

Conclusions

Reporter's conclusions on all indicators

The sharp reduction of the energy sector's CO₂ emissions is triggering a nice decrease of the indicator on carbon dioxide emissions. This picture can be misleading as this took place unintentionally simply due to structural changes. As forecasted by estimations, the energy and electricity demand will increase, and CO₂ emissions may increase again.

The increasing SO₂ emissions of the energy sector is mainly due to domestic – low quality - coal and lignite purchasing regulation. Even though a strict SO₂ regulation is in place, for political reasons the predicted shutdown of polluting power plants is postponed.

With practically 100% access to affordable electricity, Hungary performs very well from the social sustainability point of view. Unfortunately this level of connection to the national grid makes the supply less secure as it promotes the big base-power plants, and hinders the spreading of small renewable-based small systems.

The indicator for investment into clean energy (0,956) shows a pretty nice improvement between 1992 and 2000 with almost 400% increase. But despite the improvement, the proportion of clean energy in the Hungarian energy sector remains around 5 % being far less than the desired 8,6 %.

The energy trade indicator (0.66) clearly shows that in addition to Hungary's energy import dependency, the country imports from non-renewable sources, using its old connections with the former socialist block.

We simply did not calculate the 6 indicator evaluating the non-renewable investments as budget burdens for two reasons. Energy Club's opinion – hard to prove, should be studied - is that in Hungary the biggest burdens on state budget are not direct investments into the energy sector – there are hardly any, and the ones that take place are not necessarily burdens -, but price subsidies, and present values of future expenses that should be covered by present savings.

For energy intensity vector (2,029 for 2000) we can say that despite a significant total energy efficiency improvement (20% less energy for one EUR of GDP), the Hungarian economy still uses double of the world average. In addition to energy efficiency programs – that have small amount of funds compared to the possible energy saving (= national interest), public awareness raising and third-party financing should be promoted to work in favour of energy efficiency.

As only 3,04 % of Hungary's energy demand is satisfied by renewables the vector for indicator 8 (1,064) clearly indicates how much Hungary neglects its domestic RES sources.

Note to SEW

For better sustainability, source diversification and reliance on smaller, more flexible, local sources would be crucial. These are the systems that RES technologies could operate. Maybe an indicator for domestic sources, and a number of systems (three power plants for a country of twelve) is worth to be considered. However it is clear, that the aim of SEW is not to produce as many indicators as it can, but rather to simplify.

For indicator 6. As most of the states give price support to some of its players (e.g. for mines for regional development and unemployment reasons, or for power plants to keep