

## FARM DIVERSIFICATION ACTIVITIES: SOME FINDINGS OF EU EXPERIENCE

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Ukrainian society and government are discussing the changing the approach of agriculture development on the way of European integration. In the beginning of nineties EU began to implement new concept of sustainable multifunctional development of agriculture and rural areas. This concept includes diversification of farming activities and whole rural economy among other things.

In this investigation we tried to assess the results of implementation of CAP EU measures for supporting the farms diversification in the CEE countries (based on the Hungary experience). Hungary is quite similar to Ukraine in terms of dual structure of agriculture.

We concluded that the implementation of the European rural development policy in Hungary amended the decreasing trends of diversified farms during the 2000–2003. During the 2007–2013 periods the number of diversified farms increased among the private and corporate holdings. Different types of agriproducers developed their diversified activities using the different assets: corporate farms used their available vehicles and

equipment, providing the transportation services and commerce; private farms mainly their employed free work force, extending the production of value added goods. That's why the private farms successfully developed various food productions.

The private and corporate farms most successfully developed their diversified activities in the fruits and vegetables processing. This success was defined by the development of cooperation in the country: more than 80 percent of fruits and vegetables were sold by 51 producer groups. However, there are some sectors with strong competition between the corporate and private holdings: for an example, the corporate farms won additional position in vine making, but the private one increased the number of the diversified farms, involved in the feed production.

The development of diversified activities is affected by the government policy and also by other factors (internal and external), including among others the farm size and farm agricultural specialization.