



**ATTRACT SEE**  
**Hungarian action plan for Common Territorial**  
**Monitoring System implementation**

**August, 2014**

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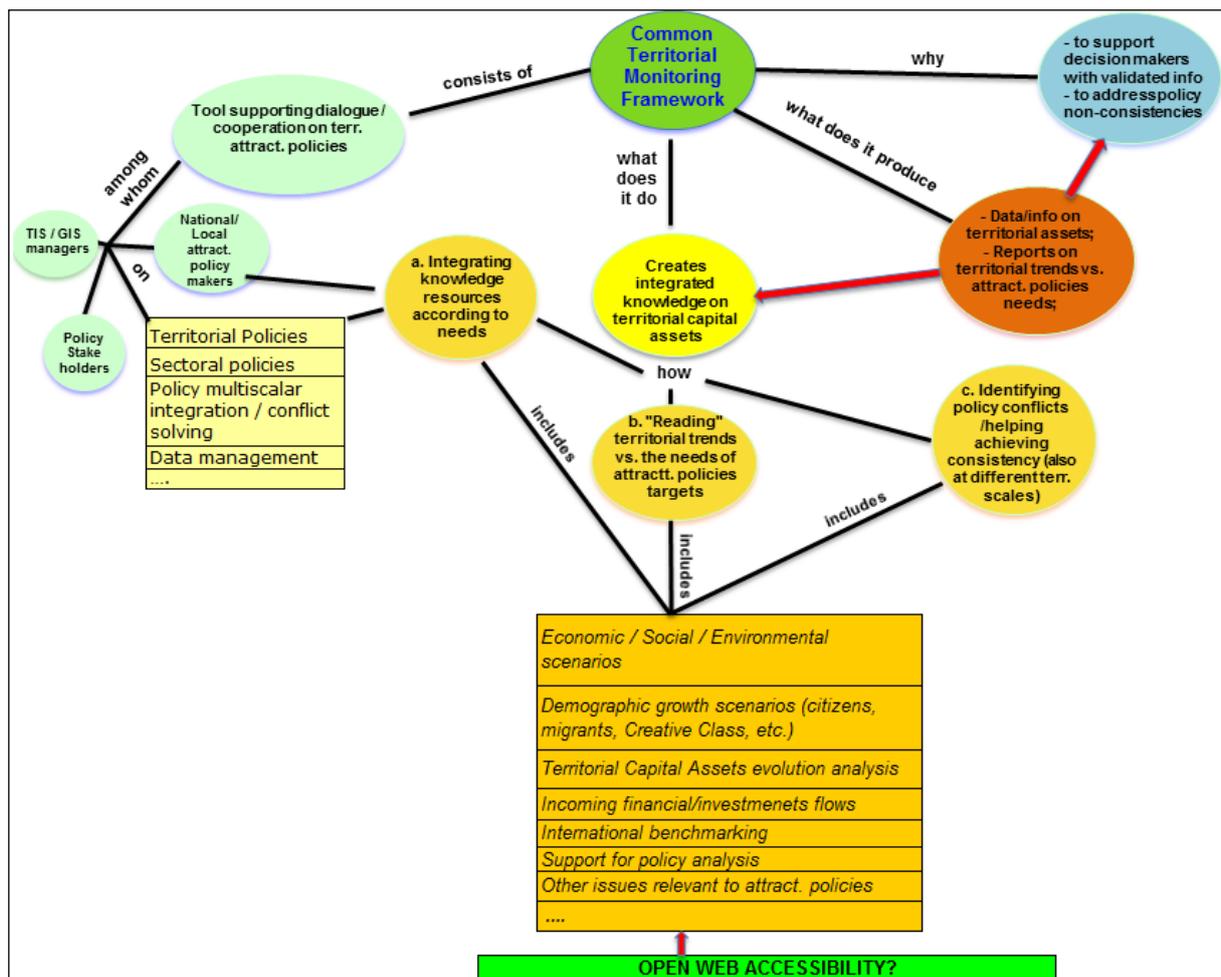
## Introduction

The current state of monitoring systems development in Southeast Europe varies from country to country. The goal of Attract-SEE project is to implement a SEE-wide interoperable system of territorial monitoring. In order to achieve the desired goal, a Common Territorial Monitoring Framework (CTMF) has to be developed (Figure 1). The framework will propose a model of the monitoring system which is applicable in all countries of the region. Based on the initial analysis action plan for the establishment of territorial monitoring system has to be prepared in each participating country/region following the agreed framework. Through the action plans exact further steps will be set and the commitment of partners toward implementation will be expressed. Due to different states of monitoring systems development in partners' countries/regions, the action plans will correspond to these differences.

The main goal of the present Action Plan, besides presenting regional monitoring regulation in Hungary and overviewing the technological background of the existing monitoring system, is to determine the necessary legal, institutional, technological and financial conditions and needful actions highlighting the Hungarian territorial specifics in order to fit to the Common Territorial Monitoring System.

**Figure 1: characteristics and possible functions of CTMF**

Source: Guideline for PPs



## Definition of the organizational process

### Legal background of Hungarian territorial monitoring

Already at the outset of establishing the basis for modern domestic regional development in the Act XXI/1996 on Regional Development and Physical Planning the legislators identified the regular monitoring and assessment of the social, economic and environmental processes of the different territories and regions as essential aims of the regional policy. The central regional development bodies were always concerned to rely on basic analytic surveys and assessments of the territories in support of the planning process.

After the adoption of the Act on Regional Development and Spatial Planning the Regional Development and Spatial Planning Information System (TeIR) was established in 1997. Its contents and operation are regulated by Government Decree No. 31/2007 (II.28) on the Information System on Regional Development and Spatial Planning and the Rules of Mandatory Data Supply amended in 2010 by Government Decree 65/2010 (III.18).

In 1999 pursuant to the amendment of the Act on Regional Development, the Government was authorized to define by a decree the duties, the competence and the operational and organizational rules of the spatial monitoring system. The Decision of the Parliament No. 97/2005. (XII. 25.) OGY on the new National Spatial Development Concept also declared that it is necessary to set up a spatial monitoring and assessment system. Based on this authorisation, the ministry for regional development drafted their recommendations concerning the new system and tasks of regional assessments, the concept of the so-called Regional Assessment System in 2007-2008 in order to strengthen the institutionalization and development of the spatial monitoring and assessment system and to set up its legislative background. This concept laid down the frames and the basic principles of the establishment of the spatial monitoring and assessment system, the potential development tasks and the instruments and institutional criteria of the operation.

After the elaboration of the concept of the Regional Assessment System, the preparation of the statutory provision regulating spatial monitoring started and then continued in 2009. Simultaneously with this process, the Regional Development Monitoring and Assessment System was the revised and renewed. In 2008, preparation of the decree began and in 2010, the government approved Government Decree No. 37/2010 (II.26) on the Spatial Monitoring System. The Act defined the duties of the monitoring committees, and the range of assessment documents falling within their scopes of authority.

The purpose of the decree was to remedy a decade-long lack but, simultaneously, it has introduced a series of positive new policy elements, such as:

- based on the Act on Regional Development, spatial reports on the national and regional level covering yearly periods, or periods of several years and prepared according to different assessment criteria must be made, and reports presenting the use of domestic and EU-funds or other international funds as co-financing, used directly or indirectly for regional development, and reports describing projects of regional development and physical planning in international and cross-border relations are to be drafted;
- besides the regional development activities, the Act also sets down the uniform monitoring and assessment tasks in the field of physical planning;

- makes the ex-ante, mid-term and ex-post evaluations of the major regional and sectoral policy documents (plans and programs) and, among them, the National Spatial Physical Plan mandatory;
- defines that the spatial monitoring and assessment procedures must rely on the data base and applications of the Regional Development and Spatial Planning Information System (TeIR), and the methodology defined in Regional Development Monitoring and Assessment System (T-MER), so that spatial monitoring activities have a unified frame;
- the statutory provision creates the terms of the national, regions of national importance level, regional and county-level spatial monitoring committees which, except for the regional monitoring committees, operate attached to or within the existing territorial institution network;
- makes the documentation of regional assessment reports mandatory.<sup>1</sup>

### **The purpose and main tasks of TeIR**

The Regional Development and Spatial Planning Information System gives territorial background information especially to sectoral planning, hence, in the course of sectoral planning the territorial aspects have to be considered. The main purpose of the System is:

- to support the monitoring of demographic-, economic-, environmental- and territorial changes of Hungary as well as the comparison of these trends at the European scale;
- to provide information visualizing data, indicators and assessments resulted by data processing, as well as to present the territorial development plans, physical development plans, settlement development plans, written documents and maps.

TeIR gives assistance to governmental, regional, county, micro regional and settlement development bodies, sectoral planning and development institutions by giving actual information about the state of certain settlements and regions. This information is necessary in preparing and implementing territorial development decisions, assessing the impact of these decisions by tracing the social-, economic- and environmental changes as well as in the preparation of regional and settlement development plans.

Information from TeIR is available for local governments and regional development councils as well as their branches for planning activity, program managing, tender assessment and monitoring activity.

### **Useful data of TeIR for CTMF**

TeIR databases are derived from different public and private institutions. List of data owners is in Annex 1. Table of CTMF indicators available in Hungary is in Annex 2.

### **Legal actions required to harmonise TeIR data collection with CTMF**

Most of data needful for CTMF to generate territorial attractiveness indicators are available in the Hungarian TeIR. As data supplied by the concerned institutions should be regular (yearly, quarterly, monthly or following data updating depending on the nature of the data), information that are specifically useful for CTMF could be provided on a regular basis as well. However, it would be necessary to amend the Government Decree No. 31/2007 (II.28) on the Information System on Regional Development and Spatial Planning and the Rules of

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<sup>1</sup> Regional Status Report of Hungary, 2010

Mandatory Data Supply, where the institution operating the TeIR would be obliged to attend special attention to CTMF data collection and publishing, which has to be agreed with not only the Attract-SEE Partners but also the neighbouring countries of Hungary. Additionally, effective communication between the professional supervision body dealing with CTMF from Hungarian side and the institution operating TeIR would be crucial to secure continuous and high quality data supply. Therefore, the supervisory role of the Office for National Economic Planning has to be determined in the Government Decree No. 31/2007 (II.28).

## Technological framework

Hungarian TeIR comprises most of the data from different sectoral information systems and certain institutions required for CTMF, therefore, the issue of harmonized data format and standards is solved. Data providers are obliged to supply data at an agreed format on a regular basis. In Hungary, data collection of different administrative levels is also agreed; therefore the standards and format are also the same.

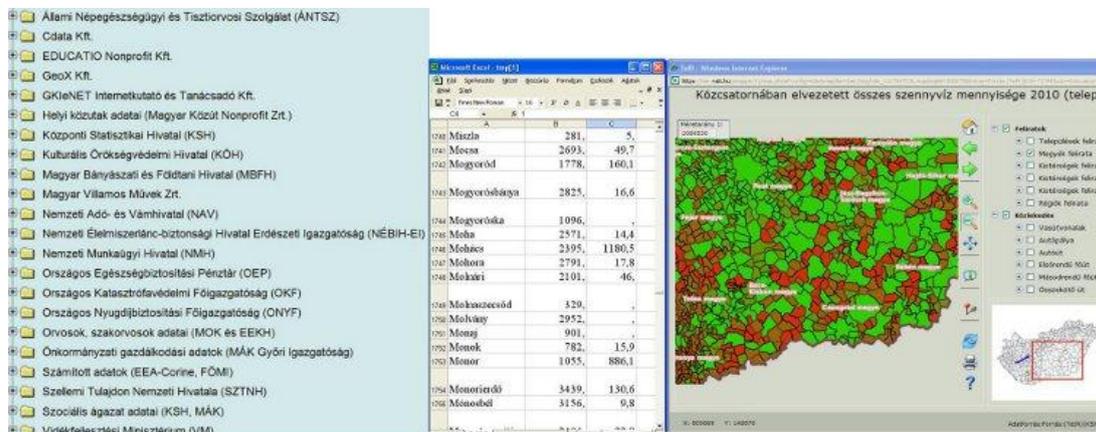
However, the standards and format of data are not the same in every case in the neighbouring countries. Therefore it would be necessary to harmonize not only the indicators, but these conditions as well with every partner country. To make a common forum for exchanging experience an annual conference or workshop for all the main data providers from the partner regions would facilitate the development of Common Territorial Monitoring and make data collection and data processing easier.

## Technological background of territorial monitoring in Hungary

TeIR has a web page with two independent entrance points. One is available for everybody (TÉRPORT), it contains general sectoral information and simple applications. The other entrance point is available only for registered members. It is a professional system based on the TeIR database containing complex analysis and GIS applications.

TeIR professional system gives opportunity to use interactive analyser, GIS applications and territorial analyses (Figure 2). With the help of the interactive analyser users can make complex analyses with chosen data. It supports thematic collection of data, making statistic indicators and analyses. Results can be visualised in cartogram, diagram and report form.

Figure 2: TeIR interactive analyser system



The other important application inside TeIR professional system is the Spatial Development Monitoring and Evaluation System (T-MER). It is such a monitoring and assessment system, which ensures continuous monitoring of territorial trends and implementation of territorial development policy. T-MER is not an IT system but a process model and methodological toolkit that serve for measurement, assessment and evaluation of spatial processes and the success of regional development policy. An important goal of the system is to support the reports that are to be prepared for the Parliament and, simultaneously, to serve as the most important methodological guide, indicator collection and evaluation model of thematic spatial assessments and of the spatial assessment of development funds. In 2003, and then in 2008 T-MER was renewed and following this, a new independent T-MER module

containing specific calculated indicators began within TeIR. Accordingly, TEIR contains mainly absolute (i.e. without calculation) data obtained from data owners, related to public administration units – settlements, micro-regions, etc. – that can be queried. The T-MER is a planning-support tool and the source of specific indicators (i.e. calculated indicators, e.g.: ratio of urban residents, ratio of unemployed) relying on the data from TEIR. Both systems contain information that is accessible for the public; however, there is also a data set which requires separate entitlement to access.

T-MER contains:

- Systematised collection of complex indicators, data- and information sources ensuring the demonstration, assessment and evaluation of territorial trends.
- Assessment and evaluation methodology necessary for measuring territorial economic-, social trends, infrastructural supply, environmental state and efficiency of institutions.

T-MER consists of two different sub-systems from operational and characteristic point of view and they are in close relationship with each other.

The **information sub-system** provides the connection among data and information sources, namely, the search and download of data and information deriving from TeIR and other sources. The **professional sub-system** utilizes the data provided by the information sub-system.

The support of TeIR as an information system is crucial for the operation of T-MER. Therefore, basic data of information system are added to the data in the ORACLE database manager, which are available only for registered users. There is also a separate T-MER module inside TeIR with calculated indicators. At the user interface indicators are available for assessment according to thematic groups. ExtJS<sup>2</sup> provides the background for the web applications. Territorial aggregation and selection can be done according to territorial levels. It is possible to examine indicators with territorial development relevance on a timeline with tables, diagrams or interactive map-based cartograms. UMN Mapserver<sup>3</sup> and p.mapper<sup>4</sup> based on that provide the technological basis of interactive web mapping.

### **Databases of TeIR, data collection and data transfer**

The database of The Regional Development and Spatial Planning Information System consists of data collected in the framework of the National Data Collection Program (hereinafter referred to as OSAP), data are not included in the OSAP and separate databases produced from data by OSAP.

Data provider institutions are obliged to transfer data contained in the OSAP which is necessary for TeIR within 90 days after updating.

During data transfer the data provider institution is obliged:

- to provide data to TeIR in primarily electronically or in digital data medium;
- to fulfil data transfer in a uniform, geographically identifiable way, in the coding system of Central Statistical Office;
- to transfer data directly to the TeIR operator in a meaningful format for information systems;

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<sup>2</sup> <http://extjs.com/>

<sup>3</sup> <http://mapserver.org/>

<sup>4</sup> <http://www.pmapper.net/>

- to transfer digital data with maximum possible accuracy, which can be edited and the data coordinates are according to Unified National Projection (EOV) in the case of maps and map databases

The minister responsible for regional and spatial development supervises databases of TeIR on an annual basis. In the case of a need for the collection of new data circuits, the minister shall consult with the relevant sectoral ministers in advance and after consultation the minister proposes the inclusion of the data set.

The transmission deadline of new data sets has to be determined in such a way, that the data provider has at least 90 days for the preparation of data.

According to the applicable regulation, TeIR should combine databases deriving from certain sectoral information systems and competent institutions. However, in spite of the regulations, current database of the System does not include all data sets from the topic of development policy. Actually, there are gaps regarding efficient data collection, and the connection among TeIR and other development policy information systems are not satisfactory. Unfortunately, some public and available data are also missing from the System due to insufficient data provision. Moreover, one of the main tasks should be the collection of different spatial- and regional development documents and other development policy documents as well, but sometimes the updated version of these materials are not included in the System. The operating institution of TeIR is trying to fix this, but in fact, stricter regulations and consistent punishment would be necessary to ensure the continuous data transfer from the concerned institutions. If there are no appropriate sanctions in case of insufficient data transfer, the regulations are almost useless. Moreover, incentives should be introduced to encourage data owners for active co-operation.

### **Mutual co-operation among CTMF, Hungarian data providers and information systems**

As counties have become new major players at the midium level of public administration, probably a local information system will be started up in the counties possibly embedded into the TeIR. Whether it will be a part of TeIR or not, it is important to keep in touch with the counties and rely on the local information that counties can provide. It is the same in the case other of sectoral actors as well. Although sectoral actors and institutions provide data to TeIR, their experiences regarding their own sector are very useful for efficient operation of CTMF. The most efficient mutual co-operation can be achieved with continuous communication among the above mentioned actors, and it is essential to inform them about the latest results of CTMF which can be also beneficial for the counties, local and sectoral actors and other Hungarian information systems as well (in Hungary the National Environmental Information System could surely utilize the results). It is the task of CTMF communication unit to make the most advantage from this co-operation.

## Financial framework

### Utilization of existing resources

The main data source of Hungarian part of CTMF will be TeIR, which is an already existing system with separate budget defined by the minister responsible for regional development. The costs incurred in connection with the information system consist of development-, investment- and operating expenditures. The most significant element of the system's total costs is operation costs, which cover the provision of necessary technical and human resources, the software transmission of system components, costs related to data procurement and data migration, ensuring the network and the operating environment, maintenance 'help desk' service, training courses and management of the users.

In order to make the best use of existing resources, Hungarian CTMF management has to operate at the Office for National Economic Planning. There are several aspects which confirm this fact. First of all, properly qualified professionals are available at this institution with territorial development, geography and IT specialist skills. Accordingly, competent human resource is provided. Secondly, technological background is also assured by modern hardware and software facilities. Thirdly, financial conditions are adequate, as Office for National Economic Planning operates according to the central budget governed and supervised by the Ministry for National Economy. Therefore, costs related to the operation of CTMF from Hungarian side can be included in the central budget and liquidity problems cannot emerge. Last but not least, from organizational side, one of the most important missions of the Office is to coordinate territorial planning not only at the national level but it gives planning guidelines for the counties as well.

Recent restructuring of the local government and regional development system in Hungary, counties have become new major players at the midium level of public administration. One of the most important tasks of counties is regional development, and in addition to the fact there is no other player at the middle level (except special area of Lake Balaton). Therefore it would be necessary to transform TeIR system to give better support to the counties and it is the duty of the state to provide assistance and financial support for them to ensure data provision in an adequate quality. It would be important to allocate resources for data collection, territorial assessment and monitoring activity from the state aid that a county receives for territorial planning activity.

### Cost reduction facilities

With appropriate resource allocation, additional costs of planning process at national and county level can be reduced, but it applies to the case, when territorial attractiveness is the main issue regarding the planning, hence these indicators will be available from CTMF. Not only national planning, but EGTCs can also utilize the results of CTMF, as to choose the perfect location to establish an EGTC is crucial at the very beginning. Therefore special attention should be paid by CTMF managers to transfer updated information to them. This mutual cooperation will facilitate the operation of CTMF and cost-efficient planning process concerning regional development.

## Institutional framework

### Organizational issues for implementing Hungarian CTMF management

Regarding the CTMF management, efficient communication among the relevant institutions and stakeholders is an important issue in Hungary. Additionally, coordinator role of the Office for National Economic Planning is very important not only at horizontal, but at vertical scale as well. Although TeIR operation is in the Lechner Lajos Knowledge Center, the professional supervisory role has to be at the Office, as they really use these data, they can give instructions for systemising data providing at the same time. Policy Coordination and Methodology Unit of the Office is professionally prepared to manage such a system from Hungarian side, because it has expert experience in this topic.

Moreover, most of its defined tasks are related to the mission of providing CTMF management:

- comprehensive national planning and policy co-ordination;
- participation in international strategic planning and coordination of inter-sectoral planning actions;
- liaising with governmental sectoral actors involved in the overall planning process;
- participation in transnational projects with relevance for regional development and planning ;
- strategic planning, design, coordination, expertise, methodological support activities related to regional policy;
- provision of comprehensive national assessments, monitoring and related coordination;
- participation in international monitoring and evaluation actions provision of technical assistance to the monitoring and evaluation duties of local actors, the priority regions and certain territorial levels;
- participation in international monitoring and evaluation projects, performance of national contact point function;
- provision of methodological and technical support for monitoring activities, monitoring systems and coordination related to evaluations;
- cooperation with governmental-, sectoral and regional actors participating in the monitoring and evaluation process.

However, the organizational responsibilities do not stop at this point, because co-ordination is just one part of the co-operation.

We must not ignore the relevant fact, that there was a change of regional structure in Hungary. Namely, counties (NUTS3) and cities with county rights were given a significant role in regional planning and at the same time the regional level (NUTS2) has been deprived of its planning competencies. County governments took over the regional development tasks from regional- and micro regional councils; therefore there is a need for territorial development tools and professional background as well as capacity building for the counties to create appropriate vertical co-operation. With this change of territorial administration, the role of regional actors has also greater importance in territorial monitoring. In case of CTMF management it is also crucial to involve territorial actors creating effective vertical co-

operation. Hungarian CTMF Steering Committee should consist of the representatives of competent ministries, county governments and cities with county rights, and members of monitoring committees from different administrative levels, especially, from the priority regions (Balaton Region, Agglomeration of Budapest, Danube bend recreation area, Lake Velence recreation area, Lake Tisa recreation area). If these actors are involved in CTMF Steering Committee we comply with the vertical co-operation issue.

In terms of horizontal co-operation, sectoral actors and stakeholders from special areas are also important. From the aspect of territorial attractiveness, tourism professionals, social-, economic-, and environmental experts can also share not only their statistical information concerning their special sector but their experiences as well. Supranational co-operation is also possible by inviting cross-border actors, like representatives of EGTCs (European Grouping of Territorial Cooperation). The EGTC is a European legal instrument designed to facilitate and promote cross-border, transnational and interregional cooperation. Since, there are 14 EGTCs<sup>5</sup> in Hungary, its role can be important not only at the development of CTMF and the improvement of data collection, but CTMF results can be also beneficial for EGTCs, as there are some indicators related to these special cross-border areas, which express territorial attractiveness.

The Steering Committee has to meet at least once a year to discuss the actual issues about the collected data and the Common Territorial Monitoring System. Participants will be given the opportunity for dialogue, exchange of experiences and to decide on important issues, such as the inclusion of new attractiveness indicators to the existing list, data reconciliation possibilities with the involved transnational regions etc.

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<sup>5</sup> <http://egtc.kormany.hu/>

## List of institutions to be invited to the SC

(with the exception of TeIR data providing institutions, see list in Annex 1)

CTMF Steering Committee members*		
County Governments	Government of Budapest	
	Baranya County Government	
	Bács-Kiskun County Government	
	Békés County Government	
	Borsod-Abaúj-Zemplén County Government	
	Csongrád County Government	
	Fejér County Government	
	Győr-Moson-Sopron County Government	
	Hajdú-Bihar County Government	
	Heves County Government	
	Jász-Nagykun-Szolnok County Government	
	Komárom-Esztergom County Government	
	Nógrád County Government	
	Pest County Government	
	Somogy County Government	
	Szabolcs-Szatmár-Bereg County Government	
	Tolna County Government	
	Vas County Government	
Veszprém County Government		
Zala County Government		
Cities with county rights	Békéscsaba	Pécs
	Debrecen	Salgótarján
	Dunaújváros	Sopron
	Eger	Szeged
	Érd	Székesfehérvár
	Győr	Szolnok
	Hódmezővásárhely	Szombathely
	Kaposvár	Tatabánya
	Kecskemét	Veszprém
	Miskolc	Zalaegerszeg
	Nagykanizsa	
	Nyíregyháza	
	EGTCs	Torysa ETT
		SVINKA ETT
Európai Közös Jövő Építő Korlátolt Felelősségű Európai Területi Együtműködési Csoportosulás (Európai Közös Jövő Építő ETT)		
Európa-kapu EGTC		
Bodrogközi ETT		
Pannon ETT		
Novohrad-Nógrád ETT		
Rába-Duna-Vág Korlátolt Felelősségű Európai Területi Együtműködési Csoportosulás (RDV ETT)		
ARRABONA Korlátolt Felelősségű Európai Területi Együtműködési Csoportosulás		
Abaúj-Abaújban EGTC		
Banat-Triplex Confinium Korlátolt Felelősségű Európai Területi Társulás		
Ister-Granum EGTC		
Ung-Tisza-Túr-Sajó EGTC		
Sajó-Rima Korlátolt Felelősségű Európai Területi Együtműködési Csoportosulás (Sajó-Rima ETT)		
* The list is not exhaustive. See Table on TeIR data providers for further members.		

## Identifying “knowledge questions” about policy consistency

In Hungary there are some specific regions<sup>6</sup>, which deserve special attention from territorial development point of view. Territorial attractiveness is an additional factor in these areas. Each specific area requires special attention, and carefully selected attractiveness indicators are needed which truly characterise the region. Although integrated planning is an important guideline in the actual planning period, all of these areas require different development policy; therefore it is a great challenge to select the most relevant information to be monitored by the Common Territorial Monitoring System.

- **Cross-border regions:** Almost all border regions struggle with unemployment and sometimes serious demographic problems. Increase of employment by means of job creation, growth of agricultural output as well as sustainable and competitive production, development of services, in which cross-border business and labour market relations also play important roles. Most of the border regions can be characterised by R+D+I potential, or rather by low level of effective R+D+I activities. The high number of knowledge centres (universities, research institutes) can justify the support of cross-border R+D+I activities with the involvement of the business sector. In the border regions transport infrastructure is in good condition, which promotes migration, links the neighbouring labour markets, increases employment. Joint development of environmentally friendly alternative transportation (water transport, cycle paths), coupled with the coordinated utilization and marketing of ecological and cultural values (e.g. cross-border nature parks, cultural thematic routes) could be major steps toward the increase of touristic attractiveness of border regions supporting the achievement of economic development goals. The key area of institutional co-operation is the support of the European Grouping of Territorial Cooperation.
- **Budapest as the capital of international importance:** The typical European metropolitan challenges must be tackled, such as low-income population, often ethnic segregations, the threat of demographic crisis and climate change; furthermore, there is a need for the organization of transport and investor-friendly but at the same time the sustainable and liveable urban structure with heritage protection.
- **Agglomeration of the capital:** The challenges of the suburban belt of the agglomeration are almost the same as the in the surroundings of the major European cities. Among them transport serving huge mass demands can be mentioned, which besides the difficulties of transport connections to Budapest and within the agglomeration belt is further loaded by transit traffic of the Budapest-centred national transport network. The suburban of settlements and growing built up areas with poor regional and strategic coordination also deserve special attention resulting damage in the sustainability of land use (rare ecology and recreation system, damage of the landscape and cultural heritage), unfavourable mix of residential, manufacturing and service functions, lack of real urban centres. In addition, the region as the most favoured area of the country from demographic point of view poses major challenges for the educational public services.

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<sup>6</sup> Source: National Development and Spatial Development Concept of Hungary, 2013

- **Regions inhabited by ethnic groups:** It is very important in these areas to preserve, develop and creatively use the cultural identity and cultural, built heritage as well as to support social-economic development of the ethnic groups living here. Their traditions and culture could be important attractive factors.
- **Rural areas with special landscape, environmental problems and issues (Homokhátság, Tisa River Valley):** In these areas the most important actions are to spread farming adapted to the changed climate conditions as well as ensure the operability of the landscape, and create the conditions for sustainable socio-economic development with a maximum consideration of the ecological criteria.
- **Rural areas with significant social disadvantages and problems requiring special catching up:** The crisis of peripheral rural areas, which are persistently backward, particularly poor accessibility is due to the lack of appropriate regional centres with adequate services, the unfavourable age-and skill composition as well as disadvantageous economic structure of population and resource scarcity (lack of capital, skilled labour migration). The main breakthrough points can be backyard farming, rural- and eco-tourism development, improvement of accessibility and mobility as well as regional development based on renewable energy.
- **Areas with small villages and farms:** The building stock of farms is run-down, infrastructure is underdeveloped, and the level of public utility supply is low. The accessibility is poor in these areas due to their peripheral character. Solving the problems of public security and disadvantageous demographic process are also a challenge to the farms. Demographic and social problems are multiple problems especially in the case of those small villages which are located in peripheral areas, far from the economic centres not just from spatial settlement network point of view but also economically. Developing smooth and sustainable public transport fitted to the daily commuting needs; building local, autonomous supply and energy systems; meeting the social, health, administrative needs of the local population with the less travel and promoting the development of local communities are crucial development goals in these areas, which also contribute to the territorial attractiveness.
- **LEADER communities:** The operation of local rural communities (LEADER) established and supported by the EU's rural development policy is an important tool for national rural development. These local rural communities are organized independently, autonomously, in partnership with local government, business and civil sector.
- **Areas with outstanding landscape - Balaton Region:** The area forms a natural and economic unit, therefore regional development management is justified.. The actual development has to take place with due the respect to the present landscape, cultural and natural features. The basic objective of the development of the Lake Balaton region is to create a competitive Balaton region in a sustainable manner by preserving and developing the environmental and landscape values, diversifying tourism supply, broader utilization of the region's endowments, establishing a stable institutional system ensuring the partnership of several actors involved. The main development objectives are to achieve sustainable and competitive tourism providing high quality services and active landscape protection of the Balaton Uplands, development of agriculture methods based on nature protection and landscape characteristics,

therefore these goals have to be taken into consideration during the preparation of attractiveness indicators.

- **Zones with special landscape values and recreational functions:** The main objectives regarding these areas are to support traditional agriculture adaptive to the landscape environment, to preserve cultural heritage, to strengthen local communities, to develop sustainable tourism, to create quaternary sector and R + D jobs in the attractive environment by securing telecommuting.
- **Lagging regions and regions facing restructuring problems- Industrial crisis areas and areas inhabited by high proportion of Roma population:** Although both area types have social-economic problems, the causes are different. In industrial crisis regions the main objectives are to promote economic restructuring and reindustrialization, to develop health and social services as well as health and environmental awareness of the population, to eliminate former environmental degradation, to foster landscape rehabilitation. In the areas inhabited by high proportion of Roma population the strengthening of social inclusion, integrated management of employment, training, housing, public health, child protection and aid are the most crucial steps forward. Creating mobility opportunities for the people of the region, providing better conditions for jobs at more favourable locations are important goals for both area types. Actually, to keep inhabitants here is a great challenge, as it is difficult to find attractive factors for subsistence in these areas.
- **Special economic zones:** These are growth and catch-up areas, where through targeted and integrated interventions substantive regional economic development can be reached. The former are those areas that already serve as dynamic zones of the economy in the national settlement structure with outstanding on-site opportunities, present and potential investors, as well as their businesses. The latter are those which struggle with serious underemployment and only complex development policy can help them to get back to the country's economic circulation. Evidently, business facilities are the most attractive factors that have to be focussed on in these areas.

## Reporting for CTMF

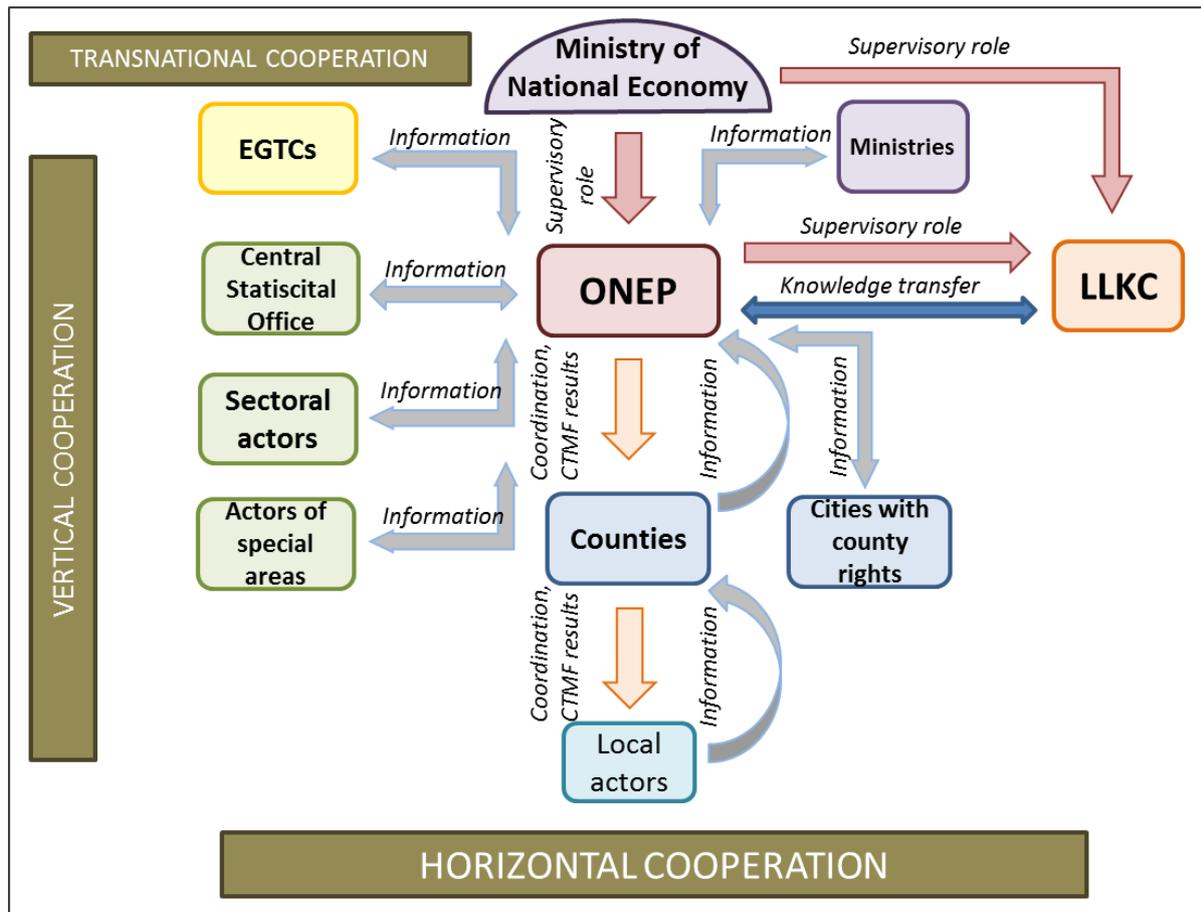
As previously mentioned, CTMF staff should be created from the human resource available in the Office for National Economic Planning. It is also essential to have one-or two communication managers in the staff to facilitate data and information transfer among the different stakeholders. Their mission is not only data and information collection, but also reporting of CTMF results to different actors and highlighting those aspects which are particularly important for them. The communication staff has to prepare reports on the development of CTMF from Hungarian side and share them with the project partners and all the relevant actors. It will include:

- the results and decisions of Steering Committee;
- approved indicators and measuring methods with special attention to the specific areas in Hungary;
- progress of separate interface inside TeIR;
- data collection and database building issues;
- establishment of the network of participating actors of different sectors and administrative levels;
- other issues determined by the transnational project partnership.

## Identifying the key-actors of the organizational process

All of the key actors have important role in the organizational process and there are close connection among them which secure vertical-, horizontal-, and transnational cooperation as well. Office for National Economic Planning (ONEP) has the main coordinator role and Ministry for National Economy supervises not only the work of ONEP, but the work of Lechner Lajos Knowledge Center (LLKC) as well, therefore, the whole CTMF development process. ONEP all the information from the other actors and supply CTMF results for them. LLKC has a supporting role and knowledge transfer is continuous between ONEP and LLKC due to the TeIR operation. Counties support actively CTMF development with data supply and coordination as well. With the involvement of EGTCs transnational cooperation is also ensured. (Figure 3)

Figure 3: Key actors of the organizational process in Hungary



### Strengthening the integration of actors at different scales

Regular meetings in the forms of workshops or conferences can strengthen the integration of the actors. The organization of these events is the task of the Office. Participants should be stimulated to think together, and they should be encouraged to look out from their own sector or policy and consider regional development with an integrated approach and interpret territorial attractiveness as a cross-section of several sectoral policies. The representatives of the various administrative levels must be also involved in the common thinking, because, it is one view of the developments seen from above and it is another to experience them locally.

ONEP has a chance to bring together the actors at different level in the course of certain planning meetings (e. g. county forums or local road shows), where the issue of CTMF can be mentioned and these meetings are great occasions to discuss CTMF challenges in smaller groups at a certain level. The results of the small-group workshops can be published at the annual conference or workshop of Hungarian Steering Committee of CTMF.

### Identification of the competences needed

It is the duty of the Office for National Economic Planning to establish the CTMF management from Hungarian side and operating data collection and database building in close co-operation with the stakeholders, especially the TeIR operators. The Ministry for National Economic Planning has a supervisory role in this process and it is the duty of the Minister responsible for regional development to decide on the financial support covering

the incurring costs. It is the competence of the Office (through the Ministry) to call all of the actors for co-operation, including data collection and participation in Steering Committee meetings. As counties have become new major players of regional planning, they also have tasks in preparing regional development documents in their own region, therefore it is important for them to know the territorial attractiveness factors in their area, and they have to give adequate information about them to facilitate the efficient operation of CTMF, which is a benefit for all the actors who provide data or information for it.

## Specification of the tasks

1. Technological needs are given from Hungarian side, since TeIR system is in operation. The first task is to discuss with TeIR operators the conditions of the use of the system for CTMF purposes: how we can develop a separate unit or application inside TeIR for these monitoring purposes and who can be an operator of this sub-system with administrative privileges from the Office for National Economic Planning. Maybe the amendment of the Government Decree No. 31/2007 (II.28) on the Information System on Regional Development and Spatial Planning and the Rules of Mandatory Data Supply will decide , where the institution operating the TeIR would be, and it is important to pay special attention to CTMF data collection and publishing
2. After establishing separate application inside TeIR, CTMF managers (with the help of TeIR operators) create links between the database necessary for the CTMF indicators and the new interface and make them systematic. Metadata can be transferred from the existing base. The managers have to discuss the use of common format of data (currently, data can be downloaded in HTML, CSV and Excel format)
3. CTMF managers create new database for those selected data which are important for creating territorial attractiveness indicators and the SC approves. This option is operates only in the case, when the new interface cannot be established inside the TeIR system. Otherwise, the system can categorise the data according to the guidance of CTMF managers.
4. The staff responsible for communication and reporting activities has to be established from the members of Policy Coordination and Methodology Unit of the Office. They will contact the other Project Partners and start to organize the Hungarian Steering Committee which has to be established with the invitation of representatives of selected data providers. After the first results of SC meeting and database building, the communication staff will submit the first report on the Hungarian CTMF establishment to the PPs.

## Annexes

### Annex 1 – Data providers of TelR

Agricultural and Rural Development Agency (MVH)
Central Administration of National Pension Insurance (ONYF)
Central Bank of Hungary
Central Directorate of Water
Educatio Social Service Nonprofit Ltd.
Educational Authority
eNET Internet Research and Consulting Ltd.
European Environmental Agency
FGSZ Natural Gas Transmission Closed Company Limited by Shares
GeoX Ltd.
GYSEV Private Company by Shares
Hungarian Energy and Public Utility Regulatory Authority
Hungarian Intellectual Property Office
Hungarian Medical Chamber
Hungarian Meteorological Service (OMSZ)
Hungarian National Ambulance Emergency Service
Hungarian Office for Mining and Geology
Hungarian State Treasury
Hungarian Trade Licencing Office
Hungarian Transport Administration
Hungarian Central Statistical Office
Institute for Soil Sciences and Agricultural Chemistry, Centre for Agricultural Research, Hungarian Academy of Sciences
Institute of Botany of the Hungarian Academy of Sciences (HAS)
Institute of Geodesy, Cartography and Remote Sensing (FÖMI)
Lechner Lajos Knowledge Center Nonprofit Ltd.
MÁV Zrt. (MÁV Hungarian State Railways Private Company by Shares)
MAVIR Hungarian Independent Transmission Operator Company
Ministry for National Economy
Ministry of Human Resources
Ministry of Interior
Ministry of National Development
Ministry of Rural Development
MoD Zrínyi Mapping and Communication Servicing Non-profit Ltd.
MOL Hungarian Oil and Gas Company
MVM Hungarian Electricity Ltd.
National Directorate General for Disaster Management, Ministry of the Interior (NDGDM)
National Food Chain Safety Office (NFCSO)
National Health Insurance Fund Administration
National Institute of Environmental Health (NIEH)
National Labour Office
National Media and Infocommunications Authority
National Public Health and Medical Officer Service (NPHMOS)
National Tax and Customs Administration of Hungary (NTCA)
National Transport Authority
State Motorway Management Ltd.
Térképtár Ltd.

## Annex 2 – Attractiveness indicators

Territorial Capital	Asset	Indicators
Environmental	Environmental quality	Greenhouse gas emission (million of tonnes)
		Air pollution: PM10
		Air pollution: Ozone concentration
		Households connected to urban waste water treatment with at least secondary treatment
	Territorial/ecosystem integrity	Artificial surface by Corine Land Cover (ha)
	Natural resources and energy	Electricity generated from renewable sources
Consumption of water (liter/capita/day)		
Anthropic	Urban quality	Urban/rural population (degree of urbanisation)
	Landscape quality	% of terrestrial area protected (total and by ecological region)
	Infrastructures	Population (or households) with accessibility to high-speed broadband (1 Mbit/second up and down)
Socio-cultural	Culture	Number of theatres, museums, galleries and public libraries per 10,000 inhabitants
		European cultural sites on the Unesco World Heritage List, 2010
	Quality of life	Life expectancy at birth by sex
		Gross disposable household income (Euro)
		People at risk of poverty or social exclusion or % in risk of poverty

Territorial Capital	Asset	Indicators
Economic-human	Knowledge & Innovation	Population aged 25-64 with tertiary education
		Numbers employed in the Research & Development out of the total labour force
		Research & Experimental Development expenditure as % of GDP
		Patent applications submitted to the Office European Patent per million population
	Employment	Employment rate 20-64 years [%]
		Youth unemployment rate [%]
	Specialisations/Key sectors	Share of employment by sector [%]
	Tourism	Number of overnight stays of tourists per capita per year
		Share of tourism related employment in total employment [%]
	Investment promotion	The number of building permits
% of GDP of foreign direct investment		
Population	Population growth rate	
	% of population in age 20-64 years	
	Ageing index [%]	
Institutional	Governance	Composition of local government expenditures
	International relations	Number of foreign students