

**Answers of the Republic of Hungary to the questions of the European Commission  
dated 8 October 2010 No. D(2010) Ares 728173**

**1. Analysis of alternative locations in Győr Town of County Rank and its environs**

*"(1) The analysis of alternatives: The Hungarian authorities provided the Commission with the analysis of 13 locations for the car manufacturing project. From these alternatives the authorities chose the Győr town, as it is the only location which meets all the requirements identified by themselves (with ability to keep the deadline being in question) for the project to succeed. While understanding the choice of the Győr town for reasons of availability of trained human resources, access to motorways, proximity of educational institutions etc., we would like to know, why according to the authorities, there is no alternative to locating the project on the Natura 2000 site. From the satellite pictures it seems that on the outskirts of the Győr town (including the existing industrial park) there is no shortage of undeveloped land, which could be used for the investment. As the issue of demonstrating that there is an 'absence of alternative solutions' is a key test of the Article 6(4) procedure, the Commission will need a clear explanation as to why alternative undeveloped land, either in the vicinity of Győr or at other alternative locations, cannot be used for this development."*

In the preparation phase of the investment project, the investor Audi Hungaria Motor Kft. (AHM) and ITD Hungary - representing the Hungarian State - evaluated 13 settlements. In the case of Győr Town of County Rank (hereinafter: Győr) a total of seven different sites could be taken into consideration. Moreover, sites in the immediate vicinity of the town were also reviewed. The evaluation of the sites was based on the set of criteria outlined by the Investor and accepted by the Hungarian State.

***The analysed sites were as follows:***

1. Győr North-Eastern (hereinafter NE) area
2. Győr South-Eastern (hereinafter SE) area (located south of Győrszentiván district)
3. Győr Southern (hereinafter S) area
4. Eastern economic industrial area
5. Dózsa-tag and its surroundings
6. Area lying to the north and east of the AHM development area (i.e. the Eastern economic industrial area)
7. Győr North-Western (hereinafter NW) area group
8. Areas lying in the immediate vicinity of Győr

The map in Annex 1 provides an overview of the location of the sites.

***Methodology used:***

In course of the site evaluations, the same set of criteria was used as in the analysis of the other locations in Hungary (see Annex 8 of the request for an opinion from the Commission) with respect to special local features.

Sites 1 to 6 were evaluated in detail based on the full set of criteria. Regarding site 7 and 8, it became clear early in the evaluation that - because of their environmental attributes or the long-term environmental impacts resulting from their location - they were not suitable to

accommodate the investment project and thus their technical features are not presented in detail here.

In the following evaluation of the sites, only those barriers are described in detail that can result the failure of the investment's implementation. The written evaluation does not include a detailed presentation of the criteria met by the analysed sites. Due to the fact that the features of the evaluated sites can considerably vary from each other in terms of acceptability and the degree of acceptability, the following detailed presentation of the sites also vary in contents and deepness.

The overview of the full evaluation is available in the table in Annex 2. The table also provides information about the parameters the sites have met. In Annex 2 you will also find the written description of the parameters of the evaluation.

### **Ad 1. Győr NE area**

#### ***Environmental impact***

In course of the site selection process of the investment, one of the major goals was to locate the project in an area where environmental impacts can be kept at the lowest possible level during continuous operation. Environmental impacts include – among others – the burdens arising from the daily transportation of labour force, energy consumption generated by the inflow and outflow of materials and products, noise impact and emissions of harmful substances.

If Győr NE area were selected for the location of the investment project, it would bring about a considerable amount of traffic of materials and products between AIIM's present production plant and the new plant. Thus the movement of materials and products between the two production units would increase the unfavourable impacts described above. In addition, the inbound delivery of material by suppliers and outbound shipments (products, waste, etc.) would not be concentrated on a central point or depart from a central point (as there would be two production sites), which would thus significantly increase the environmental impact caused by the aforementioned transport.

Given the fact that Győr NE area and AIIM's current production site are 8 km apart, the two factory units and the material flow between them as well as the continuous and long-term environmental impact generated by the transportation of employees mainly commuting from Győr during ordinary operation would in practice result in a single area of considerable extent, thereby significantly expanding the impact area of the current production plant.

#### ***Barriers to construction coverage***

The area in question is located in the immediate neighbourhood of the Győr animal protein processing centre (ATEV Fehérjefeldolgozó Zrt). The Development Plan of Győr designates the site as a protected waste treatment area. As a consequence, the area analysed is subject to construction restrictions.

(Furthermore, it must also be pointed out that though ATEV operates in harmony with effective legislation, the gases it emits are malodorous and would negatively influence the general well-being of people working on the planned factory site.)

### ***Ownership structure***

50% of the site is a state-owned area under forest management. The remaining 50% is registered under 88 separate reference numbers in the land register.

Previous experience shows that, due to the large number of private owners, the purchase of the plots— even if we anticipate that every owner is willing to sell – and their legal unification would require one and a half to two years. This is not compatible with the time schedule of the project.

Act CXXIII of 2007 on appropriation lists the purposes for which plots in private ownership may be appropriated. There is no purpose among those listed that would allow for the appropriation of the plots in question in the interest of the planned investment project upon the resistance of private owners. In this case, lack of cooperation by one single private owner could result in the failure of the entire project. Any investment project of this scale cannot tolerate such a degree of risk.

It should be mentioned that there have been numerous examples of major investments in the region where one or more private owner was unwilling to sell their property or asked for an unrealistic price, thereby delaying an investment of public interest for years or making its realisation impossible.

### **Ad 2. Győr SE area (located south of the Győrszentiván district)**

#### ***Environmental impacts***

In course of the site selection process of the investment, one of the major goals was to locate the project in an area where environmental burdens can be kept at the lowest possible level during continuous operation.

Environmental *impacts* include – among others – *impacts* arising from the daily transportation of labour force, energy consumption generated by the inflow and outflow of materials and products, noise impact and emissions of harmful substances.

If Győr SE area were selected for the location of the investment project, it would bring about a considerable amount of traffic of materials and products between AHM's present production plant and the new plant. Thus the movement of materials and products between the two production units would increase the unfavourable impacts described above. In addition, the inbound delivery of material by suppliers and outbound shipments (products, waste, etc.) would not be concentrated on a central point or depart from a central point (as there would be two production sites), which would thus significantly increase the environmental burden caused by the aforementioned transport.

Given the fact that Győr SE area and AHM's current production site are 6.7 km apart, the two factory units and the material flow between them as well as the continuous and long-term environmental burden generated by the transportation of employees mainly commuting from Győr during ordinary operation would in practice result in a continuous area of considerable extent, thereby significantly expanding the impact area of the current production plant.

***Public utilities dividing the integrity of the area (e.g. gas pipeline, high voltage, etc.)***

The integrity of the area is significantly divided by the high pressure gas pipeline DN500 PN 63, which crosses the area underground starting from the distribution centre of the oil company Magyar Olajipari Zrt. (MOL) leading towards the E.ON power station in the vicinity of the NE area described above.

Legislation in force prescribe the establishment of a protective zone 18 metres wide on each side of the high pressure gas pipeline, in which no edifice may be built. This makes the implementation of the investment in the area in question physically impossible. If a decision were made to relocate the gas pipeline, with all the planning, preparatory and appropriation procedures involved, this would require at least 2 years. This is not compatible with the time schedule for the project.

The area is further divided by the 120 and 220 kV high voltage overhead lines, which similarly to the gas pipelines also require the designation of a protective zone. The overhead lines running in parallel with each other have a protective zone of 90 metres on each side. Similarly to the relocation of the gas pipelines, relocating the high voltage overhead lines would require about 2 years.

***Ownership structure***

The area examined is currently owned by private owners. The area is registered under a total of 322 reference numbers in the land register, and the number of owners varies for each land register reference number, not infrequently reaching 5 or more owners due to inheritance legislation.

Previous experience shows that, due to the large number of private owners, the purchase of the plots – even if we anticipate that every owner is willing to sell – and their legal unification would require one and a half to two years. This is not compatible with the time schedule of the project.

**Ad 3. Győr S area**

***Environmental impact***

In course of the site selection process of the investment, one of the major goals was to locate the project in an area where environmental impacts can be kept at the lowest possible level during continuous operation.

Environmental impacts include – among others – impacts arising from the daily transportation of labour force, energy consumption generated by the inflow and outflow of materials and products, noise impact and emissions of harmful substances.

If Győr S area were selected for the location of the investment project, it would bring about a considerable amount of traffic of materials and products between AIIM's present production plant and the new plant. Thus the movement of materials and products between the two production units would increase the unfavourable impacts described above. In addition, the inbound delivery of material by suppliers and outbound shipments (products, waste, etc.) would not be concentrated on a central point or depart from a central point (as there would be



two production sites), which would thus significantly increase the environmental burden caused by the aforementioned transport.

Given the fact that Győr S area and AHM's current production site are 7 km apart, the two factory units and the material flow between them as well as the continuous and long-term environmental impacts generated by the transportation of employees mainly commuting from Győr during ordinary operation would in practice result in a single area of considerable extent, thereby significantly expanding the impact area of the current production plant.

### ***Proximity of residential area***

The area in question is in the immediate neighbourhood of the Győr-Kismegyer district. The area in question is surrounded by residential areas to the north, west and south spanning 180°. Road traffic and noise generated by the planned factory would detrimentally affect the people living there and cause a significant loss of value to their place of residence.

### ***Industrial environment (settlement structure considerations, accessibility of industrial infrastructure)***

The urban planning policy of Győr targets the concentration of industrial establishments due to considerations related to environmental impacts and the quality of life in residential areas. In view of the fact that the Győr S area is hemmed in by a residential area, there is no other industrial establishment nor is there the public utility capacity necessary for the creation of an industrial facility in the vicinity. If the planned investment were to be realised in this area, the increased environmental burden (noise, dust, road traffic) would be accompanied by a major public health risk, and the image of the district would change significantly and irrevocably, contrary to the urban development concept.

### ***Altitude differences***

In the site selection procedure of the investment, the evaluation criteria included the features of the terrain typical of the area. In the area in question there is a height difference of 15 to 17 metres, which is significantly more than that of the other areas considered. As a consequence of the technological requirements, the buildings on the developed area would have to be built to the same height. The consequent extra investment costs would considerably increase the budget of the project, and the time required to implement the additional work would seriously influence the project's time schedule.

### ***Barriers to construction coverage***

The area in question is bordered by the Sashegypuszta regional landfill and recultivation site from the east on the opposite side of Győr-Kismegyer district. The 400-metre wide protective zone of the Sashegypuszta landfill significantly overlaps the area in question, and this involves major building restrictions.

### ***Registered archaeological site***

The area in question is listed in the Development Plan of Győr as an archaeological site registered by the National Office of Cultural Heritage. In the site selection procedure of the

investment, the Hungarian State, Győr Town and the Investor all regarded the preservation of cultural heritage and archaeological values as high priority.

From the aspect of the investment decision, risk minimization was of major importance. The required timeframe of the excavation works (which may even take several years) and their outcome cannot be judged in advance, therefore represent an intolerable degree of risk for the decision and the implementation of the investment.

### ***Ownership structure***

The area in question is registered under 206 different reference numbers in the land register.

Previous experience shows that, due to the large number of private owners, the purchase of the plots – even if we anticipate that every owner is willing to sell – and their legal unification would require one and a half to two years. This is not compatible with the time schedule of the project.

## **Ad 4. Eastern economic industrial area**

### ***Risks to Natura 2000 features***

In the site selection procedure, a high priority was attributed to ensuring the least possible damage to habitats and species of Community importance under the scope of the Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna (hereafter: Habitats Directive).

Regarding the area in question, approximately 60% of the investment site is covered by habitats of Community importance, and the proportion of habitats suitable for *Carabus hungaricus*, listed in Annex II of the Habitats Directive, is also significant. In the area in question the number of species and their individuals protected by Hungarian law is significant.

Minimising the long-term environmental impacts affecting residents was an essential criterion in the analysis. It needs to be pointed out from an environmental viewpoint that, if the project were implemented in the area being considered in this point, the environmental burdens arising from the movement of materials and products between the existing and the planned factory units would not affect residents or the environment due to the immediate vicinity of the two units.

In course of the site assessments, the overriding public interest associated with the planned investment - due to its impacts on the social and educational systems and employment - were also taken into consideration. (Regarding detailed impacts see Annex 8 of the request for an opinion from the Commission.) The option of implementing the investment on a Natura 2000 site was and could only be, considered due to the overriding public interest associated with the investment. The assessment of this option ran parallel to the planning and ensuring of due compensatory measures.

Comparing the area examined in this point with the alternative area described in point 6 below, likewise a Natura 2000 site, it is clear that fewer natural values would be lost in the area examined in this point and thus it would be a more favourable location to accommodate

the investment than area number 6. Comparing the area examined in this point with the area described in point 5 below, likewise a Natura 2000 site, it is clear that, although the extent of the negative impacts for the Natura 2000 environment in area number 5 would be less, area number 5 is not suitable to locate the project based on other criteria (see point 5), and thus it is not a real alternative to area number 4.

In summary, it can be stated that, of all the Natura 2000 sites examined, from the aspect of environmental impacts and considerations of feasibility, the eastern economic industrial area discussed in this point is the most suitable area to locate the investment.

#### ***Natural risks (flood, pluvial flood, underseepage)***

In the site selection procedure, due consideration were to be given to the type, scale and likelihood of natural risks that may arise in the area in question.

In the area in question, pluvial floods have been previously experienced but only to an insignificant extent and affecting mainly the southern segment. The construction schedule and costs would not be influenced significantly by pluvial floods, thus the area may be considered as a potential investment location.

### **Ad 5. Dózsa-tag and its surroundings**

#### ***Risks to Natura 2000 features***

In the site selection procedure, a high priority was attributed to ensuring the least possible damage to habitats and species of Community importance under the scope of the Habitats Directive.

Regarding the area in question, approximately 10% of the investment site is covered by habitats of Community importance and the proportion of habitats suitable for *Carabus hungaricus*, listed in Annex II of the Habitats Directive, is small. In the area in question the number of species and individuals protected by Hungarian law is low. It needs to be pointed out from an environmental viewpoint that, if the project were implemented in the area being considered in this point, the environmental burdens arising from the movement of materials and products between the existing and the planned factory units would not affect residents or the environment due to the immediate vicinity of the two units.

#### ***Natural risks (flood, pluvial floods, underseepage)***

In the site selection procedure, due consideration were to be given to the type, scale and likelihood of natural risks that may arise in the area in question.

In the area in question the risk of pluvial floods and underseepage is significant and greater than in the surrounding areas. The 2010 pluvial flood level was about 30 to 50 cm higher than ground level, and protection measures taken against it could negatively influence the costs and schedule of construction.

***Public utility lines dividing the integrity of the area (e.g. gas pipeline, high voltage, etc.)***

The integrity of the area in question is significantly divided by the drainage canal network diagonally crossing the area connecting Győr with Győrszentiván district. Relocating the canal would be time-consuming and may pose an unexpected risk on the investment.

***Registered archaeological site***

The area in question is listed in the Development Plan of Győr as an archaeological site registered by the National Office of Cultural Heritage. In the area in question there is a so-called "András Castle" from the early Middle Ages located, and to the south and south-east of the Castle there are extensive architectural remains from the Roman period, which represent the oldest continuous Roman remains of Győr Town. Their preservation is a cultural interest of national importance.

When selecting the location for the investment, the Hungarian State, Győr Town and the Investor altogether regarded the preservation of cultural heritage and archaeological values as a high priority. Another important factor was to ensure that the excavation works with an unpredictable outcome and time requirement (which may even be several years) would not cause the failure of the investment.

***Ownership structure***

Prior to the present investment project, the area had already been assessed by the Győr municipality in terms of its suitability to host manufacturing investments. 50% of the area is in state ownership and 50% in private ownership. The area concerned consists of a total of 92 plots, of which 14 centrally located plots were screened in terms of ownership structure. It was found out that the plots under these 14 land register reference numbers alone had 65 owners.

Previous experience shows that, due to the large number of private owners, the purchase of the plots – even if we anticipate that every owner is willing to sell – and their legal unification would require one and a half to two years. This is not compatible with the time schedule of the project.

**Ad 6. Area lying to the north and east of the AHM development area**

***Risks to Natura 2000 features***

In the site selection procedure, a high priority was attributed to ensuring the least possible damage to habitats and species of Community importance under the scope of the Habitats Directive.

Regarding the area in question, approximately 80% of the investment site is covered by habitats of Community importance, and the proportion of habitats suitable for *Carabus hungaricus*, listed in Annex II of the Habitats Directive, is very significant. In the area in question, the number of species and their individuals protected by Hungarian law are very significant.



If the area in question were selected, it could be anticipated that the entire population of *Iris arenaria* (also listed in Annex II of the Habitats Directive) occurring in the habitat patch would be destroyed. Compared to the eastern economic industrial area, if the project were implemented in the area examined in this point, damage to the nature would be greater.

It needs to be pointed out from an environmental viewpoint that, if the project were implemented in the area being considered in this point, the environmental impacts arising from the movement of materials and products between the existing and the planned factory units would not affect residents or the environment due to the immediate vicinity of the two units.

#### ***Natural risks (flood, pluvial floods, underseepage)***

In the site selection procedure, due consideration were to be given to the type, scale and likelihood of natural risks that may arise in the area in question.

Experience shows that there is a risk of pluvial floods and underseepage in the area in question. Protection measures taken against them could have a considerable negative effect on the costs and schedule of construction.

#### **Ad 7. Győr NW area group**

As shown by the map in Annex 1, the protected water resources of Győr are located under the area group in question. There is also a significant risk of flood and underseepage in several places and, moreover, the area is enriched by specially protected nature and landscape conservation values. The preliminary assessment found that, if the project were implemented in the area group in question, it could have a harmful effect on the whole of the settlement due to the above mentioned reasons.

Furthermore, due to the distance between the area and AHM's current plant, the movement of materials and products between the two locations would result in an increase in the unfavourable effects described above.

Due to the reasons mentioned above, the other criteria of the area in question is not presented in detail (e.g. technical features, ownership).

#### **Ad 8. Areas in Győr's immediate vicinity**

In course of the site selection process of the investment, one of the major goals was to locate the project in an area where environmental impacts can be kept at the lowest possible level during continuous operation. Environmental impacts include – among others – impacts arising from the daily transportation of labour force, energy consumption generated by the inflow and outflow of materials and products, noise impact and emissions of harmful substances.

Prior to the launch of the site evaluation, it was to be determined how large the region should be, where potential sites can be identified and screened. Even before starting the actual site screening, it became obvious that if the investment project is completed in the Town of Győr, it would be sensible to locate the new production plant as close (but max. 10 km far) to the existing AHM plant as possible in order to take advantage of operational synergies. On this basis was the preliminary set of potential sites established.

In course of the evaluation it became obvious that there would be a considerable amount of traffic of materials and products between AHM's present production plant and the new plant. As a result, the farther the new production site from AHM's present production plant is, the larger the impact area and the bigger the impacts on the environment will be.

It became clear that if the project were implemented beyond the boundaries of Győr, in its surroundings, this would cause further significant burden to people living in the agglomeration compared to the Győr areas examined above. Increasing the distance of the investment anywhere within the agglomeration from Győr Town would result in the considerable expansion of the impact area of the environmental impact. Apart from this, this would mean that the synergic effects of the concentrated industrial location could not be exploited in order to ensure the lowest possible burden in the long term. In conclusion, the possibility of implementing the investment project beyond the borders of Győr was eliminated.

### **Summary**

The Investor, with the help of Győr Town and ITD Hungary representing the Hungarian State, examined a total of seven potential locations within the administrative boundaries of Győr, and considered the option of realising the investment in areas lying beyond its administrative boundaries. In the evaluation of the areas, a comprehensive set of criteria was used paying increased attention not only to the conditions of implementation in terms of physical and regulatory features of the given areas but also to ensure that the investment project causes the least long-term, continuous and permanent burden to the residents and the environment of Győr.

It has been established in the course of the detailed analysis that the manufacturing project will cause the least burden on the population and environment if it is located as close to the existing AHM plant as possible. Considering the Habitats Directive and the criteria specified in the above paragraph, whereas bearing in mind the time constraint of the project implementation, it became clear that the Eastern economic industrial area is the most suitable to host the investment project.

In conclusion, the experts making the assessment took into account that the implementation of the planned investment involves overriding public interest due to its social, job creation, educational and other implications, and as a result it ensures that the option of utilising the only location found suitable is given in principle.

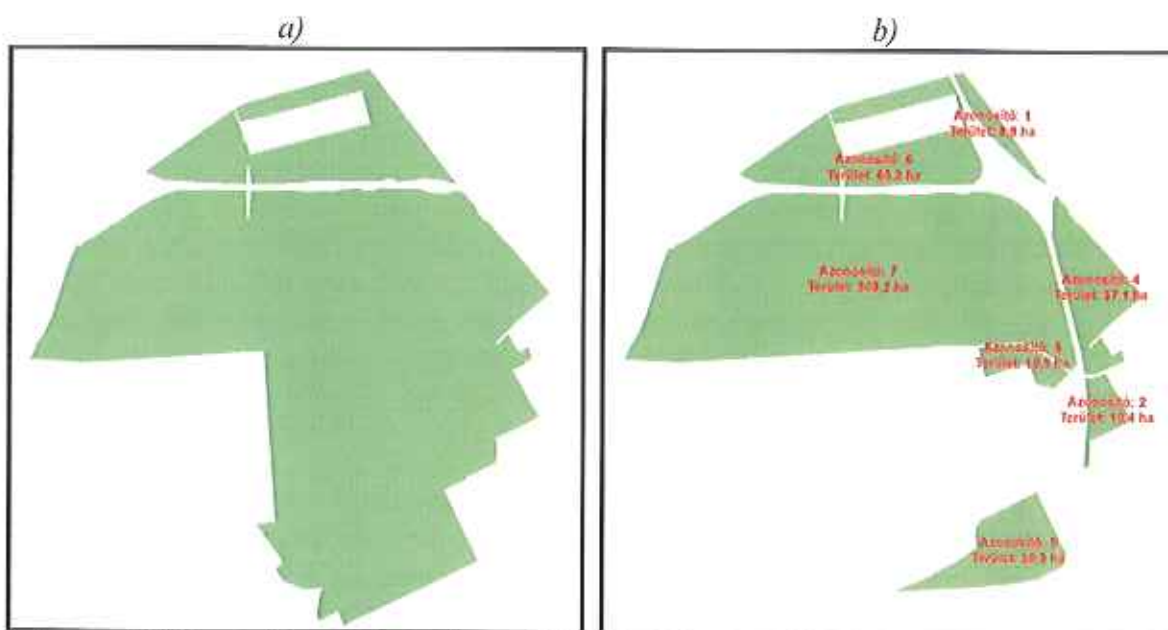
## **2. Extent of significant negative impacts of the project**

*'(2) Extent of significant negative impacts of the project: We understand that the Hungarian authorities concluded that the project will have significant negative impacts on the parts of the Natura 2000 site HUFH20009 "Gönyűi-homokvidék". To offset these negative impacts the authorities propose a set of compensatory measures. We would like, however, to draw the attention of the Hungarian authorities to impacts on the coherence of the Natura 2000 network and the problem of fragmentation of the existing "Győrszentiváni gyakorlóter" area, which is part of the HUFH20009 "Gönyűi-homokvidék" site, which will be significantly impacted. In the "Data Sheet for Asking the Opinion of the European Commission on the Modification of the Development Plan of Győr Town of County Rank Required by the Council*

*Directive 92/43/EEC of 21 May 1992 (Habitats Directive) the authorities admit that "the eastern economic-industrial area and the roads breaks apart the so far continuous [...] uniform entity ('Győrszentiváni gyakorlótér') to fragments with limited connections, causing a significant habitat fragmentation. A significant increase in the negative edge effect can be expected.' We would like to have more information about the impact of fragmentation/edge effect on the integrity of the remaining part of the "Győrszentiváni gyakorlótér" area as well as how they will be mitigated and/or compensated for.'*

The implementation, in the currently approved manner, of all proposed projects affecting the 'Győrszentiván gyakorlótér' (AIIM Kft., eastern by-pass, northern and southern industrial roads, railway route adjustment, Dózsa-tag industrial area) would result in splitting the presently two disjunct parts of the shooting range within the Natura 2000 site (the northern and southern areas of 86 hectares and 631 hectares respectively) into seven sectors. The area of these sectors will range between 8.8 ha and 309 ha.

*Natura 2000 territories of the 'Győrszentiván gyakorlótér'  
(a) before and (b) after implementation of the planned projects*



(„Azonosító” stands for patch number and „Terület” for extension)

There will remain two large single patches of land in the Győrszentiván shooting range. The areas #6 and #7, of a size of 65.2 hectares and 309.2 hectares respectively, will ensure the coherence of the habitat. The Pannonian sand grassland, the type of habitat giving rise to the Natura 2000 designation already showed a strongly mosaic-like pattern at the time the area was designated as a Natura 2000 site. The Life+ project, currently in progress, has been developed in order to unite the disjunct habitat patches and to create a more coherent and single area, suitable to be managed as a uniform micro-region. The ecological functions of the area can be further enhanced by eliminating the factors maintaining the mosaic-like pattern and improving the condition of the territory, enabling it to make up for the potential loss of function of smaller patches in the future.

The southernmost patch of land (#5) of an area of 38.3 hectares is a patch of habitat becoming isolated as a result of the industrial project. Originally, it was designed to function as a buffer



zone surrounding the habitats of Community significance with a view to preserving the territorial coherence of the area. The extension of the Habitats Directive Annex I habitat type is minimal in this area and is in a marginal position, the major part of the patch being constituted of secondary habitats. Fragmentation of the former area will not result in any changes in the state and the function of the territory.

Patch #1 of an area of 8.9 hectares is covered mostly with pine and Black Locust plantations, and has a buffering function, similar to patch #5, on the edge of the Natura 2000 site. The isolation of this patch of land from the rest of the site is not expected to result in any changes in the state and the function of the territory.

On patches #3 (10.5 ha) and #4 (37.1 ha), the original long-term (10 to 30 years) conservation target, i.e. the restoration of the forest steppe (a complex habitat composed of grassland interspersed with patches of woodland) will still remain feasible after these territories are split off. Patch #2 (10.4 ha) is now covered mostly with sand steppe meadows and, to a lesser extent, the degraded remains of the oak forest steppe. Here, the conservation target is similar to the one described with regard to patches #3 and 4. It is an ecologically demonstrated fact that smaller reserves may often play an important role.

The fragmentation of habitats, however, frequently results in the emergence of *edge effects*, as raised by the Commission in their question. The study of edge effects has primarily focused on the changes of light, temperature and humidity conditions, the strength of wind, the outbreak of fires etc. Since fragmentation-related edge effects may normally be significant in the case of woodland vegetation, the major part of the related research has concerned woodland habitats. In other habitats, such as treeless plant communities or the grassland communities in question, there are different scales and the intensity, relevance and habitat-specificity of the various factors are also different. Abiotic factors, including light, temperature and humidity will not change to a significant extent. Similarly, due to the indirect effects on biotic variables, the ecological parameters of species and habitats will not be significantly different from the former conditions.

**In conclusion:** The former conservation goals will essentially remain feasible on the territories to be fragmented in the wake of the projects. If the measures required with a view to achieving the conservation goals and the follow-up maintenance activities are carried out properly, the remaining territories will be able to fulfil their ecological function.

### 3. Compensatory measures

*(3/a) Compensatory measures should be additional to the normal duties under the directive aimed at the management and restoration of Natura 2000. They must be designed to protect the coherence of the Natura 2000 network and cannot replace existing commitments. In this regard we would like to know to what extent the proposed compensatory measures are additional to the normal conservation measures required for the "Gönyűi-homokvidék" site in view of the site's conservation objectives.'*

The measures undertaken during the compensation extend far beyond the normal maintenance and restoration activities. The development of the Pannonian sand grassland and the Pannonian sand juniper-poplar communities and the improvement of the condition of the oak forest steppe remnants are clearly in addition to the Natura 2000 management requirements and, as such, are considered additional measures. Normal conservation measures essentially



concern the maintenance of existing habitats of Community significance. Alongside the current utilisation of the area for military and forestry purposes, Hungary will carry out a complex habitat restoration project. In the territory in question, the compensatory measures will include the transformation of the non-Annex I habitats into habitats of Community significance: habitats suitable for the indigenous Pannonian sand grassland (6260\*) will be restored in the place of the stands currently containing alien tree species.

Without the compensatory measures, the forestry exploitation of the areas concerned would continue in accordance with the effective regulations. Woodland habitats of Community importance could thus not be created or could only be created to a limited extent, as a result of which stands of a low level of naturalness would continue to dominate the area.

Long ago, the original vegetation cover in the region consisted of a patchwork of forest steppe interspersed with various sand grasslands. The compensatory measure aims to restore/establish that kind of vegetation. The measures to be carried out under the compensation with a view to the implementation of the project may significantly increase the proportion of the Habitats Directive Annex I habitats.

*'(3/b) Some compensatory measures are proposed on an area where a LIFE project is currently being implemented. Although we understand that the Hungarian authorities claim that the conservation measures under the LIFE project and under the programme of compensation are distinct, we would like to know how the authorities plan to guarantee separation of these measures, as they will be implemented in very close proximity (risk of overlapping).'*

*We would like to draw the attention of the Hungarian authorities to the letter sent to the beneficiary of the LIFE+ project on 23 July 2010 in which the Commission requested a comparison between the compensatory measures proposed and the conservation/restoration measures included in the LIFE+ project. As you will appreciate, the LIFE project, while it may help to ensure a good choice of compensation measures, cannot by itself represent compensation for this proposed development. Any costs related to any action that can be considered as a compensatory measure will be ineligible.'*

The demarcation of the modified area of the Life+ project (September 2010) and the proposed areas of the compensatory measures is clearly shown in the attached documents, i.e. the maps attached under Annex 3 and the forest compartments listed in the table in Annex 4. The scale and detail of the attached maps and the table containing territory data and the planned activities (Annex 4) clearly demonstrate the lack of overlapping between the compensatory measures and the Life + measures.

The delimitation of areas affected by the proposed compensatory and Life+ interventions has been depicted at management area-level of detail, since the activities envisaged in the territory are essentially associated with the latter administrative unit and are more or less consistent with the natural boundaries within the area. Management unit boundaries are defined in the the National Forestry Registry pursuant to Articles 33(2) and 38(2) of Act XXXVII of 2009 on forests, forest conservation and forest management. The Forestry Registry is kept on a national level and is available to the public. In its decision approving the project, compensatory measures are stipulated by the authority at management unit level. That will fully ensure that no overlapping should occur on the administrative level.

The fine-tuning of compensatory measures will take place during the actual authorisation and other administrative procedures when the details of the measures are considered and discussed. During the discussions, the Hungarian authorities will pay particular attention that the modified territory should in no event overlap with the LIFE+ project area.

The Hungarian authorities are aware that the LIFE+ project cannot by itself represent compensation for the proposed development. The costs of the LIFE+ project will not cover any costs of the compensatory measures, which are also guaranteed by the strict, item-by-item financial control of the LIFE+ project. The implementation of the compensatory measures by the Hungarian authorities, at the same time, can only be governed by the Commission opinion issued in connection with Article 6(4) of the Habitats Directive.

*(3/c) Please provide more information about the feasibility of the proposed compensatory measures. Have such measures been implemented before? What was the success rate? Do the institutions/bodies in charge of the compensation programme have any previous experience with such measures?*

For several decades, Hungarian national park directorates have engaged in the restoration of grasslands on arable lands and in the place of forest stands of a low naturalness category, with a number of studies published on the subject both in Hungarian and international scientific journals. Hungarian researchers, in particular the Ecological and Botanical Research Institute of the Hungarian Academy of Science (hereinafter: 'MTA ÖBKI') has conducted numerous studies on the natural succession of sand grasslands and the impacts of various human activities. The wide-ranging information available is sufficient for the sound planning and successful implementation of the envisaged compensatory measures. Similarly, the results of the processes observed empirically in the Natura 2000 site concerned cannot be ignored: in a few years' time, satisfactory open sand grasslands have developed in the past in the place of a number of dead or decaying forest stands of a low naturalness category or of failed regeneration in the place of forests that had been clearcut, once the effects of other restricting factors (such as invasive plants) have been minimised so they did not jeopardise natural processes.

Research has been conducted by the MTA ÖBKI in sample areas in the Great Plains region in order to find out whether sand grasslands can be restored following the clearing of Black Locust stands. In the studies, the nutrient (nitrogen) content of the soil was reduced in order to promote the spreading of sand grassland species, accelerating the recovery of open sand grassland communities. The area was mown and the mown biomass was removed from the land. The results showed that while sand grasslands can be achieved in the place of Black Locust stands, the success of the intervention is affected by various factors (seed sources, the nitrogen content of the soil, follow-up treatment and the microclimate).

While the MTA ÖBKI studies primarily focused on Black Locust stands, the compensatory measures will include the restoration of grasslands mainly in the place of pine forests and smaller Black Locust groves. Pine forests modify the soil nutrient content to a lesser extent and they do not proliferate by sprouting up, the latter being one of the main obstacles of the transformation of Black Locust stands, which can only be controlled by drastic and long-lasting interventions (use of chemicals).

Since, according to the research, seed sources (the seed supply from the surrounding areas and the soil) play a very important role in the success of the restoration efforts, the areas to be designated to be transformed on a permanent basis into sand grasslands are always located in the immediate vicinity of an existing clearing or enclosed in a larger stretch of grassland; in fact, the purpose of the envisaged measures is to expand these existing habitat patches. During the interventions, the existing clearings and grassland areas will serve as a propagulum source of primary importance.

On the detailed planning of the compensatory measures, an individual decision will have to be made for each piece of land concerning the method and the phases of restoration (see below). The decision-makers will have to consider the current conditions, the previous history of the area, the actual soil conditions (soil analyses) and the vegetation of the surrounding territories. In the preparatory phase and the planning of the follow-up treatment, special attention must be paid to invasive plants and the prevention of re-infestation.

In addition to experimental conditions, the transformation of large forest stands of a low naturalness category or areas covered with thick undergrowth into sand grasslands has been successfully achieved as a result of some actual habitat restoration projects. The Kiskunság National Park Directorate has, among others, succeeded in restoring sand grasslands in the place of large arable lands and smaller Black Locust groves. The proposed measure may succeed if the methods are adapted to local conditions, provided that the required follow-up treatment is carried out properly.

In addition to the formation of sand grasslands, there have been examples of improving the condition of the remnants of oak forest steppes in Hungary. The Kisalföldi Erdőgazdaság Zrt. has carried out such interventions before. On the basis of their experience, the work to be performed can be successful, although expensive.

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*'(3/d) We would appreciate if the Hungarian authorities could justify the location of compensatory measures for the 6260 habitat (Pannonic sand steppes) in the immediate vicinity to the planned eastern by-pass.'*

The areas designated under the compensatory measures represent potentially suitable territories. The studies and consultations on the basis of which the final and ecologically suitable areas can be delimited are currently in progress.

The area affected by the currently envisaged route of the eastern by-pass has been included among the potential areas primarily because in this stretch of land, the transition of pine forests into sand steppe has begun spontaneously, which may facilitate the success of the interventions envisaged under the compensatory measures. Besides, the area is immediately adjoining grasslands where the improvement of habitats is planned under the Life+ project, which may potentially result in an extensive and continuous sand steppe area. Moreover, since the sites proposed for the restoration of Pannonian sand steppes are located in a region where these plant communities are also found naturally, the conditions of the habitat are satisfactory without doubt.

Since the trajectory of the eastern by-pass and the areas required may be modified during the planning of the road (according to the information available, it is currently in the planning phase) and its authorisation by the authorities, we would prefer not to exclude the territories in question automatically from the areas potentially affected by the compensatory measure. Once the route is finalised and it is justified by additional preparatory studies (e.g. the road may endanger the grasslands to be established and their wildlife), the areas in question will be removed from the list of areas eligible for the compensatory measures and new, more suitable areas will be designated.



*'(3/e) The Commission will need a much more detailed description of the proposed compensation measures. Please provide indicators for the success of compensatory measures as well as the detailed time frame (Gantt charts), information on the availability of land, land owners agreements to the changes in land management, budget and bodies responsible for implementation, supervision and monitoring of these measures.'*

The proposed compensatory measures would be implemented on properties in public ownership, managed respectively by the Ministry of Defence, Budapest Erdőgazdaság Zrt. (1033 Budapest, II.évízi út 4/a.) and the Kisalföldi Erdőgazdaság Zrt. (hereinafter: 'KAEG', 9023 Győr, Corvin u. 9.).

With a view to preparing the compensatory measures, there are ongoing consultations between the North-Transdanubian Inspectorate for Environment, Nature Protection and Water, as the environmental, conservation and water management authority of first instance, ITD Hungary Zrt. acting on behalf of the Government, the Forestry Directorate of the Vas County Agricultural Administration Bureau (Szombathely), as the forestry authority, the state-owned forestry companies mentioned above and the Fertő-Hanság National Park Directorate (Sarród), as the body in charge of conservation management.

The North-Transdanubian Inspectorate for Environment, Nature Protection and Water and the Forestry Directorate of the Vas County Agricultural Administration Bureau are responsible for the monitoring and administrative supervision of the expert implementation of the compensatory activities falling into their competence. It is envisaged that the compensatory measures will be carried out by the above forestry companies. The monitoring of these activities and the technical support will be coordinated by the Fertő-Hanság National Park Directorate.

At the consultations conducted with the participation of the owners and managers of the land concerned, the parties involved reached an understanding on the division of the role and the responsibilities of the public bodies concerned, and the decision-makers of both the owners and property managers concerned granted their preliminary approval to the utilisation of their properties for compensatory purposes. Based on the territories marked on a preliminary basis, the managers of the properties concerned are prepared for the designation of the final territories on professional grounds. A declaration has been signed by the participants to the effect that the property managers agree to the implementation of the specific measures on their respective plots.

The documentation sent to the European Commission did already include detailed compensation measures, albeit the size of the area affected by the measures to be performed was defined by minimum and maximum values (i.e. grass sowing on an area of 190 to 220 hectare) on the basis of preliminary planning procedures. The exact determination of the area affected by compensation measures can take place only by authority procedures approving of the specific activities. The Commission shall be assured that the scope of compensation will far outreach the Natura 2000 area affected by the project.

Since the compensatory measures are associated with various projects, the Hungarian authorities will determine the level of involvement of each project in the individual measures in order to identify without doubt who the cost-bearing party is.

The accurate determination of the extent of the compensation is affected by the fact that the project and the related authorisation procedures are about to begin. While so far investigations have only been conducted with regard to the modification of the regional planning measures, it will be possible to accurately define the extent of the compensatory measures on the basis of the detailed impact assessment and the Natura 2000 appropriate assessment constituting part of the impact assessment, once the environmental approval procedure, the building administration procedure and the traffic approval procedure have been launched. The actual compensatory measures will be stipulated by the competent authorities in the authorisation procedures affected by the interventions concerned (factory and road construction etc.). The coherence and the appropriate extent and coordination of the compensation will be guaranteed on the administrative level by the North-Transdanubian Inspectorate for Environment Nature Protection and Water operating under the supervision of the Rural Development Ministry, as it will be involved in each approval procedure, while the Fertő-Hanság National Park Directorate, as the body in charge of conservation management, will ensure the professional coherence, at regional level, of the measures in Natura 2000 areas.

The compensatory measures will be scheduled in accordance with the time-table presented in the preliminary documentation and in the attached Gantt chart (Annex 5) requested by the Commission. Since, due to the recurrence of the events and the envisaged modification of the implementation of the measures in specific areas (the administrative procedures referred to above), the interpretation of the Gantt chart can only be restricted for this purpose, the following explanation and description must be taken into consideration for its interpretation.

#### **Detailed description of the implementation of the compensatory measures:**

The measures described below may be slightly modified during the actual implementation on the basis of experience gained during the works and due to unforeseeable incidents.

#### ***Preparation***

The first step of the preparatory works includes the detailed soil research, botanical and zoological survey of the areas potentially affected by the measures. The purpose of the soil research assessments is to enable the comparison of the soils of the territories to be sown with grass with the soil conditions of an existing grassland as a reference territory. This will enable the elimination of background factors (excessive nitrogen content, pH difference) potentially jeopardising the measure and the identification of the required action. As far as the measures with a view to creating forests and improving their condition are concerned, the soil research must find out whether the envisaged target stand can be achieved in the area concerned. The botanical and zoological surveys will focus on the current vegetation and wildlife of the potential territories, with particular regard to the invasive plants present in the area, which will essentially determine the specific steps of the restoration activities. The preliminary surveys constitute a pre-condition of the administrative authorisation procedures.

Once the preliminary surveys have been completed, the areas to be affected by the compensatory measures can be finalised. It must be reiterated that the final territories of the compensatory measures cannot overlap with any ongoing Life+ project territories.

The finalisation of the areas affected must be followed by the preparation of the documentation of the administrative authorisation procedures. Since the compensatory measures involve the utilisation of forest areas larger than 10 hectares, the inspectorate will

specify in its discretion the activities that require an environmental impact assessment pursuant to Annex 3 of Government Decree 314/2005 (XII. 25).

The preparation of the required applications for approval may be followed by the administrative authorisation procedures. Special attention must be paid in that regard to the linking and the chronological coordination of the individual authorisations. The North-Transdanubian Inspectorate for Environment Nature Protection and Water, as the environmental, conservation and water management authority of first instance and as the authority involved in each administrative procedure, will ensure efficient cooperation between the various authorities. Actual implementation may begin following the obtaining of the authorisations.

### ***Implementation***

The actual implementation will consist of preparatory works, the actual interventions and follow-up treatment.

#### Preparatory works

##### *Ammunition removal*

The first step of the preparatory works consists of the removal of ammunition from the areas concerned. Ammunition removal should extend to all areas previously affected by military utilisation as well as the areas where soil preparation works will be performed during the formation of the grassland.

##### *Ensuring of the grass-seeds to be sown*

Since the grass-seeds to be sown in the area are not available from commercial sources, the required quantity (min. 20 kg/ha) must be provided from other sources (primarily from seed gathering in the existing grasslands). Since the areas concerned will become suitable for the sowing of seeds at different points in time, the required grass-seeds must be made available on an ongoing basis, as required. The grass-seeds to be sown can be gathered from Natura 2000 territories in a good condition; the technology of the seed gathering is already familiar as a result of the habitat restoration projects of the Hortobágy National Park Directorate.

##### *Primary removal of forest stands and invasive plants*

In the forest areas to be transformed into grassland, the next step consists of the removal of stands, stumps and roots. Since the intervention involves significant ground disturbance, certain invasive species will no doubt appear.

Therefore, following the removal of the timber, the eradication of existing and potentially invading invasive plants must immediately be started, with particular attention to Black Locust (*Robinia pseudoacacia*), Russian silverberry (*Eleagnus angustifolia*), tree of heaven (*Ailanthus altissima*) and common milkweed (*Asclepias syriaca*). The eradication of invasive plants must extend 100 m beyond the areas concerned in order to prevent their subsequent re-infestation. While chemicals must be applied during the removal of invasive species (these species cannot be removed by mechanical interventions alone), the technologies employed

must be such that do not endanger any existing natural assets and the environment (smearing, spot spraying).

During the works, special attention must be paid in order to ensure that invasive plants are removed from the enclosed clearings and that the grass surface and the wildlife of the grassland is damaged to the least possible extent.

Within the oak steppes to be transformed into Pannonian sand juniper-poplar communities or to be improved as well as within their 100-metre surroundings, the first step should consist of the complete eradication of invasive plants. Here, the same methods must be employed as in the case of grasslands. As a new method, older trees of heaven (*Ailanthus altissima*) must be injected prior to felling in order to prevent the powerful proliferation of the stumps; this method is more nature-friendly than smearing or spot spraying.

### Implementation

#### *Sowing grass seed*

Grass seeds can only be sown in the areas where the cover of invasive plants (except ambrosia) has been reduced below 2 percent. The main steps of achieving grass cover:

- Deep ploughing, heavy or light harrowing (varies by site)
- Smoothing
- Seed bed formation
- Sowing (min. 20 kg/ha)
- Seed covering with light tooth harrow
- Compacting of surface with crumbler roller

The sowing of seeds must be carried out on an ongoing basis in accordance with the quantity of seeds available and the size of the prepared area.

#### *Tree species replacement and the improvement of forest condition*

Forest renewal may start by the sowing of acorns and the planting of saplings once undesirable species have been removed. The planting of grey or white poplars is desirable also in oak steppes with a view to achieving closing as soon as possible. During renewal, if damage by maybeetle larvae is observed, the replacement of new plantations must be ensured to the desired extent, repeatedly if necessary, and the application of chemicals may be considered.

### Follow-up works

The interventions required during the follow-up treatment can only be identified in the light of the primary results. Certain interventions can, however, be envisaged at this stage.

The removal of organic substances and the controlling of weeds must be achieved by mowing the grass once or twice a year. Once the basic grass species have settled and gained strength and weed species have been eliminated, mowing should be minimised so natural processes prevail. Invasive plants settling in the grass or sprouting from the seed stock must be continuously removed. Re-infestation by invasive plants must be continuously controlled within 100 metres around the areas concerned.



As a follow-up treatment, the environment of forests needs to be tended and kept free of weeds and young stands with their canopy closed must be cleaned at least once in order to prevent the re-settlement of invasive plants and to ensure the proper development of the desirable species.

### Monitoring

Monitoring must be carried out throughout the entire duration of the implementation of the compensatory measures (10 to 15 years) as well as the subsequent 5-year period. Among other things, the studies must focus on the success of the interventions, the examination of the succession processes, the observation of contingencies and the settlement of species indicating a natural habitat.

The implementation of the compensatory measures and development activities specified in the data sheet attached to the request of the opinion of the Commission will be carried out exclusively in the HUFH20009 'Gönyői homokvidék' Natura 2000 site.

There will be no changes in the ownership or property management situation of the areas concerned as a result of the implementation of the compensatory measures. They will remain in public ownership or public, forestry or military management, i.e. they will not be passed on into national park directorate management.

### Estimated cost of suggested compensation measures

A considerable part of the suggested compensation measures shall be realized on areas owned by the Hungarian state and administered by the Ministry of Defence. **The compensation costs are estimated to amount to Hungarian Forints.** Compensation cost will be paid up for by the parties affected by the different investment projects. Damages caused by the Audi investment projects are to be covered by AHM, compensation for roads remaining in state ownership will be covered by the Hungarian state, as well as in the case of roads remaining in municipal ownership will be covered by the municipality.

Regarding the suggested compensation measures, *costs can only be preliminarily estimated*, since exact measures and amounts will be known only after detailed on-site assessments (e.g. ammunition removal will not be necessary on all areas). Costs will be hugely influenced by the exact area affected by the particular measures.

Furthermore, it is important to stress that cost estimates can be affected by a number of elements of uncertainty, among other things:

- prices and costs can change during compensation measures with a timespan of several years,
- local on-site circumstances to be exactly surveyed after the definition of the precise compensation areas (i.e. soil, chemical composition, archaeology etc.),
- unexpected and unforeseeable influence (i.e. weather anomalies).

Tasks	Unit price	No.	Amount (in millions of Hungarian Forints)
<b>Establishing/recreating Pannonian sand grassland on degraded areas resp. on current pine and Black Locust plantations</b>			
Measurements, planning (measuring of habitats, estimation of current status, analysis of possible transformation etc.)		1	
Regulatory approvals (environmental impact assessment, procedural fees)		1	
Forest protection charges or forestation costs of replacement forest areas	Charges:  replacement forestation without buying land	190-220 ha	
Cutting existing forests (clear cutting – 2.500 HUF/m <sup>3</sup> , loading – 400 Ft/m <sup>3</sup> , clean-up– 50000 Ft/ha) Notice: Costs can be partially covered by the timber sale	(calculation based on a wood mass of 250m <sup>3</sup> /ha)	~200 ha	
Ammunition removal (down to a depth of 1m, as regarded necessary by military experts)	/m <sup>2</sup>	190-220 ha	
Stump removal	/ha	190-220 ha	
Soil preparation (disc harrowing, harrowing)	/ha	190-220 ha	
Topsoil removal (as necessary) (earthwork, transportation, deposition)	/m <sup>3</sup>	~50000 m <sup>3</sup>	
Grass sowing (harvesting, drying, storing grass seeds, sowing preparation, compacting)	/ha	190-220 ha	
After-treatment (1 to 3 years) (shrub removal, mechanical and chemical removal of invading species, if necessary)	/ha	190-220 ha	
After-treatment (4 to 7 years) (shrub removal)	/ha	190-220 ha	
<b>Overall: (if ceasing agricultural activities, without earthworks)</b>		<b>190-220 ha</b>	
<b>Transformation of pine and Black Locust plantations to Pannonian sand juniper-poplar</b>			

areas			
Measurements, planning		1	
Regulatory approvals		1	
Removal of undesired species, intervention #0	/ha	13 ha	
Ammunition removal	/m <sup>2</sup>	13 ha	
Rehabilitation and fosterage for 6 years using chemicals (white poplar seedlings, planting, fostering of ranks and rankspaces)	/ha	13 ha	
<b>Overall:</b>		<b>13</b>	
<b>Status improvement on remaining forest steppes and oaktrees</b>			
Measurements, planning		1	
Regulatory approvals		1	
Chemical removal of undesired species, intervention #0	/ha	16-30 ha	
Ammunition removal	/m <sup>2</sup>	20 ha	
Rehabilitation and fosterage for 12 years using chemicals (acorn seeding and white poplar seedling, planting, manual fostering of ranks and rankspaces)	/ha	16-30 ha	
<b>Overall:</b>		<b>16-30 ha</b>	
<b>Eradication of existing and potentially invading invasive plants</b>			
Mechanical and chemical removal of Black Locust, Tree-of-Heaven, Milkweed(asclepias syriaca) (calculation based on an average coverage of 30 to 50%, intervention for 3 years within a protection area of 100 m)	/ha	195	
<b>Overall:</b>		<b>195</b>	
<b>Culling of big game, especially wild boar population</b>			
Regulatory approvals (excluding costs of compelled parties)		1	
<b>Overall:</b>			
<b>Monitoring</b>			
Monitoring by external, independent experts (costs may vary from year to year according to the number of measurements and samples)	average: HUF/year	10 years	
<b>Overall:</b>			
<b>Habitat improving measures on other Natura 2000 sites</b>			
Eradication of potentially invading invasive plants on areas administered by DINPI (calculation based on an average coverage of 10 to 30%, intervention for 3 years,	HUF/ha		



mechanical and chemical eradication)			
Eradication of invading plants on areas administered by KNPI (calculation based on an average coverage of 30 to 50%, intervention for 3 years, mechanical and chemical eradication)	/ha		
<b>Overall:</b>			

*'(3/f) Some of the compensatory measures will require major land management changes such as afforestation or deforestation. Have these measures been subject to impact assessment and have the owners of the land agreed to such modifications of the land use?'*

No change in land use will be necessary on the sites continuing under military management; the areas concerned will continue to be recorded in the register of title-deeds as uncultivated public land (I). In the National Forestry Registry, however, different codes (TI, EY, TN) will be assigned to the areas concerned.

The current land use classification of the areas managed by KAEG Zrt. is 'forest'. Under the effective Hungarian law, the register of title-deeds must reflect the actual situation, i.e. the land use classification will need to be altered for the areas to be transformed into grassland. According to the law, following the completion of the works, the change in land use classification must be applied for with the district land registry office once the administrative decision or the administrative certificate issued by the forestry authority (declaring that the area concerned does not fall under the scope of Act XXXVII of 2009 on forests, forest conservation and forest management) and the consent of the owner's representative (National Lands Fund, NFA) have been obtained. The opinion of the Commission was requested with regard to the amendment of the regulation plan of Győr Town and future projects in the areas affected by the regulation plan (vehicle manufacturing activity, construction of roads). **The procedures in order to obtain administrative authorisation for the specific projects have not begun.** In the event the proposed activity is expected to exert a significant impact on the environment, the environmental, conservation and water management authority of first instance, as the licensing authority, will conduct the proceedings under Council Directive Directive 97/11/EC amending Directive 85/337/EEC, and Government Decree 314/2005 (XII.25). Since the compensatory measures also include activities that may fall under the scope of the amended Directive [e.g. if forest areas larger than 10 hectares are intended to be utilised, the inspectorate may in its discretion require an environmental impact assessment pursuant to Annex 3 of Government Decree 314/2005 (XII. 25)], in such case the relevant mandatory procedures will be conducted. While the implementation of the proposed compensatory measures will take several years, the required administrative proceedings will have to be conducted and the licences obtained during the first two years.

**At the consultations conducted with the participation of the owners and managers of the land concerned, the parties involved reached an understanding** on the division of the role and the responsibilities of the public bodies concerned, and the decision-makers of both the owners and property managers concerned granted their preliminary approval to the utilisation of their properties for compensatory purposes. Based on the territories marked on a preliminary basis, the managers of the properties concerned are prepared for the designation of the final territories on professional grounds. A declaration has been signed by the participants to the effect that the property managers agree to the implementation of the specific measures on their respective plots.



#### 4. Mitigation

'(4) On p. 23 of the Data Sheet it reads that "from the species of Community interest present in the affected area most of the invertebrate species will be destroyed because of the investment, from the vertebrate species amphibians and reptiles may sustain considerable destruction".

We would like to draw your attention to the fact that there is a wealth of knowledge on possible mitigation measures, such as relocation, for amphibians and reptiles.

Such measures should be analysed and used as much as possible. We would also like to point out that some of the species, which will be negatively impacted by the project, are listed in the Annex IV to the Habitats Directive, which means that they are subject to strict protection and any derogation to such protection is conditional on meeting the criteria described in the Article 16 of the Habitats Directive. In this regard can you confirm that the conditions for any application of derogations for these species are to be met?'

As far as the relocation of amphibian species found in the area affected by the industrial development (European tree frog (*Hyla arborea*), common spadefoot toad (*Pelobates fuscus*), agile frog (*Rana dalmatina*), edible frog (*Rana esculenta*), green toad (*Bufo viridis*)), the specimens can be collected primarily during the breeding period, at their breeding sites. Once their spawns have been deposited, some of these species are not water-bound (e.g. European tree frog (*Hyla arborea*), common spadefoot toad (*Pelobates fuscus*), green toad (*Bufo viridis*), leaving the water and returning to their terrestrial habitat immediately.

Consequently, adult specimens arriving at the breeding locations on the development site during the breeding period (February-April) can be captured (preferably before the spawns are laid) and released onto suitable habitats. The spawn already laid must be collected individually (with a suitable net or by hand) and released into habitats free of fish in order to prevent them from being devoured. Adult specimens can be collected by hand nets or a system of bucket traps, under continuous supervision and in strict adherence to the requirements of frog rescue operations. The period between the capturing and release of the animals must be as short as possible. During the breeding period, spawn must be collected on an ongoing basis and any hatched young specimens must also be relocated to safe habitats. Suitable habitats include areas covered with water until late July or mid-August that contain a certain amount of aquatic vegetation. As far as the longer-lifespan toads are concerned, the existence of suitable hibernacula at the site is the most important criterion. The potential release sites are currently being surveyed.

For reptiles, such as the sand lizard (*Lacerta agilis*), the Aesculapian snake (*Elaphe longissima*) or the green lizard (*Lacerta viridis*) the method used for amphibians is inappropriate. Reptiles can be collected individually on a continuous basis between March and October. The collection, partial relocation and migration of the animals will enable the survival of the population at the new sites. The more noticeable lizard species can be captured with great probability during the breeding period. Because of their furtive lifestyle, the capturing of specimens of the Aesculapian snake may be less successful; however, regardless of the number of captured specimens, the survival of their population is not endangered at either local or regional level and the presence of the species in the area concerned is insignificant.

## 5. SEA and EIA

*'(5) We would like to stress that both the SEA and EIA directives are applicable in this case. Please provide information on whether an SEA is required for the modification of the land development plan for the Győr town, if so, please give the time frame. According to the EIA Directive, an EIA/ELA screening has to be carried out, depending on whether the project is listed in Annex I or II of the EIA Directive.*

*Please provide information on whether such an assessment has been carried out and please indicate the time frame.'*

In connection with issuing a preliminary opinion of the regulation plan, an environmental study was required in the opinion of the North-Transdanubian Inspectorate for Environment Nature Protection and Water and the Fertő-Hanság National Park Directorate pursuant to Article 1 (2) (b) of Government Decree 2/2005, since a major damage to the Natura 2000 site was expected. On the basis of the opinion of these two administrative bodies, a Natura 2000 appropriate assessment documentation was also attached to the strategic environmental assessment in accordance with the provisions of Government Decree 275/2004 (X.8).

The administrative bodies according to the law, including the environmental, conservation and water management authority issued their opinion in order to determine the content of the environmental assessment, whereas the municipal government was responsible for the publication of the agenda during the proceedings related to the amendment of the regulation plan. The procedure concerning the issuing of opinions on the environmental assessment and the natural impact assessment is currently in progress. The approval of the plan will also be accompanied by the repeated involvement of the general public and the publication of the opinions.

The Municipality of Győr Town has started to amend its settlement regulation plan (N<sup>o</sup>. SZTM 2010-002) because of the land developments. The procedure of the settlement regulation plan is carried out under the Act LXXVIII of 1997 on the shaping and protection of the built environment (Étv.).

The Municipal Assembly of Győr Town discussed the amendment at its meeting of February 25<sup>th</sup> 2010. Concerning the amendment, the Municipal Assembly adopted the preliminary development decision of the assembly 34/2010 (II.25.). While the municipal document is available on the town's website, Assembly meetings are open to the public, and are attended by representatives of the local media, which publishes information on the meetings.

Pursuant to the provisions of Étv., according to the preliminary decision of the procedure concerning the issuance of preliminary opinions on the amendment, as required under Article 9(2) of the Act, was published in the usual manner in the local printed press on March 4<sup>th</sup> 2010. The delimitation of the planning site, the purpose and the expected impacts of the amendment and the summary map of the planning site was available to the public for 15 working days in the vestibule of the office of the municipal government. Observations could be submitted concerning the available material during such period.

The public is continuously being informed in connection with the amendment of the regulation plan by the staff of the department during the opening hours specified in the rules of organisation and operation of the Municipality of Győr Town.

Pursuant to Article 9(3)-(4) of Étv. in the second phase of authority involvement a 22-working-day technical opinion procedure took place. On 9<sup>th</sup> June 2010, the environment and landscape protection chapters of Amendment of the Settlement Regulation Plan (SZTM 2010-002) were prepared and finalised, and these documents and the topics of the strategic environment assessment concerning the Natura 2000 sites were submitted to the other specialised competent authorities which are involved in the co-decision procedure.

The Municipality of Győr Town held a negotiation for the stakeholders, NGO's etc. on 16<sup>th</sup> June 2010, and the topics of the strategic environment assessment were approved also on 16<sup>th</sup> June 2010. The topics of the strategic environment assessment were published for 30 days on 16<sup>th</sup> June 2010.

Furthermore, from 2<sup>nd</sup> July 2010 the expert consultation phase and the process of negotiations have already got started. The administrative bodies affected by the opinion procedure concerning the settlement regulation plans and the local building regulations, as listed in Annex 3 of Government Decree 253/1997 (XII.20) on national settlement regulation and building requirements (hereinafter: 'OTÉK'), Győr-based public utility service providers, civic and non-governmental organisations, the neighbouring settlements and district local governments are also involved in the 22-working-day technical opinion procedure and the subsequent consultation phase under Article 9(3) and (4). The opinion procedure concerning the amendment started on July 2<sup>nd</sup> 2010.

Since the expert consultation and the process of negotiations that started on 2<sup>nd</sup> July 2010 are still ongoing, the final version of the Amendment of the Settlement Regulation Plan (SZTM 2010-002) has not been accepted yet.

As a consequence of this, Article 9 (4)-(5) of Étv. procedure, the third stage of authority round is following later on (the finalisation of the Amendment of the Settlement Regulation Plan (SZTM 2010-002) is expected first.)

Pursuant to Article 9(6) of the Étv., following the technical opinion procedure and the consultations detailed above, town regulation instruments will have to be made available to the public for a period of 30 days prior to their adoption (the fourth stage of the authority consultation round). In Győr, the announcement on their availability is to be published in the local printed press (distributed free of charge to all households). In addition to that, the settlement regulation instrument will also be placed on the notice-board of the municipal office. Comments on the subject can be submitted in writing. During the 30-day publication period, the published material can also be viewed on the town's official website.

As a result of the procedure, the documents will be adopted by the Municipal Assembly of Győr. Afterwards the whole documentation can be published on the website of the local government, available for viewing and downloading, immediately after approval. The adopted settlement regulation instrument is to be integrated into the regulation plan and circulated to the organisations involved in the procedure and issuing opinions.

Regarding the actual Amendment of the Regulation Plan (SZTM 2010-002) a phase of **22 workdays of public consultation** has been completed.

During the authority procedures beyond the settlement regulation plan procedure of Győr town (EIA, building permitting, road construction permitting etc.) public participation will be



ensured in accordance with existing legislation as well as the appropriate strategic environmental assessment and environmental impact assessment.

The environmental authorisation procedure concerning the 'Eastern Economic Industrial Area' (EEIA) is expected to be launched by the developer in autumn 2010. Since the parameters of that project were available during the Natura 2000 impact assessment pertaining to the environmental study documentation drawn up during the town regulation procedure, its effects on the Natura 2000 site were described in the data sheet forwarded to the Commission. Any other impacts on the natural and environmental conditions will be examined by the authority in the environmental impact assessment proceedings.

The projects outside the 'Eastern Economic Industrial Area' (by-pass roads and the future industrial site in the Dózsa-tag) are currently in the planning phase. Their environmental impact assessment (EIA) will be conducted during the subsequent authorisation proceedings, in accordance with the legal requirements. Under the EIA Directive, automotive industry activities are subject to an environmental impact assessment and a uniform environment use authorisation procedure.

The construction of the 'big by-pass' (Eastern by-pass road) requires a preliminary assessment and environmental impact assessment procedure. The construction of the 'small by-pass' (Audi service road) requires a preliminary assessment and environmental impact assessment procedure if built with a cycle track, while only the procedure of the transport authority is required if the road is built without a cycle track.

As far as the 'Dózsa-tag industrial area' and the 'industrial railway relocation' are concerned, since details of the planned projects are currently unknown, the required authorisation procedures can only be identified at a later date.

## 6. LIFE+ implications

*'(6) So far the Commission has not received a formal request for the modification of the grant agreement. The deadline for submitting such request was 30 September as stated in the Commission letter to the beneficiary of 23 July 2010. At this stage, we do not have enough information to evaluate the impacts of the industrial project on the achievement of the LIFE+ project objectives, the suitability of the project changes proposed by the beneficiary (e.g. swapping lands), and any concrete or potential overlaps with the industrial project. Please liaise with the beneficiary of the LIFE+ project to ensure a timely modification request coherent with your answer to his letter.'*

In the inception report of the LIFE+ project, which was forwarded to the Commission on June 30<sup>th</sup> 2010, the Infrastructure Agency of the Ministry of Defence, as the Coordinating Beneficiary of the project, pointed out its request for the modification of the project grant agreement in addition to describing the implementation of the project activities.

In response to the letter by the Commission dated July 23<sup>rd</sup> 2010, the Infrastructure Agency of the Ministry of Defence forwarded to the Commission its request for the modification of the LIFE+ project grant agreement on September 29<sup>th</sup> 2010. In its response, it described in detail the impacts of the project on the objectives of the LIFE+ project as well as attached maps presenting the relevant sections of the project and the LIFE+ project. Following the



modification of the LIFE+ area, no overlaps occur between the various measures, as the project and the LIFE+ project are to be implemented in different sections.

In response to the request by the Ministry concerning the amendment of the grant agreement, on October 5<sup>th</sup> 2010, the Commission sent to the Infrastructure Agency of the Ministry of Defence its questions requiring clarification, with October 30<sup>th</sup> 2010 as the deadline for response. The Infrastructure Agency of the Ministry of Defence has started to draw up its responses to the questions of the Commission.

Budapest, October 18<sup>th</sup> 2010

