

## Performance of agriculture (Economic accounts for agriculture, 2020, second estimate)

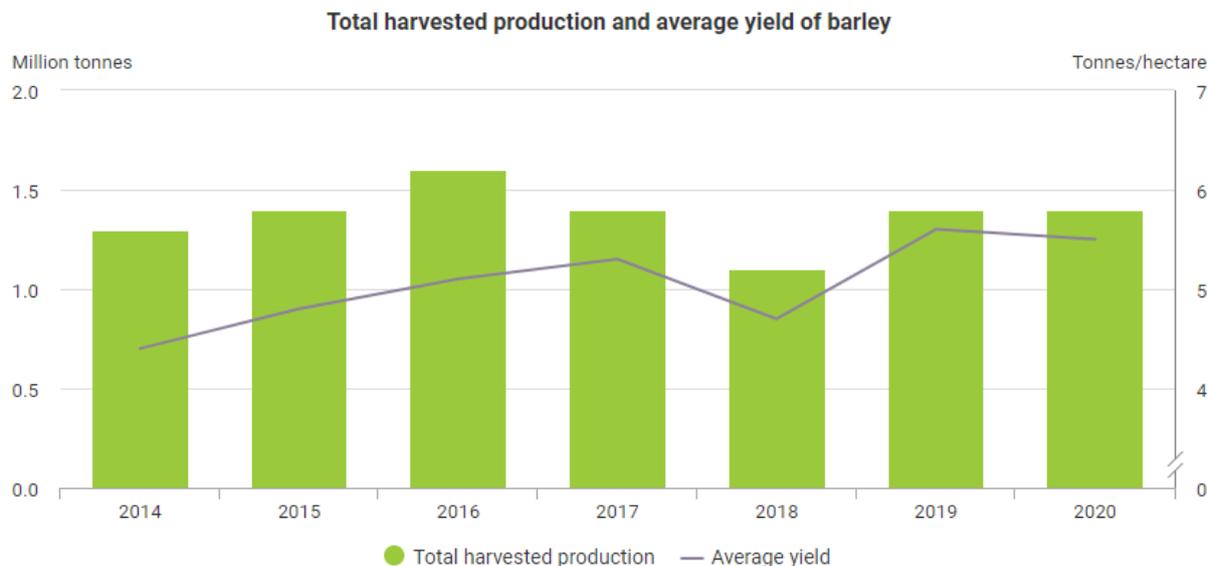
The output of Hungary’s agriculture reached HUF 2,973 billion in 2020. Crop production contributed to the performance by 58% and livestock production by 34%, the volume of the former lessened by 3.3% and that of the latter by 1.3% compared to 2019. Gross value added decreased by 6.6% at the previous year’s prices but was 9.9% larger at current prices than in the previous year. Agriculture, forestry and fishing as a whole contributed by 3.5% to gross domestic product (GDP) according to preliminary data.

### **Livestock production volume lessens by 1.3% and crop production volume by 3.3%**

Because of the spring drought, the wet summer months making it more difficult to harvest ear cereals and the shrinking of harvested arable land area, output decreased in all product groups of the **crop production** sector in 2020, with the exception of only a few crop species – barley, maize and tomatoes.

- The volume of cereals became 2.1% lower compared to the high base in 2019. The production of wheat went down by 7.0% and that of maize increased by 1.3% out of the main cereals. **The production of barley expanded by 3.6%.**

Figure 1



- A fall of 3.8% was recorded in the volume of industrial crops, **of 5.8% in the harvest results of rape and of 2.3% in those of sunflower**, the two crops accounting for a large part of the crop group, and less protein crops and soya, both with a smaller share, were harvested, too, than a year earlier. The production of sugar beet went on diminishing (7.7%).
- The production of horticultural products lessened by 0.6%.
- The volume of forage plants was nearly the same as in the previous year.
- **The volume of fruits decreased by 18%** because of severe flower and bud damage caused by spring frosts, the loss affected all of the major fruit species, the **production of apple** – making up a significant part of the sector – **declined by 25%. The quantity of grape went down as well, by 8.0%**, however, specialists expect an excellent vintage.

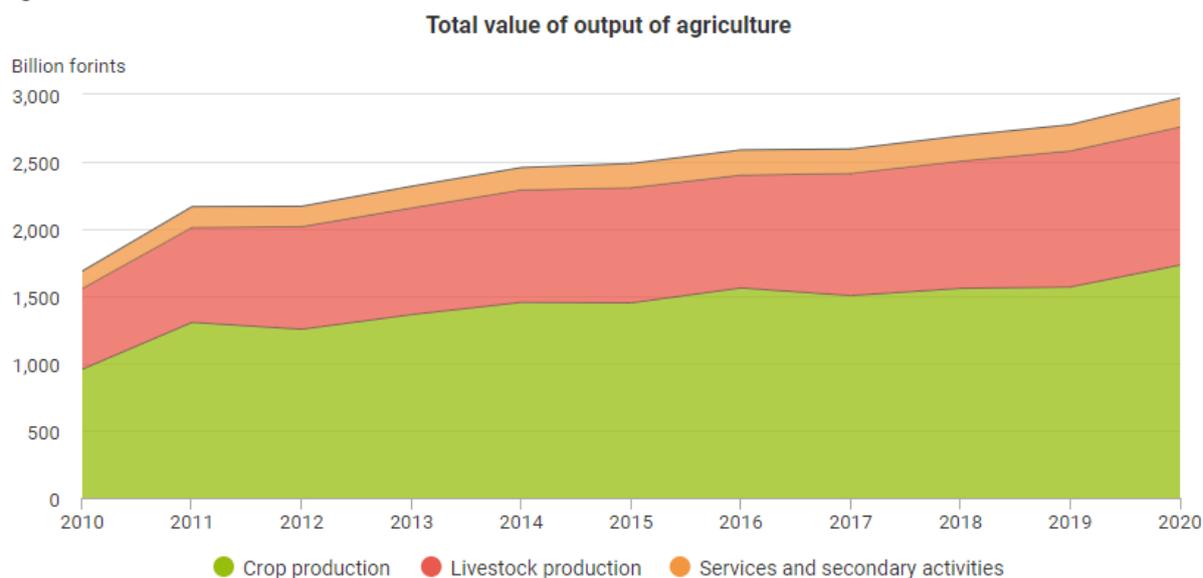
The total volume of output of live animals and animal products was lower in 2020 than one year earlier. Unfavourable economic circumstances that developed because of the new corona virus epidemic and veterinary emergencies – e.g. African swine fever, bird flu – also influenced the output of livestock production.

- The volume of live animals became 2.4% lower, within which **cattle volume increased by 1.0%, the volume of pigs was cut by 1.0% and that of poultry by 5.0%**, and the volume of the remaining animal species was unchanged.
- **The quantity of animal products as a whole rose by 1.3%**. Milk production is one of the dominant areas of agriculture, it has followed a path of slow growth since the phasing out of milk quotas in 2015. The quantity of milk collected in 2020 was 1,575 million litres, 2.7% more than in the previous year.

### Total output of agriculture grows, productivity lessens

The **value of output**<sup>[1]</sup> of the agricultural sector (including services and secondary activities) at current basic prices was **2,973 billion forints** in 2020, of which crop production had a share of 1,733 billion forints and livestock production 1,026 billion forints. The proportions of the basic activities (58% and 34%, respectively) were practically unchanged in the last ten years apart from fluctuations of a few percentage points.

Figure 2

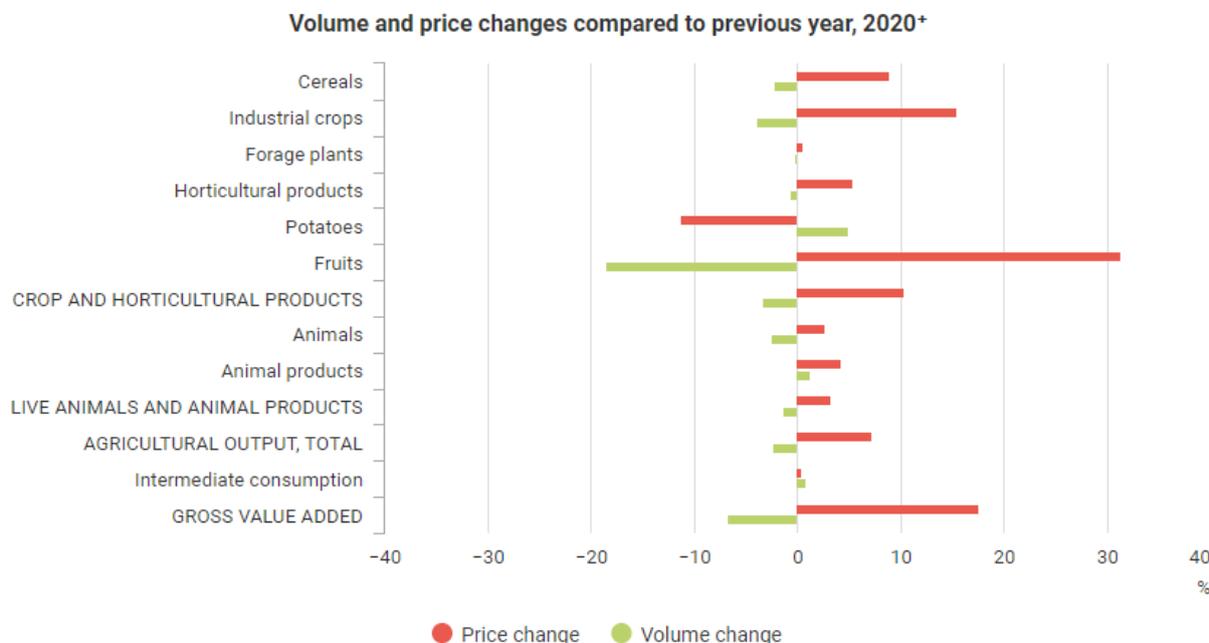


The **price index of the total agricultural output was 7.2% higher and its volume 2.2% lower** in 2020 than in 2019, so its value increased by 4.8% as a whole compared to the previous year. The price level of crop products rose by 10.3% and that of animals and animal products by 3.2%.

Both the volume and the price index of intermediate consumption grew, and its value was 1.3% higher in total than in the previous year. The fewer agricultural products produced with higher expenditure showed a decline in the productivity of agriculture, which lowered the growth of value added. Gross **value added** (1,281 billion forints) **decreased by 6.6%** at the previous year's prices but augmented by 9.9% at current prices. The former was 4.4 percentage points lower and the latter 5.1 percentage points higher than the respective changes in total output.

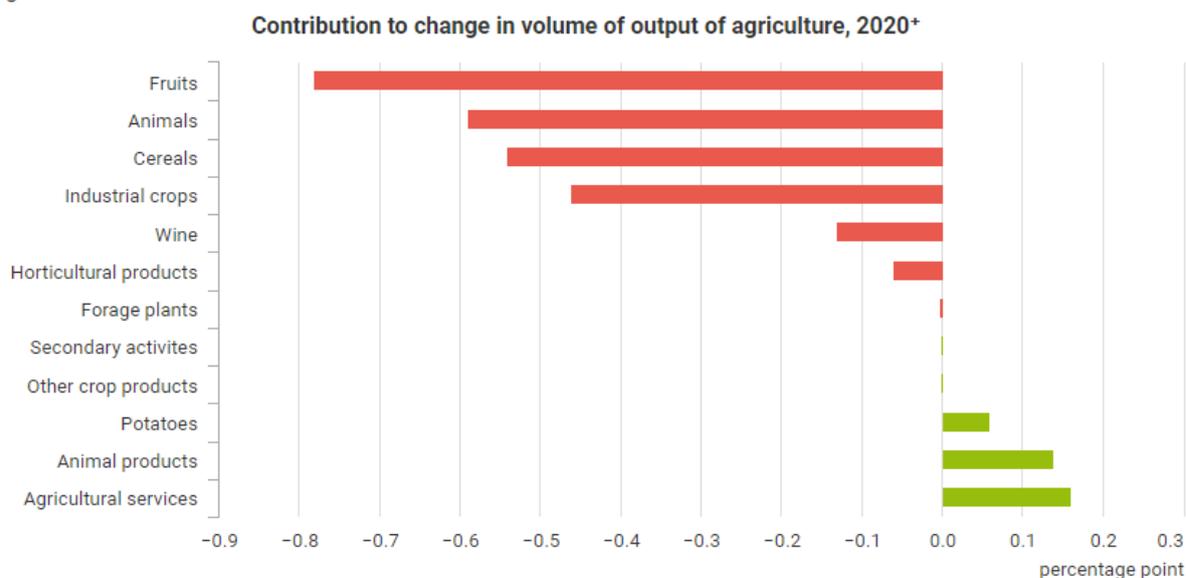
Factor income was 11% and entrepreneurial income 17% higher than in the previous year. Labour input in agriculture was reduced by 5.9%. **Real factor income per work unit (indicator A) rose by 12%.**

Figure 3



The decrease in the volume of fruits, animals, cereals and industrial crops could only partly be offset by the growing performance of agricultural services as well as of the production of animal products and potatoes.

Figure 4



### Output of agriculture in the European Union (EU27\_2020) decreases and is below trend

The total value of output of agriculture in the European Union<sup>[2]</sup> was 411 billion euros at current basic prices in 2020 according to the first preliminary data, **1.6% lower** than a year earlier.

- **Crop production narrowed by 1.7%.** Out of major product groups, the output of fruits grew by 9.0% and that of horticultural products by 0.4%, while the output of the rest decreased. The largest fall was suffered by the production of olive oil and potatoes.
- **Livestock production was 1.3% lower than in the previous year.** Merely the output of sheep and goats increased out of live animals, by 3.8%, while that of the remaining animal species and of animal products was lowered.

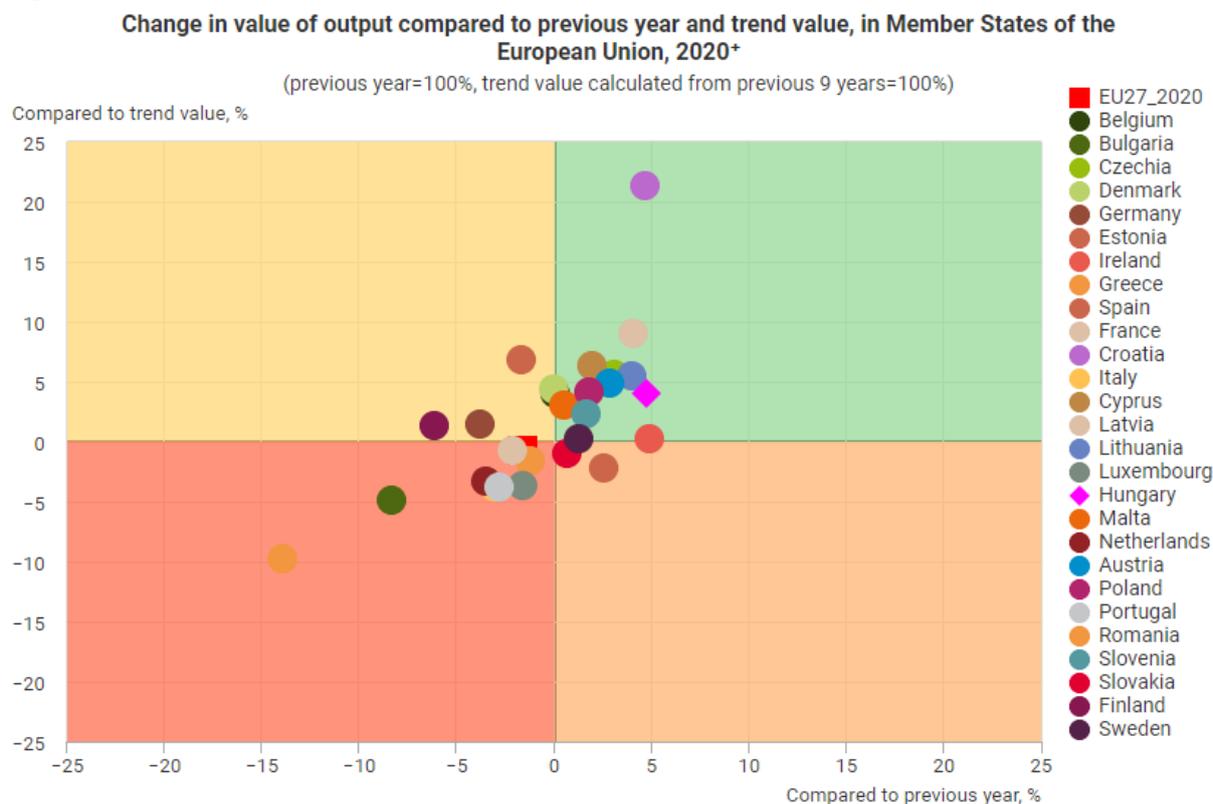
**Real factor income per work unit (indicator A) lessened by 4.0% in 2020**, owing to a 5.2% reduction in factor income and a 2.9% decrease in labour input.

- With its growth of 12%, Hungary moved among the best-performing countries.
- The value of the indicator went up to the highest extent in Lithuania and Spain.
- The highest rates of decrease occurred in Romania and Germany.

**The value of output of agriculture in the European Union was 0.7% below the trend for the last 9 years.**

- Among the member countries, **the largest growths** compared to the previous year **were in Ireland and Hungary, and these countries performed above the trend, too.**
- By contrast, the highest rates of decrease in output were recorded for Romania and Bulgaria, and the value compared to the trend was 9.7% smaller in the former and 4.9% lower in the latter case.

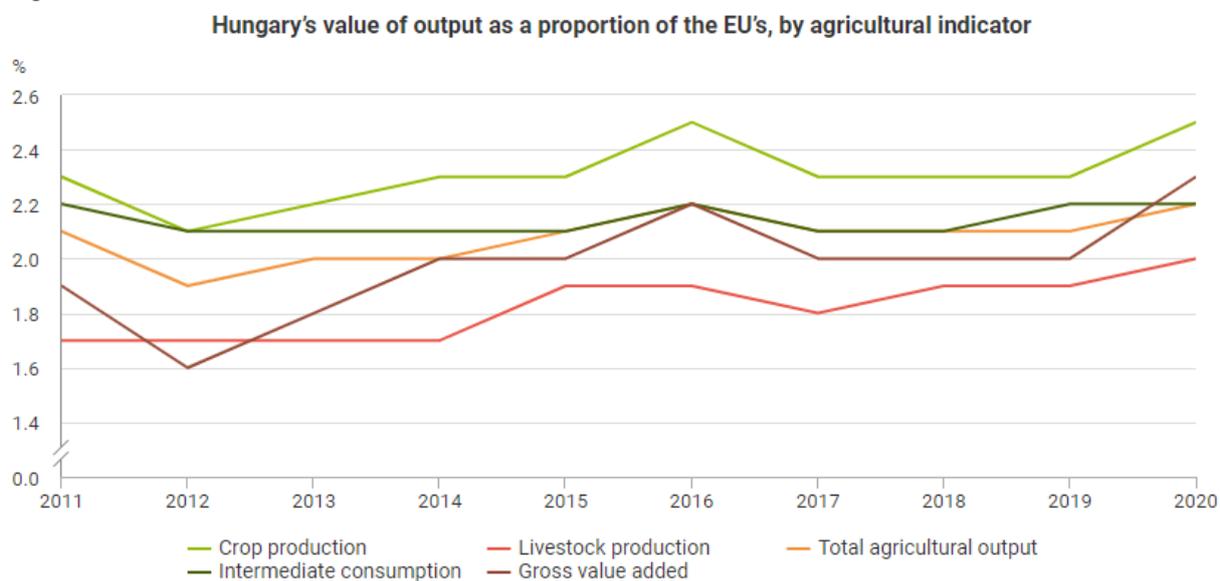
Figure 5



Hungary had a share of between 1.9% and 2.2% of the EU's total agricultural output in the last 10 years. Livestock production was the smallest and crop production the largest contributor to

the EU's output, and the proportion of intermediate consumption hardly changed over the period (2.1% and 2.2%).

Figure 6



[1]:↑ The value and the change in volume of agricultural output can be determined based on the observation of annual harvest results and livestock.

[2]:↑ First estimates (of November 2020). Second estimate (of January 2021) for Hungary.

### Further data and information

[Methodology](#)

[Summary tables \(STADAT\)](#)

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