

Climate change aspects within SEA proceedings

Hungary: SEA of the National Energy Strategy

Case Study

Justice and Environment 2012

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SEA of the National Energy Strategy

HUNGARY

SEA procedures are closely linked to new investments, projects, strategic planning, extension or adaptation of existing plants, roads etc. At strategic level, SEA influences the fundamental nature of the development. Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programs on the environment (SEA Directive) contains some reference to climate change, however, this is far from being proportionate to the gravity of the problem. On the other hand, arguments referring to the problem of climate change often are used to justify environmental destruction, e.g. in planning and building water or wind power plants in special protection areas or having critical water impacts.

1. Short summary of the plan and/or program

1.1. Title

SEA of the National Energy Strategy (NES) of Hungary

1.2. Location

The NES covers the whole territory of Hungary.

1.3. Area for that the plan/program has been prepared

The NES is a policy framework which is aimed at resulting in the co-ordination of energy policy with climate change policy with a view to economic development and the sustainable environment.

1.4. Developer

The NES was prepared by the Ministry of National Development, adopted by the Hungarian Government first, later discussed by the Parliament and adopted by a Resolution of the Parliament.

2. Relevant national regulation

2.1. Which are the main provisions transposing the SEA Directive?

Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment (SEA Directive) is mainly transposed to the Hungarian legal order by the following pieces of legislation:

- /amendment of the/ Act No. 53 of 1995 on the General Rules of the Protection of the Environment (EPA); - under the title „*Integration of environmental protection into legislation and different state decisions*”.
- Government Decree No. 2 of 2005 on the Environmental Assessment of Certain Plans and Programmes (SEA Decree) which contains the comprehensive regulation regarding environmental assessment and environmental report of plans and programmes regulated in the SEA Directive.

2.2. Which domestic legislative, regulatory or administrative provision required the preparation of the plan/program?

There has not been concrete prescription for the adoption of the strategy, although the preparation thereof is mandated in different norms to different actors in state administration.

The Government Decree No. 212 of 2010 (1 July) on the competences of ministers (Ministerial Competences Decree) and an instruction in the Operational Rules of the Ministry of National Development (MND Operational Rules) proclaimed the preparation of the NES.

2.3. Does the national regulation on SEA demand taking climate change aspects into consideration in environmental assessments?

Annex no. 4. of the SEA Decree contains the general content requirements for the environmental evaluation. According to the point 3.6.1.2. of Annex No. 4. of the SEA Decree, the SEA statement must include an assessment of the impacts of a plan or a programme to the climate.

3. The plan/program

3.1. Do the main objectives of the plan/program concern climate change? If yes, in which context is climate change referred?

The purpose of the National Energy Strategy is to create the policy framework which will result in the co-ordination of energy policy with climate change policy with a view to economic development and the sustainable environment, and to shape the future image of the energy sector with the involvement of the sector participants.¹

¹ <http://www.kormany.hu/en/ministry-of-national-development/news/national-energy-strategy-adopted-by-government> /downloaded on the 15th of September 2012/

3.2. Does the plan/program have likely harmful impacts on the environment, especially on climate?

The NES attributes strategic importance to the domestic lignite resources and also declares that giving up utilizing those reserves is not affordable. From this point of view - in lack of appropriate technologies - increase of GHG emissions can occur in Hungary; however, given that the NES is still a policy framework, the action plans and specific projects - which will be issued based thereon - may directly have impact on climate change.

4. Description of the SEA

4.1. Procedure

4.1.1. Preparer of the assessment

The Ministry of National Development delegated the elaboration of the assessment and the performance of the process to independent experts experienced in SEA and energy policy (SEA working group). The work of the experts was coordinated by the Env-in-Cent Consulting Ltd. and the process of public consultation had been managed by the Ministry of National Development.

4.1.2. Authorities involved

The following authorities were involved in the assessment process:

- the National Inspectorate for Environmental Protection, Nature Conservation and Water Management,
- the Chief Medical Sanitation Office,
- the Ministry of Rural Development,
- the Ministry of Interior and
- the National Office for Mining.

4.1.3. Short description of procedure of public consultation

The public consultation was managed by the Ministry of National Development in cooperation with the SEA workgroup. The public documents were available on the homepage of the Ministry of National Development; a press release was published after the completion of the Environmental Report as well as advertised in a national newspaper.

Furthermore, during the environmental assessment the 40-50 most important professional and interest representing environmental NGOs were directly contacted and, there were also three partnership conferences held by the Ministry of National Development.

4.1.4. Short description of transboundary consultation

The Environmental Report refers to the Espoo Convention and concludes that the current level of details found in the NES as regards aims and actions is not sufficient for quantitatively assess transboundary impacts. Although it mentions transboundary environmental assessment but only in the context of the future and as an EIA process of the single developments foreseen in the NES. According to the information available, there was no other country expressing its willingness to start a transboundary SEA procedure.

4.2. Content

4.2.1. Does the assessment of the current state of the environment concern climatic factors?

Under its sub-chapter No. 3.4.4, the SEA documentation contains “The impacts on prevention and on consequences of climate change”. This part of the assessment includes – regarding climate change - a brief description of the impacts of using fossil fuels, nuclear energy, biomass, and the effects of development in using renewables and in energy efficiency.

4.2.2. Does the assessment evaluate the likely impacts of the plan/program on climate?

The SEA assessment points to the fact that fossil fuels are the largest sources of greenhouse gas emissions. The estimated GHG emissions in 2008 from the energy sector were 56 million tons and CO₂ emission constitutes the 95% thereof.

According to the SEA Report, the most important potentials for GHG emission mitigation can be identified in the area of utilization of fossil fuels. The Report also refers to the strategic objectives laid down in the National Climate Change Strategy and lists the measures and actions to be enhanced in the energy sector:

Energy efficiency and energy saving

- Improvement in efficiency of the energy industry
- Savings in residential and commercial heating energy consumption (building heating etc.)
- Savings in residential and commercial electricity consumption (household appliances, office equipment etc.).

Renewable Energy

- utilization of biomass
- geothermal energy
- wind energy
- solar energy
- hydropower

Carbon capture and storage

According to the NES, in the areas listed above, an overall 45 Mt/y savings potential appears theoretically, which is composed of at least 13 Mt/y emission reduction potential to 2025. The NES refers to these actions in general but the emission reduction achievable by implementation of these measures is not shown.

As it was mentioned in point 3.2., the NES is still a policy framework, thus, the concrete projects - which will be carried out proposed by the NES - may directly have impact on climate change.

Regarding the impacts of utilization of nuclear energy, the SEA Report states that the mining of uranium and the production of nuclear fuel slightly undermines the argument of “carbon neutrality” of nuclear power plants.

4.2.3. Had the Preparer received opinions - from authorities, from the public or neighboring countries - adverting priority of climate change?

Finalizing the strategy - before submitting to the Government for approval -, the Ministry of National Development took into account the outcome of the Environmental Report and the public consultation and thereafter handed in the strategy with the Environmental Report. There has not been information available whether there were opinions regarding climate change.

4.2.4. Were these comments or recommendations meaningfully taken into account?

The comments received by the experts participating in the environmental assessment – as it was reported – were taken into account, but the content of the comments were not detailed.

5. Current status

5.1. of the plan/program

The Parliament of Hungary has adopted a Resolution No. 77 of 2011 (14 October) on the NES which was also published in the Official Journal of Hungary.

5.2. of the SEA procedure

In the middle of February 2011 - after the Ministry of National Development had approved the concept and work plan of the process -, the preparation of the SEA started. The SEA working group received the draft version of the strategy on the 7th of February, 2011. The SEA working group had been set up from two panels: experts of the developer and an independent evaluation panel.

The Environmental Report - in its Annex 4 - has listed all the proposals summarized made by the SEA working group and it also was stated whether these proposals were taken into account in the preparation of the NES until 30th of June.

6. Conclusions

The NES – setting up aims, proposals for action, scenarios and expectations in relation to the government's approach to energy policy for the long term, and calling on the Government to implement its principles - was prepared to cover the energy sector of Hungary.

The document is a policy framework which is aimed at resulting in the co-ordination of energy policy with climate change policy with a view to economic development and the sustainable environment, and at shaping the future image of the energy sector with the involvement of the sector participants.

The SEA report contains evaluation of impacts on climate change in some extent. However, although by declaring the strategic importance of the lignite resources, the NES implicitly envisages exploiting and utilizing further reserves of lignite in Hungary which activities can result in increase of GHG emissions, the SEA report does not address this issue explicitly.

As the NES is a policy framework, its impacts on climate have been defined rather in general. However, the future action plans and specific projects - which will be issued based on the NES – shall be subject of SEA procedure and those impacts on climate change – being more directly – shall be evaluated in merit.

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