Task Force on Public Participation in Decision-making, October 10-11, 2022, Agenda item 5.

Statement by Magdolna Tóthné dr. Nagy, Guta Environmental Law Association, on behalf of European Eco Forum

Madam Chair, distinguished delegates,

Thank you for the opportunity to address the 10th Task Force meeting on this item on behalf of the European ECO Forum and the Guta Environmental Law Association. We would like to share some of the good examples of participatory planning and budgeting for community projects, including environmental ones, in the framework of urban development in Hungary, in the city of Budapest, and also touch some challenges related to public participation.

During the recent years, it has become a tradition that residents of the city of Budapest can submit proposals for community projects for which a certain amount is devoted from the community budget of the city. Proposals are invited for submission between November and January. This year, the initiative was launched with one billion HUF budget, and 615 suggestions were received. After the legal, financial and formal screening, the remaining ideas were presented to the Community Budget Council made up of Budapest residents, and 49 proposals were selected and finally put on online voting.

The ideas were competing in three categories – Green Budapest, Creating Opportunity, and Open Budapest. Within each category, it was possible to vote for ideas with smaller budget (maximum budget up to 50 million HUF) and a with larger budgets (maximum budget up to 133 million HUF).

The Budapest residents could vote online on the dedicated website of the City, (otlet.budapest.hu) until August 31st, and in person in designated locations, public places, such as public libraries and a Pavillon near the Budapest Municipality.

Nearly 22,000 Budapest residents voted to decide what projects should be realized from the available budget. The selected 18 ideas which will be implemented include also ideas related to environmental protection and reducing the effects of climate change, as well as to the development of active and sustainable transport (such as cycling infrastructure and barrier-free pedestrian transport, bicycle path development, establishment of pedestrian crossings, greening the city, shading of pedestrian areas, covered bicycle storage facilities). Even an application that rewards active traffic will be implemented. Similar initiatives have been also taken in some districts of Budapest.

While there are some positive examples in urban development projects at the scale of the cities or districts in Hungary, larger scale of urban development projects are often taken over from the cities or disricts and are qualified as "projects or investments of national interest", "of strategic importance" or "investments of special importance from the point of view of the national economy". This status is given to more and more such projects by decrees, with the aim to speed up the construction and simplify the related administrative procedure and requirements, including those related to public participation. In addition to transport development, sport and tourism investments, as well as educational, church and cultural investment, today a hotel, sport hall, beach, condominium, university building, industrial

facility and even constructions serving private interests can get this status, if the government designates or qualifies them as a priority investment.

For these projects, the administration period has been shortened: from the 60-day deadline it was first reduced to 45 days, then to 42 days. The specialized authorities must make a decision within 15 days, and the announcement of the decision has to be published only for 5 days. Although, in principle, it is possible to object to the issued permit, in practice this means almost no consequences. Construction and water permits cannot be suspended, even if there is a court review going on in the matter of the permit procedure. In a few cases the construction of the projects could only be slowed down by challenging the permit in court, but a new permitting procedure was ordered.

In most cases, local governments and the population have no say in the decision-making. Those affected often find out only from the media or the Official Gazette (Magyar Közlöny), what kind of construction the government has ordered in their settlement. In this way, investors and state project managers do not have to face the resistance of the local community. They can obtain the permits in a fast track, can curtail public participation procedures and ignore the views and interests of the residents and the district local governments.

We have deep concerns about the practice of priority investments which also curtails public participation. The civil society in Hungary has protested against this practice and requested that it should be stopped, and the relevant legislation should be abolished, immediately. In November 2021, CSOs launched a nationwide campaign called "Stop Priority Investments", initiated by the Civil College Foundation (CKA), in alliance with several other CSOs. The campaign was opened by a demonstration and press conference held in Buda Castle which has also been the scene of several such investment projects.

At the press conference, the representatives of the CKA drew attention to the fact that, although the law on speeding up and simplifying the implementation of investments of "special importance from the point of view of the national economy" has been in force since 2006, between 2006 and 2010, only 24 such special investments took place in the country. However, since 2010, their number is already over 3000.

The CSOs have created an alliance of interested organizations and municipalities to learn about such projects and their negative impact, to monitor and try to influence them, and to assist the local population and local governments to act by legal and other advice. At another opportunity it would be worth to hear more and report about the experiences of this coalition.

Thank you for the attention!