



EUKI Academy Report

EUKI Community Conference 2022 in Hungary

Panel discussion: Current chances and opportunities for the Hungarian green transition

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In the summer of 2021, the European Commission set a framework with the "Fit for 55" package to help achieve the goals until 2030 of a Green Transition in Europe. By this year, we are facing a multi-shock from the war in Ukraine, an ongoing pandemic and weather chaos. For Hungary, the most significant green investments are imminent. In crucial times like these, the EUKI Community Conference was of great importance in connecting the Hungarian climate community and fostering collaboration in a challenging period. The <u>Hungarian EUKI Community Conference</u> was kindly organized by <u>CEEweb</u> in cooperation with the <u>European Climate Initiative (EUKI)</u> and presented a unique chance for all Hungarian EUKI projects to network and learn from each other. The first part of the EUKI Community Conference was streamed so that further persons interested also had the chance to listen to the discussions on current challenges chances and challenges for the Hungarian green transition with Hungarian and German representatives.

The panel discussion was opened by Ulrike Leis, Deputy Director of the <u>European Climate Initiative, EUKI</u>, and Julia Gross, <u>German Ambassador to Hungary</u>. The following panel discussion was facilitated by Peter Olajos, President of <u>CEEweb</u>. We were delighted to have gained interesting speakers from Hungarian civil society organization and from Hungarian and German state actors in:

- Barbara Kovács, Head of Unit for International Climate Policy at Hungarian <u>Ministry of Technology</u> and <u>Industry</u>,
- Noémi Dálnoky, Representative of Hungarian Ministry of Regional Development and Utilization of EU Funds,
- Matthias Casper, Counsellor of European Climate Policy at <u>German Federal Ministry for Economic</u> <u>Affairs and Climate Action, BMWK</u>,
- László Szabó, Director of <u>REKK Foundation for Regional Policy Co-operation in Energy and</u> <u>Infrastructure</u>.

Chances and opportunities of the current situation for the Hungarian green transition: Staying on track The current situation is tough – on a global level, on a European level and also for Hungary. Europe and Hungary are fighting with the aftermath of the Russian invasion of Ukraine, triggering an energy crisis and causing economic decline while still in recovery from Covid-19.

All the while, Hungary and Germany both experienced the last months as a stress test – they had to face historical weather events like heat records, droughts and heavy rainfalls. Facing the consequences of an accelerating climate crisis first-hand, along with the implications of the Russian aggression in Ukraine, governments are now even keener to reach energy independence by speeding up the green transition. The tasks are enormous, but in order to keep the goals of the Paris Agreement, everyone needs to step up.

"The Federal government of Germany, through its instruments like funding, helps to make sure that society and the municipal level are up to the challenge – in order to make this transition a reality." Matthias Casper, Counsellor of European Climate Policy at the German Federal Ministry for Economic Affairs and Climate Action (BMWK)

The panelists agreed that there is no time left and no state or region can solve the climate crisis alone. International cooperation is key when accelerating the Green Transition.

"The tasks ahead of us are enormous. There is no time left to limit global warming to 1.5 degrees. International climate policy is needed and is an absolute focus of the German government. EUKI is a great



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instrument to strengthen cooperation in the EU. The EUKI community is key to reach out goal of climate neutrality." Julia Gross, German Ambassador to Hungary

Hungary – and Europe in general – is experiencing turbulent times. Although sometimes the bad news may seem overwhelming, it's important to stay on track and not lose momentum when it comes to climate action. Instead of slowing down the much-needed transformation, we should add momentum to it. The current turbulences also offer chances and opportunities for change. Because of the huge public and political awareness, circumstances may have never been more promising to undertake progressive action.

"The government has a clear priority: security, affordability, sustainability. If biodiversity is collapsing, however, it will impact all three." Noémi Dálnoky, Representative of Hungarian Ministry of Regional Development and Utilization of EU Funds

"Financial instruments and technology are there. And the people are ready to act – we have never been so close to changing the game." Peter Olajos, President of CEEweb

For staying on track regarding the Green Transition, the following aspects are crucial:

- Energy long term vs. short-term climate policy in times of crisis: The big elephant in the room currently is energy, as there cannot be climate policy without energy policy. In Hungary, the National Energy and Climate Plan (NECP) and the National Energy Strategy (NES) are currently under revision. Although Hungary remains committed to the Green Transition, in times like these it is necessary to still rely on nuclear and fossil energy sources. There is also one last remaining coal(lignite)-fired power plant in Hungary, the Mátra Power Plant that produces 11% of the country's energy (FY2019). A possible postponement of the target date for the cessation of the lignite-fired blocks of the plant is currently being examined. This might be necessary for the short term, however, in the long term, Hungary seeks modernization and a climate-friendly transformation. In addition, the expansion of the nuclear power plant in Paks will continue to be a priority and hydrogen technologies will be seen as a beacon of hope in achieving climate neutrality.
- Increasing cooperation: One of the best ways forward is to cooperate more and more also within different sectors.
- Improving energy efficiency: Energy efficiency needs to be improved this especially includes the building stock. But also overall energy consumption, as in Hungary energy efficiency measures could save a quarter of this consumption energy. Energy we don't consume is the best energy. Moreover, it's crucial to further expand sufficient energy storage possibilities.
- **Promoting diversification:** Especially for Hungary, a landlocked country without direct access to the sea, more diversification with increased RES capacities and long-term investments in the energy sector is crucial.
- **Raising public awareness:** In times of fake news, communication based on facts is key. Social media changed a lot about communication, but social networks can also be used to boost the Green Transition while increasing public awareness.

For the German government, solidarity is at heart of the German climate diplomacy as well as international cooperation. In Hungary, there are 20 organizations involved within the EUKI. The EUKI secretariat is very proud of the 32 EUKI projects funded in Hungary. It's these projects, among all other EUKI projects, that breathe life into this initiative.





How can the EUKI program help foster advancements towards climate neutrality and cross-border cooperation?

The European Climate Initiative (EUKI) is a great instrument to strengthen the cooperation in Europe and contributes a lot to accelerating European climate action in various ways.

- **Broad portfolio**: The portfolio of the EUKI is very broad, enabling EUKI projects to cover many important aspects of climate protection. In order to achieve the Green Transition, climate-friendly restructuring is needed in many areas.
- **Bottom-up approach:** EUKI supports bottom-up initiatives. Oftentimes, bottom-up initiatives come up with the best solutions, because they know their local conditions best. EUKI also gives a significant amount of freedom so that projects can come up with their own ideas as they do not have to fit into too narrow thematic funding schemes.
- Localization: EUKI is key to understand local challenges and to make the green transition a reality down to every level. The involvement of local stakeholders increases the acceptance needed for renewable energies. For instance, local energy communities that produce their own energy and set up their own local energy mix can be a very good tool to give power to the people, to increase acceptance, and to maybe find a new balance between global and local.
- **Cooperation:** EUKI provides a space for European cooperation where everyone can learn from each other. Knowledge transfer is a crucial puzzle piece to get people empowered. EUKI projects are supported by the <u>EUKI Academy</u> with specific training and networking opportunities.



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