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Contents

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Foreword

I am very pleased to announce that, beginning with content published in 2015, *Studies in Agricultural Economics* is included in the Thomson Reuters™ Web of Science™ Core Collection. The journal has met the high standards of an objective evaluation process by the global leaders in scientific indexing that takes into account, among other criteria, peer review, timely publishing, novel content, international diversity and citation impact. In Web of Science, *Studies in Agricultural Economics* will benefit from cover-to-cover indexing, cited reference indexing, subject category assignment, and indexing all authors and addresses.

This news represents a milestone in the continuing development of the journal. This year, *Studies in Agricultural Economics* published 23 papers, of which eight are by Hungarian authors, nine are from elsewhere in Europe and six are from outside Europe. By contrast, in 2010 14 papers were published, of which 13 were by Hungarian authors and one came from elsewhere in the European Union. The greater diversity of the journal's content is reflected in the contributions to this issue.

This issue starts with an impact assessment in Albanian agriculture by Skreli, Imami, Jámbor, Zvyagintsev and Çera. This shows that the government subsidy scheme had a net positive impact on areas planted with olives and grapevines, and on part-time on-farm employment, but that no significant net impact was observed regarding farm size and crop yields. They recommend that new support schemes should be anticipated by an in-depth market outlook.

In the context of increasing interest in renewable energy sources, including biofuels, Potori and Stark assessed the influence of crude oil futures on new crop sunflower seed futures in Hungary. Their results suggest that standard cointegration analysis may not be appropriate for multiannual price series of agricultural commodities with strong seasonality in production because it will not capture the periodical shocks in supply and demand.

Noting that environmental management is an increasingly critical criterion in the allocation of farm subsidies, Mészáros, Hufnagel, Balázs, Bíró, Jancsovszka, Podmaniczky and Sipos describe the development and field testing of the 'Green-point system' of farm environmental performance indicators. Farms in Hungary performed best for *plant protection* and *diversity of crop production*, while *nutrient management* is the most critical area.

In the first of two papers from Poland, Chmieliński and Karwat-Woźniak report that the socio-demographic structure of the farming population is still favourable and the educational level of farming family members has been improving. However, hidden unemployment in the countryside adversely affects restructuring and modernisation processes in agricultural holdings. Employment on family farms has a decreasing role in reducing the imbalance in the rural labour market in Poland.

Gospodarowicz finds that similar levels of technical or social infrastructure are associated with a significantly higher level of economic development in urban and urban-rural *gminas* (municipalities) than in rural *gminas*. Sustainable development is largely the result of institutional factors related to infrastructure. It is therefore advisable to move away from a purely redistributive approach towards targeted territorial support of the development potential of municipalities.

Pitter, Jóźwiak, Martos, Kaló and Vokó evaluate whether health technology assessment methodology is suitable for quantitative decision support in food safety risk analysis. They suggest that cost-utility analysis could better serve the priority settings in food safety risk management than the currently (rarely) applied cost-benefit analysis. The shared methodology would pave the way to the integration of health and food policies.

This issue concludes with two papers from Ethiopia on the topic of environmental management. Ahmed analysed the relationships between the adoption by maize farmers of different input-intensive technologies and natural resource management practices. Both positive and negative relationships were identified. Educational level of the household, family size and other factors are shown to influence farmers' decisions to adopt a technology or practice.

Finally, Geta, Mezgebo and Zeleke measured the willingness of urban and rural households to pay for improved drainage basin management, and the factors affecting households' willingness to pay. They conclude that that any drainage basin management system needs to consider the monthly income, location, sex, initial bids, occupation, marital status and educational level of the affected households.

AKI's intention is to further develop *Studies in Agricultural Economics* as a good quality, regional, English language journal that publishes original research and other material on agricultural economics and rural development, and which is available in both printed and electronic formats. I look forward to receiving your papers for publication in future issues of the journal.

Andrew Fieldsend
Budapest, November 2015

Workshop report

Policy Guidelines for Agricultural Research

Budapest, 10 November 2015

This workshop was organised jointly by the Hungarian Ministry of Agriculture (FM) and the Research Institute of Agricultural Economics, Budapest (AKI) with the assistance of the Hungarian Chamber of Agriculture (NAK). Its objective was to initiate a dialogue between the representatives of national agricultural research organisations, establishing guidelines for the areas considered to be of strategic importance by the actors. The participants were mainly the leaders and delegates of universities, research institutes, administration and organisations representing farmers. The event was the first of a series of activities, the outcome of which will be an active agri-innovation network that supports the matching of needs and potentials.

The conference was opened by Dr. Feldman Zsolt, Deputy State Secretary for Agriculture. In his welcome speech he pointed out that, just as in the European Union (EU), the performance of agricultural research in Hungary is measurable and interpretable mainly through its effects of innovation (i.e. by the level of its contribution to farming standards). The FM recognises the importance of the establishment of a national agri-innovation network, and the identification of practical demands, innovative ideas and operators. For this purpose a new Agri-Innovation Department (AID) has been set up within the Ministry.

In the first presentation of the plenary session Dr. Juhász Anikó, Director General of AKI, recalled that applicants from Central and Eastern European (CEE) and Visegrad Group (V4) countries had only limited success in applying for funding from the EU's Seventh Framework Programme for Research and Technological Development (FP7). She drew participants' attention to the areas of *Horizon 2020*, the EU's current research and innovation programme, that should be taken into account and described the factors that are prerequisites for a successful application. Then, Kránitz Lívia, Head of the AID, described the potential of the European Innovation Partnership 'Agricultural Productivity and Sustainability' (EIP-AGRI). This involves a new form of cooperation aimed at bridging the gap between research and practice. The resources for establishing cooperation for innovation and implementation of joint projects are being provided by the Hungarian Rural Development Programme 2014-2020.

Following these presentations, the workshop was introduced and moderated by Dr. Nemes Gusztáv, a researcher from the Hungarian Academy of Sciences. Seven thematic workgroups were set up, covering two major topics:

- Managing challenges caused by the continental climate and its change (covering the reduction of dependence on non-renewable energy sources; exploiting the potential for protein crop production and livestock feeding; Central and Eastern Europe as an east-west/south-north buffer zone for pathogens; and preservation of the quality of natural resources, ecosystem services and biodiversity);
- Adaptation to the challenges of social and economic changes (covering opportunities for promotion of modern management in agriculture; efficiency of the supply chain, increasing the added value, bio-economy; and alternative effects on consumer attitudes).

The participants were asked to address three issues. Firstly, a consensus had to be reached on the relevance of their topic and whether the research field is well defined in the CEE / V4 countries. Here the corresponding most important problems, research questions and directions, and project ideas were collected. Then, the subject-related domestic and international (mainly CEE / V4 countries) associations that could potentially be involved in cooperation for research and enhancement of interests were identified. Finally, the participants could make pledges and commitments for work and tasks to be carried out before the publication of the 2018-2020 work programme of *Horizon 2020*.

Across the seven workgroups, the participants identified 46 relevant problem areas and challenges, while 63 research topics focus areas were defined. The participants in every workgroup identified a fair number of potential partners. Altogether, nearly 110 organisations were named by those present, two-thirds of which are outside Hungary. The commitments to undertaking tasks were also encouraging. The most common contributions to be made were partner mediation, information sharing, the moving of social networks, communication, dissemination, project management, coaching, conducting empirical research and the preparation of professional materials. In conclusion it can be stated that due to the highly successful and active work of the groups a large amount of information was collected that will be valuable for reaching the pursued objective.

The event ended with a panel discussion moderated by Dr. Nemes Gusztáv in which Prof. Dr. Németh Tamás, full member of the Hungarian Academy of Sciences, Dr. Jenes Barnabás, Director General of the Hungarian National Agricultural Research and Innovation Centre, Dr. Fertő Imre, scientific advisor of the Hungarian Academy of Sciences, Papp Gergely, Deputy Director of Hungarian Chamber of Agriculture, Dr. Juhász Anikó and Kránitz Lívia summarised the most pressing problems of Hungarian agricultural research. The participants were encouraged to carry out the responsibilities they assumed courageously, persistently and in close cooperation with each other. Only in this way is there a chance for the region to become more successful in securing funding for its agricultural research project proposals submitted to *Horizon 2020*.

More information about the planned agri-innovation network is available by email from Dr. Juhász Anikó at juhasz.aniko@aki.gov.hu.

Abstracts of AKI publications

The results of AKI's research work are presented in detail in a series of Hungarian language publications. English language abstracts are reproduced below. The publications may be downloaded from the AKI website (www.aki.gov.hu) or requested in printed form from aki@aki.gov.hu.

SZABÓ Dorottya and JUHÁSZ Anikó

The characteristics of markets from the consumers' and the producers' point of view

Agroeconomic Book, published 2013

Today the role of the short supply chains became more important, this is why we chose to investigate this sales channel in our study. It is remarkable that the share of markets from the Hungarian domestic consumption of daily consumer goods was only 5 per cent in 2012, however, this ratio has stayed constant since 2000. In this research, producer and consumer surveys were mainly conducted by online questionnaires but they were complemented with paper-based ones. The consumers participating in the survey could be divided into clusters, which were clearly separated on the basis of their attitude towards markets, it ranged from market fans to market refusers. Based on our results, people preferring markets were typically urban, economically active, higher educated buyers with family, while those living in villages, with lower level of education and economically inactive preferred markets less. The results also demonstrated that selling on markets rather than in long supply chains provided higher income for the farmers, but it also meant additional costs, mainly due to the additional tasks of marketing, logistics and storing.

BORBÉLYNÉ TAKÁCS Krisztina and DANCS Gyuláné (eds)

Production data for the major Hungarian food products in 2013

Agroeconomic Information, published 2015

The publication presents data, for a wide selection of products, on the production costs and sales income of the food processing industry in 2013 compared to the previous year. Firstly, the price changes for the major food product groups are summarised and, secondly, tabulated data for individual food products are presented. These data show that in 2013 the production costs of meat products generally increased. It is true for all products that the manufacturers aimed to compensate for their growing production costs with some increases in sales prices. For a number of meat industry products the increases in the sales prices did not compensate for the increases in the production costs in 2013, so the profits were lower or remained at the same level. In the poultry, dairy, milling and baking industries, as well as in the production of pasta products, increases – at various scales – can be observed in raw material costs compared to the previous period, and more or less in total production costs. The results usually varied between products and food industry sectors, with the exception of the production of pasta, where the results for all the presented products declined. The profitability of the milling industry improved in 2013, while in the baking industry – as in the previous year – not all the products listed in this publication could realise a profit.

VÁGÓ Szabolcs and VALKÓ Gábor (eds)

Hungarian Food and Agricultural Statistics 2014

Agroeconomic Information, published 2015

The publication provides information on the results achieved in 2014 in agriculture, forestry and food industry. We assured the comparability of time-series in connection with the pocketbooks published in the recent years. Besides the national and branch indicators and data, the principal agricultural data are also given in details by counties. The international data are suitable to demonstrate the main trends. The published data are compiled on the basis of the publications of the Central Statistical Office, EUROSTAT, the Food and Agricultural Organization (FAO) and the Research Institute of Agricultural Economics.

Studies in Agricultural Economics

Information for authors

Studies in Agricultural Economics publishes original research papers, review papers, policy analyses and book reviews on agricultural economics, rural development and related topics including: agricultural production and competitiveness, environmental resource management, agri-food supply chain management, markets and marketing, international trade, econometrics, rural economic geography, rural economy and sociology, and development of information and knowledge based society in rural areas.

Audience

Researchers, academics, policy makers and practitioners in agricultural economics and rural development, especially in eastern central and south eastern Europe.

Submission of manuscripts

Submission of an article implies that the work described has not been published in English in any other peer-reviewed journal, is not under consideration for publication elsewhere, and that its publication is approved by all authors and tacitly or explicitly by the responsible authorities where the work was carried out. The author will retain the copyright of the article but agrees to identify AKI as the original publisher. Papers will not normally exceed 6000 words including the reference list and figure and table captions. Authors intending to prepare a book review should first consult the Editor-in-Chief and such a review should not exceed 2000 words.

Shorter papers and comments, of up to 1500 words, will also be considered for publication. Such notes might deal with the economic aspects of policy, with the results of small research projects that do not justify a full-length article, or comment on articles previously published.

Manuscripts should be submitted in .doc or compatible format. They should be prepared using A4 format, TNR 12 pt text and 1.5 line spacing and be in single-column format with wide margins. Do not hyphenate words and use **bold** face and *italics* only sparingly, but use subscripts and superscripts where appropriate. Avoid the use of single-sentence paragraphs. Tables should be placed at the end of the manuscript and figures should be submitted as separate files, numbered accordingly. Page and line numbering (restart each page) must be used but no reference should be made to page numbers in the text. You should use the 'spell-check' and 'grammar-check' functions of your wordprocessor, which should be set to *English* English, to avoid unnecessary errors.

Manuscripts will be double-blind reviewed by at least two reviewers and may be returned to the author(s) for revision before acceptance for publication. The Editor-in-Chief will normally consider only one re-submission.

Article structure

Divide your article into clearly defined sections but do not use section or subsection numbers. Each heading should appear on its own separate line. For research papers you are urged to consider using the following structure:

- **Introduction.** State the objectives of the work and provide an adequate background with reference to the international literature, but avoiding a detailed literature survey or a summary of the results.
- **Methodology.** Provide sufficient detail to allow the work to be reproduced. Methods already published should be indicated by a reference: only relevant modifications should be described.
- **Results.** Results should be clear and concise.
- **Discussion.** This should explore the significance of the results of the work, not repeat them. A combined Results and Discussion section should normally be avoided. You should show how your results add to existing knowledge but avoid extensive citations and discussion of published literature.

Where it is not appropriate to use the above framework, you should finish the paper with conclusions.

Essential title page information

- **Title.** Concise and informative. Avoid abbreviations and formulae where possible.
- **Running title.** Please provide an abbreviated title of no more than 60 characters (including spaces) that can be used as a running title on the page header.
- **Author names and affiliations.** Present the authors' affiliation addresses (where the actual work was done) below their names.
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- **Present/permanent address.** If an author has moved since the work described in the article was done, or was visiting at the time, a 'Present address' (or 'Permanent address') may be indicated. The address at which the author actually did the work must be retained as the main, affiliation address.

Additional information

- **Abstract.** A single paragraph of 100-250 words should state the purpose of the research, the principal results and major conclusions.
- **Keywords.** Please provide a maximum of six keywords.
- **Abbreviations.** If necessary, define abbreviations that are not standard in this field on the first page of the article.

- **Acknowledgements.** If applicable, collate acknowledgements in a separate section at the end of the article before the references. List here those individuals and/or organisations that provided help, including financial support, during the research.
- **Nomenclature and units.** Follow internationally accepted rules and conventions: use the international system of units (SI) i.e. metre, second, kilogramme etc. or accepted alternatives e.g. day, litre, tonne.
- **Math formulae.** Present simple formulae in the line of normal text where possible. Number consecutively any equations that have to be displayed separately from the text (if referred to explicitly in the text). For simple fractions use the solidus (/) instead of a horizontal line. Powers of e are often more conveniently denoted by exp. Give the meaning of all symbols immediately after the equation in which they are first used. Levels of statistical significance which can be mentioned without further explanation are: *P <0.05, **P <0.01 and ***P <0.001.
- **Footnotes.** Footnotes should be used sparingly. Number them consecutively throughout the article, using superscript Arabic numbers. Indicate each footnote in a table with a superscript lowercase letter.

Tables and figures

- **Tables.** Number tables consecutively in accordance with their appearance in the text. Each table should be accompanied by a title and fully descriptive caption. Column headings should be brief but sufficiently explanatory and standard abbreviations of units of measurement should be included between parentheses. Do not use vertical rules to separate columns. Large tables should be avoided. If many data are to be presented, you should consider dividing them over two or more tables. Reversing columns and rows will often reduce the dimensions of a table.
- **Figures.** Graphs, drawings or photographs should be supplied in digital format in monochrome and be of sufficient contrast. Figures prepared with Excel® software (or compatible format) are preferred. Captions should be included in the main manuscript, not attached to the figure, and should explain all symbols and abbreviations used. The text should include references to all figures. The use of figures from other publications is discouraged but, if used, permission of the author(s) or the copyright owner is necessary.

References

Please ensure that every reference cited in the text is also present in the reference list (and vice versa). Citations may be made directly (or parenthetically). Groups of references should be listed first alphabetically, then chronologically. For example: 'as demonstrated (Allan, 1996a, 1996b, 1999; Allan and Jones, 1995). Kramer *et al.* (2000) have recently shown ...' Citation of a reference as 'in press' implies that the item has been accepted for publication.

In the reference list, references should be arranged first alphabetically and then further sorted chronologically if necessary. They should not be numbered. More than one reference from the same author(s) in the same year must be identified by the letters 'a', 'b', etc. placed after the year of publication. The title of a non-English publication should be followed by the English translation in square brackets. Journal titles should not be abbreviated. Examples:

- **Reference to a journal publication.** Van der Geer, J., Hanraads, J.A.J. and Lupton, R.A. (2000): The art of writing a scientific article. Journal of Science Communication **163**, 51-59.
- **Reference to a book.** Strunk Jr., W. and White, E.B. (1979): The Elements of Style (3rd edition). New York: Macmillan.
- **Reference to a chapter in an edited book.** Mettam, G.R. and Adams, L.B. (1999): How to prepare an electronic version of your article, in Jones, B.S and Smith, R.Z. (eds), Introduction to the Electronic Age. New York: E-Publishing, 281–304.

For Web references, as a minimum, the full URL should be given and the date when the reference was last accessed. Any further information, if known (DOI, author names, dates etc.), should also be given. Web sources should be included in the reference list alphabetically according to the author's surname or organisation's name.

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The corresponding author will be provided, at no cost, with a PDF file of the article via e-mail. The PDF file includes a cover sheet with the journal cover image and a disclaimer outlining the terms and conditions of use. *Studies in Agricultural Economics* has no page charges or submission fees.

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