

0239 Summary of the audits on the environmental investments in the West-Transdanubia

The Austrian Republic – based on its act on environmental development – provided financial assistance for Hungary from 1996 in order to support the development of an energy concept for the towns located in the west border land of Hungary, which would result in a more favourable situation for Austria from environmental point of view. The Austrian initiation and the its warm welcome by Hungary was in compliance with concept of the INTERNATIONAL AGREEMENT, signed on the 13th of November 1979, in Geneva on the wide-spreading, cross border air pollution.

The program focused on the preparation of a concept including the environmental tasks, the optimisation and modernisation of the energy input as well as the preparing of the realisation plan of the suggested programs for 5 Hungarian towns (Szombathely, Sopron, Körmend, Mosonmagyaróvár, Csorna), in the period of 1996 and 2000. program 1996.

Our audit was linked to the audit of the Austrian Audit Office that was carried out in 2002 on the cross border environmental issues and it focused on the process of the preparation of the concept and on the assessment of its utilisation and the assessment of the impacts of the investments on the environment.

The Austrian initiation unambiguously proved to be positive. Based on the concept, the local governments realised the advantages that can be reached by the modernisation of their energy input and the protection of the environment, furthermore, the concepts served as the basis of the decisions supporting the starting of the investments.

The 5 Hungarian towns were informed about the application opportunity by being contacted by Austrian companies, as well as from receiving external information. The energy concepts were prepared by the proposing companies. From the “Ökofond” Fund of the Austrian Environmental Ministry, there was ATS 11,975 million spent on the energy concepts of the five Hungarian towns. The Austrian Kommunalkredit was the managing financial institution, and they payments were directly made to the companies that prepared the energy concepts.

The prepared concepts put an emphasis on the modernisation of the energy management, as well as the improvement of the environment, which is connected to it. In accordance with this, all concepts assigned a great significance of the changing to gas heating in order to reduce the per unit cost and the amount of harmful emission, the usage of the bio-pulp as a combustible as well as the reduction of the usage of primary sources of energy. The studies contained wide-range marketing and communication suggestions – emphasising the necessity of the spreading of the rational energy management.

The reactions to suggestions were diverse, the concerned local governments thought that the suggestions with marketing and communication nature were not included in their sphere of tasks, therefore they did not provide resources for their implementation. The self-governments preferred the investments that had immediate results.

The towns started 13 investments, that amounted to HUF 640.1 million, out of which 10 realised investments cost HUF 402.9 million and 3 investments are still in progress. From the 4 most expensive investments that are still in the preparing stage, the planned costs of

3 investments is HUF 3.643 million, and one of them does not have a budget planned, yet. The local governments welcomed the suggestions regarding the establishment of bio-pulp heaters, as three investments that are still in the preparing stage belong to this circle. It has to be mentioned, that the local governments carried out several investments in the time of the preparation of the concepts, and in some cases these were independent of the content of the concepts.

During the financing of the projects, the lack of resources of local government came to surface. The direct local government resources amounted only to HUF 3.2 million, therefore in order to solve the problem of the lack of resources – besides other resources – the self-governments were given HUF 188.9 million credit and HUF 7.4 million support, that has to be paid back. The realisation of the concept was supported by state assistance amounting to HUF 27 million and by other resources, for instance HUF 27 million support from the population. The biggest amount, HUF 357.8 million, was provided by companies owned by local governments.

The utilisation of the Austrian support is shown in the savings of energy and financial means as well as the improvement of the air pollution indicators that can be assigned to the implementation of the investments.

Those investments that aimed to save energy (e.g. the modernisation of street-lightning, the utilisation of the energy of the sun, the insulation of the windows and doors) amounted to approximately HUF 360 million, resulted in saving of HUF 110 million per year, in case of street-lightning, the built-in capacity was reduced to its half. The average rate of return, calculating with the saving arose in case of factory expenditures, is 5-8 years. The studies also forecasted the reduction in the harmful emission of power-houses, as a result of the usage of a lower capacity.

The effects of the investments on the quality and contamination of the air can not be so easily assessed. The concepts – except for one – did not outline concrete expectations in line with the environmental objectives, only give the basic data of the most typical emission. The harmful emission was not measured following the investments. The decreasing of harmful emission can be pointed out in case of only one investment, which was not included in the suggestions.

The air pollution data of the audited towns, according to the measurements taken by the environmental protection committees, improved on the whole. This, however, can not be assigned to the investments due to the concepts, as in the audited towns the changing to gas heating was realised independently of the concept. This alone, resulted in the reduction of harmful emission, as well as the changes in the amount and proportion of certain components.

The air pollution of the towns has improved slightly in the audited period, in general it was acceptable, or it has changed from the previously given polluted category to the moderately polluted category. Based on one of the studies, the improvement of the air quality can be experienced mostly in Hungary, as due to the typical wind-charts and the distance of the Austrian border (25 km), only 10% of the harmful emission gets into Austria.

The Ministry of Environment did not take part in the co-ordination of the bilateral relations, even though the Ministry was contacted by two of the towns. According to the information given by the Austrian Audit Office, the Ministry of Environment of Austria,

would support concrete investments in the future. This, completed with the resources of the Hungarian support system – would effectively serve the realisation of the environment protection investments. For this reason we suggested that the Minister of Environment and Water should co-operate in the co-ordination of the bilateral relations in order to better realise the environment protection tasks and he should contact the Ministry of Environment of Austria and get the information regarding the expectable supports to Hungary.