

Clean Air Action Group (Hungary)

The Clean Air Action Group (CAAG; Hungarian: Levegő Munkacsoport) is a non-profit environmental organisation founded in Budapest in 1988. Its mission is greening transport, energy policy, urban management and development as well as the public budget and the taxation system. It has been promoting also better access to information and justice as well as public participation in issues relating to the environment. CAAG's activities include public awareness raising, consulting, research, publishing and advocacy at the local and national levels. CAAG received the Hungarian Prize "NGO of the Year 2006".

Short History

Clean Air Action Group (CAAG) was founded in 1988 by three small non-official groups which had been already working for several years on environmental issues: Nature Protection Club of the Budapest University ELTE, Green Circle of the Budapest Technical University (BME), and Group of Esperantists for Nature Protection. At that time, it was practically impossible to officially register an independent NGO, so at the beginning CAAG worked informally. Its aim was to combat air pollution in Budapest. Its first main action was a demonstration in one of the main streets in Budapest together with the families living on that street. The demonstration was triggered by a survey of children living in that street, which showed that many of the children had a higher lead content in their blood than permitted for an adult worker. The demonstrators demanded traffic calming and prohibition of leaded petrol. (The initiators of the survey, a traffic engineer and a doctor, are still active experts of CAAG.)

Since that time, CAAG's activities expanded both in topic and geographical area. It has worked on greening transport, energy policy, urban management and development, chemical policy as well as the public budget and the taxation system. It has been promoting also better access to information and justice as well as public participation in issues relating to the environment.

In 2009, it already had 132 member organisations (mostly local groups). Today (June 2018) it has 39 member organisations. The radical decrease is partly due to the fact that in 2010, CAAG could no longer afford to finance its colleague dealing with member organisations, but the main cause has been the government's changed relation to environmental NGO's: elimination of funding by the government and state-owned companies (e.g. Hungarian Railways), increased administrative burdens, media attacks on independent NGOs, etc.

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CAAG actively cooperates with other civil society organisations in Hungary and abroad. It is a member organisation of Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU), Climate Action Network Europe, European Environmental Bureau, European Federation for Transport and Environment, Green Budget Europe, and Health and Environment Alliance. For many years it has closely cooperated with the Institute for Transportation and Development Policy.

CAAG appeared in the press on about 20,000 occasions. CAAG lists these media appearances – without aiming completeness – on a monthly basis. For example, in 2008, more than 1000 news, articles, interviews and statements were printed or broadcast in which Clean Air Action Group was mentioned. In 2017, this number was somewhat over 500. The decrease is partly due to CAAG's greatly reduced capacity, but mostly to the hostile relation of the government to independent NGOs which is also reflected in the media dominated – directly or indirectly – to an overwhelming extent by the government.

CAAG is independent from political parties. There is no financial connection between CAAG's officers/staff members and any political party.



CAAG's Core Team in November 2014 (from left to right): Márton Vargha, transport policy officer; Judit Varga, member of the Board; Judit Szegő, responsible for relations with other NGOs and volunteers: Mónika Kisfaludv. financial manager: Gábor Bendik, lawyer: Alexandra Kuti, administrator: Péter Lenkei, head of the Eco-counselling Office; Judit Madarassy, coordinator of the "Clean Air" project; Mária Schnier, urban development policy officer; Erzsébet Beliczay, vice-president; András Lukács, president; Ferenc Susánszky, technical editor; Zsolt Horváth, manager of the civil society development project (formerly CAAG's director); Zsigmond Kovács, communications officer1

According to a representative national opinion poll carried out by Szonda Ipsos in 2010, 40% of the adult population has already heard about CAAG, and 11% knows well its activities. Among the latter, the support index was 77 points on a scale of 100 points which in Hungary is considered an excellent score.

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¹ All photos by CAAG unless indicated otherwise.

Annual Narrative and Financial Report

Each year CAAG prepares a detailed Annual Report in Hungarian about its activities and finances in the previous year. Detailed Annual Reports for the years 1999–2008 as well as the Summary of the Annual Report for the years 2012-2016 are accessible in English, too.

Staff and volunteers

Number of staff

In 2009: 17 persons full-time

In 2015: 6 persons full-time, 7 persons part-time

In 2017: 5 persons full-time, 2 persons part-time

CAAG could partly compensate the reduction in the number of staff by outsourcing some of its work: now it has an external bookkeeper, and it commissioned the communications agency Aeffect to help its press work. CAAG also relies in its activities to a large extent on volunteers, especially the members of its Experts' Committee.

Number of volunteers:

- CAAG's Experts' Committee: 55 persons
- Others who committed themselves to help CAAG as volunteers and receive CAAG's Volunteer Newsletter (Önkéntes Hírlevél): 39 persons



Celebrating CAAG's 25th Anniversary with CAAG's friends and volunteers

Statutes

CAAG's <u>up-to-date Statutes</u> is accessible in Hungarian. An <u>English translation</u> was made in 2008, and although there have been some changes since then, most of the text is still valid.

Budget

CAAG's finances were controlled several times by the Hungarian Tax Authority, the State Audit Office and several ministries. No significant faults have ever been found. The State Audit Office even stated that CAAG's financial management is exemplary.

CAAG's revenues and expenditures in the years 2012–2016 were the following (thousand EUR, calculated with the exchange rate 1 EUR=312 HUF):

Year	Revenue	Expenditure
2012	306	283
2013	195	208
2014	192	164
2015	131	147
2016	137	100
2017	88	100

Just for example, on the next page the sources of CAAG's revenues in 2016 are listed.

CAAG's revenues in 2016 according to sources and purpose

CAAG's revenues in 2016 totalled HUF 42,686,000 (EUR 138,590), and its expenditures HUF 31,093,000 (100,950 EUR, calculating with the exchange rate 1 EUR=308 HUF).

		Sum
Source	Purpose	(thousand HUF)
Services	Studies, lectures, air pollution measurements	6259
Membership fees	Membership development	405
Grants from individuals	Eco-counselling office	985
Grants from companies	Protection of green areas; Promotion of climate-friendly energy use	14867
Local government of District 13, Budapest	Protection of green areas	250
Deutsche Umwelthilfe (CAAG as subcontractor of a LIFE+ project)	"Clean Heat" project	4234
Norwegian NGO Fund	Helping other NGOs in capacity building	1505
European Commission LIFE+	Reduction of harmful emissions from transport in cities	9393
European Climate Foundation ECF / G-1605-56319	Promoting climate-friendly transport policy in the EU	3083
Ministry of Agriculture (ministry responsible also for the environment)	Eco-counselling office	389
1% of the personal income tax	Eco-counselling office, overhead costs	678
Travel reimbursement (from CAN Europe, EEB, DNR, T&E)		421
Other (bank interest, exchange gain etc.)	Overhead costs	217
Total		42686



Examples of CAAG's important successes since its foundation (1988-2017)



The President of the Hungarian Non-Profit Information and Training Center Foundation (NIOK), Miklós Marschall hands over to CAAG the Prize "Nonprofit Organisation of the Year" in 2006. (Today Miklós Marschall is Deputy Managing Director of Transparency International at its headquarters in Berlin.)

Exposing enormous VAT fraud and related corruption in the government



Whistle-blower András Horváth with Ádám Éliás. President of the Association for Protecting the Interests of SMEs, and András Lukács, CAAG's President at the press conference in November 2013, where the enormous VAT fraud and the related corruption on high level in the government was disclosed

In 2012, CAAG was approached by András Horváth, an employee of the Hungarian Tax and Customs Authority (NAV) who told CAAG that the Hungarian government loses VAT revenue amounting to more than 3% of the GDP due to VAT fraud committed by big companies and related criminal chains. Moreover, he stated that this tax fraud was enabled by support from the highest government circles. He also said that a large part of the international truck traffic in Hungary has been due to trucks which are moving with the sole or main purpose of covering up VAT fraud. (Later, this was confirmed by an official survey by NAV.)

Several persons at CAAG spent several months (besides doing their everyday work) investigating the issue, studying documents, speaking with experts both in Hungary and other countries. (All this had to be done in a very confidential manner.) After a few months of work, CAAG became convinced that what András Horváth has been saying is true. Then followed months of preparation for disclosing the information to the public: documents were analyzed, press release and background materials were prepared and partly translated to English, potential allies were contacted. Finally, on 8th November 2013 CAAG organized a press conference where András Horváth who left NAV just one day earlier, disclosed his findings. This had an enormous press reaction, all the more so, because the government officials could not give proper explanation to journalists and Members of the Parliament.

CAAG created a special sub-website on the topic in English: VAT fraud and corruption scandal in Hungary

Further work on combatting VAT fraud and corruption in the government



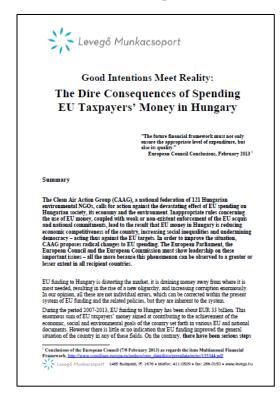
President of CAAG, András Lukács speaking at a demonstration against governmental corruption near the Parliament in December 2013

After the first press conference with András Horváth, CAAG organised and coorganised further events on the topic of VAT fraud and related corruption in the government. CAAG played an important role in getting two more whistle-blowers come public: István Vancsura, a former employee of the Hungarian Tax Authority (NAV), and Zsolt Hegedűs-Deme, a former director of NAV and then still its employee. Both of them confirmed what András Horváth said, and even provided more evidence on the malfeasances in NAV and high government circles.

All this work greatly contributed to the banning of several leaders of NAV (including its president, Ildikó Vida) from entering the United States (in October 2014).

In Hungary, there is practically no protection of whistle-blowers; on the contrary, they can hope for no mercy if they throw light on corruption in the government. András Horváth could not get a job for nearly three years since he left NAV. (Finally, he got a job as an expert of Ákos Hadházy, anti-corruption spokesman of the Green Party LMP.) Zsolt Hegedűs-Deme was dismissed from NAV; then he applied to a company which made a vacancy notice, and although he was the only person fully qualified for the job, a few days after his preliminary agreement with the company, the company informed him that they cannot employ him - without giving any reason. In order to help whistle-blowers, CAAG initiated the creation of a whistle-blower fund and helped to set it up. (Unfortunately, the fund has not succeeded so far in raising money. There is a general fear of giving money to such a fund in Hungary.

Against misuse of EU funds (1)





The first page of CAAG's 2013 report on EU funds and of its 2014 assessment of the planned EU funding to Hungary for the period 2014-2020

CAAG started to deal with the topic of EU funding already well before Hungary's accession to the EU in 2004.

At the request of Green Budget Europe, in 2013, CAAG prepared a report on the use of EU funds in Hungary: Good Intentions Meet Reality: The Dire Consequences of Spending EU Taxpayers' Money in Hungary. The paper came to the following conclusion: "Inappropriate rules concerning the use of EU money, coupled with weak or non-existent enforcement of the EU acquis and national commitments, have led to the result that EU money in Hungary is reducing economic competitiveness of the country, increasing social inequalities, and undermining democracy - acting thus against the EU targets. In order to improve the situation, CAAG proposes radical changes to EU spending."

In 2014, CAAG prepared a detailed assessment of the planned use of the EU funds in Hungary during the period 2014-2020, pointing out to the pitfalls of the system Comments of the Clean Air Action Group on the Operational Programmes of Hungary for 2014-2020 submitted to the European Commission.

CAAG sent both reports to the European Commission and many other stakeholders:

Against misuse of EU funds (2)





The first page of CAAG's 2015 report on the detrimental effects of EU funding to Hungary and of the letter of five Brussels-based European NGOs to the European Commission

In January 2015, CAAG published another paper, How EU Money has Contributed to the Dismantling of Democracy in Hungary, in which it further improved its proposals. In the same month, at CAAG's initiative, five Brussels-based European NGOs wrote a letter to the European Commission asking for serious measures to stop wide-scale misuse of EU money, underpinning their concerns with evidence in Hungary.

CAAG had quite a number of discussions on the topic with officers of the European Commission, diplomats and experts of embassies in Budapest (including the Dutch, French, German, Swedish, UK and US embassies) as well as experts of the German Bundestag. In CAAG's experience, there is a growing awareness of the problem in Europe, which, in CAAG's hope, will bring profound changes in the use of EU funds. CAAG plans to continue these activities among others because it believes that the rise of populism, xenophobia and EU-scepticism in Eastern Europe is to a large extent due to the improper use of EU taxpayers' money.

CAAG is an active member of People's Budget Campaign, a coalition of more than 70 NGOs from all over Europe, aiming to make the EU budget environmentally and socially sustainable.

Against misuse of EU funds (3)

ONE OF THE FIRST STEPS AFTER BREXIT MUST BE THE REFORM OF THE EU BUDGET

As always, Hungarian Spectrum welcomes democratic voices from and about Hungary. Today András Lukács, President of the Hungarian NGO Clean Air Action Group (Levegő Munkacsoport) and Board Member of Green Budget Europe, presents his opinion, in the wake of the Brexit referendum, of the role of EU funds in the rise of Eurosceptism. He also offers some possible solutions.

The results of the Brexit referendum strengthened the conviction of all those who think that profound changes in the European Union are necessary to stop and reverse the rise of populist parties with Eurosceptic and, in some cases, even Europhobic agendas. It is hardly an unfounded opinion that if the governance of the EU is not changed radically, then even the mere existence of the EU is put at risk.

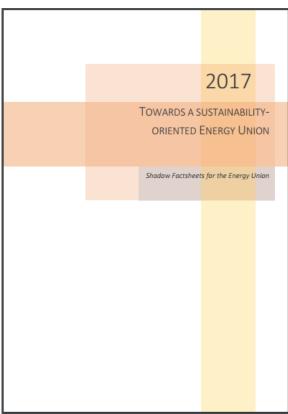
One of the main drivers of Eurosceptism is the way EU money has been used. It is telling that, according to a recent representative opinion poll, 61 percent of those surveyed in the Czech Republic, a net recipient of European funds, believe that the EU member countries should get along financially by their own means, i.e. wealthy member countries should not support poorer ones. I know of no similar survey in Hungary, but I do know that there is a widespread opinion here that EU money has led to serious problems. Many are even convinced that EU funds cause more harm to the country than good. For example, speaking at a conference in May this year, Zsombor Essősy, CEO of MAPI Hungarian Development Agency Corp., "The Expert of EU and Domestic Funds" (as it is described on MAPI's website), stated the following: "If our country spends EU money following the present trends and framework, this might cause the biggest tragedy of Hungary."

CAAG's Article in Hungarian Spectrum

CAAG has approached the media several times to help raise awareness about the necessity of a radical reform of the EU budget.

Proposals for the European Commission's Country-specific Recommendations and Energy Union





At the request of Green Budget Europe, CAAG prepared Proposals concerning Hungary also for the 2017 Country-specific Recommendations of the European Commission as well as Comments for the Country Factsheet on the Energy Union. CAAG considers it a great success that during former years several of its recommendations appeared in the Commission's Country-specific Recommendations which had been proposed earlier to the Commission by CAAG (for example, the necessity of combatting corruption).

Changing the Transport Policy of the World Bank; Helping Sustainable Transport in the Third World



ITDP conference in Budapest

In 1994, CAAG started cooperating with the Institute for Transportation & Development Policy (ITDP) based in New York. One of the first big success of this cooperation was that it completely changed the transport policy of the World Bank. This was achieved by a study, in which it was shown (mostly based on Hungarian data) that the World Bank's transport policy was very biased towards unsustainable transport modes. Continuing this cooperation, CAAG helped to provide best European examples of sustainable transport for Third World countries. For example, in 2012, CAAG cooperated with ITDP to organise a conference in Budapest which was attended by about 100 persons, in a large part from Africa, Asia and Latin America.

Members of the Parliament can be sued if they do not keep their promises



Eight of the 15 candidates who signed the document drafted by CAAG before the Parliamentary elections of 2014

Before the national elections in April 2014, CAAG invited candidates for the Parliament to commit themselves to do everything they can for implementing the concrete demands of environmental NGOs (these demands were drafted by CAAG and approved by the National Meeting of Environmental NGOs). Fifteen candidates signed the commitment document, which provides the legal possibility to NGOs to turn to court if the commitments are not met. Five of those who signed were elected to be MPs. This is unprecedented: for the first time in Hungary, Members of the Parliament can be sued if they break their promises.

It must be possible to call to account all Members of the Parliament



András Lukács, CAAG's President giving a presentation at the 2017 National Meeting of Green NGOs

CAAG repeated the action it made before the national elections in April 2014. At CAAG's initiative, in May 2017, the National Meeting of Green NGOs adopted a resolution in support of such an action before the national elections in 2018. At the same time, participants of the Meeting urged that NGOs of other sectors (social, educational, health, etc.) should be involved in the action, too.

In July 2017, at a meeting of 26 important Hungarian NGOs working on various fields (human rights, community development, education, homelessness, migration, etc.) the participants accepted CAAG's proposal about the action for the national elections in 2018, and created a working group for the preparatory work. It was decided that the topic will be the fight against corruption. At CAAG's request, Transparency International Hungary prepared the study "Javaslatok a korrupció visszaszorítására Magyarországon (Proposals to reduce corruption in Hungary), and the candidates to the Parliament were asked to sign a legally binding commitment to everything they can to implement these proposals in case they are elected to the Parliament.

The leaders of the two most important democratic opposition parties signed the commitment. Furthermore, a special website and a Facebook-page was created. The latter reached nearly 700,000 persons, and all comments concerning the initiative were positive.

For civil liberties (1)



Demonstration against the harassment of Ökotárs Foundation, organised by Greenpeace Hungary and CAAG²

After Viktor Orbán came to power in 2010, almost all funding by the government and state-owned companies to independent NGOs have ended. Private persons and companies also became much more reluctant to make donations to NGOs for fear of retaliation from the government. In 2017, a new law was adopted by the Parliament in an attempt to cut foreign funding to NGOs and thus definitively stifle the activities of NGOs which do not support the government's policies. CAAG regularly protested against these measures of the government.

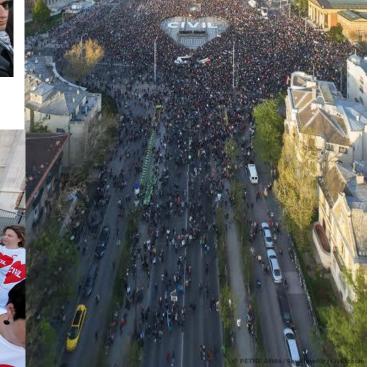
In 2014, the police raid on the office and exhaustive investigation of Ökotárs Foundation took place on orders by Prime Minister Viktor Orbán. Ökotárs has been responsible for managing the Norwegian NGO Funds in Hungary which aim to support independent civil society organisations. The government accused Ökotárs of misusing the funds and conducting criminal activities. The witch-hunt against Ökotárs ended when the Metropolitan Chief Prosecution Office and the tax authority both concluded that the finances of Ökotárs were in order, and its activities were in compliance with all aspects of Hungarian legislation. CAAG has declared openly its support for Ökotárs and condemned the unfounded attack of the government against it.

² Photo: greenpeace.hu

For civil liberties (2)

Against stigmatization of NGOs and for the freedom of education







CAAG participated in the five demonstrations which took place in Budapest in April and May 2017 against the law which would close CEU and against the law stigmatizing NGOs.3 CAAG announced these demonstrations on its Facebook page, issued press releases, and gave several interviews on these topics. CAAG is an active member of "Civilizáció", an informal group of more than 200 NGOs that support the protests against the anti-NGO measures of the government.

³ Photos above right and below left: www.greenpeace.hu

The principle of non-retrogression approved

COMMUNICATION TO THE AARHUS COMPLIANCE COMMITTEE Clean Air Action Group Hungary

On behalf of Clean Air Action Group I submit the following com the Aarhus Convention Compliance Committee (hereafter: Committee).

I request the Committee to assess the non-compliance of Act CXXVIII/2003. on Public Interest and Development of the Expressway Network in the Republic of Hungary (hereafter: Expressway Act) with the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (hereafter: Aarhus Convention).

In addition I request the Committee to call on the Hungarian Government to establish compliance with the Aarhus Convention in regard to the undermentioned sections of the Expressway Act.

My submission is based on Article 15 of the Aarhus Convention and Meeting of the Parties Decision 1/7, on Review of Compliance.

1.) Section (1) of Para 1 in the Expressway Act declares that:

"The development of the expressway network is an important <u>public interest</u> activity."

In our opinion public interest means that members of the public should be permanently well-informed about all aspects of the matter. Information must be comprehensive, accurate, in-depth, covering the opinion of the full range of competent actors of the society in order to duly reflect timely and actual public interest. It is also questionable that one specific activity can be declared by law as of important public interest, whereas no other activity (e.g. education, health care, environmental protection) is declared by law as an important public interest activity. This declaration of the Expressway Act was criticized even by the State

The Aarhus Convention establishes the above as a general objective. Article 1 reads:

"In order to contribute to the protection of the right of every person of present and future generations to live in an environment adequate to his or her health and well-being, each Party shall guarantee the rights of access to information, public participation in decision-making, and access to justice in environmental matters in accordance with the provisions of this

According to Article 2.3 (b) of the Convention information concerning construction and development of motorways is to be considered as "environmental information".

The first page of CAAG's communication to the Aarhus Compliance Committee which subsequently had a far-reaching effect

On 1st January 2004, the Hungarian Motorway Act entered into force with the aim of accelerating the construction of expressways and simplifying the licensing procedure. At the same time, the new law considerably restricted the possibilities of public participation and legal remedies. CAAG filed a communication to the Aarhus Convention Compliance Committee (Aarhus Convention: UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters). As a result, Hungary was reproached by the states parties to the convention in their meeting held in 2005 in Kazakhstan. More importantly – not lastly thanks to the active participation of Hungarian and other NGOs at the meeting - this case served as basis for the declaration approved by all member states that the principle of non-retrogression should be always applied. This means that no government has the right to take measures that would reduce rights standards fixed in the Aarhus Convention.

Greening the state budget (1)



Conference on Greening the Budget organized by CAAG in the Hungarian Parliament in 2008

(at the table from left to right: economists Lázár Pavics and Károly Kiss, CAAG's experts; Katalin Szili, President of the Hungarian Parliament; András Lukács, CAAG's President: László Kovács. Commissioner responsible for Taxation at the European Commission; Lajos Oláh, State Secretary for Environment)

Since 1991, each year CAAG prepared concrete proposals to next year's state budget and taxation system. Several economists and other experts contributed to these studies which contained in some cases several hundred pages. CAAG organised many conferences and meetings on the topic, often with high level Hungarian and foreign participants. This work greatly contributed to the wider acceptance of the idea of green budget reform among government officials and politicians. Several concrete proposals of CAAG were implemented by the government (the introduction of environmental taxes, removal of some environmentally harmful subsidies, more support for railways etc.). Some of CAAG's studies appeared also in English, for example: Necessity and possibilities of an ecosocial budget reform - Proposals for the 2004 State Budget of Hungary (2003).

CAAG was a founding member of the Environmental Fiscal Reform Working Group of European Environmental Bureau (2002) and also of Green Budget Europe (2008). CAAG has been actively participating in both ever since.

Greening the state budget (2)



András Lukács, CAAG's President informing the Budget Committee of the Hungarian Parliament about the proposal of NGOs for the 2017 state budget (in May 2016)

Between 1991 and 2015, CAAG has been the only NGO in Hungary which worked out detailed and concrete proposals for an ecologically and socially sound budget. In 2015 year a coalition of NGOs was formed, and in 2016 already 15 social and environmental NGOs and a trade union of teachers, coordinated by the Fiscal Responsibility Institute (an independent non-profit institution of economists), joined to make a common proposal. This proposal was sent to the Ministry of National Economy (i.e. finance ministry). The reply, signed by the Minister, stated that "it is not a task of the Ministry to comment on proposals of NGOs..." However, CAAG succeeded to report about its proposals in five minutes at the Budget Committee of the Parliament, which was in itself a great feat in the present circumstances, and helped to get media attention.

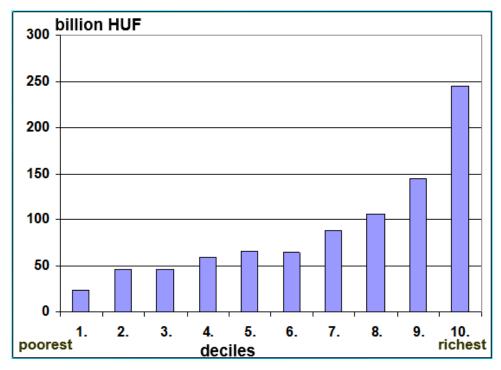
Analysing the costs of road transport



Joint conference of the Hungarian Scientific Association for Transport and CAAG in 2011 presenting the study

At CAAG's initiative, in 2008 the Ministry of Economy and Transport ordered a joint study from the Institute for Transport Sciences and CAAG on the real cost of road and rail transport. The study, The social balance of road and rail transport in Hungary, completed in 2010, showed that car and truck transport in Hungary is enormously subsidized by the government. This subsidy – if the environmental and health cost as well as tax evasion and tax avoidance is calculated with - might reach a sum equalling around 10% of the GDP. The study refuted with concrete numbers the claims of organisations of car owners and hauliers that they are over-taxed.

Fighting tax evasion relating to car use (1)



The distribution of tax evasion by illegal accounting of car use in household income deciles in 2005, according to calculations by CAAG's experts

CAAG has been analyzing the tax system of Hungary and making proposals for its improvement since its foundation in 1988. In the framework of this activity, CAAG has have been investigating also the issues related to tax fraud. For example, in 2007 CAAG made the ground-breaking study "Adócsalás személygépkocsi-elszámolással és egyéb trükkökkel" (Tax fraud by accounting for car use and by other tricks). This study showed that tax evasion and tax avoidance by accounting the private use of cars as company use results in a loss of government revenue equaling to about 3 to 4% of the GDP. The study also showed that this tax subsidy enormously contributes to social inequality as the richest 30 per cent of Hungarian households was responsible for more than 70 per cent of the total tax evasion and tax avoidance relating to cars. CAAG communicated this result to the European Commission which afterwards ordered a study from Copenhagen Economics on company car taxation. This study showed that there are serious problems with car taxation in a number of European countries, with Hungary being among the worst. In 2011, together with Green Budget Europe (one of whose vice-presidents at that time was András Lukács. CAAG's President) and European Environmental Bureau, the Commission organized a conference on the topic in Brussels where the results of CAAG's research were presented, too.

Fighting tax evasion relating to car use (2)



CAAG replied the call of Climate Action Network Europe in 2017 to nominate a subsidy for the European Fossil Fuel Subsidies Award, and nominated Hungary's system of car taxation which is an enormous incentive for car use - with all the negative consequences for health and environment. Companies in Hungary pay a relatively modest tax for their company car and then this car can be legally used for private purposes without any limit. And if a car owned by a private person is used for business purposes, then all the fuel costs plus an allowance of HUF 15 (about EUR 0.05) per kilometre can be paid out free of taxes – and, as this is not controlled, private use accounted for as company use is widespread. This tax subsidy equals to about 3 to 4% of the GDP. In CAAG's opinion, this enormous amount of money could be much better used for investing in education and health care."

In the medal ceremony, which took place on 22 May 2017 in Brussels, the Hungarian government ranked third in the Dirty Tax Gift award category. Thus, the Hungarian government has been named and shamed on the basis of a public vote on the deadliest, dirtiest and sneakiest subsidies to fossil fuels in Europe. CAAG hopes that this will help its efforts which it has been putting into convincing the government to reduce this subsidy.

Distance-based toll for trucks achieved



Conference on the tolling of trucks in the House of Members of Parliament

In 1990, CAAG demanded that the government take steps to reduce the enormous international truck traffic crossing Hungary. As a result, the Hungarian government introduced a high distance-based toll for foreign trucks in 1991. Due to pressure from the European Commission and foreign governments more and more trucks were exempted from the toll, and inflation made the toll quite low for those who still had to pay it. However, CAAG did not give up. For example, in 2006, CAAG succeeded to organise a conference on the topic together with representatives of the government party and the largest opposition party in the Hungarian Parliament (it has been always a daunting task in Hungary to bring these two parties together for a common cause). The topic was truck transport and the environment, with special attention on the possibility to introduce a distance-based toll. After much campaigning and advocacy by CAAG, in 2013 the government finally implemented the second highest in Europe distance- and environment-based toll for trucks.

Precedent set by the Supreme Court



The Auchan shopping mall in Budaörs

Already in 1991, CAAG organised an international conference on the environmental effects of big shopping malls, where their negative consequences were presented. (At that time there were no big shopping malls yet in Hungary.)

Together with local residents, CAAG started a legal process against the construction of the shopping mall Auchan in Budaörs (outskirts of Budapest) in 1996. CAAG won the case in the lower court, but Auchan appealed. The case went finally to the Supreme Court, but meanwhile, the mall construction was finished. In 1999, CAAG lost the case as it could not finance the costly measurements needed to prove its argument. However, in its judgment the Supreme Court made two extremely important decisions which were to be applied by every Hungarian court in the future: (1) in similar cases the environmental NGO's always have a standing (this was earlier often disputed in similar cases), and (2) in the case the environment is endangered the economic interests cannot be taken into consideration.

For solving the biggest environmental health problem in Hungary (1)





Press conference by CAAG and Greenpeace at the Parliament building, and handing over a petition to a representative of the Minister of the Prime Minister's Office for reducing pollution from household heating (2016)





Left: Péter Lenkei, Head of CAAG's Eco-counselling Office measuring particle pollution in a mountain village (2016)

Right: Meeting for government officials on how to reduce pollution from household heating organised by CAAG and the Deputy Ombudsman for Future Generations

According to the Air quality in Europe – 2016 report of the European Environmental Agency, 12,800 people die in Hungary each year because of PM2.5 pollution. According to official Hungarian data, 74% of this pollution originates from burning solid fuels (wood, coal) and, even worse, plastics and other waste in households. CAAG carried out a wide range of activities in order to help reduce this pollution. Among others, CAAG worked out a detailed proposal and discussed it with officers of the ministry responsible for environment who highly appreciated CAAG's proposals. CAAG made measurements in various places in Hungary, and these showed that during winter even in mountain villages air pollution is much worse than in the central part of Budapest; the results of CAAG's measurements received nation-wide publicity. Unfortunately, so far, the government took almost no measures to reduce this pollution. Nevertheless, CAAG continues its work on this issue. For more details on the topic in English, see:

- Natural disaster in our fireplaces
- Suffocating in the smoke of waste burning
- Fresh air or smog in the mountains?
- Air pollution discussed by the parliamentary committee

For solving the biggest environmental health problem in Hungary (2)



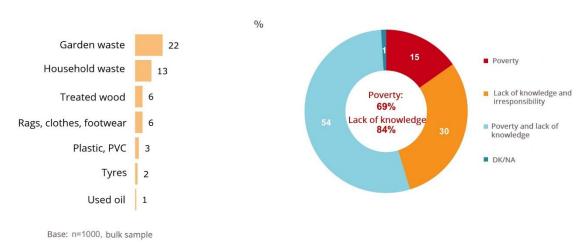


Measuring background air pollution and air pollution in a village in North-Eastern Hungary together with Danish and German experts. After conducting measurements in a number of villages and small towns, one of the German experts told CAAG that the air pollution levels in these places are generally much higher than what he measured in Beijing.

Some of CAAG's most important further achievements in 2016-2017 in the fight for reducing harmful emissions from household heating, residential burning:

- The State Secretary responsible for environment, Zsolt V. Németh has been saying recently publicly the same statements about air pollution from household heating as CAAG had been saying for years. He also accepted CAAG's proposal to make short films about the problem to raise awareness. (The films are accessible also with English subtitles).
- The Committee for Sustainable Development (i.e. environment committee) of the Hungarian Parliament discussed the issue 3 times at CAAG's initiative.
- In a workshop organized by CAAG in cooperation with the Ombudsman for Future Generations, 80 persons participated – mainly from the government, authorities, municipalities and professional organisations.
- At CAAG's initiative the State Secretariat for Environment prepared a draft law to prohibit the selling of lignite for household heating.
- CAAG sent a letter to all environmental authorities asking them, how they cope with illegal residential burning. CAAG sent their replies to the government, and received a reply from the State Secretary responsible for environment, who acknowledged that there is a serious problem with the authorities' relation to illegal residential burning and promised that Ministry will take concrete steps to remedy the situation.
- All major national television and radio channels as well as important news portals and national and regional newspapers made interviews with CAAG's representatives and/or disseminated information based on CAAG's materials on the topic. According to the Press Officer of the Ombudsman's Office, the number of people reached was practically the whole adult population, but at least 6 million persons. (The total population of Hungary is 9.8 million.)

For solving the biggest environmental health problem in Hungary (3)



What have you burned in your household over the last few years? In your opinion, what is the main cause of illegal residential incineration?

At CAAG's initiative and in cooperation with Hungarian Anti-Poverty Network, the market research company Kantar Hoffmann carried out a national representative opinion poll on residential waste burning. The results showed that one-third of the Hungarian population burns waste on a regular basis.

54% of the respondents consider the lack of knowledge, irresponsibility and poverty together as the main causes of illegal residential waste burning. 30% mostly blame the lack of knowledge and irresponsibility, while 15% trace back waste burning to poverty as the main cause.

Very few people report to authorities when they experience illegal burning, only 7% of the respondents have ever reported. However, there were three times more people who informed the waste burners themselves of committing an illegal act. Those who notified the authorities also reported that in the vast majority of cases some kind of action was taken by the authorities, yet the burning did not cease.

Nearly 70% of the respondents agree that authorities should take severe actions against those who heat or burn in a health-damaging way. Even more people state that legislation on burning must be fully respected by everyone. In both cases, only 2% of the respondents said that they completely disagree with these statements. The media widely reported about the results of the opinion poll, and CAAG effectively used it in its advocacy work.

Protecting the health and life of individuals by eco-counselling (1)



Head of CAAG's Eco-Counselling Office, Péter Lenkei giving advice to a citizen during the European Mobility Week in Budapest

A mother phoned to CAAG and said that she has an invalid child and therefore she spends almost all her time in her house with the child. Their neighbour is working in the construction sector, and he brings home big quantities of waste with which he is heating his home. Unbearable fumes leave the chimney of his house which penetrate the home of the mother with the invalid child. She asked what she can do to stop this, because his neighbour does not listen to her. CAAG's Eco-Counselling Office informed the local authority about the extremely harmful effects of waste burning in households, and about the laws according to which the authorities should sanction such a behaviour. The authority replied that they asked the neighbour, and he denied that he was burning waste. Then, again referring to the dispositions of the concerning laws, CAAG asked the authority to order an investigation by an expert. The expert proved that waste burning really occurred. The neighbour received a large fine, and he stopped burning waste.

This is just one example of the more than 30,000 cases between 1998 and 2016 in which CAAG's Eco-counselling Office helped citizens to solve environmental problems. (Naturally, this does not mean that in all cases the problem was solved, but in all cases CAAG provided at least professional advice.) It is telling that although - for lack of capacity - CAAG does not advertise its eco-counselling service, many persons turn to us, often as a last resort.

In 2016 CAAG's Eco-counselling Office has dealt with 2542 cases on the basis of complaints by citizens. In most cases, advice was given on phone or by e-mail; in many cases, the Office wrote letters to the authorities or asked for information from companies; and in some cases, colleagues from CAAG visited the area to get information on-site.

In 2009, three full-time employees worked in CAAG's Eco-counselling Office, and they were overloaded with work. Today there is only one person working part-time (the Head of the Office since 1997, Péter Lenkei), occasionally helped by other colleagues and volunteers.

Protecting the health and life of individuals by eco-counselling (2)

Below three more examples of the work of CAAG's Eco-counselling Office are presented from the years 2016-2017.



"Thanks to CAAG, we have clean air in our town" (Picture on CAAG's website with the permission of the persons from Göd who turned to CAAG for help)

Suffering from smoke caused by burning leaf-litter and with it often plastic and other waste –, residents of Göd (a town near Budapest with a population of about 18,000) have joined forces,

gathered a Facebook group and decided to step up in order to live a healthy life. CAAG was invited to measure and evaluate the air pollution the open air burning causes in Göd. The measurements proved that the pollution is seriously harmful to health. Based on CAAG's report, the Mayor of Göd immediately called an extraordinary city council meeting which banned the leaf-litter burning in the town.



Construction debris on a Natura 2000 site at the town of Fonyód

István Tiborcz, the son-in-law of Prime Minister Viktor Orbán decided to purchase a sporting field in a beautiful place in the town to build a hotel there. It was promised that a new sporting field will be built elsewhere (by public money...). However, the site elected is in a protected nature area. In order to prepare the ground for it, construction debris has been deposed there. The environmental authorities did not dare to oppose the investment. Citizens of the town turned to the CAAG's Eco-Counselling office, and colleagues from CAAG visited the area, talked with citizens. and filed a complaint to the authorities.



Waste in a nature area just North of Budapest

Local citizens informed CAAG's Eco-Counselling Office that packaging waste has been deposited and burnt illegally in a nature area with the implied agreement of the local mayor. Colleagues from CAAG visited the area, filmed the illegal activities. put it on Facebook, and informed the media. The issue received wide press reaction, including interviews in television and radio.

Protecting the health and life of individuals with legal help



CAAG's lawyer, Gábor Bendik explaining to residents of the town of Tokaj the legal possibilities of combatting the harmful effects of heavy truck traffic which is making life miserable for many of them

CAAG's lawyer regularly gives legal advice to citizens turning to CAAG with environmental problems. In some cases, he even assists citizens to file a lawsuit and to litigate in court. Just as examples, below two successful cases are mentioned.

CAAG participated at several public forums organized by local governments and residents about heavy truck traffic. The most notable among them, and at the same time bringing one of the most important results has been the events along road number 86 (Western Hungary, near the Austrian border). An enormous heavy truck traffic has been passing through the towns and villages along this road. (This traffic abruptly increased on this road after Austria had introduced a kilometre charge for trucks on its motorways.) Having heard about CAAG's campaign, in 2007 a local citizen contacted CAAG, and afterwards he initiated a local action. As a result, citizens and local mayors from 12 towns and villages along the road formed a committee to fight against the huge traffic. CAAG provided them with legal and other expertise and information material, and took part in one of their demonstrations, and at another time in their public forum where several members of the Parliament and officials from the Transport Ministry took part. CAAG helped the local committee to write and send a letter to all members of the Parliament. CAAG announced that it is willing to provide legal and financial help to anyone who would sue the government. A local couple started a litigation process, and with the help of CAAG's lawyer won the case: they received substantial financial compensation and the court obliged the road authority to take appropriate measures to reduce the damages caused to residents along the road.

CAAG's lawyer proposed an innovative legal approach to a resident of Tokaj (town in North-East Hungary), who sued the operator of a public road with the help of Clean Air Action Group, for the intolerable traffic of trucks in front of his house. In 2016, the Budapest Court of Appeal found violation of rights and obligated the operator of the public road to cease it.

Further successes at local level





Left:: Candidate for Budapest Mayor in 2006, István Tarlós signs environmental commitments with CAAG's President.

Tarlós was elected in 2010 Mayor of Budapest. As Mayor, he implemented several important measures beneficial for the environment (substantial improvements in public transport, widening paying parking zones, more pedestrianization, bike-sharing system etc.)

Right: CAAG's demonstration for clean air.

In recent years a number of local measures have been implemented to reduce air pollution





Left: Erzsébet Beliczay, who was CAAG's Vice-President for many years (and author of a number of important studies for CAAG on urban development as well as energy policy), is planting a tree in Central Budapest.

Right: At CAAG's initiative, one of Hungary's best-known businessmen, Sándor Demján, planting trees in a Budapest park with CAAG's President, András Lukács, and CAAG's Director. Zsolt Horváth

CAAG saved trees from being cut down and saved even parks to be built in on many occasions.

Protecting urban green areas





Left: The experts of Greenpeace Hungary, CAAG and Ligetvédők (Defenders of City Park) at a press conference of Hungarian International Press Association (association of foreign journalists in Hungary) about the City Park Right: Demonstration for saving the trees of Budapest organised by a coalition of NGOs, including CAAG





Left: Presentation of the Manifesto for Urban Green Areas and its background study, both prepared by CAAG's Board Member, Sándor Bardóczi (fourth from left on the photo). The event itself was organised by Greenpeace Hungary, and the speakers included, among others, Marcel Szabó, Ombudsman for Future Generations, and Imre Körmendy, President of the Hungarian Society for Urban Planning4 Right: Press conference of NGOs in defense of the City Park. At the microphone: Judit Szegő, CAAG's Project Manager for Green Areas

CAAG has carried out a wider range of activities to protect the green areas of Budapest and its surroundings which are being menaced by senseless plans of the national and local governments. CAAG's main activities in this field included legal actions (among others, filing to the court against constructions), issuing press releases, writing articles, building coalitions, writing letters to decision-makers, speaking with politicians and officials, participating in the organisation of various events.



⁴ Photo: http://varosvedo.hu/2016/11/24/kialtvany-a-varosi-zoldteruletek-es-zoldfeluletek-vedelmeben/

Defending the City Park of Budapest









Pictures from the short film made by CAAG calling on citizens to defend the City Park of Budapest https://www.youtube.com/watch?v=BKYv996JMzo

The government, which came to power in 2010, is planning to build five huge new cultural buildings in the City Park (Városliget). This means that they would cut down hundreds of trees, permanently disturb existing wildlife in the park and make a very peaceful piece of nature into just another hectic part of Budapest, disturbed by traffic and noise. Among others, it is planned to move there the Hungarian National Gallery from the former Royal Castle on the Castle Hill (Budai Vár). The latter is part of the megalomaniacal plan of Prime Minister Viktor Orbán to move his office and several important ministries from near the Parliament on the other side of the Danube to the Castle Hill which today serves as a cultural centre and the most visited tourist area of Budapest. These plans evoked enormous protests from many parts of Hungarian society, including, among others, the Hungarian Society for Urban Planning, Despite the protests, Orbán is resolute to implement the senseless project which would cost several billion EUR to the Hungarian taxpayers.

The Clean Air Action Group was at the heart of the protest movement from the beginning. Among others, in January 2016 CAAG ordered a representative public opinion poll from a leading opinion poll agency; the results showed that the overwhelming majority of citizens in Budapest oppose Orbán's plans. The results of the opinion poll have been widely quoted, and they proved to be an enormous help to everyone fighting to protect the City Park and the Castle Hill.

For better public transport





Left: CAAG's demonstration in 2003 for creation of a bus lane on the main bridge across the Danube in Central Budapest (The Municipality implemented the bus lane after the demonstration.)

Since that time bus lanes were created not only here, but in many other places all over Budapest.

Right: CAAG's president at the launch of the test measuring and monitoring to the driver real-time fuel-consumption of buses in Budapest in 2015

This test was carried out thanks to CAAG which initiated and urged for several years real-time monitoring of the fuel consumption of public transport buses so that the driver can adapt his driving style for optimal fuel use (ecodriving) and thus attain also lower emission.





Right: CAAG calling for clean air on a BYD electric bus before the Parliament building in 2013

Left: CAAG participated at the presentation of the Hungarian electric buses MODULO in 2015

CAAG played an important role in the fact that in 2016 the Budapest Municipality purchased 20 electric buses for public transport. These buses are now in operation in the centre of Budapest.

For cleaning up the public bus fleet in Budapest



"What should you do, if you smell diesel fume in a bus?" -CAAG's campaign on Facebook

Public transport buses operating in Hungary are generally very obsolete, and emit a huge amount of harmful diesel particles. Moreover, the lack of proper maintenance of the buses is making pollution even worse. In a number of cases, diesel fumes can be smelt even inside the bus, where particulate matter (PM) concentration – according CAAG's measurements – is sometimes 5 times higher than on the nearby sidewalk where the bus passes, and 20 times higher than the background urban pollution. CAAG campaigned for the renewal of the bus fleet, for the use of particle filters on medium aged buses, and for better maintenance of the buses.

In 2015, CAAG agreed with BKV, the Budapest public transport company that it will forward them complaints from citizens, and BKV will then try to fix the buses concerned. Then CAAG made a call on Facebook and in the media to citizens asking them to report, if they smell exhaust fumes inside a bus. Until June 2017 CAAG received more than 400 such complaints, and forwarded them to BKV. In almost all cases, within a few days after BKV received the complaint, they reported back to CAAG about the concrete repairs they made on the bus. In one case, BKV removed the bus from service for good.

Further activities for an environment-friendly transport system in Hungary (1)

CAAG has been active in a wide range of topics concerning transport in Hungary: public transport, car traffic, parking, cycling, urban and interurban freight transport, and rail transport. Below some of these activities are presented.





Left: CAAG's stand in Budapest at the Electromobility Forum which was opened by Mihály Varga, Minister of National Economy Right: Károly Kiss, member (and former President) of CAAG's Experts' Committee promoting e-cycling at an exhibition for electromobility



Press conference on the government's plans for promoting electromobility, organised by Evopro, a Hungarian company producing electric buses. On the picture from left to right:

- a foreign expert.
- István Lepsényi, State Secretary of the Ministry of National Economy
- Csaba Mészáros, CEO of Evopro
- János Ungár, President of Hungarian Electromobility Association
- András Lukács, President of CAAG

CAAG has become an influential partner of Jedlik Ányos Cluster (JÁK), the Hungarian Association for Electromobility (established in 2013) and attained that promotion of light electric vehicles for passenger and freight transport as well as electric car-sharing is included among its most important topics. CAAG worked out a draft government decree for the promotion of light electric vehicles, and, after consultation with Hungarian Cyclists' Club, submitted it to JÁK, which, in turn, sent it in its own name to the Ministry responsible for transport.

In September 2016, cars of an EV car-sharing company appeared on the streets in Budapest taking advantage of the free of charge parking for e-cars. The company asked CAAG to write a study on e-car-sharing to help promote it. CAAG already completed the study.

Further activities for an environment-friendly transport system in Hungary (2)



An electric freight bicycle in front of the building where the 2016 Annual Meeting of the Hungarian Economic Association, probably the most prestigious professional organisation in Hungary, took place.

The organisers of the event accepted CAAG's proposal for a presentation by an expert of the Hungarian Cyclists' Club about the use of e-bikes for freight transport.



Presentation by Márton Vargha, CAAG's Project Manager for Transport at 2016 Annual Meeting of the Hungarian Economic Association about CAAG' proposal for congestion charging in Budapest

According to the contract between the Hungarian government and the European Commission on EU funding for the construction of the 4th metro line in Budapest, a congestion charge should have been

implemented in the city in 2014. However, this measure has been postponed year after year. CAAG worked out an alternative proposal for congestion charging, which was very positively accepted by transport experts as well as Péter Szegvári, Chief Advisor of the Mayor of Budapest; Kornél Almássy, CEO of Budapest Közút (municipal company for transport operation), and Kálmán Dabóczi, CEO of Budapest Transport Centre (municipal company for transport development). However, the present Mayor of Budapest opposes any congestion charging...



András Lukács, President of CAAG handing over a special environmental prize to István Papp before the 240 participants of the Annual Conference of the Club of Logistics Directors of Big Companies in 2016 István Papp is the Logistics Director of one of the biggest companies in Hungary. BorsodChem. It was his merit that the share of rail transport of BorsodChem's products increased from zero to 70% within 3 years.

For reducing unbearable pollution in Budapest from ships on the Danube





CAAG invited Danish and German experts to a discussion with the President of the Hungarian Passenger Shipping Association and his colleagues. During the discussion, which took place on a ship on the Danube in November 2016, the participants agreed on concrete proposals to reduce pollution from ships.

CAAG has received complaints from several citizens and tourists about the enormous air and noise pollution caused in Budapest by ships on the Danube. In agreement with the shipping organisations, it formulated proposals and exchanged letters with the Minister responsible for transport on possible solutions to the problem.

For climate-friendly transport in Europe





(Left) Visit of CAAG and T&E (European Federation for Transport and Environment) to Waberer's International, the largest owned vehicle operator within the European international full truck load transportation segment

(Right) The Secretary General of Hungarian Road Transport Association signs the letter initiated by T&E and demanding strict EU legislation to reduce fuel consumption of new trucks

CAAG is a partner in an international coalition of NGOs (the Member States Network, MSN) for effective advocacy towards European Union Member State governments in order to positively influence EU legislative processes on transport issues. MSN works for strong CO2 targets for cars and vans in 2025 and 2030, and introducing CO2 targets for heavy-duty vehicles already before 2020. It also intends to address challenges to reduce emissions beyond 2020, including strengthening vehicle testing and ensuring the shift to e-mobility is sustainable.

One of CAAG's most important successes in this topic was the meeting with the Ferenc Lajkó, CEO of Waberer's International, and György Wáberer, President of the Hungarian Road Transport Association, MKFE (Hungarian member of the International Road Transport Union, IRU) in 2017. After listening to CAAG's clarifications, they both said that they fully support the position of T&E and CAAG for changing EU legislation as soon as possible to force truck manufacturers to produce more fuel-efficient trucks. They also expressed support of the idea of T&E and CAAG that EU legislation should stimulate much stronger differentiation of tolls for trucks according to their harmful emissions. All this was a real U-turn in the position of MKFE, which earlier did not support these proposals!

Saving the Jewish Quarter of Budapest and uncovering related corruption



Demonstration against the demolition of a historical building in the Jewish Quarter in Budapest (the sign says: "It survived two world wars, Rákosi and Kádár [Communist leaders of Hungary]")

More and more buildings were demolished in the historical Jewish Quarter in Budapest to build high buildings with low quality in their place. NGOs, including CAAG, protested against the destruction of the cultural heritage. CAAG succeeded to obtain documents proving that the Mayor and other persons in the district municipality sold several old buildings belonging to the municipality at a very low price, and a few days later the same buildings were re-sold by the new owner at a much higher price. In 2006, CAAG together with three other NGOs reported the findings to the police. Two years later, after further demonstrations and complaints by NGOs, the Mayor was arrested and subsequently jailed.

Media appearances in 2016



Péter Lenkei, Head of CAAG's Eco-Counselling Office in one of the most popular television programs of Hungary (TV2 Mokka) speaking about illegal household burnings ()



Sándor Bardóczi, CAAG's Board Member on video of one of the most popular news portals, explaining why the last natural riverbank of Budapest should be preserved, and why the plans of the Mayor to destroy it does not serve the public interest, but only that of some real estate speculators



Judit Szegő, CAAG's Project Manager for Urban Green Areas on the website of the biggest environmental news portal, explaining⁵ why NGOs oppose the government's plans to construct huge buildings in the city park

In 2017, CAAG appeared in the media on more than 500 occasions. Each month CAAG lists all media appearances in which CAAG appeared (and which it could find), and puts them on CAAG's webpage.

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⁵ Photo: http://greenfo.hu/hirek/2016/09/21/a-zoldek-fakepnel-hagytak-a-miniszteri-biztost