

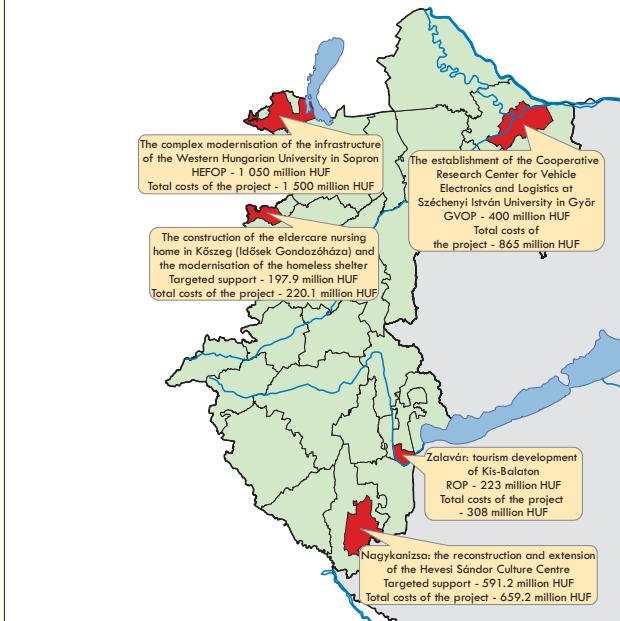
THE STATUS OF THE REGIONS

Besides a variety of general development indicators, the size and proportion of regional development funds also give significant information about the current status of the regions. By complementing the data with information on a few projects that are important and outstanding from the point of view of regional development, the diversity across the regions will be even better revealed, and the region-specific targets will become more obvious.

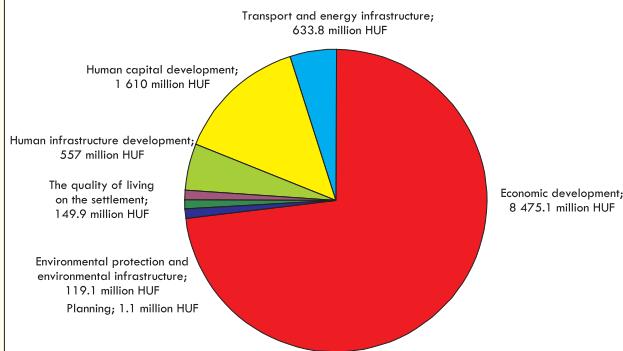
Western Transdanubia

In 2007, Western Transdanubia was still the second most developed region in Hungary. This is where the loss of population was the smallest because immigration could compensate for much of the, otherwise higher than average, natural loss. Unemployment rate was the second lowest here in 2007, and income levels were considerably more favourable than the national average. Also in terms of the level of economic development, Western Transdanubia ranked second, and its economic activity was highest in Hungary in relation to most of the indicators; although considering its dynamics in several fields, it had lower positions in the regional competition. In 2007, there were still significant intraregional differences in development between its northern and southern areas: Győr-Moson-Sopron county was an example for a high level of economic development, while in the southern parts of Zala county, we could find microregions which can be considered almost peripheral. Despite an advantageous geographical location, internal disparities were further increased by the shortcomings of the clearway network inside the region. The condition of the natural

Some project implemented in Western Transdanubia, 2007



National development funding by intervention areas in Western Transdanubia, 2007

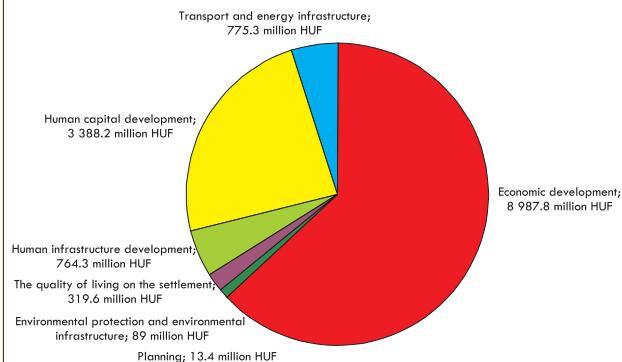


environment was still remarkably good, which is justified also by the existence of several national parks and nature conservation parks in the region. The degree of environmental load was decreasing from the north to the south parallel with a decline in the level of socio-economic development. Despite the great number of small villages, the public utilities infrastructure here is generally better than the national average.

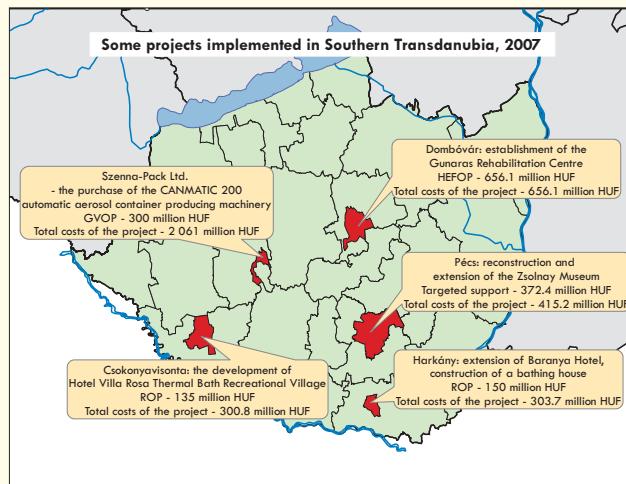
Southern Transdanubia

Southern Transdanubia is one of the socially and economically less developed regions. This is the region with the smallest population, where the rate of population decrease in 2007 was the second highest in Hungary, especially due to an increasingly significant outwards migration. Although it showed some signs of catching up in terms of income levels, its unemployment rate was the highest west of the Danube and was still 1.5 times the national average. Southern Transdanubia was lagging behind the national averages regarding almost all dimensions of economic development, and also had considerable intraregional differences (for instance, the Balaton lakeside vs. Ormánság). The regional disparities come from the outstanding values of a few prospering microregions which were standing out among the rest. This was the only region in 2007 where the level of economic activity decreased; which was also one of the lowest in Hungary. The proportion of protected nature conservation areas was low, and they were concentrated in a few regions of particular importance (Mecsek, Zselic, and the Danube-Drava floodlands). Since this is one of the least industrialised regions of the country, pollutant emission levels were favourable here. However, because of a relatively poor infrastructure of public utilities, the environmental

National development funding by intervention areas in Southern Transdanubia, 2007



Some projects implemented in Southern Transdanubia, 2007



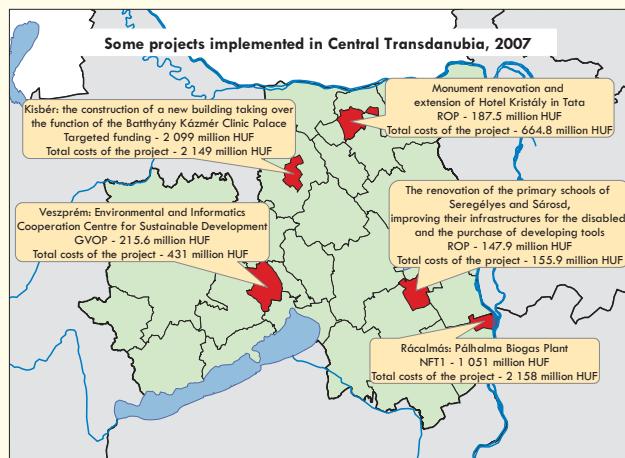
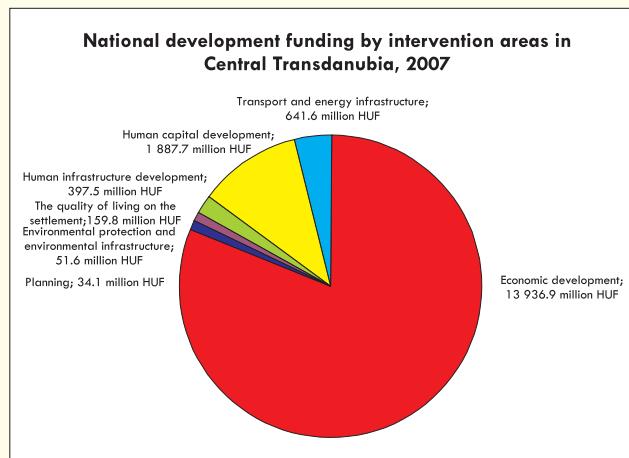
REGIONAL STATUS REPORT OF HUNGARY

load of the municipalities was still significant. The disadvantageous transport-geographical situation of the region is reinforced by the fact that its only motorway (M7) goes along the edge of the region, benefiting only a small area.

Central Transdanubia

Central Transdanubia could be characterised still by a significant industrial profile in 2007, as well as considerable natural and territorial diversity, and a relatively high (but compared to Central Hungary, lower) level of economic development. The fact that economic development was under way was indicated by investment rates high above the average and an outstanding GDP per capita growth. Also, the lower-than-average unemployment rate and the second highest income level (after Central Hungary)

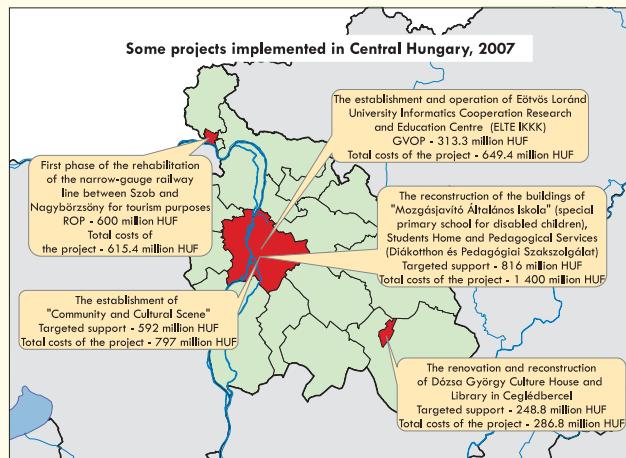
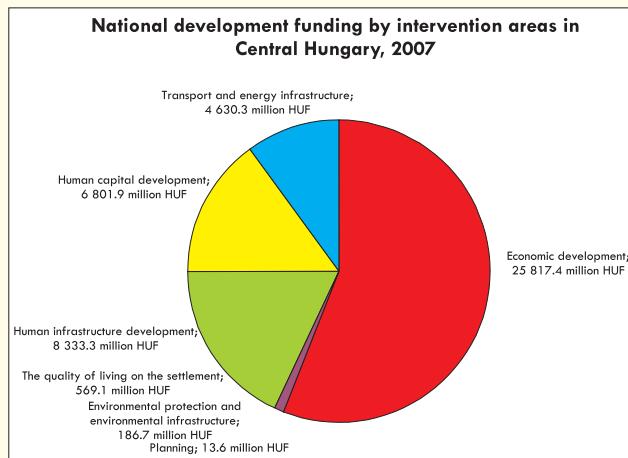
were concrete signs of this. Intraregional social-economic differences emerged mainly in respect of the less advanced areas of Veszprém county and the southern microregions in contrast with the northern microregions and those which are adjacent to the Budapest agglomeration. Although the share of protected nature conservation areas is not especially high, natural landscapes with tourism attractions are found in certain areas in a concentrated way (Bakony, Balaton Uplands, and Dunazug Mountains). Industrial activities, the relatively high standards of living and tourism imposed considerable environmental load on the region, which could be seen mainly in the levels of polluting emissions and the per capita volumes of solid municipal waste. The region has a good position in terms of its infrastructure; an important development was the construction of the M6 motorway.



Central Hungary

The significance of Central Hungary is determined by Budapest; the central economic, social and cultural functions concentrated in the capital elevate this region onto an internationally high level. The leading role of Central Hungary within the national economy remained unquestionable in 2007: economic and entrepreneurial activity was higher than average here and the GDP was outstandingly high, too. It is the most populated region of the country, and due to significant inward migration, the number of inhabitants grew in this region, uniquely in Hungary. Its social conditions could still be characterised by income levels much

higher than the national average and a relatively low, although increasing, unemployment rate. However, an important regional feature was still the strikingly high territorial disparities between on the one hand, the Budapest agglomeration and on the other hand, the northern and south-eastern microregions. Because of its central location, this region boasts an excellent accessibility and central economic and geographical functions, which generate substantial car and commuter traffic. The expanding agglomeration and suburbanisation however, triggers serious environmental problems. Environmental load was especially significant in relation to the emission of air pollutants and the amount of generated waste and sewage water.

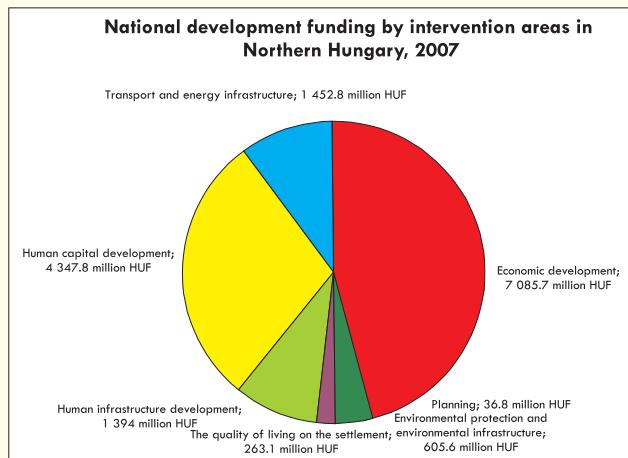


Northern Hungary

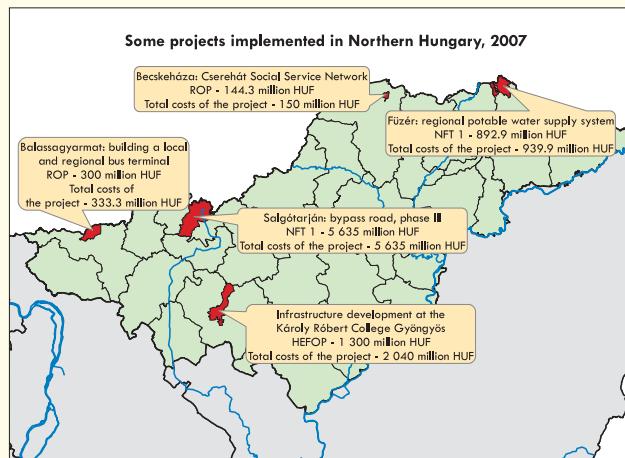
As a region of persistent and high-rate population loss, Northern Hungary is one of the most backward regions socially and economically. Its peripheral location could be seen also in its nationally highest and increasing rate of outward migration and its unemployment rate, which is also the highest in Hungary. At the same time, this region had the highest growth rates in income levels and economic activity in 2007, which could somewhat reduce its lag behind the other regions. The existence of considerable intraregional inequalities is indicated by the fact that GDP per capita in Nógrád county was far below even the values of the

other two counties in the region, and what is more, it even decreased compared to 2006, which was exceptional in Hungary. Thanks to the often unique natural assets, the share of protected nature conservation areas is the highest here in the country: there are 3 national parks in the region. Because of the relatively low standards of living, the amounts of solid and liquid wastes were also below the national averages, but the emission of air pollutants were high along the motorways and at a few local sources (chemical plant, power station). The accessibility of the region had been significantly improved by the motorways; however, internal accessibility was still problematic, partly due to the hilly landscape.

National development funding by intervention areas in Northern Hungary, 2007



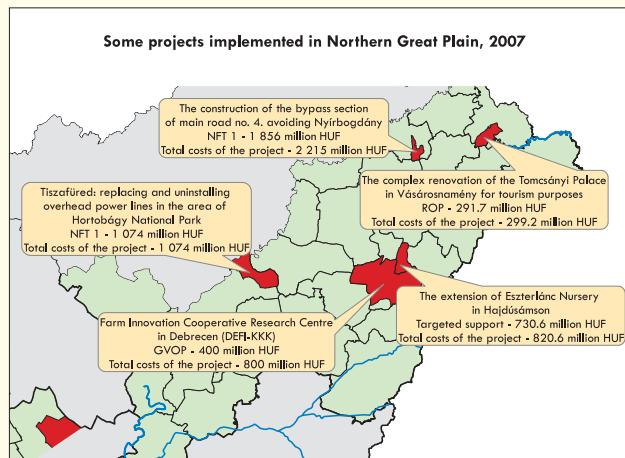
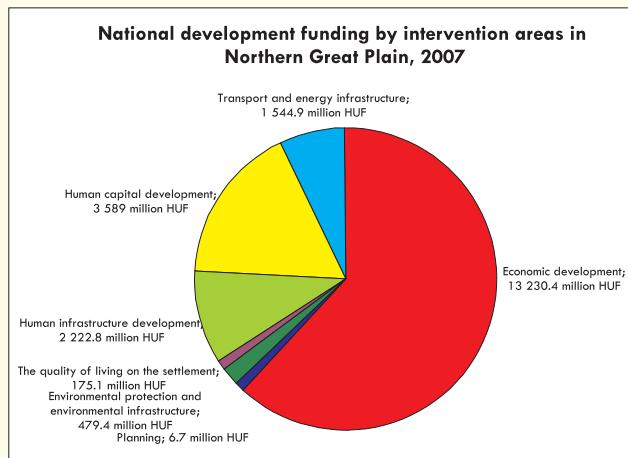
Some projects implemented in Northern Hungary, 2007



Northern Great Plain

Northern Great Plain is the region in Hungary that is the most laden with social-economic problems. It has areas that are among the most disadvantaged also on a national scale and which form an extensive and contiguous periphery, and a few towns in better position emerging like islands. Parallel with a low, and towards the east, declining rate of natural decrease, significant outward migration characterised the region as a result of the low level of economic development, and its tendency increased also towards the east. The region's peripheral position was indicated also by its GDP per capita and level of economic activ-

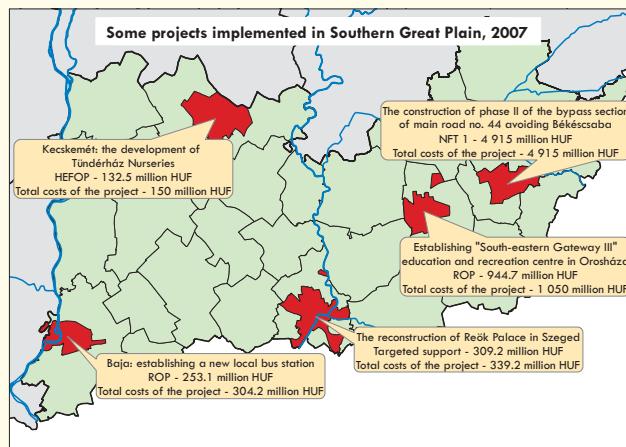
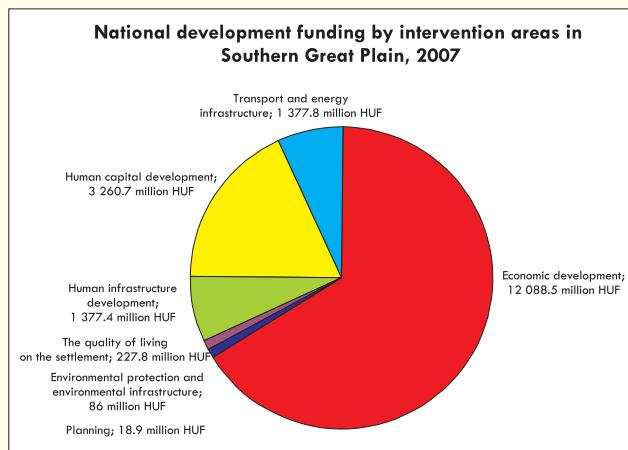
ity lowest, and its unemployment rate highest in Hungary. However, a more than average amount of investments and a faster than average increase of incomes provide some chance to catch up. The public utilities infrastructure is also rather underdeveloped here. Thanks to the presence of the Hortobágy National Park, the share of protected nature conservation areas is high in several microregions. In the region, there were significant investments into the transport infrastructure (the continuation of the M3 motorway, the reconstruction of the Budapest-Lökösháza railway line), and by 2007, Nyiregyháza had been connected to the national clearway network, too. However, intra-regional accessibility is still rather poor and slow.



Southern Great Plain

Although this region performed worse than the national averages in terms of most of the social-economic dimensions, it had somewhat more favourable values and territorial processes compared to the other two Eastern Hungarian regions and Southern Transdanubia. Income levels were the lowest here, and the level of economic activity and investments were around two-thirds of the respective national average values, which clearly indicate this region's lag behind the rest. Here it was not the outward migration, but a substantial natural decrease that was the main reason behind population loss. The internal spatial inequalities were mainly due to the peripheral positions of the microregions along the Romanian and Serbian borders in Békés and Csongrád counties.

The share of protected nature conservation areas of national importance stayed rather low as a result of intensive agricultural land use in the region. As a consequence of a modest economic performance and a less industrial structure of the regional economy, the emission of air pollutants was high only in a few confined areas. However, transit traffic meant a considerable environmental problem, and the protection of waters belongs also to the most important tasks of environmental protection here. The indicators related to the provision of public utilities described rather poor conditions: both the ratios of homes connected to the potable water supply and households linked to the sewage network were the lowest here within the country.



The main social, economic, infrastructural and environmental indicators of the regions, 2007

	Area (km ²)	Population (inh.)	GDP per capita		Number of operating corporate enterprises per 1000 inh.		Economic activity		Unemployment rate	
			HUF 1000	% of nat. average	piece	% of national average	%	% of national average	inh./aged 15-59	% of national average
Central Hungary	6 918	2 897 317	4 145	163	62	177	65.9	106	2.4	38
Central Transdanubia	11 116	1 104 841	2 359	93	27	77	65.1	105	4.6	71
Western Transdanubia	11 328	997 939	2 488	98	28	80	66.8	110	4.3	67
Southern Transdanubia	14 169	960 088	1 737	68	26	74	56.9	92	9.0	139
Northern Hungary	13 431	1 236 690	1 636	65	20	57	58.0	94	11.2	174
Northern Great Plain	17 729	1 514 020	1 602	63	21	60	56.7	92	10.5	163
Southern Great Plain	18 338	1 334 506	1 697	67	24	69	60.0	97	7.3	114
<i>Hungary</i>	93 030	10 045 401	2 536	100	35	100	61.9	100	6.5	100
	Net domestic income per inhabitant		Proportion of households with cable TV		Density of the clearway network		Proportion of protected nature areas of national importance		Proportion of households connected to the sewage system	
	HUF	% of national average	%	% of nat. average	km/ 1000 km ²	% of nat. average	%	% of national average	%	% of national average
Central Hungary	730 793	121	58.1	116	31.2	282	11.8	130	86.3	124
Central Transdanubia	665 115	110	58.6	117	17.0	153	8.1	89	75.1	108
Western Transdanubia	637 342	105	58.2	116	12.1	109	10.7	117	73.8	106
Southern Transdanubia	534 702	88	51.0	102	7.8	70	5.7	63	64.7	93
Northern Hungary	530 583	87	45.3	90	10.9	98	14.5	160	61.7	88
Northern Great Plain	492 384	81	32.4	65	6.1	55	8.3	92	57.2	82
Southern Great Plain	516 143	85	42.6	85	6.9	62	7.0	77	50.2	72
<i>Hungary</i>	606 448	100	50.1	100	11.1	100	9.1	100	69.8	100

Better than the national average by at least 20%

Worse than the national average by at least 20%