy

- Total agricultural area 5.783 million hectares, arable land 4.5 million hectares
- Unique natural features, topography, climatic factors and the high fertility of soils
- Prestigious tradition of agricultural production
- Low environmental pollution
- Share of agriculture in GDP about 3-4%,
- Share of agribusiness in GDP between 10-12%;



Share of cultivated area by cultivation branch (%)



Seed Production in Hungary

Long Tradition

- 1878 Establishment of Royal Seed Inspection Station
- 1895 1st Seed Act entered into force
- 1920 Hungarian Seed Trade Association has been established
- 1924 Hungary was founding member of ISTA and FIS

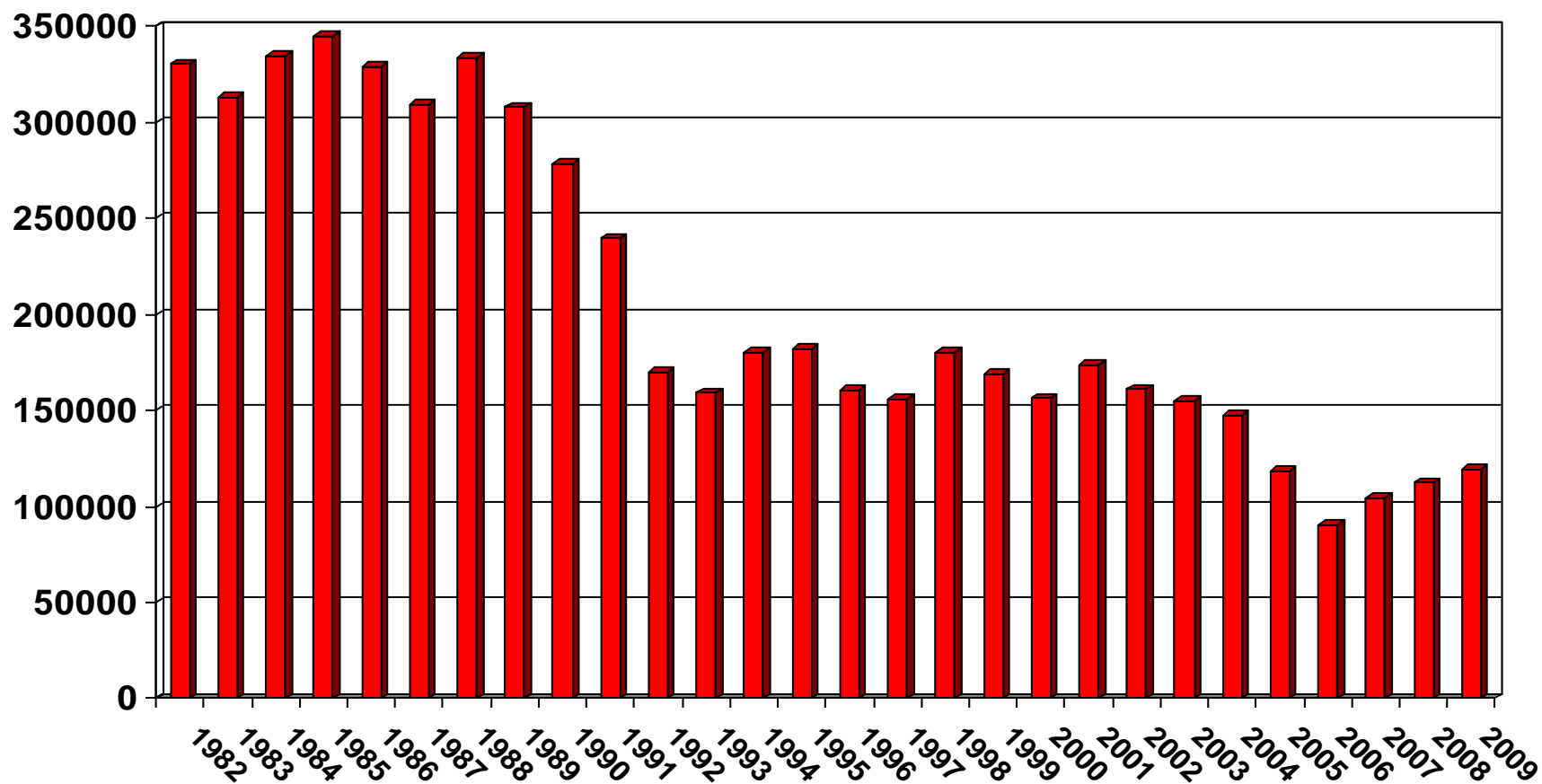
Favorable climatic and agronomic conditions;
High level of expertise and education;
Central location and good infrastructure;
Official control and legislative environment.





Seed multiplication areas in Hungary

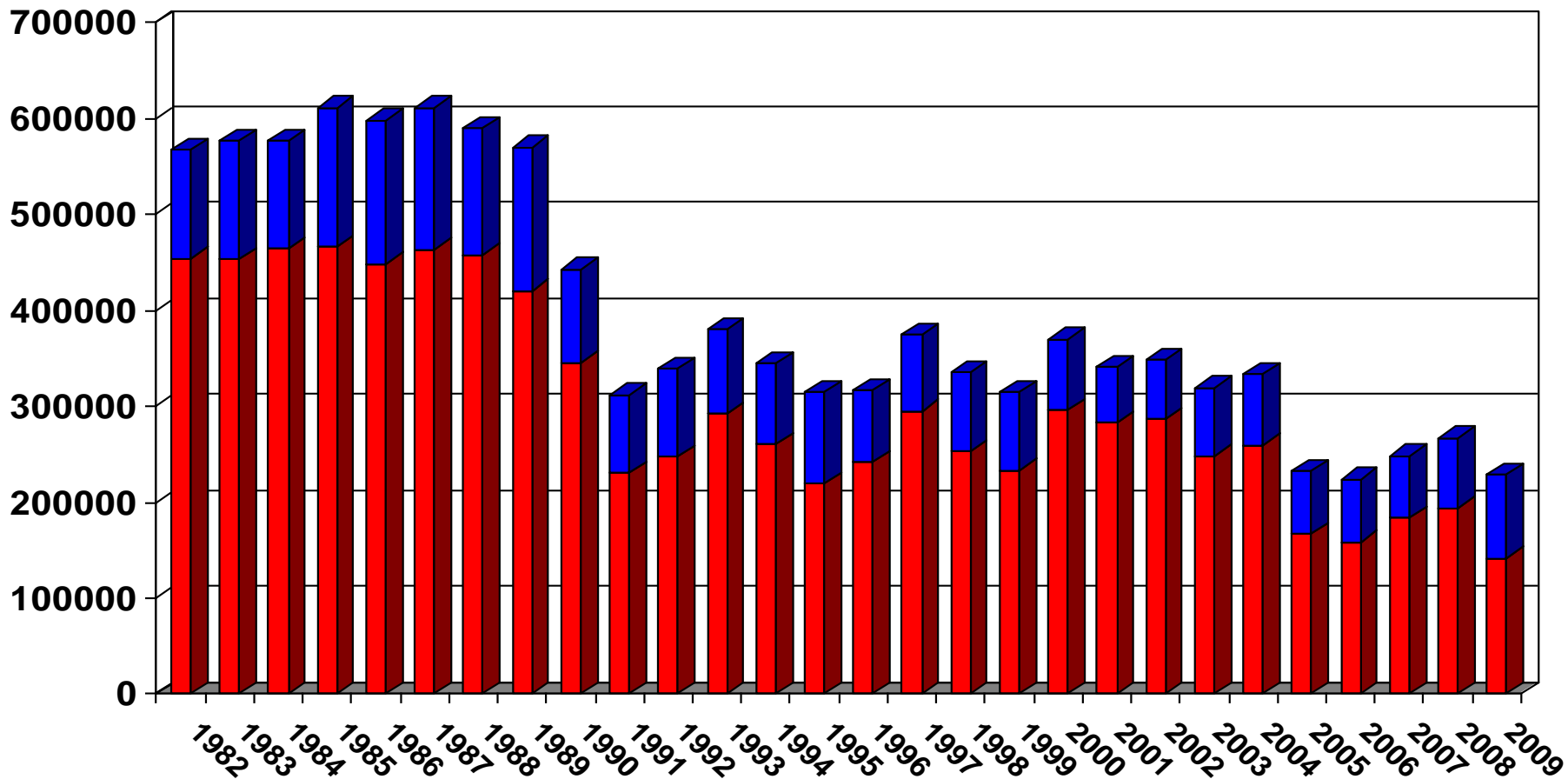
1982-2009





Seed Production in Hungary

1982-2009



Drop of production, stabilising market

Volume of production decreased:

Seed exchange decreased /cereals/

Shrinking export possibilities in eastern countries /pulses, clovers, maize/

Significant decreasing of animal production /Fodder crops, grasses, /

Positive trends:

New market possibilities

Investments of international companies (regional center of R&D, production, logistics and distribution)

Advanced domestic cereal breeding projects, and marketing in the neighbouring countries



Seed production

- Seed production area 120-130 thousands hectares per year, cc. 3% from the total arable area (4.5 million hectares)
- Production value: 721 million EUR
- Seed production value 10-11% of crops production
- Seed export: 11th in the world, 3rd in the EU

Value of the domestic seed market

305 million EUR

- **Cereals** 41 million EUR
- **Hybrid seeds**
(Maize, sunflower, ORS) 205 million EUR
- **Fodder and grasses** 23 million EUR
- **Vegetables** 31 million EUR
- **Protein crops**
(Pea, beans, soybean) 5 million EUR

Value of the Hungarian seed production

Production value is 721 million EUR

- Cereals 41 million EUR
- Hybrid seeds
(Maize, sunflower,) 600 million EUR
- Fodder and grasses 40 million EUR
- Vegetables 40 million EUR



Employment of the Hungarian seed sector

Full time permanent staff: 2500 persons

Part time permanent staff 2600 persons

Seasonal worker >60.000 persons

R&D staff (with Ph.D degree) 650 (149)

Seed marketing legislation

Seed Act 2003 LII.

Variety registration (*40/2004 FVM regulation*)

DUS and VCU system

No restriction within the EU

Through Hungarian representatives from 3. country

Seed certification

Arable crops (*48/2004 FVM*)

Obligatory in case of EU listed species

Field inspection (OECD)

Seed testing (ISTA)

Seed standards are based on EU

requirements

Vegetables (*50/2004 FVM*)

Based on the company
decision:

Officially controlled /same as
arable crops/

Standard seed production

Plant Variety Protection

National

Act XXXIII of 1995 on the Protection of Inventions by Patents

EU

Council Regulation (EC) No 2100/94 on Community plant variety rights

International

Act LI of 2001 based on International Convention for the Protection of New Varieties of Plants (UPOV 91)



- Hungary started collecting remuneration after Farm Saved Seed in 2009
- Contracted species: Cereals, OSR, Potato, alfalfa, pea, oil flax = 220 varieties
- Education is important to create a positive approach with farmers

**Thank you for
your
attention !**

