



SUMMARY
of the Audit on the Systems Set Up to Prevent and
Avert Natural Disasters and to Eliminate
Their Consequences (1107)

Objectives and scope of the audit

The objective of the audit was to evaluate the regulatory and institutional system managing natural disasters, as well as the division of tasks and competences, scopes of responsibility, utilisation of national and EU resources and the impact thereof on the effective and efficient task performance. The audit covered central institutions and 80 local governments, selected on the basis of risk analysis.

Main findings

It may be regarded as a basic shortcoming that significant inconsistencies appear in the regulation of natural disasters. The concept of disaster relief does not include the defence activity against inland waters. The legislation on disaster management and flood damage relief is independent of each other, which makes the planning and defence activities of local governments difficult. This also contributed to the fact that half of the audited local governments did not have defence plans, and half of the existing plans were inadequate. The tasks delegated to local governments and available instruments were not in harmony. Until 2011 local governments could not apply for advance payments for defence operations, in the absence of financial resources some of them did not dispose of the instruments necessary for defence. At local governments, the staff specialised in prevention and defence were lacking. Mayors performed their management and rescue tasks related to disaster management according to their individual suitability and preparedness.

The unusually wet weather in May and June 2010 caused substantial floods and flood related emergencies. In the course of the elimination thereof, flood control mechanisms operated under the realistically foreseeable extreme circumstances, which tested the system in a 'keen situation' that showcased the system's strengths and weaknesses.

The strengths of the system include a relatively well-defined scope of emergencies and extent of risks (primarily water damage). Water management services are characterised by strong professional traditions. Disaster management has a uniform central organisation (The National Directorate General for Disaster

Management, which belongs to the Ministry of Interior), and cooperation among participating state organisations is properly drilled and is of a high standard. The engagement of local governments in the defence administration system, that has been in place for a long time, served as a good basis. The operation of complementary charity organisations that are ready to cooperate and are capable of mobilising foreign and domestic resources generated a substantial added value (worth HUF 2 billion).

Among the weaknesses of the system, the continuous reduction of budget resources had the most serious effect at the various institutions, with particular regard to the coverage of maintenance costs. The National Directorate General for Disaster Management utilised HUF 19 billion in 2008, however, appropriation for 2011 amounts to HUF 11 billion (58%). Water management services managed HUF 16.8 billion in 2009, but in 2011 only HUF 14.7 billion (87%). At the same time, Hungary applied successfully for grants from the EU Solidarity Fund. The competent authorities provide subsidies amounting to EUR 22.5 million.

The system of rules for international disaster assistance at NATO and EU level has not yet been adopted in Hungary's disaster management regulations. The adoption of these provisions will ensure liaison with the EU and NATO's rapid response, monitoring and information centres, as well as the conditions and circumstances for providing and receiving international disaster aid.

The increase of central funds helping defence and reconstruction of local governments (force majeure support) did not follow the claims. 382 requests arrived from 291 local governments for the decentralised force majeure appropriations and the force majeure reserve in 2009, out of which 282 local governments (94% of claims) received support. Regional Development Councils and the Minister of Local Governments approved expenditures of altogether HUF 1.5 billion as eligible claims, i.e. 46% of the requested subsidies (HUF 3.2 billion). During the restoration works, mayors of the local governments audited on-site did not fulfil the request of the Government to examine whether it is necessary to revise urban planning tools and to impose ban on building. This negligence constitutes a serious risk in case of the following flood in terms of damage and endangerment.

Including the items recognised by the Government, the payments covered from insurance (HUF 6.9 billion) and the support granted by charity organisations (HUF 2 billion), the extent of the damage caused by floods in summer 2010 and the expenditure related thereto amounted to approximately HUF 7.5 billion, one third of which were the defence costs. In the audited period, self-support of local governments and citizens was at a low standard. The mandatory and voluntary mobilisation of citizens and economic operators is not without problems, the

financial and technical conditions of a widespread involvement of people obliged to civil defence service (and volunteers) were lacking. Therefore, in 2010 one sixth of commissioned members of the Hungarian Defence Forces and one fourth of the commissioned members of the Police Force had to be utilised in flood protection. There was no comprehensive central coordination covering all stages in order to support charity organisations' activities.

Recommendations

By means of its recommendations, the SAO aims to contribute to the legislation process, in the course of which the Government and the National Assembly reforms the disaster management system already this year, keeping in view the strengthening of the State's role. According to this, the SAO recommended the Government to carry out regulatory, organisational, operational and funding reforms necessary for a more efficient disaster management; to adapt the system of rules developed at NATO and EU level for international cooperation; as well as to revise the scopes of duty and authorities delegated to local governments with the set of assets available for this purpose, in order to create harmony. In addition, the SAO recommended to enforce the provisions related to the funding of disaster management, as well as to examine the opportunity of a more predictable involvement of charity organisations based on principles laid down in advance. The SAO recommended the ministers in charge to review the endangerment classification of settlements, as well as to provide central resources already at the time of the disaster risk.