

## HUNGARY

### Farm's performance, restructuring & modernisation

**Location**  
Orosháza

**Programming period**  
2014 – 2020

**Priority**  
P2 – Competitiveness

**Measure**  
M04 - Investments in  
physical assets

**Funding (EUR)**  
Total budget 3 222 014  
EAFRD 1 288 748  
National/Regional 322 187  
Private 1 611 079

**Project duration**  
2017 – 2019

**Project promoter**  
Balázs Majsai

**Contact**  
[majsaikert@gmail.com](mailto:majsaikert@gmail.com)

**Website**  
[www.majsaikert.hu](http://www.majsaikert.hu)

A family farm used investment support from the Hungarian Rural Development Programme (RDP) to improve its competitiveness in the horticultural sector in Hungary.

### Summary

The Majsai family farm is a major producer of tomatoes in Hungary. The owners wanted to increase the farm's productivity while improving the farm's energy efficiency and reducing waste.

Grant support from the Hungarian RDP financed the building of two new glass greenhouses and a service building. A buffer tank was also installed and an existing thermowell upgraded to reduce energy consumption. Additional equipment installed included a water treatment plant, a heating system, energy saving screens, and a climate control computer.



### Results

Overall, this investment has led to at least a 10% reduction in noise, waste, and wastewater production on the farm.

The use of suspended canal irrigation saves 20-30% of water and fertiliser compared to conventional cultivation and the water treatment plant has reduced the amount of water used for irrigation by 30%.

Ten new employees have been hired and due to increased efficiency and higher production, the farm now provides tomatoes to Tesco and Lidl stores all year round.

### Lessons & Recommendations

- ❑ The beneficiary found it difficult to coordinate the subcontractors and there were unforeseen challenges and delays. Thorough project planning is essential, as is the inclusion of a reasonable cost contingency within the project budget.

## Context

Majsai Horticulture Ltd is a family farm producing tomatoes in Orosháza, southern Hungary. The family has been working in horticulture since 1960. At first, they used to work in state-owned foil tunnels. After the regime change in 1989, they bought land and a foil tunnel to start their own business. Over the years, the farm kept expanding and became a major producer. The company sells between 80% to 90% of its production on the domestic market. Significant volumes of tomatoes are also exported to the Slovak and Romanian retail markets. To secure the company's market position, it was decided to introduce new high-end techniques from the Netherlands. A semi-automatic production system was introduced, in which the workers harvest the tomatoes and then machines process and package the crop.

## Objectives

This investment project aimed to:

- reducing operating costs relating to water consumption and fertiliser consumption.
- increasing the quantity and quality of tomatoes produced.
- reducing the environmental burden.
- increasing the company's sales.
- creating employment in the region.

## Activities

Support from the RDP contributed through:

- building two glass greenhouses covering 17 820 m<sup>2</sup> and 11 034 m<sup>2</sup> respectively and a service building of 1 438 m<sup>2</sup>
- constructing a 2 000 m<sup>3</sup> buffer tank for heating the greenhouses and renovating an existing thermowell
- equipping the greenhouses with energy saving screens, a climate control computer, and a general control system
- installing irrigation equipment and setting up a water treatment plant and a heating system.

## Main results

The use of suspended canal irrigation saves 20-30 % of water and fertiliser compared to conventional cultivation. The water treatment plant has reduced the amount of water used for irrigation by 30 %.

Overall, this investment has led to at least a 10 % reduction in noise, waste, and wastewater production on the farm.

Ten new employees have been hired to operate the new greenhouses. Due to increased efficiency and higher production, the farm now provides tomatoes to Tesco and Lidl stores all year round.

## Key lessons

Coordinate of subcontractors was difficult during the implementation of this complex investment. For example, one subcontractor did not complete their construction works on time and therefore it was necessary to reschedule the following works. In the end, these difficulties were overcome and the investment completed within the planned timeframe. A greater degree of allowable flexibility in the project delivery schedule would have helped, in addition to a contingency allowance to provide for increased costs related to unforeseen delays.



## Additional sources of information

[www.facebook.com/Majsai-Kert-Kft-2359602170938264/?ref=page\\_internal](https://www.facebook.com/Majsai-Kert-Kft-2359602170938264/?ref=page_internal)