

Petition to Prime Minister Ferenc Gyurcsány concerning Hungary's State Budget for 2005

Mr. Prime Minister,

We, the undersigned Hungarian non-government organizations, hereby express our grave concern about the 2005 state budget and tax bills. We believe that passing these bills in their present form may seriously jeopardize several achievements reached through general consensus of the Hungarian society, may infringe the constitutional right of citizens for a healthy environment and may severely disturb the operation of the country's non-governmental sector.

We are fully convinced that in the 2005 Hungarian state budget enhanced support should be given to environment and nature protection, education, culture, healthcare, scientific research and development, building renovation, energy efficiency, public transport, railway transport, as well as to ecological forestry and farming. We think that it is also indispensable to grant increased subsidies to state agencies which have the primary function of ensuring an unspoilt and safe environment and the purity of public life in Hungary: i.e. it is necessary to strengthen, among others, the environment and nature protection authorities, the National Public Health and Medical Officer's Service and the National Board of Customs and Finance Guard. In our opinion, it is essential to safeguard, utilize and further develop the results that the Hungarian civil sector has already attained.

We find it particularly alarming that the budgetary subsidies of the Ministry of Environment and Water are planned to be cut down. Serious environmental accidents of the past few months have demonstrated that the failure to strengthen the work of Hungarian environment and nature protection authorities puts at risk the health and life of citizens. Additionally, at the time of the EU accession, Hungary undertook a series of environmental protection obligations which make it indispensable to extend the staff of the regional agencies – as promised by each one of the successive Hungarian governments to both the European Union and domestic electors.

A shockingly short-sighted approach is manifested in the fact that the present draft budget contains virtually no estimate at all for a domestic competition system making funds available for public purposes and for environmental protection developments; only for the amounts of the Hungarian contribution to large investment projects subsidized by the EU. Consequently, local governments, the media, enterprises, schools, NGOs and scientific institutions are currently planned to receive only insignificant subsidies, if any, for activities such as environmental education, social awareness raising, scientific research and development, protection of endangered species of animals and plants, establishment and maintenance of waste prevention and utilization systems, elimination of illegal waste dumping sites, or the elaboration and implementation of local governments' environmental programmes.

Moreover, the Hungarian state budget includes harmful and unnecessary subsidies worth hundreds of billions of HUF; the withdrawal of such subsidies would allow granting support to the above goals. In order to raise the required funds we make the following proposals:

- Subsidization of the intensive and highly chemicalized agricultural production should be considerably reduced. This is also important because by giving preference to the agrarian environmental protection programme Hungary may obtain significantly more subsidies from the European Union.
- With a view to cutting back the squandering of arable land, one of Hungary's most valuable and irreplaceable assets (by covering it with concrete or asphalt, and building it

up virtually without any limits), and curbing the related massive real property speculations and corruption, it is necessary to set true prices for Hungarian arable lands (for instance by significantly raising the amount, and extending the scope, of the land protection fee).

- The Hungarian housing subsidization system should be transformed so that the construction of a new home should only receive support if it meets strict environmental protection preconditions. In the long run, this may result in annual savings of several hundreds of billions of HUF for the state and for local governments.
- Hungary should start removing the preferences, worth hundreds of billions of HUF a year, given to heavy truck transport (those operating heavy trucks should pay for the damage that can be proved to have been caused by them).
- The huge subsidies granted to car transport in Hungary should be gradually withdrawn. (Among other measures, the Hungarian state should put an end to the possibility to account private car use as a company expense item. This unlawful method has become widely used in Hungary, taking away revenues of hundreds of billions of HUF from the state budget year after year.)
- The forced-rate programme of extending the Hungarian high-speed road network should be abandoned.
- Fuel smuggling and fuel tourism should be cut back by imposing strict measures.
- In the system of bearing the costs of waste disposal, the “polluter pays” principle should be consistently applied and the responsibility of industries and commerce should be enforced. The priority of prevention should also be ensured through legal and economic instruments (e.g. through the decree on deposit charges, already being in preparation for a decade, and by developing the system of product charges).
- Black economy should be forced back in Hungary (e.g. by increasing the subsidies granted to the already mentioned state authorities and agencies, and by making them more interested in attaining this goal).
- The prices of exploited Hungarian mineral resources should reflect the costs of the environmental damage caused by their production, as well as the fact that these raw materials are non-renewable (this can be achieved by raising the payable rate of mining tax).
- Through issuing appropriate implementing decrees it should be made possible to collect, at long last, the 25% cultural contribution imposed by the law upon products involving violence and pornography.

Mr. Prime Minister,

Hungarian environment and nature protection NGOs are interested in creating an up-to-date knowledge-based economy, and so they represent a key driving force of social development. We request you to endorse our proposals and to initiate the modification of the 2005 state budget and tax bills.

Budapest, 21st October 2004

Waste Management Working Group
Clean Air Action Group
Hungarian Ornithological and Nature Conservation Association
National Society of Conservationists
Nimfea Nature Conservation Association

Organizations joining the initiative: