

EEAC series
Background study no. 2 (2005)

Sustaining Sustainability

a benchmark study on national strategies towards
sustainable development and the impact of councils
in nine EU member states



EEAC
the network of
European Environment and
Sustainable Development
Advisory Councils

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commissioned by the EEAC Working Group Sustainable Development
January 2005

4 Hungary

DIFFICULT GOVERNANCE ISSUES; PREPARING FOR AND POST-ACCESSION TO THE EU AS BIG IMPACTS, DEPENDENCE ON EU FUNDING PROGRAMS; PREPARATION OF A SD STRATEGY SEVERAL TIMES POSTPONED

- Hungary's recent development is described as "basically determined by the changes of the political and socio-economic systems ("transformation crisis").
- The past years were strongly influenced by the EU in terms of investment programs and transposing the *aquis communautaire*. EU legislation has guided the country, with positive and negative effects regarding environmental integration and SD; there is hope that with EU accession also the relevance of the SD agenda will significantly increase
- Lack of medium-term strategic direction and/or continuity: new governments change policy course ("flip-flop effect").
- Politics is very much driven by party politics, which is most likely due to the country still being in the early phase of democratisation; this situation also results in numerous changes of Ministers (e.g. 8 Ministers for Environment since 1996, more than 12 Ministers for Agriculture since 1992), which aggravates the previously mentioned discontinuity. Time will possibly bring a more stable landscape of parties.
- 'Politicised' social partners: e.g. unions and business are divided in more 'left' and more 'right' organisations.
- A political culture of scepticism towards the state (resulting in a 'strong' state): civil society is organised at the local level and there are many environmental NGOs, but mainly engaged on a project level. The bigger NGOs have been active in national policy making, also through the Environment Council (OKT).
- Government's second commitment to prepare a SD strategy by the end of 2004 is postponed to 2005/2006.



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ABBREVIATIONS

<i>PM</i>	<i>Prime Minister (the position of Head of Government is called Prime Minister, in Hungarian: "Miniszterelnök")</i>
<i>MinE</i>	<i>In Hungary this is the Ministry for Environment and Water (KvVM)</i>

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Previous phase: National Environment Programme (NEP)

- 1995 The Environment Act lays the basis for preparing the Hungarian National Environmental Programme (NEP): start-off was performed with a moderator from NL and hence had a more open approach, involving stakeholders.
- 1997 NEP adopted by Parliament: duration of the program is six years.
- 2003 NEP-II is adopted.
- Towards a national SD strategy*
- 1993 Post-Rio brings a government decree on establishing an inter-ministerial commission for SD, chaired by the Minister for Environment, which mainly prepared the Hungarian positions for international fora (e.g. UN CSD); for Rio+5 a voluminous report was produced.
- 2000 – 2002 A governmental “SD commission” starts to prepare the Hungarian input to WSSD; there was no government decision to prepare a SDS for WSSD.
- 2002 New government, made up from previous opposition parties. The designated new Prime Minister signs an ‘agreement’ with environmental NGOs that his government will prepare a SDS by the end of 2004; the commitment of the WSSD was a further trigger, but nevertheless nothing happened. In a deregulation attempt the “SD commission” was formally dissolved.
- 03/2004 Government decision on “modernising Hungary” with 12 fields of action, one to be SD, including the commitment to prepare a SDS by the end of 2004 (basic elements to be presented by 09/2004). In December 2004 it is stated that a draft is now planned for spring 2005, and the SDS to be finalised by the next elections (2006).

Assessment:

SD policies in Hungary so far have been encouraged by a small group of (environmentally) oriented civil servants in several Ministries, which partly widened up and in a more or less institutionalised setting was branded as ‘Hungarian Commission for SD’, trying to convince government of the importance of the issue. The WSSD caused some momentum, with the Hungarian delegation having been headed by the speaker of the Parliament, and Parliamentarians from ‘both sides’ as well as several Ministries and some NGOs attending. The agreement of the government/the Prime Minister in

2002 nevertheless was not implemented, and only in March 2004 government “rather spontaneously” decided to include the elaboration of a SDS in their future program. This intention was again postponed, and it is now planned to prepare a draft SDS by Spring 2005, and a decision to be taken by the next government in 2006 (after election).

SD is not yet understood as an overarching approach. It is said that SD is taken seriously “in principle”, and that the problems occur when implementing it on the program level; the latter is based on experiences with the NEP. Here the following main shortcomings are perceived:

- The NEPs did not establish “adequate” institutions for planning and implementation, which led to a lack of coordination and cooperation of Ministries.
- The NEPs and environmental programs and projects aiming to fulfill their objectives have not been integrated into other policies, neither into regional and local programs.
- Environmental development and innovation has not yet been linked to the national budget.

As the NEPs more or less could be perceived as predecessor for a SD strategy, these shortcomings will most likely also apply to a future SDS. But the NEPs seem to not having played a significant role, as policy and legal developments have been mainly driven by the EU accession agenda. However, it is stated that they were taken as starting point for relevant policy developments. Progress towards their objectives (cf. ch. A.1.3, B) though seems to have not been measured systematically.

The NEPs are considered as ‘only environmental integration’, being “almost silent” on the social side. NEP-I in fact it is a classic environmental plan, addressing air, water, soils, nature and landscape, waste, noise, environmental safety and the built environment. NEP-II broadens a bit, and also addresses some social issues.

Stakeholder participation has been weak in the previous activities. The (governmental) “SD Commission” organised some stakeholder consultation, mainly in the run-up to the WSSD (7 stakeholder ‘fora’ were held). From 1995 additional seats in this Commission were offered for environmental NGOs, academia and MPs, but apparently only partly filled. There are different perceptions regarding the continuity and the activities of this body, in average saying that it met around three times/year. Some secretarial support was provided by the MinE. Attempts of this Commission in 2000 to widen up to a “Forum” with a significant number of stakeholder members, instead of being only an inter-ministerial body, were not successful. The 2002 abrogation of the 1993 decree (establishing this Commission) was hence rather seen as a chance for a new start than with disappointment. A second attempt for such a broader body, after the 2002 election, did nevertheless also not succeed.

Overall, the rather unstable political situation is disadvantageous for developing strategies including a SDS: Hungary has for example seen eight

Ministers for Environment in eight years and more than 12 Ministers for Agriculture in 12 years, which goes back to a continuous upheaval of parties, and the country altogether being driven very much by party politics.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

In the run-up to the March 2004 government decision the Minister for Environment had proposed that the lead for SD policies should be shifted to the Prime Minister, but the proposal was not followed. The Environment Council (OKT, cf. ch. A.3) had also advised for this solution already in 2002. The negative decision may be interpreted against the background of relatively strong Ministers¹, and that the understanding of SD as an overarching policy concept has not advanced yet.²

It is now planned that elaborating the SDS should be a shared task of the MinE, the PM's office, the Ministry of Finance, the Ministry for Economic Affairs and Transport, and the Ministry for Social Affairs, with the Minister for Environment having the lead responsibility. The latter in contrast would have preferred the role of a driving force instead of the lead responsibility.

Assessment:

Depending on the role the PM office will take in the future process - with the chosen architecture it will likely remain difficult to involve the other Ministries. Cooperation between Ministries is assessed differently, ranging from functioning quite satisfactory (according to government voices) to deficient. There are around 45 inter-ministerial expert committees as a regular approach since during the process of transposing EU legislation, with sub-committees in which also stakeholders are often involved because of their expertise. Their functioning is also assessed differently.

The NEP was meant to be elaborated by an inter-ministerial working group, but it turned out to be rather some consultation only. Despite this institutional arrangement, integration and coherence of policies is lacking, and there are views that the cooperation between Ministries should be institutionalised on an obligatory basis.

The attitude that the original Lisbon agenda was the driving force for the government decision on "modernising Hungary" mirrors the deficiency of the Gothenburg's Presidency conclusions that did not turn the SD strategy into the overarching paradigm.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

For an SDS: Not yet applicable.

For the NEP: The MinE prepares biennial progress reports, which are debated by several standing committees of Parliament, and are approved by the Environment Committee. The main remarks on the reports were:

- NEP-II should be based on the evaluation of NEP-I implementation;
- Evaluation requires contradiction and unpunctuality proof data usage;

¹ Like e.g. in Germany they are personally politically responsible for their portfolio.

² There are also other Ministers who consider their field as overarching, and would want the PM to take the lead, who refuses. SD is hence not perceived as the 'most' overarching policy.

- Despite of having results (in reducing pollution on many field) further improvements are required in the field of noise and air pollution and nature conservation;
- Sewage disposal and waste management should remain highlighted tasks.

1.3.1 Indicators, targets and timetables

The report to the WSSD 2002 is mainly a description of the situation of Hungary regarding three dimensions of SD, based on the indicator set adopted by the EU and some additional ones that were meant to be important to describe the “transformation crisis” of the country.

Both NEP-I and NEP-II have quantitative targets based on a reference status in the respective fields, and progress is measured with indicators. Data are collected and analysed by the Federal Statistical Office and Ministries.

1.3.2 Review terms, long-term perspective and role of the Parliament

Due to the comparably instable political situation (“flip-flop effect”³) it is assessed as difficult to make a long-term strategy like an SDS ‘sustainable’. In Hungary it is rather typical that one government adopts a strategy, and the next government ignores it.

It is hence aimed at finding broad political consensus in Parliament, i.e. across party lines, which will endorse the SDS.

NEP-I was approved by the Parliament. Several parliamentary standing committees consider the biennial progress reports, prepared by the MinE, and the Environment Committee approves the final report.

1.3.3 Approach for an SD strategy

The MinE in February 2004 prepared a background/reference paper on SD (long-term future for Hungary, global dimension) and the main important elements of a SDS (inter alia priority fields, targets and indicators), which could serve as a skeleton for a strategy. It appears that the ‘normal’ approach for a strategy would be to just producing it as a document (i.e. rather the “planning” approach). Understanding a strategy as a learning process with a political and societal dialogue has so far only started. Implementing the NEP apparently was “difficult enough”, and hence the broader and more fundamental issues of an SDS will see this challenge increased, which also already applies to priority setting.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Not yet applicable for an SDS.

There are virtually no local activities like Local Agenda 21; few initiatives regarding awareness raising have started by means of conferences. The

3 Also e.g. Portugal has seen such a phase of instability after its transition towards democracy, which has taken around ten years (Merkel/Stiehl, 2003: *The political system of Portugal*. In: Ismayr, W. (ed.): *The political systems of Western Europe*. Opladen. p. 661).

regions and municipalities mostly deal with project-related problems, like the location of a waste incineration plant. Education is emphasised as the most important field.

Environmental regulations have so far not been perceived as a burden, because complying is a prerequisite for EU funding (which will have somewhat changed after accession). On the other hand it is mentioned that some municipalities are trying to circumvent environmental regulations, because they wish to attract industry. It is also criticised that sectoral plans are not coherent: water, energy, waste, rural development. In principle, but not exclusively, plans are developed top-down starting on the national level, and are detailed on the regional, county and local level. Nevertheless, local development plans are initiated and approved by municipalities, and regional development plans by Regional Development Councils. Those do not have to comply with the provisions of the National Development Plan, which only has a guideline character. Regarding the vertical component it is stated as particularly difficult to comply with the national plans, because they are not coherent.

Regional Development Councils are considered as partly successful in coordinating and integrating local initiatives.

There are no significant problems with the distribution of taxes between the national and local level; the municipalities receive building taxes, tourism and business tax; in annual negotiations the share of income is agreed, which also applies to share of costs for installations, including (environmental) infrastructure. It remains unclear why the national government does not require compliance with its own plans when funding regional and local activities.

Public-Private-Partnerships are emphasised as a desirable future approach, but it needs to be backed-up by strict laws for public investment.

2 NON-GOVERNMENTAL ACTORS

Academia seems to play a relatively strong role; they were an influential driving force in the transformation process from socialism towards a democratic market economy regime. Particularly the Academy of Science, which also manages the public research budget, is typically invited to comment on policy proposals, or to participate in groups that are not purely governmental, which prepare a policy proposal. Academia also represents one third of the existing stakeholder (environment) council OKT (cf. ch. A.3.1).

In general, civil society is well organised at the local level, but cooperation between them is weak and the very most organisations, including numerous environmental NGOs, are active on project level, and only very few are engaged in national policy making, a situation which has historical roots and

reasons on the side of both government and society.⁴

The high number of small environmental NGOs at the local level (around 300) supposedly goes back to a tax benefit that was given to investors if they support NGOs. After some years this tax regulation stopped, and since then these NGOs fight for their survival through project funding.

Environmental NGOs engaged in national policy had achieved a promise of the then PM candidate (who came into power in 2002) to preparing a SDS; although quite some efforts have been undertaken for this to come into being, both from non-governmental actors and partly from within government departments, other political reasons apparently had more weight. The role of trade unions after the political transition is not as strong as it used to be. They almost exclusively deal with the core business in the employers–employees relation, namely mainly negotiating wages. In environmental policies they have not (yet) played a role, and neither in the wider SD approach (which is not yet chosen in the country).

With an increasing environmental awareness in society, some companies build in ‘sustainability’ in their marketing strategy to attract consumers. Experts from the environmental side consider some examples as successful, but most as “only a cliché”: Because of the misconception of the expression ‘environmentally sound’, the private sector often believes that technologies or products satisfy requirements of sustainability, while they are still pollutant or harmful on the environment or on human health.

All in all there seems to be in general a political culture of scepticism towards the state, which seems to have a mix of historical reasons (cf. footnote 4). At the same time social partners are described as ‘politicised’, i.e. unions and business are divided in more ‘left’ and more ‘right’ organisations.⁵

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Besides the above-mentioned marketing strategies of companies there seems to be no activity with the label “CSR”.

2.2 STAKEHOLDER CONSULTATION

It has always been difficult, and besides the environment council OKT it is not yet achieved, to have stakeholder involvement or consultation, which is

4 This situation has long historical roots, but is more recently originated in the regime lasting from the 1950s to the 1980s, which de-mobilised and de-politicised. Transformation to democracy hasn’t changed that, as this process was the result of negotiations between political elites. Since the 1970s the degree of individualism is considered as high. The distrust increases with the degree of closeness of an institution to day-to-day politics, i.e. the credibility in the President and the Constitutional Court is the highest, and of unions and parties the lowest (Körösényi/Gábor, 2004, p. 360/61). An additional explanation, from the government point of view might be: Post-socialist phase brought up a neo-corporatist setting with a “Council for representation of interests” (Erdekegyeztető Tanács, ET) which had co-decision power in employment and social policies, and later functional self-governing for pension and health care systems. A subsequent more liberal government dissolved these structures and tried to achieve less influence of interest groups in the political decision-making. At the same time elements of a more pluralistic system of interest representation remained weak (Körösényi/Gábor, 2004, p. 356/57).

5 Scholars state that the main political cleavage both for political parties and social partners is the communist/anti-communist line (Körösényi/Gábor, 2004, p. 349), but there are also viewpoints that using the term “communist” is not appropriate.

partly due to weak organisation of civil society at national level, and partly to the attitude of government:

- The NEP as a start-off had a broad brainstorming approach in which stakeholders were included: There were 4 brainstorming meetings during the conceptional period with stakeholders from NGOs, the business sector, academia and municipalities. During the subsequent elaborating period the environment council (OKT) participated in this process;
- the so-called (inter-ministerial) Hungarian Commission for SD had “offered” more seats to NGOs, but they were apparently not filled;
- consultation for the SDS is not (yet) foreseen.

On the NGO side the joint opinions on national policy developments are missing, due to lack of cooperation between the organisations. At one meeting per year NGOs though appoint ‘their’ delegates to inter-ministerial working groups/commissions.

The administrative level so far accepts NGO participation in ministerial expert committees only to a limited extent, and it largely depends on the committees’ chair whether NGOs are invited. Therefore an institutionalised mechanism like a stakeholder council is a good opportunity to improve the dialogue with government, and enhance dialogue between stakeholders.

3 SD/ENVIRONMENT COUNCIL

From within the MinE it has most of the time been aimed to widen up the fully or mainly inter-ministerial “SD commission” to include also stakeholders. So far this has not really succeeded. Actors from within the Ministries will encourage again that the government establishes such a SD Forum/Commission, which would of course require “at least a minimum political support”. Those government officials in favour of such a body propose that it should have “at least” 50% government seats (50% stakeholders is perceived as a high number), and cannot imagine a more independent council/commission.

In contrast, the Hungarian National Environment Council (OKT) was established by the Law on Environmental Protection⁶, which was preceded by several roundtables of environmental NGOs and the business community with government, during which the usefulness of an advisory body for environmental policy was agreed. It held its first meeting in April 1996. The government’s purpose was to both get substantive input and to better anticipate reactions of concerned parties to government policies. Establishing the OKT as an independent advisory body was altogether due to a politically beneficial situation, in which first a drafting committee for the law was set up, which then achieved the fortunate institutional setting of the council. It was also emphasised that OKT is a consultative body that enhances reflection of interested parties (and is assumed to “model” their behaviour and attitudes to policies at stake), and acts as a sounding board for the degree of possible consensus of stakeholders, which is convenient for decision-

⁶ of 1995, cf. www.eeac-network.org/bodies/hungary/hu_oktap2.htm.

makers regarding prediction. OKT is not meant as lobbying platform for any of its members.

On top of its regular work the OKT organises four times per year a “thematic forum”, for which it invites representatives from the administration and five stakeholder groups (NGOs, business, academy, municipalities, trade unions), three of which are member of the council.

3.1 ROLE, FUNCTIONS AND INTERNAL ASPECTS OF OPERATION OF THE ENVIRONMENT COUNCIL (OKT)

Role vis-à-vis the SDS:

OKT was established much earlier than attempts towards SD In Hungary. The council took several initiatives regarding the preparation of an SDS: it

- recommended to the President of Parliament to ask for elaborating an SDS (2002), and stressed that a strategy needs to be based on SD principles, i.e. the different fields need to be harmonised;
- indicated to the PM office that it would be highly recommendable if it took the lead for SD policies and a SD strategy (2002);
- started a project in October 2003 called “Possibilities for SD” (cf. below): the aim is to better communicate SD into society and one chosen means is to prepare a publication with about 50 authors (planned for 2005).

General functions, - views are shared by council and government:

- independent advisor to the government;
- anticipating attitude from business and (environmental) NGOs to government proposals;
- aiming at consensus among the groups represented.

Composition of the council:

The OKT has a remarkable composition of each 1/3 of members of (environmental) NGOs, business and academia, with 22 members altogether and the Minister of Environment as co-chair. The chair rotates among these three groups. The attitude of the Minister naturally varies. The present Minister has intended to develop a partner relationship with the OKT and supposedly counts on its opinion in matters of great importance. The Minister occasionally attends the council meetings.

Council members operate on equal footing:

- There is a cooperative approach with consensus aimed at; decisions can be taken with a quorum of more than half of the members present and each group represented by at least three members. If no consensus is achieved there is voting with qualified majority. In this case four members of each group must be present.
- There are partly conflicts between the groups (“naturally”), and some tensions between the environmental NGOs and the business representatives.

- “Double-hat” of council members doesn’t cause problems: if one a stakeholder group represented in the OKT has a different, e.g. more far-reaching, standpoint, the different opinions are documented and communicated.

Relation to and role of socio-economic partners:

There is no social-economic council, but bi-lateral negotiations between employers and trade unions, and other fora in which also government participates.

The OKT has started discussion with trade unions in the framework of its “thematic fora” (cf. above).

Relation to government departments:

Transparency vis-à-vis the council was first apparently very unusual for the Ministries, but has improved over time. The OKT has some ‘power’ by asking Ministers to attend a meeting; typically they feel obliged to follow such an invitation, with the State Secretaries attending in most cases. The other way round, since recently the Secretary General of the council is invited to attend meetings of State Secretaries when issues of relevance for OKT are discussed (i.e. topics of environmental (protection) or SD-related).

When preparing an advice the council requests information from relevant Ministries and meets with government officials.

Scope of council’s work:

OKT is an advisory body to the government, which in this capacity “has the right and obligation to express opinion on [policies and legal proposals]”. Naturally, it is impossible to dealing with all proposed laws and regulations, which often have a very small scope⁷. The council makes its own selection based on the issues that have strategic importance for environmental policy. The council gives own initiative advice on thematic summaries of the key areas and interactions of environment, economy and society (e.g.: transportation, energy, agriculture, nature conservation, regional development). It has increased the number of own initiative advice, which a) serves putting issues on the agenda, b) better provides early involvement in policy developments, rather than commenting on law proposals, and c) reveals unnoticed relationships.

During 2002-2004 there were the following own initiative advice:

- On elaborating a national SDS;
- Possibilities of updating economic regulation and financing of environmental protection;
- Present situation of waste management;
- Implementation of noise and air pollution regulation;
- Status quo of water management;
- Status Quo of nature conservation.

⁷ Since OKT’s establishment in 1996 there have been roundabout 1000 laws and regulation in the environmental field, 100 of which the council has dealt with.

The council also developed a communications strategy and retrieved information on the closing down of the Paks Nuclear Power Plan.

3.2 ACHIEVEMENTS OF THE COUNCIL (OKT)

1 Government's view

- Acknowledgement of the advisory role; for the SDS process the MinE sees a pace-maker role, i.e. making environment strong in the SDS.

2 OKT's view

- Good advice that had impact;
- Supporting to change mentality and approach of the institutional system regarding environmental policy and SD.
- SDS:
The project "Possibilities for SD" (started October 2003) addresses the wide range of substantial and institutional aspects of SD. Interim results have been discussed in the above-mentioned thematic fora, with stakeholders outside the OKT composition in order to strengthen social participation in environmental issues.
- Publications:
 - Working papers on the vision of future environment of Hungary (4 volumes) in cooperation with the Hungarian Academy of Sciences (2002);
 - "The Visions of Future Environment of Hungary": OKT Publication in cooperation with the Hungarian Academy of Science (2003).
- Research and Development Programs: Evaluation of the status of the environment (MinE in cooperation with the Hungarian Academy of Sciences, i.e. with involvement of the OKT).
- Increased agenda setting with own initiative advice (cf. above), i.e. getting involved in early phases of programming, and not commenting on a decision that was already taken or the legal proposal has already been produced.

The OKT is the only body in which different stakeholders discuss, and the only stakeholder body that may present official statements to the government, which is by law required to ask advice from the OKT in the specified areas. Government is not required to give statements in reply, but often states in legal proposals if the OKT has a deviating opinion.

Success-factors of the OKT:

- Independence from government;
- Gaining acknowledgement through quality of work and getting to agreements of the stakeholders on the council;
- Developing constructive dialogue within the council;
- Developing good links into government;
- Strong chair and well-acknowledged experts as council members.

3.3 AN SD COUNCIL AS ADDITION?

Apparently the government pursued the establishment of a SD council, in addition to the OKT.

The alternative, to turn the OKT into a SD council, e.g. by adding the two or three key missing stakeholder groups (trade unions, social NGOs if existing) and municipalities, is not favoured by the council: It highly appreciates and does not want to lose its independence (from government). A SD council in contrast apparently would/will be more governmental (cf. above: 50% government members), and hence more dependent on political changes.

The advantages of the former would be that the OKT has a fortunate and well functioning internal setting and operation, and has gained reputation. The disadvantage could be that such a combination of SD and environment council might cause or maintain an environmental bias of SD policies.⁸

All in all, the 'governmental type' of SD council might be worthwhile to reconsider.

B Themes and scope

SDS: Not yet applicable.

NEP: The structure of NEP-II includes four prime objectives:

- 1 Protection of ecosystems;
- 2 Provision of harmonic relationship between society and environment;
- 3 Enforcement of environmental criteria in economic development.
Economic growth must lead to increasing welfare with decreasing environmental burden;
- 4 Strengthening of knowledge on, and awareness of environmental processes, impacts, environment and nature conservation and co-operation.

Important elements of implementation include action programs, in areas requiring special treatment, identifying the specific and operational objectives, funds and responsible parties in the fields of environmental protection and nature conservation as well as complex fields of water management. A separate chapter is dedicated to strengthening of sectoral and regional integration of environmental policy, measurement and control of NEP-II progress, as well as organisation of implementation.

Action programs are intended to be developed in the fields of:

- 1 Raising environmental awareness,
- 2 Climate change,
- 3 Environmental health and food safety,
- 4 Urban environmental quality,

⁸ In other countries, e.g. Germany and UK, it has turned out as beneficial to have both an environment council with a rather expert composition and a SD council with a stakeholder composition, which have different functions and may mutually support and reinforce each other.

- 5 Biodiversity Conservation and landscape protection,
- 6 Rural environmental quality, land area and land use,
- 7 Protection and sustainable use of water,
- 8 Waste management,
- 9 Environmental security.

The 18 Objectives are:

- Decrease of air pollution
- Decrease of global air polluting impacts
- Improving surface water quality
- Protection of the quality and the quantity of ground waters
- Protection against damage to waters
- Soil conservation, and extension of protected natural areas of natural significance
- Protection of other natural and semi-natural areas and assets
- Nature conservation of forests
- Establishment of a system of environmentally sensitive areas
- Designation of Hungary's Natura 2000 network and safeguarding their appropriate ecological status
- Preservation of our geological assets
- Sustainable use of natural resources
- Reducing chemical risk
- Preserving good health
- Increasing food safety
- Dissemination of environmentally friendly life style and consumption habits
- Improving urban environment quality

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The Lisbon agenda is considered as very important and triggered the government decision in March 2004 for a program to “modernise Hungary”.

The EU SDS at the time of its adoption was seen as a “good political catalyst” during the efforts for getting to the decision about a national SDS, because EU policies are or were in general prioritised. The EU SDS was considered for the preparation of the Hungarian input to the WSSD, though no clear reference in the document is made; more influential was the work of Eurostat on indicators for SD, which were used in the report for the WSSD (cf. ch. A.1.3.1).

The decision to prepare a national SDS was mainly influenced by the WSSD commitment to doing so by the end of 2004.

In general the country has been characterised by efforts to transposing the *aquis communautaire*, and giving priority to this was also an argument that a SD strategy is not yet in place. From the environmental point of view EU legislation is considered as having brought the country forward.

EU pre-cohesion funding (like ISPA, SAPARD) has been very influential, and brought investments in basic (and environmental) infrastructure like sewage treatment and waste installations. It is said that in this respect the country is on the level like Western European countries were in the 1970s. In terms of environmental integration it is though also stated that EU programs guide in the wrong direction, by e.g. giving preference to investments in road instead of rail.

2 SD/ENVIRONMENT COUNCIL (OKT): EUROPEAN AND INTERNATIONAL DIMENSION

The OKT has been involved in European cooperation through EEAC since 1998, including the hosting of the EEAC annual conference 1999 in Budapest.⁹

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

Since 1993 there has been an inter-ministerial Committee on EU accession, with a sub-group on the environment chapter (Ministries for Health, Economic Affairs, Environment, Transport, Agriculture). The Ministry of Foreign Affairs is the overall coordinator for EU Affairs and asked the MinE to give input to the Lisbon strategy/spring summit 2004.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- Common Agriculture Policy, e.g. improving agri-environmental protection;
- Management of natural resources;
- Waste management: due to the single market Hungary faces waste import, which would require regulation;

⁹ OKT's Secretary General was member of the EEAC Steering Committee 1999 – 2001.

- Transport: Corridors for Transeuropean networks (TENS) need to better consider ecological aspects.

Downstream impacts – EU policies hampering national SD processes

In the context of EU funding it is mentioned that the strong focus on roads prevents a national emphasis on investment in railways.

At the regional level some over-regulation is perceived: EU regulations should leave more room for local and regional decisions.

Overall assessment

EU has been the driving force for progress in environmental policy. The EU SD agenda is expected to play a stronger role after accession.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

A success eventually is the final decision to prepare an SDS. Starting the preparation though has again been postponed, which is probably a bad sign regarding the commitment of the government. The time-frame for elaborating a government internal draft (3 months) seems too short; the planned overall timeframe of more than one year appears appropriate, but seems to be driven by elections rather than management and process considerations.

2 MOST DIFFICULT POLICY FIELDS

In approximate order of relevance the following fields are stated:

- Education,
- Waste Management,
- Transport,
- Climate change/energy,
- Agriculture,
- Land management/housing,
- Production and consumption.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Not yet applicable.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows¹⁰:

- +/◆ PM office committed to participating in the SD process, which still has to be designed;
- (+)/◆ Horizontal integration and policy coherence needs to be improved;
- (+)/◆ Stakeholder consultation and involvement has to be improved. Establishment and development of the stakeholder council OKT is positive;
- ◆ Challenge of strategic directions for prioritisation and actions still has to be met;
- ◆ Vertical coordination/integration needs to be taken into account from the beginning;
- ◆ All actors still need to be encouraged to take their own initiatives; better coordination of NGOs and more involvement in national policy making would be desirable;
- ◆ Preparing a SDS is again postponed (until 2005/06).

E Recommendations for the EU SDS review

Not covered.

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INTERVIEWEES

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¹⁰ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

Colophon

Sustaining Sustainability is the second background study of EEAC and the first of this EEAC series.

The first background study, *Environmental Governance in Europe*, was published as RMNO series, Preliminary studies and background studies, nr. V.02 (December 2003), Lemma, Utrecht.

ISBN 90-77893-01-6

Publication

Uitgeverij Lemma bv, Utrecht

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Design and Layout

A10plus grafische vormgeving & illustratie, Rotterdam

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