

**Tamás Szabó PhD**

**University associate professor, National University of Public Service, Hungary  
Head of the Curatorium, Homo Oecologicus Foundation**

# **Lack of capacity and inter-municipal cooperation among Hungarian villages**

**13. December 2023.**

# The main correlations between the Hungarian settlement network and the local government system after 1990

- Every settlement has local government body (council, mayor)
- 3155 settlements at the moment / 3178 local municipalities
- 19 county governments as regional level
- There is not any hierarchical dependency between the counties and the local governments

**Fragmented local government system since 1990**

**Variable list of local government competencies last 33 years**

- Large degree of autonomy of the local municipalities from 1990 to 2012 (during the first local government act)
- Decreased local government competence list than before 2012
- Wider state competence list than before 2012
- New mandatory coordination form as joint municipal office since 2012

- Ca. 90% of settlements have inhabitants under 5000 persons
- Significant territorial differences in settlement structure at the level of all Hungarian counties

**Diverse settlement structure in Hungary**

**Different personal and institutional attitudes for coordination**

- Weak personal and institutional attitudes for coordination mainly in the 1990's
- These attitudes are needed to be confirmed

# The system of the local government competences in Hungary 1990-2023

- Hungarian municipalities have had two types of the local competences since 1990
- The first type is the mandatory competence. It includes the basis services and competences such as social catering or public cleaning.
- The second type is the voluntary competence, which is used by the municipalities in complex social or local economic development services.
- In Hungary the bigger municipalities with stronger financial conditions and higher population rate can often have a lot of voluntary competences
- Hungarian Parliament has decreased the mandatory competences of the local governments – for instance public education or legal tools on child care as well as the central government since 2011.



# The list of the policy problems about Hungarian municipalities

- Insufficient support of the state, especially in the central budget law by Hungarian Parliament
- Uncertainty and very changeable legal state regulations
- The decreasing list of the local municipality competences since 2010. (continuously process)

- It depends on different direct financial supports of European Union and Hungarian central government.
- A lot of municipalities without external supports can't develop public services.

Decreasing competence list means as narrower local autonomy

Significant depending on external financial supports

Various possibilities about own revenue among Hungarian local governments

The impact of the crisis situations on Hungarian municipalities last 15 years

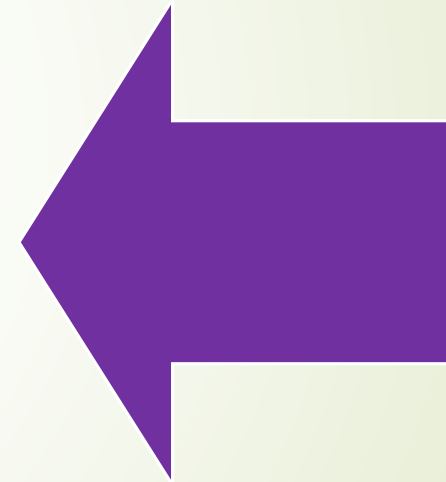
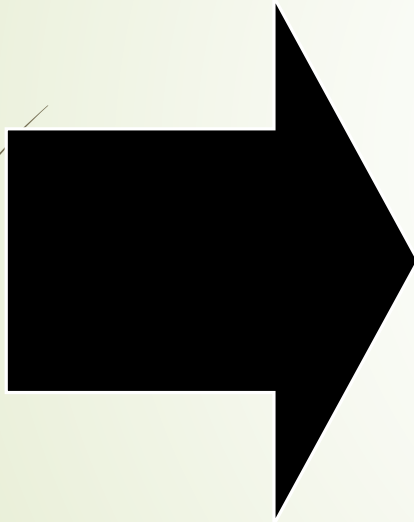
- One tenth of all Hungarian municipalities have important own revenue especially the local taxes
- The lack of resource makes difficult the life of the most Hungarian village municipalities

- Debt crisis of Hungarian local governments during the world economic and financial crisis from 2008 to 2012, then the consolidation of the debt by Hungarian central government.
- COVID-19 such as complex crisis from 2020 to the present day. The important deterioration about the position of municipalities has been for the pandemic.



# Inter-municipal coordination as a policy solution for lack of capacity

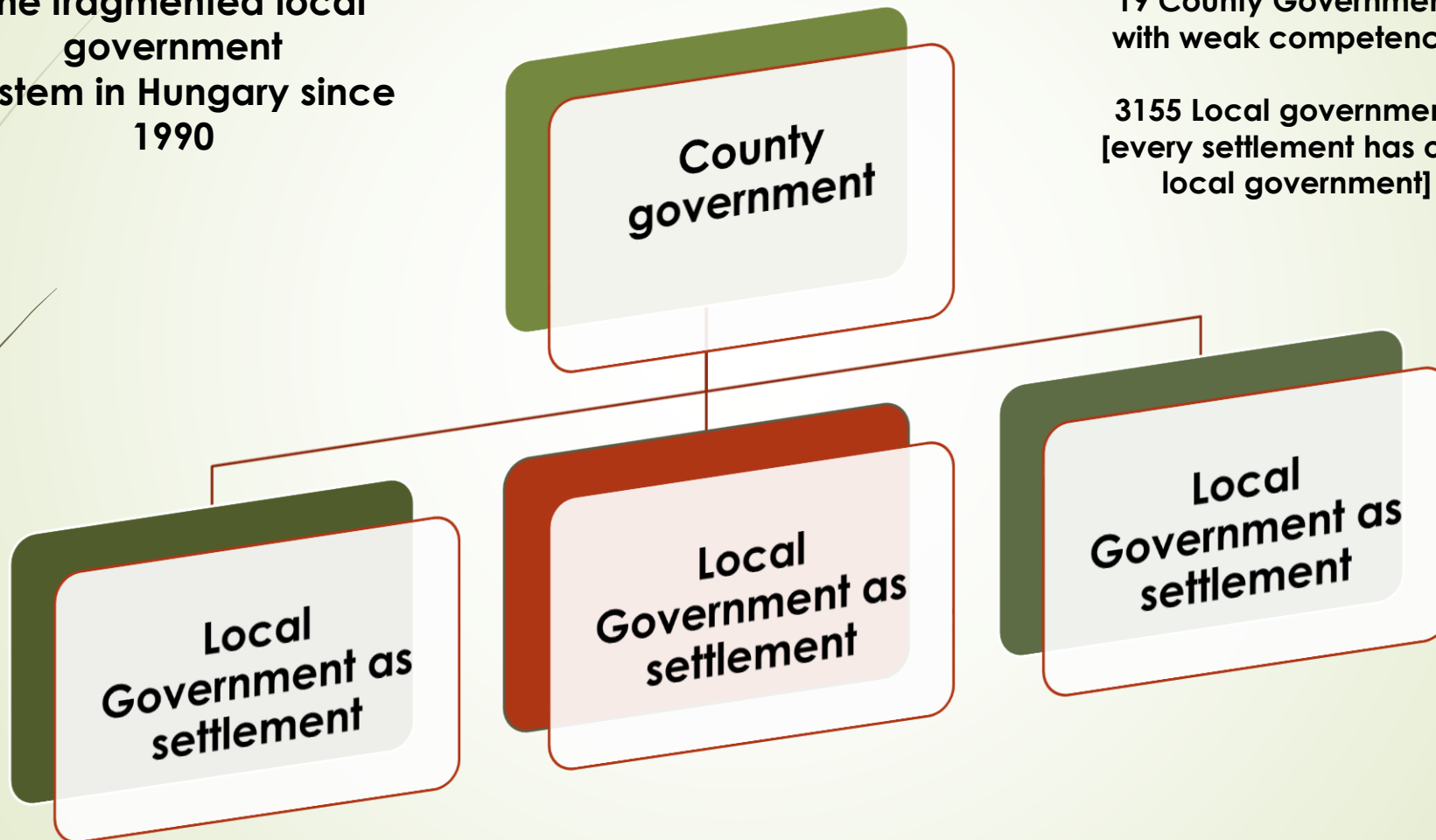
The definition of the coordination means - every conscious action taken by autonomous local governments / municipalities in order to handle complex social and economic phenomena and problems with greater coherence, and to reduce redundancy and contradictions within and between policies, implementation, or management.



The Inter-Municipal Coordination (abbreviated as IMC) is a wide-spread phenomenon of local public service in the European countries. The applied forms of IMC depend on the number of the local governments, the financial structure for settlement and efficient economies of scale in local public services.

# Vertical and horizontal coordination among the Hungarian local governments

The fragmented local government system in Hungary since 1990



19 County Governments with weak competences

3155 Local governments [every settlement has own local government]

# The types of municipal cooperation in Hungary after new Hungarian act on the local governments in 2012

## Joint municipal offices

- This is so-called special mandatory inter-municipal coordination legal institution for official services.
- No. of arrangements =712 including 2624 municipalities – 83.1 percent of the total - as members
- The number of Joint municipal offices have decreased from 738 to 715 since 2019

## Voluntary inter-municipal coordination on service delivery

- This is a voluntary legal possibility on inter-municipal coordination among Hungarian local governments.
- 823 voluntary inter-municipal coordinations among Hungarian local governments according to the data of Hungarian State Treasury.
- There are few types of voluntary IMC's: 1) voluntary IMC's on wellbeing issues such as health, social or child care services; 2) voluntary IMC's on local public utilities such as waste management, public transportation 3) voluntary IMC's on others policies such as local economic development, local housing policy

# Joint municipal offices in every Hungarian counties in 2022

County	The number of of the joint municipal offices	The number of the joint municipal offices where the cities with county rights are as the headquarter	The number of the joint municipal offices where the towns are as the headquarter	The number of the joint municipal offices where the villages are as the headquarter
Bács-Kiskun	34	0	6	28
Baranya	50	0	9	41
Békés	19	0	5	14
Borsod-Abaúj-Zemplén	81	0	12	69
Csongrád-Csanád	13	1	3	9
Fejér	25	0	2	23
Győr-Moson-Sopron	46	0	4	42
Hajdú-Bihar	19	0	8	11
Heves	39	0	4	35
Jász-Nagykun-Szolnok	20	0	6	14
Komárom-Esztergom	21	1	5	15
Nógrád	40	0	2	38
Pest	27	0	5	22
Somogy	53	0	11	42
Szabolcs-Szatmár-Bereg	64	0	12	52
Tolna	28	1	6	21
Vas	39	0	11	28
Veszprém	47	1	8	38
Zala	47	0	5	42
<b>In all</b>	<b>712</b>	<b>4</b>	<b>124</b>	<b>584</b>

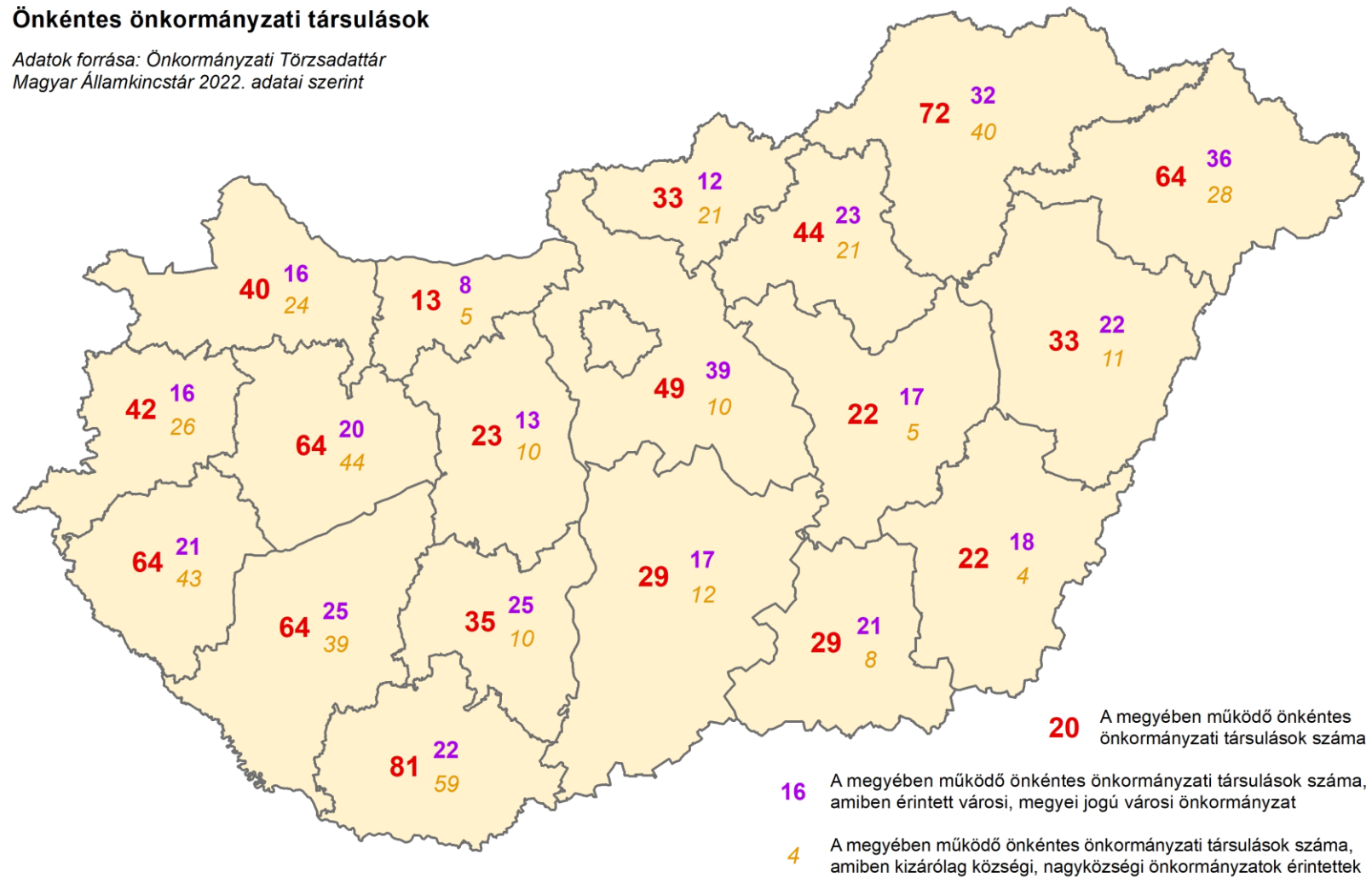
Source: Hungarian Central Statistical Office, 2022



# Voluntary inter-municipal coordinations among Hungarian municipalities in 2022

## Önkéntes önkormányzati társulások

Adatok forrása: Önkormányzati Törzsadattár  
Magyar Államkincstár 2022. adatai szerint



- The number of all the voluntary IMC's is 832 in Hungary nowadays by the statistical data.
- **Red numbers:** the number of voluntary IMC's in each of Hungarian county.
- **Purple numbers:** those voluntary IMC's include town or city in each of Hungarian county. (These are 403 pieces of IMC's at present)
- **Orange numbers:** those voluntary IMC's include only villages in each of Hungarian county. (These are 420 pieces of IMC's at present)
- The counties with more fragmented network settlement have more inter-municipal coordinations (for example Borsod-Abaúj-Zemplén or Baranya).
- The counties with less fragmented network settlement have less inter-municipal coordinations (for example Csongrád-Csanád or Pest).

# Analyzing correlations between the public service capacity and the size of the settlements in Hungary

## Correlation No.1.

- The bigger and more populous a municipality has, the higher public service delivery capacity.
- The smaller and less populous a municipality has, the lower public service delivery capacity.




## Correlation No.2.

- The higher number of population a municipality has, the wider own institution network which suitable for inter-municipal coordination and public service.
- The smaller number of population a municipality has, the weaker ability for independent public service.

## Correlation No.3.

- The better economic condition a municipality has, the lower level of the local government's cooperation activity is according to a national research for IMC from 2015-2019. *(Ministry of Interior, Local Government Coordination Office)*
- The worse economic condition a municipality has, the higher number of inter-municipal co-operation it is engaged. according to a national research for IMC from 2015-2019. *(Ministry of Interior, Local Government Coordination Office)*



**Thank you for your  
attention!**



**Tamás Szabó Phd., University associate professor**

**E-mail adress: [szabo.tamas978@gmail.com](mailto:szabo.tamas978@gmail.com)**