

ARE WINE-GROWING FAMILZ FARMS VIABLE?!

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Abstract

With the accession to the European Union Hungary became part of a single market. Trade regulations have eased considerably, the ratio of foreign wines in the Hungarian market has increased and subsidies are adjusting to the wine market regulations of the Common Agricultural Policy. Consequently, the participants of this sector have been facing increasing competition under stricter administrative regulations. The most important goal is to strengthen and improve the market position of the wine sector with the increase of competitiveness.

Creating economic viability in this sector, however, is more crucial for most of the participants than competitiveness. With fragmented properties, unsuitable species combinations, aging vineyards and low technological standard wine-growing has been functioning as a supplementary source of income for many. They represent the bottom of the production pyramid since the viability criteria are not guaranteed.

This study examines the viability of wine-growing family farmers, even though their overall market share is small, numerically they represent a significant layer of society.