

CURRENT ISSUES OF THE HUNGARIAN MAIZE MARKET

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In 2004-2006 the Hungarian maize-yield were prominently big, more than 8 million tons. The main cause was the intervention system, what means economic stability for the farmers.

The main goal of intervention system is the insurance of a minimal price level; it is below the market price. Between 2000-2006 years this price was 101, 31 euro per ton. The intervention period holds on from 1st November to 31st May, and the price concerns the all maize.

Any owner of goods – farmer, purchasing agent and vendor - may make propose to sell the maize, on condition that its quantity is over 80 million tons. The members of EU may determine other minimal quantity, for example, in France it is 500 million tons. The EU is in possession of the grain-store, that's mean the stock may sell by competition.

The grain intervention system was worked out for EU-15, and until 2004 year, it worked right. The problem was caused by the new members – some of them was traditionally maize-exporter (e.g.: Hungary) – so, they offer their stock, and because of it 5,6 million tons maize accumulated in the intervention store (Table 1.).

Table1. Grain-store in February of 2007.

Grain	EU-27	Hungary	Share of Hungary (%)
	million tons		
Maize	3.94	3, 89	98,7
Wheat	2,04	0,26	12,7
Other	0.50	0,02	4,0
All	6,48	4,17	64,4

Source: EU-INFO (www.eu-info.hu)

The European Parliament has voted the gradual termination of the intervention for maize. They justify their decision with the difficulty of selling of the gigantic accumulated maize-quantity. In 2007, because of the poor crop, shortage of goods and high price has grown up. Hungarian farmers have a share in keeping the maize-stock in Hungary.

Nowadays the solving of the maize-problem may be the bio-ethanol-production. In the USA the maize-cultivation has grown year by year. Because of it the using for industrial purposes – especially for bio-ethanol is grow too. In our time the 30% of the maize-store is used for ethanol-industry, in their 112 factories. The using of alternative energy in the EU is important problem too. The main aim is the 20% share of the road traffic in 2020.