

Questionnaire on the Principle of Integration

Hungary

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I. How to understand the integration principle of Art. 6 EC (to be introduced by invited speaker; however all of the participants should prepare and submit their own views)

- object ('policies and activities', 'definition and implementation')
- addressees (Community, MS insofar as implementing EU policies?)
- criteria ('environmental protection requirements', 'with a view to promoting sustainable development')
- character of guidance ('must be integrated')
 - o enabling authorities to restrict economic activities?
 - o directing authorities?
 - Procedural => assessment and justification of impact? Mere consideration?
 - Substantive => Minimal standards?
- counterprinciples and the inflation of principling (Art. 127 II, 153 II EC)
- density of court review, ECJ case law (policy guidance or hard law?)
- corollary institutions and procedures (DG Environment, EP Environment Committee, Council of Environmental Ministers)
- Amendments by Lissabon Treaty (e.g. Art. 6a, 176a, 176b EC, Art. 8b EU)
- Suggestions for making the integration principle more effective (applicability of SEA to EU activities? Environmental Assessment Board?)

II. To what extent has the integration principle become part of the constitution or general principles and practises of law-making in your MS?

Consider for this purpose that the integration principle could have

- a narrower or broader scope of objects
- more or less precise and extensive criteria
- a more or less far-reaching character of guidance
 - o enabling/ directing
 - o procedural
 - o substantive

Consider further that the integration principle overlaps with the principle of sustainable development. Therefore, if sustainability appears in your legal system do include its analysis into your report to the extent it can be understood as meaning integration in the sense of Art. 6 EC.

Questions that may guide your research

1. Are there any direct provisions or references to the principle of integration in the Constitution, a framework environmental act or other act of general application, and if the answer is positive, how is it formulated?

1. The Hungarian Constitution

The principle of environmental integration neither indirectly, nor directly appear in the Hungarian Constitution. In the Constitution of the Republic of Hungary: the Act XX of 1949¹ there are only two provisions in relation to environmental protection, both concern fundamental rights of humans, namely the right to a clean environment. The first provision is more general, and appears in the First Chapter of the Constitution, within the general provisions: it recognizes the individual's right to a healthy environment, and requires also the enforcement of this right (Art.18). The second provision is found in the Chapter XII, on fundamental rights and duties of citizens, in relation with the right to the highest possible level of physical and mental health. This provision contributes to the implementation of this fundamental right via – among others - environmental protection, which is treated here as a means in service of human health (Art. 70/D).

The Hungarian Constitution contains just a very few and basic provisions on the economy declaring that it is a market economy, which recognizes and supports the freedom of competition and the right to enterprise, and equally protect public and private property (Art. 9). These provisions don't say anything about the development of the economy or the sustainability of it, there is no indication of the connection between economic development and environment, nor about the protection of the environment on its own right, or the integration of environmental considerations into economic policies.

2. The Hungarian Environment Protection Act

General Provisions

The Hungarian Environmental Act² in its preamble refers to two different ideas, which have a direct connection to the principle of integration:

- the need for harmony between human activities and nature,
- the need to look at the future generations and sustaining species.

Also Art. 1 of the Act, covering the objective of the Act, refers to the same harmony and to sustainable development, which may be taken as a parallel concept to integration.

The Hungarian environmental legislation has already covered a 'SEA-like' instrument in its original, 1995 version – Art. 43-44 of the Act. This instrument is the 'assessment analysis', see details later.

The Act doesn't contain a direct provision on the environmental integration principle similar to the Art. 6 EC Treaty. Under the list of definitions used by the Act for its purposes, there are definitions, *inter alia*, on sustainable development, precaution, prevention, but not on the environmental integration. Even the rather broad understanding of this definition of sustainable development³ might not be explained in a way to find the requirement to integrate environmental protection requirements into other policies. Giving a short explanation of each,

¹ The Constitution of the Republic of Hungary: Act XX of 1949, it has been amended several times; among the latest amendments an important one was made in 2002, the aim of which was to create the constitutional basis for Hungary to participate in the European Union, "to exercise certain constitutional powers jointly with other Member States" Art. 2A (1)).

² Act LIII. of 1995 on the general provisions of environmental protection

³ Art. 4 of the Act LIII, see point 29: "sustainable development" means a system of social and economic conditions and activities that preserves the natural values for the current and future generations, uses natural resources economically and expediently and, in ecological terms, ensures the improvement of the quality of life and the preservation of diversity in the long run".

the Act lists the *basic principles* governing environmental protection, they are: precaution, prevention, restoration, liability, cooperation, access to and provision of information and publicity.⁴

Despite the fact that the Act doesn't list the environmental integration among its principles, there are implications in several provisions which signals, that the Hungarian environment protection policy and legislation does require a harmony between the environmental protection and other policies and activities.

Within the *objectives* of the Act it provides for the harmony between other objectives of the state with environmental protection requirements, and for the coordination of the functioning of the economy and social and economic development with environmental requirements.⁵

State activities protecting the environment

Within the *state activities protecting the environment* the Act repeats the enforcement of environmental requirements in the course of performing its other duties: the *Parliament* shall enforce environmental interests in its legislative work; the *Government*, while setting the development objectives, shall enforce the environmental protection requirements and promote the improvement of the state of the environment.⁶ It is within the responsibilities of the *Minister* in charge of environmental protection to draft the National Environment Protection Programme and to submit it to the Government; the latter shall submit its proposal regarding the Programme to Parliament for approval every six years; it shall submit a summary report on the state of the environment and on the state of affairs concerning the implementation of the Program every two years, and it shall direct and coordinate the implementation of the tasks specified in the Program.⁷

The Act requires the development a *National Environmental Programme*, which is the basis for environmental planning: The Programme has to include the presentation of the state of the environment, the environmental goals and targets, tasks, and deadlines for the implementation of these, means for attaining the goals, including the planned sources of financing. The Programme has to designate areas where special environmental measures are required, and has to indicate the contents of such measures.⁸

Within these provisions the Act requires the enforcement of the content of the National Environmental Programme in the determination of the country's social and economic plan, in economic policy decisions, in regional and local development, in regional planning, and in the planning and execution of state activities in any sector of the economy.⁹ This latter provision can be considered as the application of the integration principle: the wording resembles the Art. 6 of the EC Treaty where it indicates that the environmental goals and targets (as contents of the National Environmental Programme) "shall be enforced" during the "determination" and "execution" of social and economic plans and development.¹⁰

Without expressly mentioning it, the Act also refers to the integration principle where it provides for the *role of local governments in environmental protection*. The Act requires local

⁴ Art. 6-12 of the Act LIII.

⁵ Art. 1 (2) d), g).

⁶ Art. 38 a), 39 a), 41 (4).

⁷ Art. 42 (1) c), 41 (3).

⁸ Art. 40 (1) – (2).

⁹ Art. 40 (4).

¹⁰ Ibid.

governments to develop for their territories separate environmental protection programmes, which have to be in harmony with the goals and objectives of the National Environmental Programme and the municipality's development plan. Within the list of environmental responsibilities of local governments, the Act states that they “shall enforce” the environmental protection requirements in the course of carrying out development tasks and shall promote the improvement of the state of the environment. The objectives specified in the local environmental protection programme “shall be implemented” during the approval of the municipality's development plans or when another decision is made by the local government - by passing a municipal bylaw if necessary.¹¹

Classification of substances, products and technologies

Within the Chapter on the administration of environmental protection, the Act contains provisions on the classification of substances, products and technologies according to their hazardousness for the environment. It is obvious that environmental considerations are being integrated into this procedure, however, the Act requires, that environmental protection requirements shall also be enforced when classifying substances, products and technologies for other purposes.¹²

Environmental protection in regulative activities and other state decisions

The most obvious application of the integration principle is, perhaps, the environmental impact assessment procedure. The Act requires that prior to the commencement of activities that have or may have a significant impact on the environment, an environmental impact assessment shall be carried out. It is the task of the Government to specify those activities where the assessment is compulsory, and those where the environmental protection authority has to decide - based upon the criteria set out in the relevant government decree - as to whether an environmental impact assessment is required. The general content requirements for environmental impact studies and the regulations for environmental impact assessment procedures are provided for by the decree of the Government.¹³ The general requirement for environmental impact assessment, with detailed rules, was introduced in 1995, by the first version of the (then) new Act on environmental protection. Later on, this part of the Act has been modified in order to harmonise Hungarian environmental law with that of the EC. This also led to another modification, to the requirement of environmental impact assessment not only in case of projects, but also in legislation and national and regional concepts relating to the environment, furthermore, on certain (economic) plans and programmes.

The Hungarian Environmental Act within the environmental responsibilities of the state sets out requirements for the enforcement of environmental protection in regulation and in other state decisions. According to it, the drafters of legislation and national and regional concepts related to the protection of the environment shall assess and evaluate the effects of proposed measures on the environment and shall summarize them in an assessment analysis. The affected legal acts (Acts of the Parliament, decrees of the Government, ministerial decrees and decisions) are those that impact the environmental components, the quality of the environment or human health in connection with the environment.¹⁴ Under the authorization of the Act, a separate Government Decree was adopted in 2005 on the environmental assessment of certain plans and programmes.¹⁵ The Act assigns all those plans and programmes - prescribed by

¹¹ Art. 46 (1) b), f); Art 47 (3).

¹² Art. 84 (1), (3).

¹³ Art. 68 (1) – (2), Art. 69 (1).

¹⁴ Art.43 (1) – (3).

¹⁵ Government Decree No. 2/2005 (I. 11.).

statutory provisions and other legislative measures, or adopted by administrative decisions defined by the Act - under this provision that are likely to have a significant impact on the environment. Plans or programmes cannot be submitted in the absence of an environmental assessment.¹⁶

The environmental assessment has to identify, describe and evaluate the likely significant effects on the environment of implementing the plan or program, as well as the reasonable alternatives, taking into account the objectives and the geographical scope of the plan or program.¹⁷ The assessment analysis shall cover, among others, the extent to which the planned regulations and measures influence or may improve the state of the environment; the potential damage to the environment or population if the planned measures are not implemented; the existing state, financial, organizational and procedural conditions.¹⁸

The National Environmental Protection Council

The Hungarian Environmental Protection Act provides for the establishment of a National Environmental Protection Council, consisting of representatives of professional and economic interests, environmental organisations (NGOs), and of the academic community. The Council, as an advisory and consultant body of the Government, formulates its opinion on the above mentioned environmental assessments of legislation, plans and programmes; furthermore, it submits proposals to the Government, among others, for improving the efficiency of environmental protection and nature preservation. The Council's budget comes from the Ministry of Environmental Protection; the Minister acts as its Co-president.

2. Are there any references to making integration a legal principle on the level of federal/national/regional, etc. environmental policy papers (e.g. National Environmental Action Plan) or sectoral environmental policies (climate change, waste, etc.) and if the answer is positive, how is it formulated ?

See above.

3. The principle of integration or some part of it has it ever been interpreted by the judiciary? If the answer is positive, please provide a short summary!

There are several judgments¹⁹ of the Constitutional Court in connection with the interpretation of the right to environment²⁰, which all discuss the obligations of the state towards the protection of such right. From among the list of decisions there are two, which may easily be connected to the problem of integration, although directly they do not discuss it.

The first decision²¹ discusses the implementation of a special paragraph of the Act on territorial development and planning²², the Art. 3, par. 3, subpar. b), which requires the balancing of environmental and development interests during the decisions of territorial planning. According to this interpretation none of the two interests may have a priority over the other. The decision emphasises that there is no chance to guarantee the minimum level of

¹⁶ Art. 43 (4).

¹⁷ Art. 43 (7).

¹⁸ Art. 44 (1).

¹⁹ The basis is the Decision 28/1994. (V. 20.), the latest is the Decision 106/2007(XII. 20.) of the Constitutional Court

²⁰ Art. 18 and 70/D of the Hungarian Constitution, amended Act XX of 1949 (latest amendment is Act CLXVII of 2007)

²¹ Decision 14/1998. (V. 8.) of the Constitutional Court

²² Act XXI of 1996

environmental burden on the whole territory of the country, as development, infrastructural and production investments are also necessary in order to improve living conditions. Here the problem is that the given subparagraph refers to environmental issues as elements which should be implemented “in harmony with the concepts of economic areas”, and this may have a misleading interpretation, giving priority to economic interests.

The second decision²³ is also connected to the question of integration, but through a rather procedural approach. The problem here is the interpretation of a Government Decree²⁴ on the limitation of traffic of heavy duty vehicles. The merit of the case here is that there are some obligations to involve other organs and bodies into the decision-making process, which is a special guarantee in order to protect the rule of law in given cases. As it has already been mentioned, the Environmental Act²⁵ in its Art. 44 requires the drafter to develop an environmental ‘assessment analyses’ in those cases where the draft legal regulation may have an environmental impact. The body, who has the right to evaluate such drafts is the National Environmental Protection Council, the role of which in such procedures is to provide a solid social, scientific and professional basis for environmental protection. The Government is under obligation to carry on this procedure of harmonization, thus it is a formal unconstitutional practice to miss this element of the drafting process. The Constitutional Court, beside the procedural aspects, provides an explanation in the merits, why it is so important. According to the Court the characteristic of decisions, having a potential impact on environmental and nature is that the consequences are in many cases irreversible, determining the living conditions of future generations. Thus the regulator has the increased responsibility to be well-advised and prudent.

4. Are there governmental institutions playing an environmental watchdog-role in the legislative process?

Beside the relatively weak role of the National Council for Environmental Protection, there are no other governmental organs/bodies, who have such a role.

5. Are there general requirements as to inviting environmental agencies to comment on or cooperate in the rule-making and individual administrative action by environmentally remote agencies²⁶?

The Hungarian administrative procedural regulations²⁷ make a distinction between the main decision making organ and those special authorities, who provide a consent to the main proceedings, in those cases, where the legal norm regulating the given special permitting procedure requires so. The same authorities may in one case be the major permitting authorities and in other cases consenting authorities and vice-versa. Thus in environmental impact assessment procedures, the authority responsible for environmental issues – environmental protection inspectorate – shall invite the public health authority to consent and may invite several others, listed in the annex of the regulation, such as the authority responsible for building activities, while in the building permit procedure, the environmental authority shall always be invited in case of an investment, subject of EIA and may be invited in other cases.

²³ Decision 30/2000 (X.11.) of the Constitutional Court

²⁴ Gov. Decree 99/1997. (VI. 11.), amending the Gov. Decree 111/1995. (IX. 21.)

²⁵ Act LIII of 1995

²⁶ By this we mean administrative agencies in charge of policies which prima facie do not impact on the environment but do so indirectly or upon deeper consideration.

²⁷ Act on general provision of administrative procedure, Act CXL of 2004

In rule-making the situation is somewhat different, as there are only some selected regulatory procedures which require the invitation of the environmental authorities, mainly in connection with physical planning.

6. Are there general official advisory boards or scientific groups which reflect, discuss and recommend policies, measures or actions on environmentally remote legislative or administrative action?

See answers at Point 1 above. National Environmental Protection Council is a good example.

III. How has the SEA Directive 2001/42/EC been implemented in your country?

The SEA Directive comes closest to an instrument of alerting sectoral policies to environmental implications. We will not look at all details of understanding and implementation but will focus on the question whether experiences made with this instrument allow to conclude that it should be extended to further policy areas and even further forms of governmental action including legislation and rule-making. Questions of interest are the following:

1. Was the SEA directive properly been transposed into national law? (see e.g. C-108-06)

The SEA directive has been introduced into the Hungarian legal system by the amendment of the environmental act and by a separate government decree²⁸.

The environmental act attached the 'environmental review' to the original 'assessment analysis' in Art. 43. The review covers plans and programs, having a likely significant environmental impact

- a) the adoption of which is required by legal regulation or by a decision of the Parliament, the Government of a local government and
- b) the elaboration or adoption of which is undertaken by an organ of public administration or by an organ, which is not taken as public administration organ but has public administrative tasks or by the general assembly of the local government, or which is elaborated by the Government and approved by the Parliament.

The details are regulated by a separate legal regulation, that is the above mentioned Government Decree, while the Act provides some general framework for the process in its Art. 43.

2. In Art. 2 (a) there is a broad definition for 'plans and programmes'. How has this definition been adopted? Copied and pasted, or with some more words attached to them and even extending the scope?

The Government Decree in its Annex 1 lists all those plans and programs, in the case of which the environmental review is obligatory.

The following plans or programmes require an obligatory environmental review – in each and every case there is reference to the specific Hungarian legal basis:

1. Territorial development plans [Act XXI of 1996, 23. § (1) par.]

²⁸ Gov. Decree No. 2/2005. (I. 11.)

2. Physical plans covering the whole area of the municipality [Act LXXVIII of 1997, 7. § (3) par. *b) and c)* points]
3. National Development Plan [Regulation 1260/99/EC, Art. 9. par. *b)*]
4. Operative programmes of NDP [Regulation 1260/99/EC, Art. 9. par. *f)*]
5. National, regional, county or local waste management plans (Act XLIII of 2000, 33-38. §)
6. Medium term plan of agricultural policy (Act CXIV of 1997. 2. §)
7. National concept and national programmes of water management (Act LVII of 1995, 2. §)
8. River basin management plan [Act. LIII of 1995, 18. § (7) par.]
9. National and local public road development plan [Gov. Decree 30/1988. (IV. 21.) 5. §]

Above the list of Annex 1, the others cases of environmental review are connected to the environmental impact assessment in a way that those plans and programs shall be subject to the review procedure, which provide a framework for such development operations, the projects of which are listed in the annexes of the EIA regulations. Also those plans and programs require such a review, which may have a significant negative impact on a Natura 2000 site. These latter provisions and the details of them are similar to the requirements of Art. 3 of the Directive.

There are also cases, within which an individual, case-by-case decision shall be made concerning the need to carry on a review process. These are the minor modifications of those plans and programs, in case of which the review is obligatory (see par. 3 of Art. 3 of the Directive), plus those local physical plans which cover only part(s) of a municipality or which belong to those cases, above the Annex 1 cases, where the impact is only local with smaller territorial coverage. The third group of cases, within which an individual decision is needed cover all those plans and programmes, which provide a framework for future authorization in case of environmental uses. The main outline of this third class of conditions is also given

The cases of those plans and programmes which are outside the scope of the environmental review process are also listed, similar to the Art. 3 par. 8 and 9 of the Directive.

Also the conditions of evaluating the significance of the likely environmental impacts are regulated along the lines of the Directive. Thus first the Annex 2 of the Hungarian regulation and Annex II. of the Directive are similar, although not identical, as the Hungarian version provides some more details.

3. What is the general understanding of the concept of the 'authority' ? What kind of organisations are included ? (See on public services, eg. C-188/89 Foster and others v British Gas)

The concept of 'authority' is not dealt with in details, but it is connected to the concept of plan and program, thus the whole is connected strictly to the idea of public tasks, undertaken by an organ of public administration or a body, working under the supervision of a public administration organ. Thus this is a narrow concept.

On the other hand, environmental related authorities are back again later. Before deciding in the question of significance of the impact, the opinion of those authorities shall be collected, which are responsible for special elements of environmental protection – the list is provided for in Annex 3 of the Decree. The details of information to be provided for these authorities are also regulated. The minimum time frame for the opinions should not be less than 15 days. In case of diverse opinions, there should be a consultation process.

During the environmental review process the same authorities are back again, as they have the right to provide their opinion on the content and details of the review. Again the one administrative organ, responsible for the review process shall provide the necessary information for the participating authorities – again some minimum conditions for this information is given in the Decree. Again, in case of diverse opinions, there should be a consultation process.

4. In Art. 3 (2) there is a special list of issues, which provide the automatic application of SEA. Is there any debate related to the content of this list? Is it understood as a limitation of the definition of Art. 2 (see the different wording in Art. 3 (2): “and which set the framework for future development consent of projects listed in Annexes I and II to Directive 85/337/EEC”)?

There has not been any real debate on this as there is no real solution for this question.

5. In what way does the outcome of the SEA procedure affect the final decision-making? (see Art. 4 (2))

All the opinions are taken into consideration when finalising the plan or program, but there are no specific or detailed requirements on how it should be done.

The plan, programme, adopted by the decision-making organ shall be made publicly available together with a summary of the process and reasons.

The plan or programme shall contain the measures related to the monitoring of the implementation, first of all looking at the unforeseen adverse effects, and to the possibility to undertake appropriate remedial action. These measures are absolutely the same as in Art. 10 of the Directive, thus there are no more details.

6. If you have had personal experience with SEAs or if there are reports on how SEA was used in practice: what are the conclusions, and do they encourage to extend the instrument to further sectors and even to law-making and sublegal rule-making in general?

7. Were there/or are there any similar requirements in force in your county before/since the entering into force of the Directive? In case of a positive answer, please provide a short introduction, mainly in connection with the relationship of the two types of requirements!

We mentioned already above that the Hungarian environmental legislation has already covered a 'SEA-like' instrument in its original, 1995 version – Art. 43-44²⁹. This instrument is the 'assessment analysis', requiring the proposals of draft legislation or other legal regulatory drafts, also of draft programmes, plans, concepts, with a national or regional scope, having a close connection with environmental protection to prepare such an analysis, which covers the likely environmental impacts of the given draft. These analyses shall be forwarded to the National Environmental Protection Council, a consultative body of the government, having 22 members for review. The 22 members are: the minister of environment, seven members elected by environmental NGOs, seven members selected by the industrial/economic interest representing bodies and seven scientist members appointed by the

²⁹ Act LIII. of 1995

president of the Hungarian Academy of Sciences. There have not been any other direct or specific requirements related to wider publicity or to the effect of such investigation.

The above mentioned 'pre-SEA' instrument is also present after the introduction of the SEA regulations, required by the EU. The only difference is that the 'assessment analysis' is no longer required in case of plans, programmes, but only in connection with legal drafting and preparation of concepts, still with a national or regional scope. The SEA occupied the part of other plans, programmes, under the name of 'environmental review'.

There is only one set of explanatory provisions attached to this instruments, related to the problem of what is the meaning of 'having a close connection with environmental protection'. Art. 43, par. 2 of the environmental act is very vague in this respect and only in connection with legal drafts, when it requires that the draft has this quality if it has an impact:

- a) on environmental media,
- b) on the quality of the environment, or
- c) on human health in connection with environmental protection.

The requirements for this original 'assessment analysis' are relatively vague, they cover the following topics (Art. 44 of the environmental act):

- a) what are the environmental consequences of the planned activities,
- b) what could be the impact of a 'no-action' scenario,
- c) whether the domestic conditions are present,
- d) what is the preparatory qualification of public administration,
- e) are the state, financial, organisation and procedural conditions available ?
- f) how much is the difference between the proposed actions and the existing international solutions.

8. Do you have any information on any ongoing cases or judicial decisions in connection with the implementation of SEA requirements ? Please, provide a summary, if there is any example!

IV. Where do you see deficiencies of environmentally remote legislation and implementation with regard to environmental concerns, and what legal rules and institutions could improve the situation?

Dear Colleagues and Friends,

Please select one or max. two items of the list below, which is most interesting to you of which may provide good experiences for us. You may select from this pool, but you may add other areas, which may serve a better example.

Possible areas of policies:

Sectoral policies:

agriculture, fisheries, transport, energy, climate, energy, tourism, etc.

Horizontal policies:

contract law, company law, consumer protection, intellectual property, insurance, finance, public procurement, privatisation, subsidies, research funding, etc.

1. The National Environmental Protection Programme (2003-2008)

Under Article 40 of the Act LIII of 1995 on the General Rules of Environmental Protection, the Parliament adopted the second National Environmental Programme in 2003.³⁰ The Programme covers the 6 year period, within which Hungary became the Member State of the European Union in 2004. Thus, it was obvious that one of the basic pillars of this Programme should be the 6th Environmental Action Programme of the European Union, for the implementation of which at national level, the programme had to create an adequate framework.

Within its guiding principles the Programme refers to the principle of sustainable development taking the definition from Herman Daly: sustainable development is “the attainment of continuous social wellbeing without growing beyond ecological carrying capacity”. The Programme provides for non-quantifiable ethical considerations that must be taken into account; the wording here deserves attention: “Environmental protection focusing on ethical considerations recognises the need to preserve values, which supersedes any economic interests.”³¹

The Programme refers to the integration principle several times.

- Within the framework of the implementation of the programme, it says that “It follows from the complexity of environmental problems that the second National Environmental Programme can only be implemented if the *environmental aspects prevail in the decisions of various sectors*, economic organisations, local governments, population and non-governmental organisations. Consequently, NEP-II is not only a sectoral programme, but it also relates to the entire society and economy.” It repeats the wording of the Environmental protection Act: “The *contents of NEP-II must be enforced in the social and economic plans of the country, economic policy decisions*, regional development and physical planning, regional planning, as well as any state planning and *implementation activity taking place in any sector of the national economy*.”³² This wording of the programme indicates that the understanding of the environmental integration principle is similar to that of the EC environmental policy. The programme however, doesn’t define what kind of “environmental aspects” shall prevail, (e.g. environmental objectives, principles, parameters) or how to enforce the “contents” of the programme in other policy decisions. The programme contains, among others, the presentation of the state of the elements of the environment, the effects coming from the industry or other sectors of the economy that cause environmental degradation, advantageous and disadvantageous trends, various environmental problems (damaging effects), assets that should be protected, criteria for preservation of these values, targets, objectives, interventions in areas that require special treatment, concrete tasks (i.e. thematic action programmes for example on climate change, environmental health and food safety, urban environment, biological diversity, landscape protection, quality of the rural environment, land use, sustainable use of water, waste management, etc.), measures and the institutional structure for the implementation of the programme, financing and control mechanism and legislative measures. Thus, the “contents” of the programme include objectives, principles, measures, concrete targets, sources of financing, the indication of institutions (governmental and other administrative bodies, economic actors, non governmental organisations, etc. all having their tasks in the implementation), legal and administrative measures, economic instruments, etc. - these all have to be enforced by other policies. Despite the rather broad scope of the programme, its “content” inevitable includes “environmental requirements” in the sense of Art 6 of the EC Treaty. This requirement, however, is not a legal, rather a political one.

³⁰ Decision of the Parliament No. 132/2003 (XII.11.) OGY.

³¹ National Environmental Programme, Ministry of Environment and Water, 2003, Chapter 1, paragraph 1.1.

³² Ibid. paragraph 1.2.

- For the application of the environmental integration principle it is important that the programme establishes a strong link with other (economic) policies where it requires that *its objectives are to be reached in harmony with efforts of other sectors*. The programme lists several economic development policies and programmes, for example: the Medium-Term Economic Policy Programme of Hungary, National Regional Development Concept, The National Physical Plan, The National Development Plan, The National Concept of Water Management, The National Waste Management Plan, The National Agro-Environmental Programme, The Transport Policy Concept, Development Strategy for small and medium-sized enterprises, etc. Environmental policy interests must be reflected within these policies and programmes.³³

- Explaining the effects of other sectors (energy, transport, industry, agriculture, tourism, trade) on the environment, the programme states that: “Most of environmental tasks amount to efforts aiming at the reduction of the burden generated by different sectors of the economy on the environment. In that respect *the most efficient tool is the integration of environmental considerations into sectoral policies*, the encouragement and promotion of an environmentally aware “conduct” of the sectors. ... “A substantial precondition of the horizontal integration of environmental aspects is the *incorporation of environmental aspects into the values of economic policy*. To that end, the potential to incorporate environmental objectives into other policies should also be established in environment policy. When implementing the National Environmental Programme II, the set of instruments intended to promote the activities of the priority sectors should be elaborated...” For this the following aspects should be taken into account: assessment of the environmental burden caused by the given sector; assessment of related sectoral programmes; suggestion on how to reinforce their environmental aspects; *elaboration of sectoral, environment focused policies*, guidelines and planning aids; elaboration of subsectoral environment development strategies (e.g.: pharmaceutical industry, animal husbandry, public transport) with the involvement of the business associations, professional and social organisations concerned.”³⁴

- Within the main objectives, the programme combines both principles: the principle of environmental integration and the principle of sustainable development: “Enforcement of environmental criteria in economic development. Economic growth must lead to increasing welfare accompanied with decreasing environmental burden. Their preconditions are the development and maintenance of a harmonic relationship between society and environment in the course of economic development, sustainable use of natural resources and land, use of the environment in a way not to exceed its burden-bearing capacity, prevention, and the mitigation of environmental damage to the smallest possible extent.”³⁵

- The thematic action programmes – as the key means of the implementation of the programme, also refer to the integration principle more or less in the same sense; for example the biodiversity and landscape protection action programme provides that “One of the most important objectives of the Action Programme, in accordance with the adopted policy of the European Union, is *to incorporate landscape and nature conservation criteria into the operation of sectors utilizing natural resources and to regulate the utilization of resources in accordance with the requirement of sustainable development*.”³⁶ The other example is the

³³ Ibid. paragraph 1.3.1.

³⁴ Ibid. paragraph 2.1.10.

³⁵ Ibid. paragraph 2.3.1. c).

³⁶ Ibid. paragraph 3.5.

action programme on the quality of rural environment and land use, according too which “An outstanding goal is to protect one of Hungary’s main natural resources, the potentially renewable natural resource, the soil, and to preserve its fertility. Integrated (economic and ecological) land use planning is to be developed. Establishment of land use structure and practice in accordance with the requirements of sustainable development is to be promoted. Concepts and plan documentation of general and different sectoral programmes on land use are to be coordinated.”³⁷

- Within the chapter on instruments and institutions of implementation, under the title “*Integration of environmental criteria into decision-making and sectoral policies*” the programme requires “horizontal and vertical integration” of environmental criteria, which is an indispensable condition for the prevention of environmental problems, for the enforcement of the principle of shared responsibility and the principle of subsidiarity. The programme here lists primary tasks relating to the improvement of integration, for example: *incorporation of environmental integration into legislation* and its implementation; introduction of Strategic Environmental Assessment (SEA) and its application in case of strategic decisions (plans and programmes); revision of central budget from environmental aspect, better enforcement of environmental considerations; drafting the National Sustainable Development Strategy; enforcement of sustainability criteria in land use and in utilization of natural resources, in course of drafting regional development and physical plans, sectoral and other plans.³⁸

- One part of the National Environmental Programme is the Fundamental National Plan for Nature Conservation. This plan begins with the integration requirement, saying that “the conservation of natural and biological diversity is no longer only the interest of environmental protection: the *conditions of protection must be integrated in every activity having an effect on the environment.*” In this part of the programme, again, there is a combination of the two principles: “For the halting of the further decline of natural assets either in Hungary or in Europe, we urgently have to change over to utilization of natural resources in a sustainable way. This means that the *aspects of nature conservation must be incorporated into the strategies, long and short term plans and practical activities of each sector.* This approach corresponds to the Sustainable Development Strategy and to the 6th Environment Action Programme of the European Union as well.”³⁹ Within the concrete tasks of nature conservation, the programme deals, among others, with the National Agro-environmental Programme, which establishes a harmony between, the environment and nature protection on the one hand, and agricultural and rural development, on the other. “The number one priority of the programme developed according to the rules of the European Union is to establish agricultural practices which are based on sustainable utilisation of natural resources, on conservation of natural resources and biodiversity, establishment of farming systems that provide local residents with goals in life, activities, work and living, in total on the creation of a “liveable countryside”.⁴⁰

2. The Mid-term Strategy for Environmental Affairs (KVM 2008)

The Hungarian Ministry for Environment and Water Drafted a mid-term environmental strategy in January 2008; the draft has been published for a broad public debate.⁴¹ The aim of this strategy paper is to inform the public about the strategy of the Ministry aiming at a

³⁷ Ibid. paragraph 3.6.

³⁸ Ibid. paragraph 4.2.

³⁹ Ibid. paragraph 5.1.

⁴⁰ Ibid. paragraph 5.3.15.

⁴¹ Mid Term Strategy for Environmental Affairs, Ministry for Environmental Protection and Water, Budapest, 01.18.2008.

contribution to the development of Hungary which is sustainable and competitive for the long run; this can be achieved only through making environmental protection and environmental considerations central to the public policy. Thus, the primary effort of the paper is to change the attitude towards the environment, to take into consideration sustainability requirements, first of all, in the operation of the government and at any level of legislative activities. The paper also tries to raise the environmental awareness of people, encouraging them to change their opposite habits and way of living.⁴²

- The strategy paper refers to the *sustainable development principle* with the meaning of representing the interests of not only the present but of the future generation. It is important that the paper considers as the central element of its objectives the safeguarding of the constitutional right to a healthy and clean environment, and the enforcement of precautionary, prevention principles and the principles of reliability and social cooperation.⁴³

The strategy paper presents the main fields of activity, the practical framework of its implementation; separate chapters deal with the quality of life in settlements and its improvement; the environmental protection and preservation of natural resources; the promotion of sustainable production and consumption, and the improvement of environmental security.

- The *concept of environmental integration* appears under almost all of these headings. One of the most clearly described way of presenting the principle is given in the Chapter on environmental investments and environmental considerations of development policy: “*Environmental considerations must be built in governmental decisions on development policy*, at the same time encouraging society to economize with natural resources and to reduce the burden on the environment.” The paper here introduces the concept of the “*social contract for sustainability*” which means a partnership between on the one hand the business sphere – enterprises - and the governmental organs, scientific and non governmental green organisations.⁴⁴

- The integration principle is also expressed within the requirements towards *legislation and regulation* policy. “One of the most important general aspect is the *integration of environmental considerations*, that is, regulation of effects on the environment must not be isolated, but it should be applied in a consistent, clearly arranged way at the level of sectoral policies and in their implementation.” It is necessary to built environmental considerations into domestic legal system taking into account of principles of precaution and environmental responsibility.⁴⁵

- It is within the aims of the strategy paper to review and broaden the set of economic instruments that can be utilized for environmental protection, and to *green the economic regulatory measures*. The aim is not only to introduce new eco-taxes, rather to change the structure of the taxation system to shift from direct taxes to the taxation of “environmentally harmful” consumption. Furthermore, the system of state aids is to be “greened” which means that only those projects are eligible for aids from public funds that extensively respect environmental requirements and sustainable development. These requirements are to be built in the assessment criteria for the state subsidy. The other means reflecting the integration

⁴² Mid Term Strategy, see General objectives, system of values and goals, paragraph 1.1.

⁴³ Ibid. paragraph 1.2.

⁴⁴ Ibid. paragraph 2.5.

⁴⁵ Ibid. paragraph 3.3.

principle are the greening of public procurement, the encouragement of the use of eco-label and EMAS system.⁴⁶

- Within the nature preservation the main objective is to incorporate considerations for nature and landscape preservation into operation and regulation of those sectors utilizes natural resources. One means of its achievement is to assign adequate weight to ecological indicators in economic calculations and assessments.⁴⁷

- It is worthy of note that where it sets the tasks for nature protection of forests, the strategy paper *gives precedence to environmental protection over economic interests*. It provides, that “In forests of nature protection areas – following their primary function – natural protective forest management, and property management with nature protection objectives must be pursued instead of silviculture. The aim of the latter is to produce timber in a sustainable way, while the nature protection management of forest primarily aims at the preservation of biological diversity. The property management with the goal of nature protection of state forests that are within nature protection areas, *must no be subordinated* to performance driven economic constraints.”⁴⁸

- Within the part on soil protection, the strategy paper refers to the draft framework directive on soil protection. It emphasizes the importance of the new element of its regulation, which *incorporates soil protection considerations into each sectoral activity* (physical planning, transport, energy, agriculture, rural development, forestry, mining of raw material, trade, industry, product policy, tourism, climate change, environment, landscape).⁴⁹

- The strategy paper, for the first time, emphasizes the importance of the *integrated product policy* to promote sustainable production and consumption. It operates with definitions and principles similar to that of EC programme documents. The addressees of this strategy are producers and consumers; both group is required to change their patterns of production and consumption. For the greening of production, actors of the economy have to adopt a certain way of thinking, which takes into consideration the environmental aspects already at the planning phase of their development policy. The objective is *to make economic organisations interested in a more effective and economical use of natural resources*, in energy efficiency, in more economical use of raw materials, in prevention of waste production, in recycling and reuse of waste, which steps promote a progress towards sustainable development, and improve the competitiveness of the country. On the other hand, consumers should formulate their consumption habits into direction of serving the increase of their quality of life in an environmentally friendly manner. This in turn, results in the enforcement of greening of production procedures from the consumption side. The strategy paper refers to the eco-design which takes the whole life-cycle of products into account (eco-label, EMAS systems).⁵⁰

Both the National Environmental Programme and the new Mid Term Strategy for Environmental Affairs are policy documents. Since they have no direct legal effects they can only indirectly affect decision-makers, legislators and participants of the market. However, these papers sign a considerable change in the development of Hungarian environmental policy, a strong approximation to the environmental policy of the EC, which is visible in adopting its policy objectives, in application of its principles – with more or less the same

⁴⁶ Ibid. paragraph 3.4.

⁴⁷ Ibid. paragraph 5.1.1.

⁴⁸ Ibid. paragraph 5.1.2.

⁴⁹ Ibid. paragraph 5.4.

⁵⁰ Ibid. paragraph 6.

understanding -, in accommodating similar measures, and, of course in implementing the EC environmental legislation and other regulatory measures.

3. Sustainable development strategy

MEMBER STATE REPORT ON THE IMPLEMENTATION OF RENEWED EU SUSTAINABLE DEVELOPMENT STRATEGY (EU SDS) 2007.⁵¹

(Parts of the Report)

5.2. Strategic priorities and instruments

The National Sustainable Development Strategy (NSDS) is a long term (20-25 year) framework strategy document that formulates a positive, sustainable, socially stable future vision as well as a corresponding long term instrument system and reform framework for every social, economic, and environmental area.

The NSDS can be appropriate to mobilize and accept society and community efforts, as its purpose is not only to face society with the contemporary problems, but it is also able to show a positive direction.

The NSDS as a framework strategy aims to establish a competitive Hungary in the long run (25-50 years), which has the following features:

I. Sustainable use of the environment:

1. Appropriate and sustainable management of natural resources,
2. Wide range and acceptance of sustainable production procedures and consumption habits.

II. Sustainable energy use:

1. Reduction of energy use, by the spreading of energy efficiency and energy saving,
2. A significant ratio reduction of non-renewable energy sources – energy supply based on local, renewable energy sources, and energy safety.

III. Sustainable mobility, spatial structure, and availability:

1. Spatial structure and availability increasing cohesion;
2. reduction of physical transport demand and its replacement with flexible distance working and communication opportunities;
3. Quality-based and sustainable public transport.

IV. Sustainable economic processes:

1. Maintenance of financial processes, avoidance of running into dept;
2. Efficient and cheap state.

V. Sustainable population and demographic processes:

1. Increased inclination to have children and to assure peaceful upbringing of children;
2. Living in harmony for various generations, as well as for domestic and migrant strata.

VI. Health conservation and healthy lifestyle:

1. Spreading and universalizing of health protection and disease prevention;
2. Healthy diets and environment for better living;
3. Modernization of health care system.

VII. Strengthening of social cohesion and employment situation:

1. The widely interpreted human and social security;
2. Modernization of social supply systems;
3. Strengthening of civil participation and activity;
4. Decreasing the ratio of poor people and groups, exposed to the risk of poverty within the inhabitants;
5. Strengthening social mobility – ensuring opportunities;
6. Flexible and ready-to-adapt employees, based on heavy improvement of basic skills;

⁵¹ For the whole text and also for the text of the Strategy, see: <http://www.nfu.hu/doc/198>

7. Even chances: promotion of equal access to employment, habitation, mobility, health care system, communication and information services, as well as to education and training.

VIII. Protection of natural values and sustainable use of natural resources:

1. Radical reduction and protection of non-renewable natural resources;
2. Preferring the use of renewable natural resources – at the pace ensuring their reproduction and regeneration.

IX. Constrain of activities strengthening the threat of climate change and preparation for climate change:

1. Preparation for possible impacts of climate change;
2. Reduction and elimination of factors generating and/or strengthening climate change;
3. Replacement of fossil energy sources with renewable ones

X. Sustainable water management:

1. Improvement of water retaining ability of Hungary;
2. Protection of surface and under-surface water stock;
3. Preparation for flood and polder, as well as flood and polder protection.

Reaching these long term objectives can only take place through reforms – establishing the opportunity even in the case of objective conflicts –, and the conscious activity of every member of the society. For this, cooperation is needed among representatives of the public sphere, economy, and society.

The implementation should be a process with as broad as possible social cooperation, based on a regular strategic review, which broadens and extends knowledge about sustainability, the processes threatening sustainability, and the necessary value change, and it should also strengthen scientific research and the exchange of knowledge, as well as availability of research results and extensive dissemination of knowledge about sustainability, and which enables politics and the executive institutions to regularly reform themselves via assessment and the monitoring of changes.

Most important action fields of the Strategy – institution system

Development of public administration – the service-character, cost-efficient transformation of public administration based on the principle of subsidiarity supports the objectives of sustainability; on behalf of these, basic principles and aspects of sustainability have to be considered during the transformation, as well as the purpose that development process efficiently ensures a sustainability-serving correspondence among public policies during their planning and implementation.

Scientific researches related to sustainability have to be integrated into the process of public policy creation for the sake of making it successful and accountable. Relating to this, establishing civil service professional administration and forums for the dialogue between decision-makers and scientific sphere is of outstanding importance

Development of legal environment – Hungarian legislation has to be further refined and developed in order to enforce current rules which support sustainability, and to elaborate and implement new regulation which supports the conditions of sustainability.

Validation of sustainability in the legislation process, in the implementation of laws, in making the government policy more active, and relating local government activities and public institutions – steps toward validation of sustainability have to be determined in legislation processes and in law implementation, in making government policy more active, and relating local government activities and public institutions. Possible elements of this are:

- (a) the establishment of a *body dealing with sustainable development* has to be considered, the members of which would be state institutions, the central government, delegates of the local government institutions, as well as representatives of the economy, the civil sphere, science, and other interest groups.

- (b) the sustainable development strategies are intersectoral approach, long term, strategic planning framework documents, in which efforts should be made to develop the three preferential development dimensions (environmental, social, and economic) in a balanced, harmonized way. Accordingly, for the coordination of planning, implementation, and continuous review, as well as of other member state tasks relating sustainability, the relevance and opportunity of a Sustainable Development Strategic and Coordination Centre within the Government, *binding the sectoral system horizontally and supporting the validation of sustainability aspects* have to be considered;
- (c) during the work of Committees of the *Parliament*, efforts have to be made to consider frames and basic principles laid down in the Strategy;
- (d) *in the process of law-preparation*, beyond the individual presentation of social, economic and environmental impacts relating to the proposals, efforts have to be made *to clearly present* significant relationship, interaction between *these impacts*;
- (e) establishing *the ombudsman of "Next generations" institution* – with the purpose that the protection of next generations' interests can be emphasised as much as possible and enforced during the decision-making process;
- (f) supporting the participation of *public institutions* (e.g. schools, etc.) in the implementation of the strategy and in promoting the necessary attitude change.

5.3. Monitoring and evaluation

The national Sustainability Basic Indicator System (SBIS) – in a process coordinated by the Eurostat – is under development.

Accordingly, the SBIS, included in the appendix of the NSDS is considered as a working version; a first draft is expected to be elaborated in the second half of 2007. However, it must not be forgotten that, in coherence with the biennial rolling planning of the EU and the Member States, the indicator system itself is going to be continuously reviewed and developed, so to speak about final indicator stock is relevant only at a given moment.

The concept of SBIS stands on two pillars:

- a.) the first pillar is the implementation of the EU sustainability indicator system, on a strong and detailed methodological basis, elaborated together with Eurostat; this is an indicator system with a predominantly horizontal basis, consisting of internationally comparable indicators, which presents economic, social, and environmental processes.
- b.) the second pillar includes some indicators, supporting the information of the wide public and the attitude-shaping towards sustainability, which are methodologically not so well-based, but appropriate to develop, and can be extremely well communicated and interpreted; this is an indicator system consisting of indicators under methodological development, in which aggregated and eventually composite indicators present – in international comparison – the sustainability situation of Hungary and its change, highlighting those indicators which are easy to communicate and understand (e.g. ecological footprint, ecological deficit, etc.). With the help of these understandable indicators sustainability can be presented and followed up more easily for citizens and education.

As far as possible, every element of the SBIS has to be made methodically adjustable to the sustainability indicators of the European Union. It is to be highlighted however, that due to the specialities of the Hungarian Strategy, a full adjustment cannot be achieved. Applied indicators have to be continuously reviewed.

Relationship between the Strategy and the Sustainability Indicator System

The indicator system and the Strategy support each other.

Accordingly, the indicator system has to be based upon the key aspects of the strategy. The indicator system has to provide information on areas of the society, economy, and the environment which are called priorities in the NSDS.

In line with the review of indicators, the indicators make it possible to modify the Strategy according to new aspects.

At the same time, modifying the Strategy makes the development, modification, shaping, and emphasis review of the indicator system necessary.

Therefore the Strategy and the related indicator system are in a continuous interrelationship.

Budapest, June 2007

4. The New Hungary Development Plan (Government, 2007-2013)

In 2007 the Hungarian Government elaborated its New Hungarian Development⁵² Plan which is the Hungarian National Strategic Reference Framework for the use of funds from the Structural Funds and the Cohesion Fund of the European Union between 2007 and 2013.

The most important objective of The New Hungary Development Plan is to expand employment and to create the conditions for long term growth. For this purpose it launches co-ordinated state and European Union developments in six priority areas: the economy, transport, for the renewal of the society, environment and energy, regional development and state reform.

For the principle of environmental integration, it is important that this development plan is based on several other European Union and Hungarian programmes and documents, among others, on the Sustainable Development Strategy as accepted by the European Council in Gothenburg, the Environment Action Programme of the EU (2002–2010), the National Programme of Environmental Protection (2003–2008), the National Action Programme attached to the renewed Lisbon Agenda. Conceptual proposals and strategic plans under preparation, used in its draft version: National Strategy for Sustainable Development.

- This plan requires that during the realisation of the development objectives the enforcement of horizontal policies, listed in the programme has to be a priority. Among others, it refers to the principle of sustainable development saying that: ensuring the conditions for *sustainability* (which, in line with EU requirements and the renewed Gothenburg Strategy, equally covers the sustainability of environmental, macro-economic and social processes, also including the aspects of security).⁵³

- Under the heading “*Ensuring the conditions for sustainability*” the Plan explains what is meant on sustainability. In its broad understanding of the principle, again, the combination of the two principles occurs:

“In order to avoid that the resources for long term development are used up, developments have to fully meet the requirements of the principle of environmental, social and economic sustainability. A development is considered sustainable if it takes natural and social resources into consideration including natural values, regions, landscapes, biological diversity and human capital, too. The social elements of sustainability are human health, social cohesion, balanced demographic conditions, protection or sustainable utilisation of the built environment and cultural heritage. *The key elements of the sustainable development of economy are the establishment and maintenance of a stable macro-economic course, and the decrease of the material and energy requirements of economy.* The basis of sustainability therefore is a future oriented way of thinking, which makes systemic processes calculable and possible to plan.

⁵² The New Hungary Development Plan, *Employment and Growth*, Hungarian Government, National Strategic Reference Framework (2007-2013). (Date of the decision of the European Commission: 7 May 2007)

⁵³ Ibid. paragraph 3.1.3.

Sustainability is based on an *integrated view of security*, in which the protection of present values, the respect of written and non-written democratic principles and rights and the reduction of threatening risk factors are all articulated. During the planning and implementation of developments, external and internal risks threatening the sustainability of social, economic and environmental processes are evaluated and possibly reduced. Sustainability appears both as a formal and a content aspect in the New Hungary Development Plan and it will also form integral part of the monitoring of implementation.⁵⁴

The Plan requires the *sustainable use of the environment*, under which it understands:

“A basic condition for social development and improved quality of life is a liveable environment to which everyone has a right. Therefore a sustainable utilisation of the resources, natural and built environment has to be ensured while enabling the long term improvement of the quality of life.

In line with the Sustainable Development Strategy of the EU endorsed at the Gothenburg Summit, programs implemented under the National Strategic Reference Framework may not damage the environment, in order to fulfil the basic principles of environmental sustainability. Within the field of environmental protection *it is a fundamental task to minimize the negative environmental impacts of economic development and to support the evolution of a more sustainable economy*, which requires substantial interventions in priority sectors. *This can be ensured most efficiently by integrating environmental considerations into policies and measures of all sectors*. Key areas of such integration include the sectors of energy, transport, industry, agriculture, tourism and trade. During the planning phase the Strategic Environmental Assessment of the NSRF, its operative programs and all relevant planning documents is performed.

Principles of sustainability will be taken into account also during the implementation of the NSRF, and monitoring activities will include the assessment of sustainability aspects.⁵⁵

5. Agriculture

The basis of the Hungarian agro-environmental program is a Decision of the Government⁵⁶, which has been introduced practically in 2002 instead of 1999. The practical introduction was attached to an Order of the Minister responsible for Agriculture⁵⁷, which also published the first call for tenders.

The Program does not want to support special agricultural production branches (such as orchards, vineyards, etc.), but production systems, which meet the priorities of agro-environmental policy. The adoption of the Program was one of the conditions of our membership. The Program is based upon the 2078/92 EC Regulation.

The Program has several sub-programs:

- basic agro-environmental program
- integrated production program
- ecological agriculture program
- extensive meadow utilization program
- wetland habitat utilization program
- sensitive natural areas utilization program

⁵⁴ Ibid. paragraph 3.1.4.1.

⁵⁵ Ibid.

⁵⁶ Gov. Decision No. 2253/1999 (X.7.)

⁵⁷ Ministerial Order No. 102/2001. (XII. 16.)

- educational, advisory program

The Program should in theory be based the joint efforts of the environmental and agrarian ministries, but actually the main institution is an agro-environmental department within the agrarian ministry. In 2003 a new institution has been set up, the Agricultural and Rural Area Development Agency, mostly specialized in the management of the tenders. Also a special land utilization has been set up in 2003, in order to identify the tenders and their implementation.

After 2003, actually at the end of the supports provided by the above mentioned Program and by SAPARD, the agro-environmental policy could receive a greater attention. Between 2004-2006 new environmentally sound agricultural and rural development policies have been introduced, mostly within the framework of the National Rural Development Plan, and the Agrarian and Rural Development Operative Program, which covered the ideas of the previous Program. The areas, within which environmentally sound management practices have been introduced could grow five times (!).

The above programs had four priority areas:

- competitive row material production in agriculture,
- modernization of food production
- development of rural areas
- technical support.

Between the period of 2007-2013 the third etap of the agro-environmental program development is going on, the New Hungary Rural Development Strategic Plan, based upon the Regulations 1968/2005 and 1290/2005.⁵⁸

The Plan has the following sets of measures:

- I. competitiveness of agriculture and forestry, together with necessary changes in structure and support of innovation
- II. the environment and landscape policy development
- III. the betterment of quality of life in rural areas, mostly with the support of diversification of economic activities
- IV. this meets the requirement of local capacity development policy of the EU, using LEADER concept

All the above mentioned programs, policies and plans are mostly based upon financial support mechanisms.

A part of the above programme deals with the SEA⁵⁹:

3.3.2. *The Strategic Environmental Assessment*

1. The goal of the strategic environmental assessment (SEA) was to compile an environmental report that provides feasible proposals in order to improve the environmental performance of the rural development measures and to enforce sustainable development in agriculture and rural development.

2. The main results:

· The analysis-evaluation methodology was built on the approach that the strategic level of the rural development policy (objectives and priority) is compared to a sustainability order of

⁵⁸ For the details, see:

ww.fvm.hu/doc/upload/200709/new_hungary_rural_development_programme_official_20092007.pdf

⁵⁹ p.88-89

values, while the more concrete tools and interventions of the programme are examined in the context of an environmental performance evaluation scheme.

The sustainability evaluations and the environmental performance evaluation were analysed in details in the environmental report, and we reached the following consequences:

- The Plan could contribute to the national transition towards sustainability, if in the course of the implementation the aspects proposed by the SEA will be integrated.
- The environmental performance of the Programme is acceptable, moreover, it could be significantly improved if the improving and compensating measures proposed by the SEA will be integrated.
- The organisation of the Programme should be careful and it should take into account the environmental aspects in order to avoid that the resource distribution could lead to the fixation of the outdated production structure and to the increase of the connecting environmental loads.

3. The SEA had to be prepared according to the Government Decree No. 2/2005 (I. 11.) that ensures at least 30 days for submitting any comments of the stakeholders on the SEA. The inclusion of the stakeholders was intensive into the elaboration of and opinionmaking on the SEA. Since the New Hungary Rural Development Strategic Plan and Programme are considered as plans of national impact and importance, the notion of interested public generally covers professional, interest representing and social organisations dealing with environmental protection and nature conservation, other organisations dealing with environmental, agriculture and rural development and the general public, too. The working documents of the SEA were available on the homepage of the National Society of Conservationists (www.mtvsz.hu/skv). The MARD published a press release on the launch of the elaboration of the SEA, the NSC informed the potential stakeholders on it in direct ways and through mailing lists.

A 20-member panel of experts (SEA Forum) was established in order to involve the professional organisations that had two meetings (2nd November and 15th December) during the assessment process. The members of the Forum were the environmental authorities, the designers of the MARD, the representatives of the universities and the science, the representatives of the interested social organisations. The strategic environmental assessment document was negotiated on a partnership conference, the invited parties were about 100 organisations and institutions.

The competent committees of the Hungarian Academy of Sciences (with 63 scientists being present) debated on the parts of the environmental report pertaining to the water management in agriculture at their common session on 18 January 2007. The relevant opinion of the HAS was taken into account in the final version of the SEA.

The concrete and most important conclusions of the SEA were taken into account in the preparation of the final version of the RDP. The comments can be found on the website of the MARD.⁵

The Strategic Environmental Assessment was updated after the official submission of the RDP in February, 2007. The revised version of the SEA can be found in Annex IV. of the Programme.

6. Environment and Energy (KEOP)

There is an Environment and Energy Operative Programme (Környezet és Energia Operatív Program – KEOP) for the years 2007-2013⁶⁰, which is part of the New Hungary Development

⁶⁰ CCI number: 2007HU161PO002. The Program itself has not been published as a special legal requirement, there are only legal requirements related to specific problems of implementation, such as the Order of the Minister, heading the Office of the Prime Minister No. 23/2007. (VIII. 29.), related to the detailed regulations of using the financial resources of the Programme and on the legal grounds for support, or the Joint order of the

Plan⁶¹ (Új Magyarország Fejlesztési Terv - ÚMFT). This latter is the Hungarian version of the EU required National Strategy Reference Framework, and KEOP is one of the operative programs of it. The major requirement is to support sustainable development in Hungary. The main measures are financial support mechanisms, based on joint EU and Hungarian funding.

The main idea behind this programme is to minimise the environmental problems in Hungary, and together with this to develop the quality of life of the society and to assist economy to adopt itself to the environmental conditions.

There are the following sub-parts of the KEOP:

1. Healthy and clean municipalities
2. Good management of waters
3. Good management of natural resources
4. Growing the share of renewable energy resources
5. Efficient utilization of energy
6. Sustainable life-style and consumption
7. The project preparatory part
8. Financing the management of KEOP

At the end of last year the electric energy regulations have been changed substantially⁶², among others giving more room to environmental friendly solutions, but at the same time limiting the authorizations of wind energy solutions, due to the relatively limited technical possibilities and looking at the safe energy supply requirements. The national energy operation systems are obliged to take over the energy, produced by renewable energy resources. The Act requires the support of renewable energy resources, emphasizing among other the role of waste in energy production.

Minister, heading the Office of the Prime Minister and the Minister of Environment and Water Management No. 15/2007. (V. 10.) on the appointment of organs, participating in the implementation of the Programme

⁶¹ Adopted by the Government Decision No. 1103/2006. (X. 30.), for the English version see: http://www.nfu.hu/uj_magyarorszag_fejlesztési_terv_2

⁶² Act LXXXVI of 2007 on electric energy