

Europe's Rural Futures – Hungarian case study

'Cötkény' - a Journey to the Future –

integrating nature, society and local economics for rural development

Key themes illustrated:

Missed opportunities

Integration

Environmental sustainability

Stakeholder involvement

Headline message

This local development project shows, how some CEE rural areas could develop alternative models of rural development, turning into practice EU rhetoric on sustainability, integration and local participation. The leaders of this project took EU rhetoric seriously and treat the Cork Declaration and the vision of CARP almost like current reality. They hope to benefit from 'backward, low input agricultural production', make a 'short-cut' and try to achieve 'post-modern' rurality, without the distractive modernisation process of the CAP. This project could illustrate integration, environmental sustainability, bottom-up aspects based on strong partnership between various actors and interests. However, it could also show how local development can depend on external factors and how opportunities can be missed due to lacking resources and the lack of clear strategies on higher political levels.

The local development strategy of Cötkény primarily builds on the ecological resources of the area, combining them with socio-cultural aspects, traditions and local economic development. The first pillar of the strategy builds on proposed EU programmes for the maintenance of natural habitats and cultural landscapes (countryside stewardship schemes, ESA, agri-environmental programmes, etc.); the second builds on sustainable tourism (eco-tourism, bird-watching, fishing, health-tourism, agro-tourism). Low-input, environmental friendly farming, could complement income from agri-environmental schemes, producing high-value, territorial products. The last leg of the local economy could be area-specific arts and crafts. According to their strategy, local economic development has to be complemented with 'soft projects', capacity building, strengthening of social networks, enabling synergic effects and providing equal opportunities for local actors. The main aim is to keep local resources and local people in the area; to sell products (landscape, food, maintenance of the nature) on the global market, but keeping most benefit and profit for the indigenous population.

The strategy was developed through a bottom-up process, by a partnership of Conservation Authorities, local authorities, businesses and NGOs. It created high expectations amongst the local population. The project leaders built international connections and tried to access multiple funding sources, however, the lack of substantial EU and domestic funding (delay of SAPARD and the Hungarian Agri-environmental Programme, lack of ESA and LFA support, etc.) resulted in the current failure of the programme and the disillusionment of a significant part of the locals. However, significant resources are expected to arrive to the area in the near future, since it is designated as a target region for three different programmes:

- the Hungarian Agri-environmental Programme;
- the agri-environmental pilot measure of the SAPARD Programme (see map 1.);
- the so-called ‘Vásárhelyi Plan’, which is a large project to improve flood-control in the Tisza region¹.

These three programmes are likely to bring some 7-8 billion Forints (EUR 32 million) for the development of the region. This is a very significant amount for this region, which could make a basis for a long-term development of the nature, economy and society of the area if spent on a sustainable way. However, it can also cause severe damage if spent on the wrong way, without considering natural values and local interests.

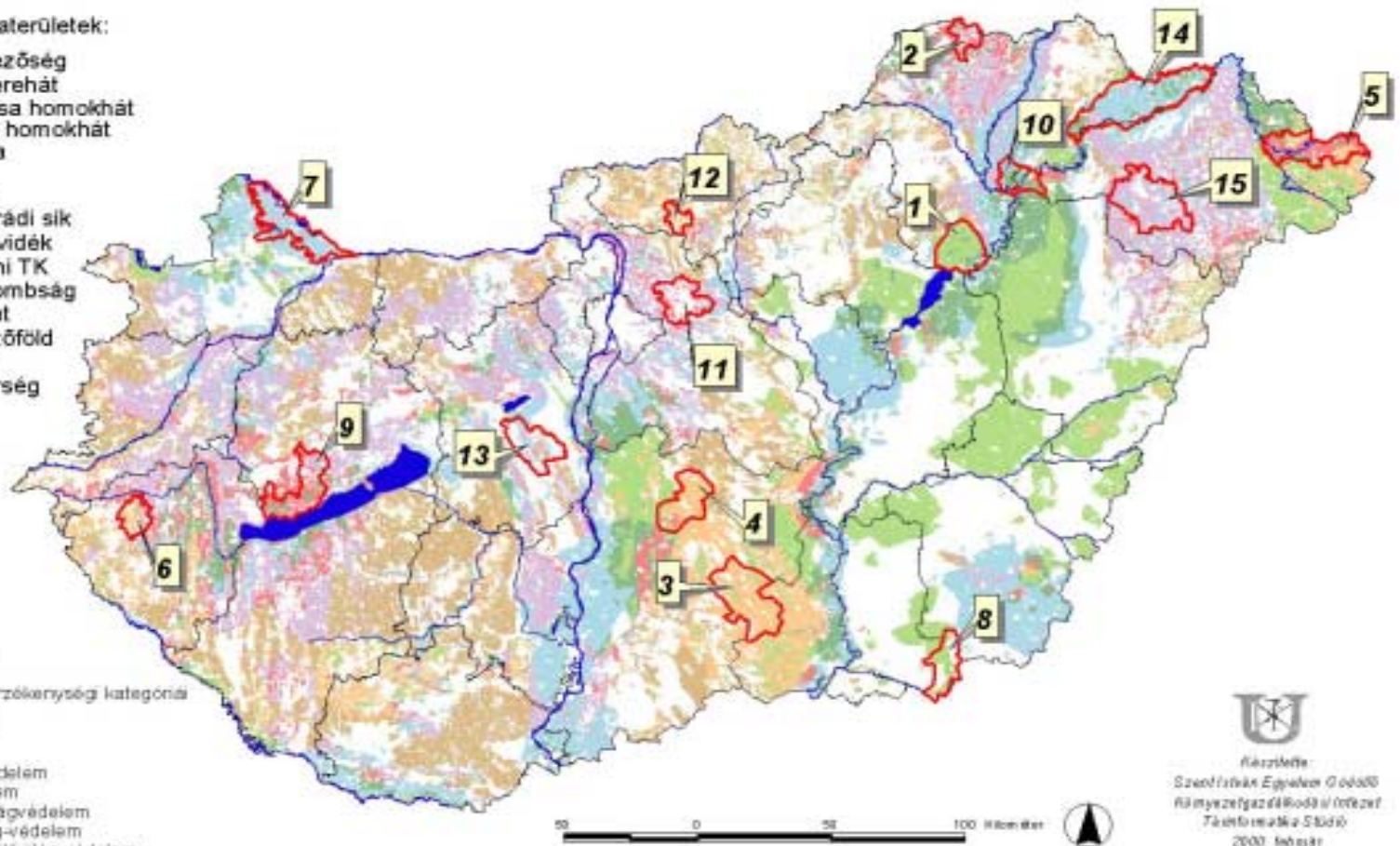
¹ The Tisza has had the largest floods of the last two centuries over the last few years. Catastrophes, such as having cities and large areas covered by water, have been successfully averted so far by the flood-control system. However, the situation has been very dangerous and with slightly less favourable circumstances huge problems could occur next time. The ‘Vásárhelyi Plan’ is to overcome these problems through a complex defence system. The main new element of this would be the creation of emergency reservoirs to absorb the surplus water. The ‘Cötkény’ area is designated to host one of these reservoirs.

Agrárkörnyezetvédelmi mintaterületek a SAPARD programban

□ SAPARD mintaterületek:

- 1 - Borsodi-Mezőség
- 2 - Északi-Cserhát
- 3 - Bugac-Majsa homokhát
- 4 - Kiskunsági homokhát
- 5 - Felső-Tisza
- 6 - Göcsej
- 7 - Szigetköz
- 8 - Dél-Csongrádi sík
- 9 - Balaton-felvidék
- 10 - Kesznyéteni TK
- 11 - Gödöllői-dombság
- 12 - Dél-Cserhát
- 13 - Közép-Mezőföld
- 14 - Bodrogköz
- 15 - Közép-Nyírség

- Felszíni vizek
- Megyehatár
- A NAKP környezetvédelmi kategória
- Nem célterület
- Talajvédelem
- Vízügyvédelem
- Talaj- és vízvédelem
- Élővilág-védelem
- Talaj- és élővilág-védelem
- Víz- és élővilág-védelem
- Talaj-, víz- és élővilág-védelem



Készítette:
Szent István Egyetem Gödöllői
Környezetgazdálkodási Intézet
Tudományos Szűz
2000. február

Map 1 Agri-environment pilot areas in the Hungarian SAPARD programme

Figure 1 Map of Cötkény



Secondary information

The Cötkény Programme was developed in a micro-regional association (Cötkény Alliance for Local Development), on the North-east of Hungary, in the area of 'Borsodi Mezőség'. It covers 1 town, 5 villages, 12,000 people, and some 350 km².

Over 50% of the natural geographical area is an especially valuable nature reserve (protected by environmental legislation), which is a defining factor and has nearly the same effect on each village of the Alliance. Some of this area is part of two large national parks (Hortobágyi, Bükk), the rest is mainly composed of Environmentally Sensitive Areas (both potential and designated). Agriculture has been mainly low input for the last 15 years. In the past, animal husbandry (cattle grazing) and a wide range of agricultural products was more typical, which was more suited to the natural environment. However, as a result of decisions, made on high political level (co-operativisation and flood-protection) the structure of agricultural production was changed completely. Today, arable production is the most widespread; monocultures, reduced diversity and outdated technologies (old, socialist-type machinery and technology) are characteristic. Natural habitats and cultural landscapes are threatened by land abandonment and water pollution.

The Tisza River and the Tisza Lake (a large reservoir on the former floodplain of the river) provide excellent possibilities for sustainable- and mass tourism². Between the 60s and the late 80s the region lost half of its population, as a result of the out-migration of mainly young, educated families. The general economic crisis of the 1990s stopped this trend and the population has even increased, although, most immigrants are gypsies or members of other disadvantaged groups. Local people have kept many traditions, social networks and cultural heritage still forms an important part of local life. Physical infrastructure (roads, sewage system, etc.) is poor, though a motorway is expected to be built through the area in the near future.

The Cötkény Alliance was established in 1995, as one of the first micro-regional associations in the country. Over the years, they have worked out a complex development strategy and a range of development programmes for the area. During this, the most progressive elements of current and proposed EU programmes and rural development rhetoric were used, well outstriking currently available or promised resources. As it was said by the programme leader: "*...We have a vision about the future. We did not want to limit ourselves to the SAPARD, but wanted to start from local resources and priorities.*" The main innovation of their strategy (at least under the Hungarian circumstances) is

² This was the last area, in the 1940s, where the Tisza river was controlled, until floods came every year. The local population used to live in a symbiotic relationship with the river and developed a special way of agriculture, called 'foki cultivation'. The essence of this was that, they did not try to protect their land from the floods, on the contrary, they used the water as much as possible. The result was an agricultural production, being in harmonic relationship with the environment. In the 1960s the area was canalised and intensive arable production was introduced. However, because of poor soils and lack of water it has never been successful, and large areas are currently being abandoned.

building first of all on natural, ecological resources. They work in strong co-operation with the Bükki Nemzeti Park (Bükk National Park – BNP)³. Their ‘Programme for Rural Development’ is basically the scenario of the mutually interdependent, natural, environmental, economic and social rehabilitation process, the primary objective of which is to regain control and influence over the micro-region for the people themselves. The programme is based on local initiative traces and defines the local opportunities for integrated development in line with the requirements of sustainable development.

The three main aims are:

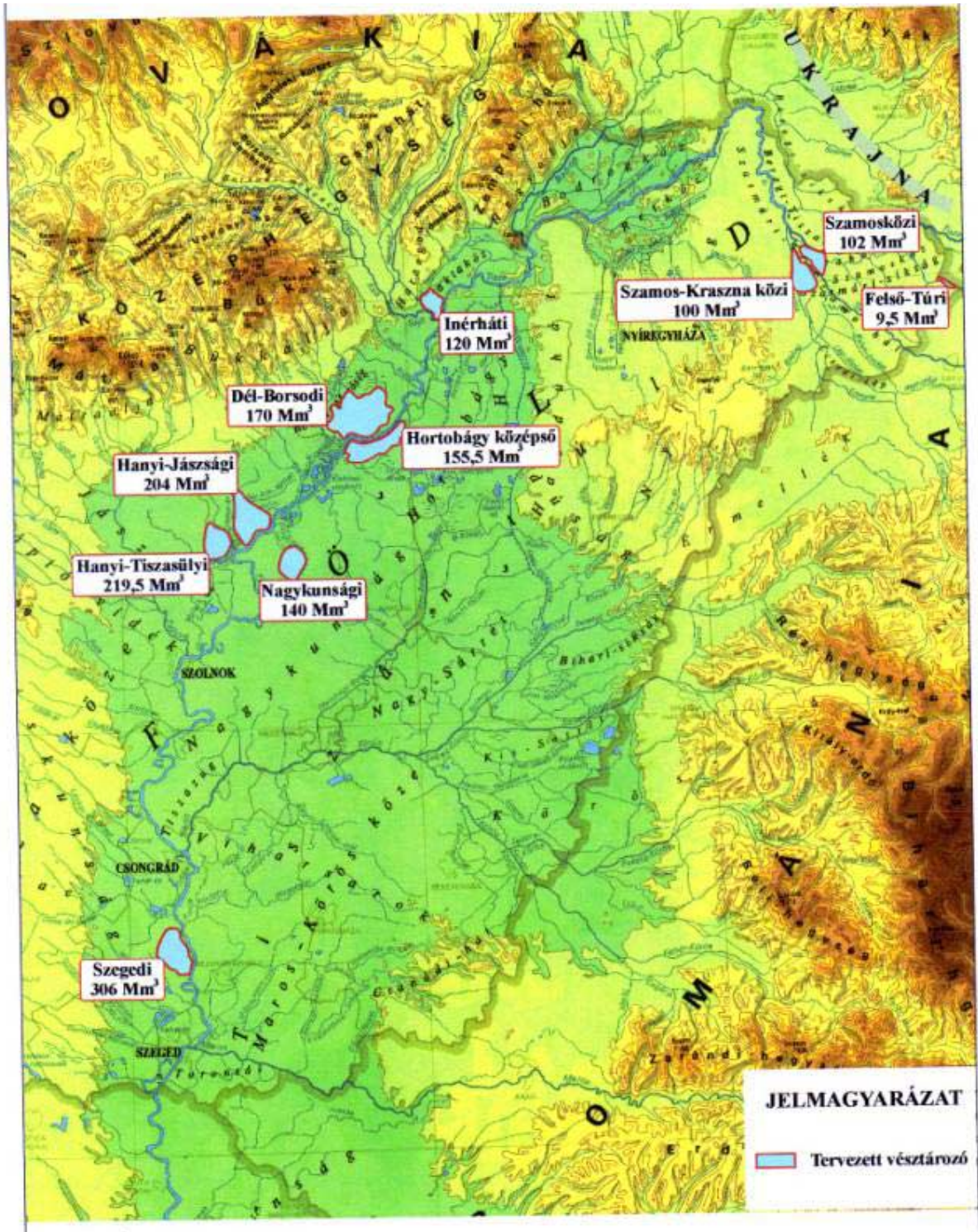
- to use and protect their area according to its high nature value;
- to ensure that local activities can support appropriate living standards, and the area does not lose its population;
- to ensure that the profit, arising from the developments will mainly benefit the indigenous population.

The major parts of the programme are as follows:

- The solution for the regulation of the surface water balance in order to ensure the currently required provision of water.
- The re-cultivation and rehabilitation of the landscape in keeping with the ancient flood-plain of the Tisza.
- The formation of an agricultural product structure best suited for the rehabilitated land that will multiply its biomass.
- The formation of agricultural structure based primarily on local private ownership, which will provide the basis for regional cooperation.
- Development of diverse economic activities making multiple use of the advantages of the landscape to an optimum level (processing industry, tourism, handicrafts, etc).

³ In Hungary most national parks have a so-called reservationist approach to nature conservation. According to this, they try to buy large areas and set the rules in a top-down, often squeezing out inhabitants and some types of agricultural production, in order to protect natural values. However, in many areas, and Cötkény is one of them, this strategy cannot work, since the current natural environment is the result of a long symbiotic relationship between nature and human activities. BNP has a different approach, which is helping and paying local producers for environmental friendly production, based on a contracting system, similar to ‘countryside stewardship schemes’ in the EU. BNP’s co-operation with Cötkény currently works very well. However, if the leaders of the national park are replaced by the political power (which is a quite realistic possibility), the approach could change and the co-operation could end overnight. This implies a great level of uncertainty for local producers and for the development association.

Figure 2 Planned Emergency-reservoirs on the Tisza River



According to the project leader, the area would need a large ‘capital injection’ to start with. This would be able to acquire appropriate physical and human resources for the local population. After this ‘first aid’, normal EU-type funding for environmental friendly production (ESA, LFA, agri-environmental programmes), together with locally generated profit (from agricultural production, tourism, crafts, niche products, etc.) would be enough to maintain and improve local society, nature and economy. This means that, after initial help, they would not need any assistance other than agri-environment measures. This, according to EU rhetoric, is not really an aid, but a necessary and fair contribution of the global economy for the maintenance of the countryside and the provision of public goods. This means that the area, building on this new economic structure, could become viable and ‘competitive’ again in itself as it used to be in the past.

The leaders of Cötkény tried to learn from international experiences and searched for multiple funding. For example, they participated in the ‘Avalon Project’ (co-ordinated by IEEP); made connections with German, Dutch, Swiss, Swedish foundations and international organisations, such as WWF or ECOVAST⁴. They also had significant domestic support from various universities, research institutes, environmental NGOs and other civil organisations. Their lobbying strategy included approaching Hungarian MPs, political parties and interest groups. They managed to get some funding from domestic and international sources⁵, nevertheless, this was only enough to support some ‘showcase projects’ and not the whole programme. The grants are often of an insufficient amount, are offered at the wrong time for the wrong actions or have demanding conditions attached to them⁶. Although there are some available programmes to fund economic development, it is impossible to find resources for ‘soft projects’. *“Subsidising individual projects is not enough to reach synergic effects or to convince the local people about that it is worth to try doing something for their own future. We think that our duty is to develop a programme and turn it into practice, the government’s and the EU’s duty is to provide appropriate resources. Our strategy and programme was evaluated as very good and realistic by domestic and international judges as well. Why do we have to compete for*

⁴ With the financial support of the Southern Dutch Agricultural Ministry the Surface-water Control Plan of the area was developed (costs were some EUR 20,000). Based on this plan and domestic resources a EUR 400,000 investment in constructive-water-works is being undertaken at the moment. Some other, smaller projects, in the field of nature conservation, with the support of WWF - Danube Carpathian Programme have also been completed.

⁵ For this reason they even translated their development strategy into German and English.

⁶ The main problem is the required own share of various aids. According to the usual practice, 50% of each project has to be financed by the beneficiaries. Moreover, they usually have to have sufficient credit at the beginning of the project for the whole co-financing amount required. Most people are lacking in financial resources, so this requirement usually makes such funds inaccessible. Another general rule is that these funds only support new investments, and not those which were started previously but were left unfinished because the owners run out of money. Such examples in the area include a half completed camp-site and a small hotel. Both of these developments could be completed with relatively small help, but it has been impossible to get any financial support for such activities.

development resources then? We think they should rather be provided automatically for all local associations, having a good, realistic programme...”.

Cötkény also developed a strategy to build partnerships and convince local people about the importance of co-operation. They tried to develop their strategy through a bottom-up process, involving as many actors as possible. Also, after the programme was ready, they delivered it to every household in the area (more than 5,000), invited comments and organised a public debate about it. The whole process generated a lot of enthusiasm amongst local people and businesses, although not everybody was supportive. Questions about social exclusion (mainly of the gypsy population) and the legitimacy of the local development group were raised, but most stakeholders were able to agree that the initiative was positive and were looking forward to its future. However, significant funding has been delayed and many applications and plans failed. People are losing enthusiasm fast, many have become disillusioned. According to the programme leaders, this could lead to negative feelings for a subsequent initiative. Nevertheless, when we asked about current results and consequences of what has happened so far, we were told: *“We have not built so many things, but at least we know which way to go. We also learned from SAPARD how to write funding applications to the European Union, which we will hopefully need in the near future. On the other hand, this whole programming and common thinking generated a lot of arguments, but also helped to reinforce, or even rebuild in some cases old social networks, trust and mutual relations within the local community. These are certainly positive results....”*

They see several dangers threatening these plans. One is that the promises for agri-environmental and structural support remain unfulfilled in the long run. In this case, local society, lacking appropriate capital, will not be able to utilise local resources and possibilities. Social and environmental degradation will increase and outside investors will finally squeeze out the local population from the possible benefits of development. This is a real danger, since substantial local resources (land, buildings, etc.) have already been taken by Hungarian and foreign investors. These resources are likely to be lost for a long time to the local economy⁷. The other danger is that, if the external support arrives too late, then the initial social momentum gained through the programming procedure will be lost and social networks and co-operation will break down. At the same time, the proposed external resources could attract investors from outside, resulting in similar results to those described above⁸.

⁷ An example: A large, abandoned cattle farm on the edge of the nature conservation area would have provided a perfect base for traditional cattle grazing, needed for the maintenance of the habitats and cultural landscape of the surrounding pastures. A partnership of BNP, local businesses and environmental NGOs was set up to utilize this possibility. This business could have greatly benefited the local economy and society, as well as nature. However, an intensive goose breeding company managed to buy the property, using external financial capital. This business does not bring any benefit to local economy or society. On the contrary, it causes environmental damage and significantly reduces possibilities for eco-tourism.

⁸ For example, the National Park (ie the State) owns thousands of hectares of agricultural land in the area. Since the rest of the land belongs to thousands of small owners in a very scattered land-tenure system, this is the only consolidated land resource potentially available to large agricultural investors that promote intensive production. At the moment, as a result of environmental legislation and the approach of the

Nevertheless, the greatest danger, threatening their aims and the very existence of the area's local resources is coming from a proposed central flood-control programme the 'Vásárhelyi Plan' (VP). Though, at the same time, could also be the greatest benefit for the area. Two different philosophies of flood-control meet here. The first (this is the approach of the current VP) is an 'industrial' one. The main aim is to protect the largest possible area, providing safe land for intensive agricultural production. To achieve this, ten high capacity reservoirs would be created (see map 2.), which would require a large amount of earthworks, potentially damaging for the local environment. The other danger derives from the expected water-level changes in the reservoir. If the water level is raised too high from time to time, which would be the case according to this approach, it could destroy most of the natural environment completely. The realisation of this plan for the Cötkény Alliance would mean the loss of its main local resource, the rich and diverse environment, which would deprive them from most of their development possibilities, as described above. It would also result in the loss of a range of natural values, already protected by domestic and international agreements (RAMSAR Convention, for example).

The other approach to flood-control has a more 'environmental' focus. This would mean the creation of many small capacity reservoirs, requiring much less earthwork altogether, and predicting a much lower water level at the time of floods. This would basically mean giving back to the river some of its flood-plain, and turning back to a more traditional agriculture ('foki cultivation') on these territories. This would greatly benefit the environment, extending wetland areas⁹ and creating buffer zones for currently high nature value areas. It would also mean the loss of significant areas of intensive agricultural land. However, much of this land is poor quality, and is likely to become abandoned in the near future, if it is not already. For Cötkény this solution would enhance their local development resources greatly and would bring significant external aid for development¹⁰.

The decision between the two approaches will be made on a higher, political level. Therefore, once again, the future of this region is going to be decided by external forces.

leaders of the BNP, this channel is closed for intensive production. However, it is a real danger to leave such a resource in the responsibilities of one organisation. Politics, central approaches and legislation can change and this land could become available for investors in the future, causing irrecoverable damage to the environment and local society. Moreover, if this did happen, agri-environmental and structural support could even become a sort of investment capital in the future for intensive agriculture, causing more damage than improvement.

⁹ According to this approach, significant areas of currently agricultural land should be purchased by the state.

¹⁰ For example, abandoned and cultivated arable areas would be purchased from central resources and turned back to wetland; constructive-water-works would be maintained, etc.

Summary

Cötkény aims to be an endogenous and sustainable, rural development programme. It builds on local resources, local participation and synergy, and tries to ensure that the indigenous population can benefit from the development. Their main innovation is exploiting natural resources for local development. The programme raises questions about legitimacy and equal opportunities. Its largest obstacle to realization is the lack of financial resources and external forces acting on the area. This is partly because instead of 'political- and policy- reality', the local leaders built on the rhetoric and promises of the EU and domestic forces. They tried to apply the ideas of sustainability and integrated, endogenous development, and are failing to succeed due to the political and economic reality. However, their experiment could show the outstanding possibilities for changing rural development and rural policies that are currently available in Central and Eastern Europe.

APPENDIXES

- 1. Programme for the Development and Transformation of the Agricultural Structure in the Rural Areas of the Borsod Micro-region**
2. The 'Vásárhelyi Plan' – in Hungarian (*A Vásárhelyi Terv*)
3. Nature Conservation Expert Opinion on the 'Vásárhelyi Plan' – in Hungarian (*Természetvédelmi szakvélemény "A Vásárhelyi Terv Továbbfejlesztése" című anyagról*)
4. Collision of Philosophies – in Hungarian (*Filozófiák Ütközése*)
5. Important activities of the Cötkény Alliance 1995-2001 – in Hungarian

MAPS

1. Agri-environmental pilot areas for the Hungarian SAPARD Programme (*Agrárkörnyezetvédelmi mintaterületek a SAPARD Programban*)
2. Planned Emergency-reservoirs on the Tisza River (*Tervezett Tiszai Vésztározók*)
3. Borsodi Mezőség Reservoir (*Borsodi Mezőség Vízározó*)