

Council of the European Union

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NOTE	
From:	General Secretariat of the Council
То:	Delegations
Subject:	Serious drought situation in Hungary
	- Information from the Hungarian delegation

Delegations will find in the <u>Annex</u> a document on the serious drought situation in Hungary to be presented by the Hungarian delegation under "Any other business" at the "Agriculture and Fisheries" Council on <u>18 July 2022</u>.

Serious drought situation in Hungary

Due to the persistent hot and dry weather occurred during the spring and summer months, an extreme drought situation has been developed in Hungary, which further elevated the already existing economic difficulties caused by the Russian invasion of Ukraine.

In the past weeks there has been a continuous increase in the drought damage notifications as well as the share of the area which affects the arable cultures such as maize and sunflower seed. According to the electronic drought damage notifications at the Paying Agency, till the 4th of July farmers notified 8413 cases of drought damage for 322 000 hectares altogether. This is three times the size of the announcements made in the similar period of the past years.

In an increasing area and depth, the moisture content of the soils is falling below the critical value of 40% in proportion to the water content that can be used by plants. In some regions of the country, the moisture content of the top one meter layer of the soil is critically low, and closer to the surface, the soil contains almost no moisture at all. The main part of the drought damage notification in June affected the culture on arable land planted in autumn. The situation in the grasslands is critical, and because of this there is a serious danger in the field of production of fiber forage, needed by livestock. As a result of the scarcity of rain for multiple months - in almost all crop production sectors - a drastic relapse in crop yield is expected, which also threatens food security and forage supply. In case of winter barley, in some areas approximately two third of the harvest has been completed. The average yield is currently 4.2 tons/hectare, but depending on the geographical situation there are regions where the average yield is only 2.7-4 tons/hectare. According to the Central Statistical Office the average yield in the winter and spring barley in 2021 was 6 tons/hectare. Concerning the winter wheat, farmers notified drought damage for the quarter of the planted agricultural area.

According to the current forecast of the National Meteorological Service, the typically dry weather will continue, so it is expected that the size of the areas affected by advanced and severe drought will continue to increase.

In order to overcome the European food and forage market crisis as soon as possible, agricultural producers need help with all possible means. The Commission's most recent proposal on increasing the levels of advances of direct payments and area- and animal-related rural development measures to farmers for claim year 2022 is a step in the right direction and will address cash-flow challenges of the farmers this autumn.

Besides that, further measures are needed, therefore Hungary is requesting the following exceptional measures to tackle the unprecedented drought situation:

1. Emergency drought measures - exemption from mowing restrictions of the "Agrienvironment-climate measures"

Hungary asks the Commission to allow the Hungarian authorities to provide a general exemption for year 2022 from sanctions related to "Agri-environmental management payments" in the framework of the Rural Development Programme to farmers, whose mowing, stem crushing, or silaging activities are forced to be carried out earlier in order to reduce the effects of extreme drought.

The planned measure would only provide a general exemption from sanctions in 2022 in connection with the previously described commitments and would be recorded in the call for tenders.

2. Irrigation

Extreme drought conditions are becoming more and more frequent throughout the EU, which is jeopardizing agricultural activity and threatens food security. Taking into account these circumstances, irrigation will be more and more important to tackle extreme drought situations.

Therefore, Hungary calls upon the Commission to provide Member States with appropriate flexibility in designing their irrigation related investment measures, when finalising their CAP Strategic Plans. Only such conditions could be demanded from Member States, which are defined in legally binding basic acts.