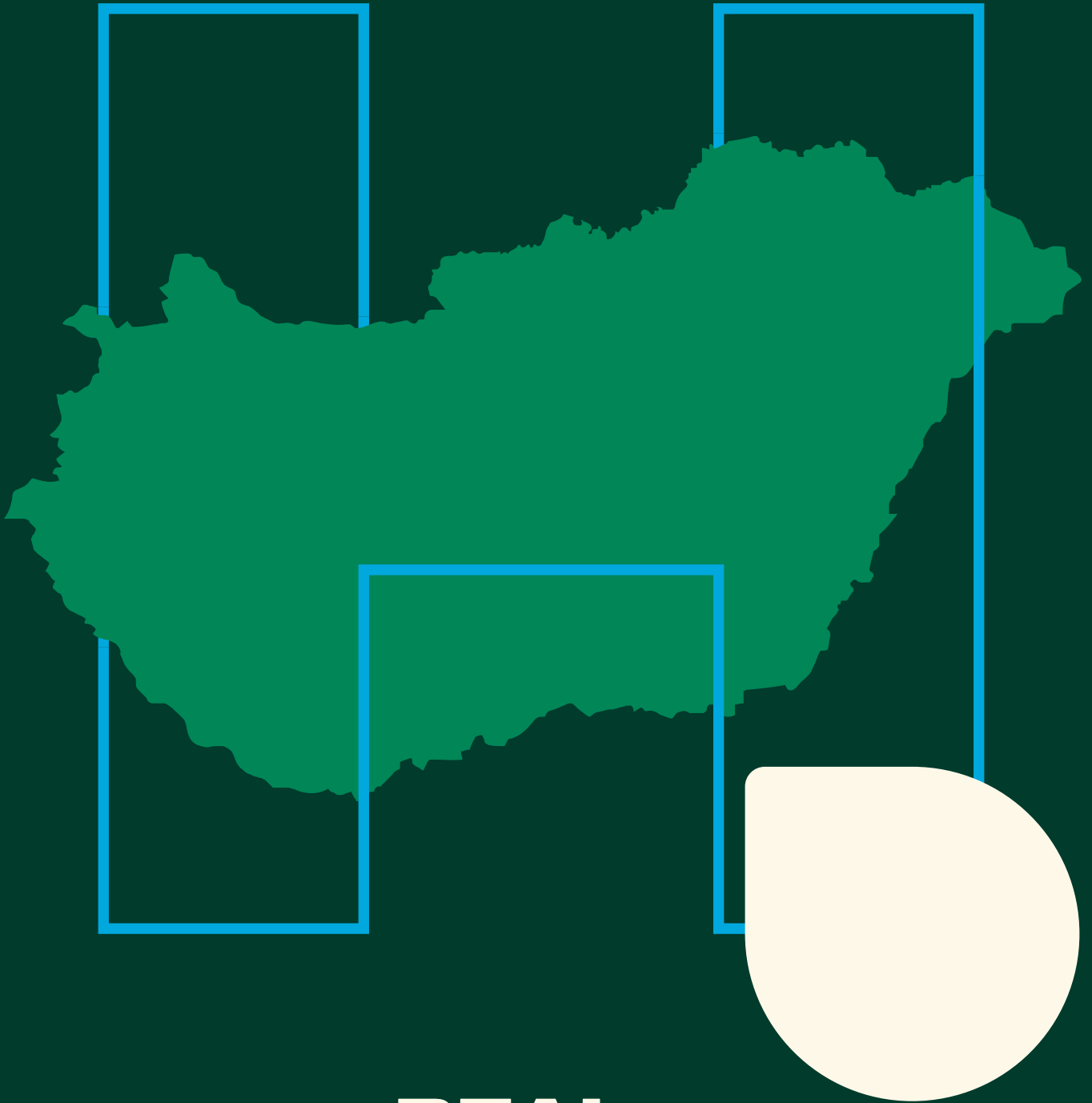
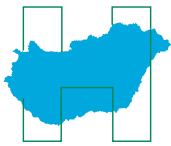


REAL DEAL country profile

Hungary





1

Overview

Hungary is a republic on a decentralised basis with three levels of governance: central, regional, and local. Hungary is a parliamentary democracy with its parliament being the National Assembly (Országgyűlés).

While the main sources of Hungary's energy supply were historically fossil fuels, Hungary now produces 45% of its domestic power generation from the Paks nuclear power plant. Coal reliance has decreased, but with natural gas and oil, hydrocarbons make up 35% of Hungary's energy production and a large proportion of Hungary's imported energy comes from fossil fuels. As of 2020, Hungary's greenhouse gas emissions have decreased to 33.24% from 1990 levels, which is due to a transition away from a carbon-intensive economy rather than a push for cleaner energy sources, as renewables such as wind and solar make up just over 2% of the energy supply. Due to Hungary's historical and contemporary energy makeup, air pollution is a key issue, though the government has taken measures such as its submission of a national air pollution control programme (NAPCP) to the Commission in 2020. This furthermore highlights why a large component of Hungary's 2021-2030 National Energy and Climate Plan focuses on increasing renewables.

Hungary's present constitution came into force as the Fundamental Law on 1 January 2012, replacing the former Hungarian constitution of 1949, which was substantially revised in the early 1990s. Articles XX and XXI of the Fundamental Law are most pertinent to environmental legislation by ensuring a right to physical health, protection of the environment, the right to a healthy environment and consequences for those who damage the environment. The Fundamental Law additionally highlights the importance of protecting the environment and resources for future generations as part of Hungary's heritage and culture. Environmental legislation based on the constitutional rights outlined in the Fundamental Law is specified in Act LIII of 1995 as amended.



2

2.1

Environmental Information

Dimensions of environmental governance

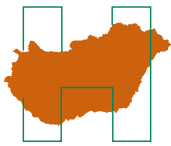
Transparency (access to information)

Government transparency and public access to information is guaranteed under [Article VI and 38 of Hungary's Fundamental Law](#). In accordance with this article, [Section 26 of Act no. CII/2011](#) on the right to informational self-determination and on the freedom of information specifies both the right to access and the parameters for the free access to data of public interest. The [National Authority for Data Protection and Freedom of Information \(NAIH\)](#) was created to ensure the right to access such information. The NAIH is designed to be [a state organisation operating independently](#) of other state entities to combat corruption. The NAIH submits a yearly report on its activities to the National Assembly.

The [National Environmental Information System](#) is an online web portal for accessing environmental information. Additionally, Hungary hosts informational web sources such as the website of the [National Institute of Environmental Health \(OKIR\)](#) and the [National Adaptation Geo-information System \(NAGiS\)](#).

The [Commission's 2022 Environmental Implementation Review for Hungary](#) criticised Hungary's implementation of the INSPIRE Directive, citing their progress in publicly accessible information as poor. [Access to information was also a key criticism](#) of the Commission of Hungary's Recovery and Resilience Plan (RRP), adopted in response to the pandemic as part of the EU Recovery and Resilience Facility. Hungary responded to such criticism in their [RRP](#), noting the relevance of the National Anti-corruption Strategy 2020- 2022 and the National Digitisation Strategy to address such concerns.

Hungary has been criticised for its public participation and engagement.



2.2

Participation

The basis for participation in normative acts and policies in Hungary is Act CXXX of 2010 on law-making and CXXXI of 2010 on public participation in the preparation of legislation. On a scale of 0 to 4, Hungary ranked 1.2 on the OECD Better Life Index scale on the level of stakeholder engagement in developing regulations. The Sustainable Governance Indicators similarly rated Hungary as a 2.0 or “rarely consults with any societal actors” out of 10.0 on public consultation. The justification for this rating was a rare and selective stakeholder consultation, and the utilisation of national consultation letters viewed as a political marketing tool rather than a move to increase public access to decision making. In several responses to Hungary’s RRP, Hungary was criticised for its public participation and engagement. In November 2022, an assessment on behalf of the Commission noted a failure to adopt the necessary reforms to make Hungary eligible for the Recovery and Resilience funding. In the Council’s resulting implementation decision, though the assessment was approved, Hungary was reminded of the numerous recommendations from 2019 to 2022 to strengthen its involvement of social partners and stakeholders in the policy-making process. These recommendations were addressed in Hungary’s most recent RRP. Under Governance and Public Participation, Hungary acknowledges Reform 25., Improving the quality of law-making and effective involvement of stakeholders and social partners in decision-making. In the RRP, Hungary resolves to amend Act CXXXI of 2010 by 31 December 2022 to ensure public consultations, impact assessments and their summaries are carried out and prepared for public access going forward. The RRP additionally resolves to abolish section 5(5), thus reducing the list of exceptions. The amendment to CXXXI of 2010 was published as Bill T/705 in October 2022. Though the amendment was put forth to reach an agreement with the Commission, the Hungarian Environmental Partnership Foundation (Ökotárs) in a press release noted that the historical weakness of Hungarian public participation wasn’t due to legislation, but rather to a deficit between law and action.

Environmental Impact Assessment

For Hungary, Environmental Impact Assessment (EIA) and public participation related to EIA procedures are grounded in Act No. LIII of 1995. The act necessitates the carrying out of an EIA prior to any activity that will bear significant environmental impacts. The act furthermore details varying needs of public participation and informing. Through OECD, Hungary additionally operates through the Strategic Environment Assessment (SEA) framework consisting of a variety of tools and approaches to increase participation in environmental initiatives. The OECD 2022 EIR for Hungary notes,



however, the need for improvement in encouraging public participation through these frameworks and recommends a statistical database on public participation.

Special Measures due to Covid-19

Through Act XII of 2020 on the containment of coronavirus, the Hungarian government was authorised by the Parliament to rule by decree in light of the Covid-19 pandemic. Act XII gained criticism internationally due to its suspension of by-elections, referendums and, thus, ability for the public to participate in governance. Furthermore, the act was criticised due to its provision that provides for punishment for individuals who in front of large audiences, state “any untrue fact or any misrepresented true fact that is capable of hindering or preventing the efficiency of protection.” The Act was also the justification for measures adopted to prevent teachers from effectively exercising their constitutional right to strike in 2022.

2.3

Access to Justice

Hungary does not have special courts on environmental matters. Thus, environmental proceedings are brought to administrative and labour courts, or private law courts. Although individuals and organisations can bring complaints to the Constitutional Court, this is rare. In addition to members of the public, NGOs can bring an action to court if an administrative activity has directly impacted their operation. The Ombudsman for Future Generations has the ability to participate in administrative court cases as a concerned party and initiate and participate in examinations of the Ombudsman for Fundamental Rights. The Prosecutor General and Prosecution service additionally have the right via Act CLXIII of 2011 on the Prosecution Service to act or file lawsuits in the public's interest.

***Due to Hungary's historical
and contemporary
energy makeup, air pollution
is a key issue.***



2.4

Compliance assurance, accountability, and effectiveness

Hungary operates based on the 'polluter pays' principle, using the Environmental Liability Directive as a framework to prevent and address environmental degradation. At the national level, the minister responsible for nature conservation and the Government Office of Pest County oversee competence. At the regional level, County Government Offices are most often the environmental authority in administrative cases. Inspections are scheduled and done at the county level, with previous inspection results available in the National Environmental Database (OKIR).

With the introduction of Hungary's RRP, one of its largest upcoming sustainability initiatives, compliance measures were detailed to ensure implementation. For RRP implementation, the FAIR-EUPR monitoring and information system will be utilised. This system is comprised of a structured workflow and checklists that outline monitoring, auditing and reporting for each National Authority responsible for the nine sub-groups of the Recovery and Resilience Facility.

For accountability, the Hungarian police website details various environmentally targeted projects indicating a push to reduce organised environmental crime. For example, through the Ministry of Interior, a working group for Hungarian Environmental Safety began in 2018 and was finalised in 2021. Additionally, environmental crimes can be reported on the police website.

The Yale Environmental Performance Index gave Hungary an overall government effectiveness score of 55.10 out of 100. The Commission's 2022 EIR noted an improvement in implementation, but mentioned the continued need for increased administrative effectiveness, particularly in terms of air quality and water management. The 2022 EIR specifically noted the need for increased capacity and coordination at the national level, referring to the fact that environmental matters are jointly overseen across three main ministries, as opposed to just one single ministry.

The National Council for Sustainable Development (NCDC) was created by the government in 2008 with the intent of ensuring successful sustainable development. Between 2010 and 2012 the National Framework Strategy on Sustainable Development (NFSSD) for 2012-2024 was created to aid in this endeavour. The NCDC additionally oversees the definition and development of Hungary's SDGs since their adoption in 2015. The NCDC published a yearly progress report between the years 2013 and 2020. Though the NFSSD is for the years 2012-2024, the NCDC site is missing reports after the 2019-2020 year, making effectiveness difficult to quantify. In 2018 Hungary's Ministry of Foreign Affairs and Trade submitted a Voluntary National Review related to their SDGs with effectiveness.



3

Institutional context

The majority of implementation of environmental legislation is handled at the national level. Environmental affairs used to be predominantly handled by the Ministry of Environment and Water, however, the ministry was merged into the Ministry of Rural Development that, since 2014, has been renamed as the Ministry of Agriculture. The Ministry of Agriculture is currently the main ministry handling environmental affairs, overseeing nature conservation, forests and land affairs, and agriculture and rural development. With that said, other ministries oversee projects pertaining to environmental goals such as the Ministry of Energy overseeing renewable energy projects and the Ministry of Innovation and Technology that oversaw the creation of Hungary's 2021-2030 National Energy and Climate Plan. The Ministry of the Interior also oversees climate change and sustainability projects mainly in the form of water management. An example is the recent LIFE LOGOS 4 WATERS project where 14 municipalities received grant support for climate-conscious watershed management proposals. Additionally, Hungary was one of the first countries in the world to have an Ombudsman for Future Generations, elected by parliament with the goal of ensuring the protection of resources and culture for future generations. Subsequently, a separate Ombudsman for Future Generations was abolished, and their competencies were merged into the General Ombudsman's Office, which is established by Hungary's Fundamental Law. The Ombudsman Office still maintains the ability to examine legislative actions, proposals, and policy developments at the national and local levels acting as a safeguard for future generations.

The Ministry of Agriculture is currently the main ministry handling environmental affairs, overseeing nature conservation, forests and land affairs.



Although environmental legislation is predominantly seen at the national level, there is both regional and local environmental governance.

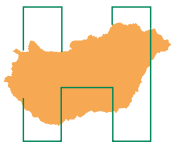
At the local level, Hungary is comprised of 19 counties and 3154 municipalities. Although environmental legislation is predominantly seen at the national level, there is both regional and local environmental governance, as demonstrated by a list taken from the European Committee of the Regions Website:

Regional

- Preparing environmental programmes coordinated with the municipal local authorities;
- Giving their preliminary opinions on the municipal environmental programmes or may initiate the preparation thereof;
- Taking a stand on the draft municipal by-laws of municipal local authorities affecting environmental protection;
- Making recommendations for the foundation of municipal environmental associations;

Local

- Protection of the local environment and nature;
- Environmental health (Refuse collection; Sanitation of urban environment; Control of pest and rodents);
- Water management;
- Treatment, collection, drainage, and purification of municipal sewage;
- Prevention of flood damages;
- Drinking water supply;
- Canalisation.



4

Role of Civil Society

According to the [Institute for Democracy and Electoral Assistance](#), Civil Society Participation was ranked at 0.45 for 2021, ranking it at the bottom-end of the spectrum of mid-range performance. The 2021 CSO Sustainability Index for Hungary cites barriers to formal and informal civil engagement, claiming that most decisions fail to properly acknowledge or engage relevant stakeholders, [thus rating advocacy at a 4.3 out of 7](#) where 7 is described as 'sustainability impeded'. A possible explanation for the lack of civil societal engagement is a lack of open governance allowing for participatory competence, as reviewed by the [Sustainable Governance Indicators](#). Hungary was ranked 3 out of 10 claiming that the lack of transparent and easily accessible data from the government inhibits the public from accessing the tools and information needed to better engage.

With that said, Hungary has seen larger efforts for civil society engagement, primarily through citizens' assemblies. In 2020, Budapest held its first citizens' assembly where 50 randomly chosen individuals were invited to City Hall to engage in a [climate assembly](#), demonstrating a collaboration between the Council of Budapest and various stakeholders such as CSOs. The citizens' assembly was continued in [2021](#) and [2022](#). In 2022, assembly participants concluded the event [by voting on a proposal package](#), highlighting direct engagement and participation. For Budapest specifically, citizens' involvement and participation is a large component of their [2030 Sustainable Energy and Climate Action Plan](#) with measures including public surveys, thematic working groups with NGOs and participatory budgeting.

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