

# CONGRESS OF LOCAL AND REGIONAL AUTHORITIES OF EUROPE

---

## **Recommendation 116 (2002)<sup>1</sup> on regional democracy in Hungary**

The Congress, bearing in mind the proposal of the Chamber of Regions,

1. Recalling:

*a.* Article 2, paragraph 3, of the Statutory Resolution of the Committee of Ministers (2000) 1 relating to the CLRAE which charges the Congress to regularly prepare country-by-country reports on the situation of local and regional democracy in the member states and applicant states to the Council of Europe;

*b.* its Resolutions 31 (1996), 58 (1997) and 106 (2000) establishing the principles to follow in the preparation of the above-mentioned reports;

2. Recalling the Colloquy on Regionalisation in Hungary organised in Budapest on 8 and 9 May 2001 in co-operation with the Ministry of the Interior of the Republic of Hungary;

3. Having taken account of the report on the situation of regional democracy in Hungary drawn up by Mr Jan Olbrycht (Poland, R), rapporteur, President of the Institutional Committee of the Chamber of Regions, following two official visits of the rapporteur to Hungary in May 2001 and March 2002 and with the assistance of Professor Massimo Balducci, Florence, and Professor Hans Otto Jorgensen, Copenhagen, and the secretariat;

4. Thanking the Hungarian authorities, and in particular the Ministry of the Interior of the Republic of Hungary for their assistance in the organisation of the visits of the CLRAE delegation in Hungary;

5. Being pleased with the ratification by Hungary of the European Charter of Local Self-Government (21 March 1994) and in particular of the withdrawal on 8 March 2002 of the declaration relating to Article 13 of the charter made during the ratification of the charter by Hungary;

6. Being pleased with the ratification by Hungary of the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (21 March 1994), of the European Charter for Regional or Minority Languages (26 April 1995) and of the Framework Convention for the Protection of National Minorities (25 September 1995);

7. Also being pleased with the considerable progress as regards local democracy in Hungary;

8. Being convinced that the constitution of a regional level of administration placed between the central and the local authority levels and composed of democratically elected persons, allows a better application of the principle of subsidiarity as well as an effective management of citizens';

9. Having taken note that the regionalisation of the country was envisaged in the programme of the Hungarian Government;

10. Regretting that the very complex current system of public administration and territorial authorities in Hungary does not completely fulfil the requirements of regional democracy in the light of the principle of subsidiarity which is considered as one of the fundamental principles to be respected;

11. Having taken note also of the difficulties of creating, within the Hungarian political community, a consensus on the concrete methods of setting-up regional reforms;

12. Express to the Hungarian parliamentary and governmental authorities the following recommendations:

*a.* Taking into account the complexity of the structures of the current territorial administration and the new requirements, in particular in the field of regional development resulting from the future membership in the European Union, it is necessary to consider a major and comprehensive reform of the territorial administration of Hungary;

*b.* This reform should be conceived in the widest possible political context, integrating in its considerations all the levels, and all administrative and political structures existing at the levels of the municipalities, cities with specific statutes, counties and the regions of territorial development;

*c.* The conception of the administrative reform should be founded on a political consensus as broad as possible, since some of the decisions essential to an effective and operational reform will necessitate the modification of certain current legislation for which, in certain cases, a two-thirds' majority is necessary in the national parliament;

*d.* A revision of the current structures makes it necessary:

i. to clarify the distribution of the responsibilities and the tasks between the state, the regional structures, the cities and the communes, and to define the origins of competences to be entrusted to the regional level;

ii. to express a clear option in favour of the creation of only one regional level and to create, on this basis, regions catering to the needs of a democratic society and economic development, and to equip the regions with proper competences, autonomous elected bodies, their own and sufficient budgetary resources, according to the criteria outlined in the draft European charter of regional self-government;

iii. to take into consideration, when creating the regions, the aspirations of the population for a directly elected representation, a regional identity, an effective administration, a transparent and democratic institutional structure with a real decisional competence and suitable financing, in particular for the management of regional development;

iv. to proceed to a clear definition of the distribution of competences of the public authorities between the commune level, cities with specific statutes, regional level and the state, while taking into consideration the principles of the European Charter of Local Self-Government and the draft European charter of regional self-government;

v. to define, according to the competences granted to the regional authorities, the number of regions to be created by taking into account the principles of effectiveness and rationality of management; the requirements of regional socio-economic development; the traditions and developments relating to regional identities; if necessary by carrying out territorial regroupings;

vi. to choose one of the existing levels of public administration for the creation of the democratically operational regional structures, namely the level of the counties or that of the regions of territorial development.

In the first case, at the level of the counties, it would be necessary:

– to equip the current structures with real competences for self-government and with the appropriate financial means;

– to re-examine their number and to rationalise their structures by a regrouping and fusion of a certain number of them;

– to clearly define the relations between the state, the regions, the cities and the communes as well as the control structures by taking account of the principles of autonomy, subsidiarity, transparency, complementarity, and solidarity;

– to proceed to a policy of broad devolution of competences on behalf of the state towards the new counties, in particular in the field of the regional development;

– to re-examine and reduce the decentralised structures of the state ministries and agencies and to transfer their tasks to the autonomous administrations of the regions;

– to integrate the cities with specific statutes into the counties and to give to some of them the function of the seat of the regional institutions.

In the second case, at the level of the regions of territorial development, it would be necessary:

– to equip the region of territorial development with decisional and executive structures, directly elected by the population to give them democratic legitimacy, to make them autonomous financially and administratively, and to transfer to their level the public administrative management competences currently exercised by the state or its regional offices;

– to re-examine the place and the role of the counties;

– to regulate the relations between the regions and the municipal level;

– to also re-examine from the point of view of their reduction and integration into the regions, the number of cities with statutes that have county status and to clearly re-examine the functions of the micro-regions as the framework of intercommunal co-operation and their function as units of administrative and statistical assistance;

– to entrust proper budgetary resources to this level to ensure its functioning and its democratic and autonomous management;

– to envisage a national system of equalisation of the budgetary means to balance the disparities in regional development resulting from geographical, demographic, economic, historical or political disadvantages;

vii. To proceed quickly to the essential reforms needed to reinforce regional democracy in Hungary, to adapt local self-government to the new requirements resulting from the rationalisation of territorial administration structures, and to equip Hungary with a strong and effective regional level administration, founded on the principles of administrative autonomy and democratic legitimacy.

---

1. Debated and approved by the Chamber of Regions on 4 June 2002 and adopted by the Standing Committee of the Congress on 6 June 2002 (see Doc. CPR (9) 2, draft recommendation presented by Mr J. Olbrycht, rapporteur).