Light update

of the first Hungarian National Action Plan on Social Inclusion (NAP/incl) 2004-2006

Budapest, June 2005

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Introduction

In July 2004, the Hungarian Government accepted its first National Action Plan on Social Inclusion, prepared in the framework of the open method of coordination (OMC) of the European Union against poverty and social exclusion. The national action plan sets out comprehensive objectives for the period of 2004-2006 in order to reduce poverty and social exclusion, and contains all the policy measures the Government proposes to implement in this area by 2006.

The European Commission assessed the action plans of the new Member States at the end of 2004, and the conclusions were incorporated into the first Joint Report on Social Protection and Social Inclusion approved by the European Council early in 2005. In respect of Hungary, the European Commission specified the following main challenges: the fight against poverty should be a national priority in Hungary, which requires more sources to be allocated to this purpose. The coherence between measures against social exclusion should be strengthened, the systematic setting of targets and the monitoring should be assured, and the involvement of non-governmental bodies in decision-making and in implementation should be reinforced. Attention should be paid to the issues of inactivity and gender mainstreaming.

Member States have to adopt the next national action plans for the period 2006-2008 in Autumn 2006, which, as a result of the "streamlining process", will contain not only issues of social inclusion but also measures related to the pension and health care systems.

The purpose of this report is to give account of the implementation of the first national action plan in 2004 and of the specific measures proposed for 2005. The report has been prepared pursuant to the authorization of the Government Resolution No. 2199/2004. (VIII.2.) on the adoption of the first national action plan.

After reviewing the main objectives specified in the national action plan we consider them as valid further on. Therefore, reflecting the system of objectives, this update overviews the policy measures related to the implementation of the various objectives or, in case of multi-year programmes, their present status.

During the preparation of this update the government started to elaborate the "100 steps" programme. The measures that will be introduced from 2006 aim at the following areas: promoting employment, making the family allowance system more adequate and just, rationalizing the health care system and improving housing conditions.

This report has been prepared by the co-ordination of the Inter-ministerial Committee to Combat Social Exclusion.

MAIN OBJECTIVES IN THE FIGHT AGAINST SOCIAL EXCLUSION, 2004-2006 SPCIFIED IN THE NAP/INCL:

1. PROMOTING EMPLOYMENT

2. GUARANTEEING ACCESS TO PUBLIC SERVICES

3. REDUCING PERSISTENT AND DEEP POVERTY

4. INVESTING IN THE FUTURE: GUARANTEEING CHILD WELL-BEING

5. MAINSTREAMING THE FIGHT AGAINST SOCIAL EXCLUSION

1. Promoting employment

1.1. Ensuring an employment-friendly economic environment

Ensuring the economic growth of the country and improving its competitiveness are priorities for the Hungarian government, as these facilitate the improvement of the living standards of the population. Enterprise promotion is also the main driving force of the expansion of employment, which is essential for the elimination of social exclusion. The promotion of the flow of direct investments (FDI) is indispensable for the creation of an employment-friendly economic environment; the Government intends to achieve this primarily through improving the infrastructure facilities for businesses and creating a business-friendly incentive and tax system. Between 2004 and 2006, enterprise promotion is supported significantly by the measures in the Operative Programme for Economic Competitiveness (hereinafter: EC OP) of the 1st National Development Plan (NDP):

Under the measure '<u>Promotion of the competitiveness of the industrial and service sectors</u>', enterprises, foundations, societies and universities may apply for funds for infrastructure development, thus indirectly contributing to employment growth. In 2004, 100 applicants have awarded funds.

Within the EC OP, micro-, small and medium sized enterprises have been able to improve their market positions or competitiveness through <u>technological modernisation</u> since 2004. Under the comprehensive programme, 3754 SMEs could receive funding in 2004.

The EC OP measure 'Promotion of cooperation in the enterprise sector' has the objective of disseminating information necessary for the successful operation and development of enterprises and improving the accessibility of information needed for efficient business operations. In 2004, 41 SMEs received funding. A new round of applications will be launched in 2005.

Another EC OP measure (<u>E-economy development</u>) is to open up the possibilities for SMEs to use modern IT technology and to take advantage of systems that improve the productivity and the effectiveness of the functioning of the sector and to facilitate access to and the processing of data. The measure provides HUF 12.5 billion for the applicants.

In order to increase employment, since 1 January 2005, a 50% <u>social security contribution</u> <u>reduction</u> has been available to promote the employment of persons below 25 years of age, irrespective of whether they were registered unemployed before or not. For graduates the contribution reduction is extended to the age of 30 by an internship system. Also from 2005, employers are eligible to a max. 50% contribution reduction if they hire unemployed persons above the age of 50.

1.2. Active labour market programmes for disadvantaged groups

The active labour market programmes are run by the Public Employment Service (PES) through the labour centres. Labour market training, wage subsidies and community service type jobs and public work continue to be the most common active labour market programmes.

Furthermore, labour centres have launched <u>intergrated labour market programmes</u> to combat long-term exclusion from the labour market; these programmes serve the re-integration into the labour market of the various disadvantaged groups of active age. Under the integrated labour market programmes, people with low qualifications, Roma, people with reduced working capacity and the homeless are eligible for training, while those employing them under community service type jobs and public work are eligible for wage subsidies. Furthermore, the programmes provide mentor support, e.g. motivation raining, team building, career correction services, job search clubs, assistance to using social services. The careful selection of employers and continuously contacting trainers and employers are also important elements.

Under <u>community service type</u> organised by labour centres, 64 thousand unemployed persons found temporary jobs in 2004. An average of 18,300 persons per month participated in communal work programmes organised by local governments in 2004. Approx. 10 thousand unemployed persons were involved into the 9 public work projects launched in 2004, while 7 public works programmes are proposed for 2005, offering income for approx. 12.5 thousand persons in total.

Between 2004 and 2006, the <u>comprehensive modernisation of the Public Employment Service</u> (PES), will be implemented within the framework of the Human Resource Development Operational Programme (HRD OP), which is supported from the European Social Fund (ESF). The purpose of the modernisation is to improve the quality of services offered by the PES, to enhance its efficiency and effectiveness through the development of the system of labour exchanges, to improve the IT infrastructure, to enhance the labour planning, labour and career information and advisory systems, and to promote the cooperation between the PES and other regional or local labour market actors by establishing the quality assurance system of labour market services. The objective is to establish 40 offices, renovated and completed with equipment, and operating in accordance with the new service model, and to train 800 employees. The details of the programme were elaborated and contracts were concluded in the first half of 2004.

NGOs are best placed to reach those unemployed and inactive people who are not in contact with the PES. For over ten years, the <u>National Employment Public Foundation</u> (OFA) has supported pilot programmes and non-governmental initiatives to assist disadvantaged groups in entering the labour market. The programmes include training and job-finding components, labour market services, and psycho-social support services, adjusted to the needs of the target

groups and the clients. In 2004-2005, OFA programmes focused on disadvantaged families, Roma, disabled employees, people with reduced working capacity, young people leaving child protection care, former prisoners and elderly persons employed in agriculture. In addition, OFA regularly organises events and assists the professionals and organisations promoting the employment of disadvantaged people with consultancy and publications.

Between 2004 and 2006, under the <u>EQUAL Community Initiative</u>, innovative methods can be devised to promote the labour market integration of persons who are in a particularly disadvantageous labour market position. The programme supports four themes: facilitating access to the labour market for disadvantaged people; promoting lifelong learning and development of inclusive labour market practices; reducing gender gaps and supporting job desegregation; and supporting the social and vocational integration of asylum seekers. Of the 170 applications submitted by development partnerships, 39 were awarded grants, targeting a total of 35,600 persons. The projects strive to achieve their objectives through various innovative activities (training, integrated and sheltered employment, assuring work experience, etc.). The total budget is approx. HUF 8.2 billion, the implementation of the projects will start from 1 July 2005.

Under the <u>measure 'Support for local employment initiatives' of the Operational Programme</u> for Regional Development (OPRD), local employment strategies can be devised and employment projects in the social economy can be supported. 75% of the funds of the measure are concentrated in the four most disadvantaged regions. The objective is to create approx. 1000-1500 jobs in the social economy by 2008, and to elaborate 30-40 local employment strategies. The total budget is expected to be committed by May 2005 and after it the implementation of the projects can start.

The Roma population

Community service type jobs and public work is an important form of employment for the disadvantaged, long-term unemployed population; labour centres provided temporary jobs to some 15 000 Roma under such schemes in 2004. The budget used for public work programmes and the ratio of participating Roma have both been increasing year from year. In 2004, 9 public work programmes offered jobs to approx. 10 thousand unemployed persons, among them, 4500 Roma. Roma participation is also significant in integrated labour market programmes.

The programme 'Supporting Roma micro-, small and medium sized enterprises' aims to improve the labour market position of Roma; under this programme, some 100 businesses received funding in 2004. The programme also runs in 2005. Until now 140 applications were submitted.

The HRD OP measure 'Improving the employability of disadvantaged people, particularly of the Roma' supports the various initiatives of NGOs in this field. Target groups are the Roma, people with reduced working capacity, unskilled persons, persons subject to criminal procedures, school drop-outs, etc. In 2004, two calls for applications were published: one for the alternative labour market training and employment of disadvantaged people, under which 47 projects received a total of HUF 4.5 billion. The activities implemented: alternative, on-the-job vocational training of disadvantaged people, and the development of the implementing

NGOs. The other facility is for assisting alternative employment services; so far, 69 organisations have been awarded funds, the total approved amount being HUF 2.5 billion. In this case, the objective is to involve disadvantaged people in employment or training though intensive, personalised consultancy, personality and skills development. The launch of the 2nd round of applications is expected for May 2005.

Under the <u>EQUAL Community initiative</u> 11 organisations were awarded funds for innovative employment projects with the Roma as their main target group.

Persons with reduced working capacities

The PES pays special attention to offering job search assistance to persons with reduced working capacity. There are rehabilitation teams, with 3 members, in every labour centres, and a rehabilitation officer at the offices. Jobs were found for 15 thousand persons with reduced working capacity in 2004. In the same year already 16 country labour centres had Rehabilitation Information Centres (RIC) offering complex services for these people. In 2004, 100-1425 persons made use of the services of the individual RICs. The four remaining country centres will be opened in 2005.

In 2004, the labour <u>market services of the OFA operated in conjunction with NGOs</u> were used by 260 unemployed persons with mental or multiple disabilities and 1440 permanently disabled and/or health-impaired persons. Out of them, 56 and 324 persons, respectively, were found jobs on the open labour market. In 2005 the training of the eight recently joined organisations into the methodology of the programme will commence. The expansion of the target group is also being considered.

<u>Employers receiving special government subsidy</u> ('target organisations') can employ persons with permanent health impairment with government assistance for years. In addition, 10 target organisations received additional support though applications for enhancing their roles in vocational rehabilitation in 2004.

In 2004, within the <u>EQUAL Community Initiative</u>, 18 applications were awarded grants that target, partly or exclusively, disabled people or people with reduced working capacity. The projects will be implemented by 2006.

Older workers

Between 2004 and 2006 the PES will launch integrated labour market programmes in 10 counties, with the purpose of helping older workers (above the age of 45) to re-enter the labour market by improving their employability, by human services and positive discrimination facilities. Under the programmes, 1808 persons received training and community service type jobs or public employment, as well as complex advisory services under mentor arrangements.

As of 2005, employers may apply for the <u>reduction of social security contribution payment</u> obligations if they hire unemployed persons above 50 years of age. Pursuant to the Employment Act, the labour organisation undertakes, for a maximum period of one year, at least half of the employers' contribution, if a person above fifty is employed. The Labour Market Fund has some HUF 2.8 billion allocated to this purpose.

In 2005, the labour service launched a <u>central programme</u> to promote the employment of persons above 50 years of age. Under the programme, the employers have access to advising and requirements analyses, while employees can participate in preparation for job search, consultancy and training. Furthermore, a new form of employment, job testing will also be used in the programme. Under this, the employer can ascertain the capabilities of worker during a three-month period, while the employee is given an opportunity to prove his worth. During the job testing period, the labour service pays the entire amount of wages and contributions (up to HUF 90 thousand). So far, 20,800 persons have been notified under the programme; of them, 8750 persons participated in various labour market services. In the first quarter of 2005, 1700 persons found jobs without any assistance, while 2200 persons received some assistance within the programme and then found jobs.

1.3. Improving employability

Training, life-long learning

The base for the development of skills and competencies necessary for life-long learning must be laid in elementary education. This is the purpose of one of the HRD OP measures, under which further training for teachers (4500 persons) will be organised in 960 elementary and secondary institutions between 2005 and 2006 to disseminate methods of competence-based education.

Under vocational school programmes to prevent <u>dropping out of the school system</u>, disadvantaged young people may attend training to improve their basic competences before starting vocational training. Almost 2500 teachers of 90 schools and the students of the relevant classes were involved in 2004. In the context of curriculum development, the curricula of 8 general subjects, 2 foreign languages and 19 vocational subject groups have been revised. Training sessions, study tours, equipment purchases and library enlargements were also executed. The afore-mentioned initiatives will be continued in 2005.

The <u>revision of the National Qualification Register (NQR)</u> serves to strengthen the relationship between education and training and the economy. Its purpose is to promote the attitude change and the acquisition of info-communication competencies necessary for life-long learning and to ensure equal opportunities of disadvantaged groups. Within this, the rationalisation of the system of vocational qualifications (defining 40 basic qualifications), the further training of experts and the development of digital course materials will be taken place in 2005.

In 2004-2006, <u>16 regional integrated vocational training centres will be established</u>, with the task of coordinating the operation of a practice oriented training system adapted to local labour market needs. The 16 vocational training institutions have been selected within an application process, and the centres will start their operation in 2005.

For three years, the Ministry of Education has been assisting the education and vocational training of disadvantaged students above 16 years of age who had not completed their elementary studies. The program currently encompasses almost 500 students in 21 institutions. Of these, 8 so-called <u>basis institutions</u> have been designated, which received grants for their methodological development activities in 2004.

"Workplace practice" is an innovative education method, intending to prepare mentally handicapped young people for employment in the open labour market and also assisting school-leavers in their job search. 9 vocational schools and 105 students participated in the programme in 2004, which will be continued in 2005, and the establishment of a national professional network will also be started.

<u>The World – Language programme</u> is for developing foreign language education, with the objective of helping students in public education to attain practical language skills and also supporting language training in higher and adult education. The programme was launched in 2003. Under the programme, preparatory language classes were started in September 2004, students in the last year of secondary school could reimburse the fee of successful language exams, and every adult citizen participating in accredited language training was eligible for a tax benefit. Language learning is promoted, inter alia, by national foreign language competitions and conferences and further training courses for language teachers. In 2005 the above programmes are continuing, and in the new school-leaving examination system, a high grade in the advanced foreign language test earns students free language certificates.

As one of its main activities, the Public Employment Service organises trainings taking into account the special needs of target groups, supplemented by consultancy and career orientation. 60 thousand persons participated in <u>labour market training</u> in 2004; labour centres spent HUF 7.3 billion for this purpose.

The incentives set forth in the Act on Adult Education contributed substantially to encouraging <u>adult education</u>: the normative state subsidy for adult education introduced in 2003, and the personal income tax allowance also available for those participating in adult education (at 30% of the tuition fee). The normative subsidy, which amounted HUF 2.9 billion in 2004, was utilised in respect of 27 thousand persons, 2347 of them disabled. A similar magnitude of funds will be available in 2005.

Under the HRD OP, a programme to <u>involve public cultural institutions into adult education</u> will be implemented between 2004 and 2006. Thereby, training supply in compliance with local demand may be offered in even disadvantaged regions. The methodological component of the measure aims to develop adult education methods to suit the needs of disadvantaged groups. The programme budget is HUF 1.5 billion, to be awarded in two rounds of applications.

The EQUAL Initiative, under the framework of its theme '<u>Promoting lifelong learning and</u> <u>development of inclusive labour market</u>', offers trainings for the Roma, people with low education levels, elderly people, and people with disabilities in order to improve their employability. 16 applicants will receive funds to implement their programmes in the 2004-2006 period.

1.4. Promoting the employment of women and the reconciliation of work and family life

In 2004, labour centres launched <u>integrated labour market programmes for the reintegration of</u> <u>women</u> in four counties. Under the programmes, training sessions and public work is being

organised, and complex assistance services (motivation training, team building, career correction service, job search club) are offered for participants.

The purpose of the HRD OP measure 'Promotion the participation of women in the labour <u>market</u>' is to encourage women to return to the labour market, to strengthen women entrepreneurship, and to create family friendly workplaces. The objective is to involve 3200 women in the programme. In 2004, in the first round of applications, 27 organisations were awarded grants, which will be implemented by 2006.

A PHARE programme "<u>Creating Equal Opportunities on the Labour Market</u>", started in 2002 and ended in 2004, was intended to assist women in disadvantaged labour market positions who want to return to the labour market after caring for children or other family members, or who are over 40 and inactive. The programme prepared some 800 women for taking on jobs or becoming self-employed, and helped 545 persons to find jobs or start their own businesses.

One of the themes of the <u>EQUAL Community Initiative</u> supports innovative projects relating to reducing employment segregation and gender gaps in the labour market. 5 projects will be implemented in 2005-2006.

The availability of caring services for small children and elderly people can significantly ease women employment. From 1 July 2005, it has been compulsory to operate crèches in every settlement with more than 10,000 inhabitants. In small settlements, more economical family day-care services, should be established. From 1 January 2005, the normative subsidy of both services increased substantially (by 25% for crèches, by 50 % for family day-care services, thus, according to estimates, the normative subsidies have increased to 50-55% of the total operating costs).

Between 2004 and 2006, the HRD OP measure '<u>Developing the infrastructure of services</u> supporting social inclusion' also devotes substantial funds to the establishment of crèches. 10 projects were awarded grants in the first round of applications. Their implementation has started in the second quarter of 2005. The 2nd round of applications is currently being evaluated. The objective is to have these applications increase crèche facilities by 2-3% (600-800 places).

As a result of <u>changes in the tax and contribution system</u>, the payment obligations of employers declined in 2004 (the lump sum health care contribution was abolished) if they employ women, on a part-time basis, receiving child-care allowance or child raising benefit or caregivers' fee. Concerning the lump sum health care contribution, it was fixed by law at HUF 1950 from 1 November 2005 instead of HUF 3450. A new employment subsidy (central reimbursement of wages and contributions) also promotes the part-time employment of parents with children under the age of 14 and beneficiaries of caregiver fee. Furthermore, recipients of the child-care allowance can now take on part-time employment after the child turns 1 years of age. Since 1 January 2005, employers hiring persons returning from child-care allowance, child-care fee, child raising benefit or caregivers fee have been entitled to a 50% reduction of the social security contributions (by a maximum of HUF 90,000 gross wage).

The <u>Family Friendly Workplace Award</u> was issued for the fifth time in 2004, in recognition of 'best practices' in this area. Applications can be submitted in various categories – small, medium or large enterprises, budgetary institutions or non-profit institutions – presenting the established practices of the organisation in terms of working time, further training, maintaining

contact with parents on temporary leave, and operation of childcare facilities. Winners are entitled to use the logo "Family Friendly Workplace" for one year. The Award will be donated in 2005 as well.

1.5. Providing community-based services that support reintegration to the labour market

The objective of the HRD OP measure 'Promoting social inclusion through the training of professionals working in the social field', to be implemented in 2004-2006, is to equip professionals and volunteers working in social and child protection areas and probation officers with skills that will allow them to improve the labour market chances of their care recipients. Furthermore, the measure also aims to expand the range of services which support the reconciliation of family and workplace by training the staff of institutions providing flexible day care for small children. In the first round of applications in 2004, 30 applicants received grants. The second round is currently being evaluated.

The HRD OP measure '<u>Developing the infrastructure of services supporting social inclusion</u>' offers support for the establishment of day care services for small children and day-care institutions for the disabled and for the homeless. In the first round of applications in 2004, a total of 26 institutions received grants, while the 2nd round is being evaluated. These projects are being implemented by 2006 as well.

2. Guaranteeing access to public services

2.1. Creating equal opportunities in access to public services

2.1.1. Social services

The Social Act of III 1993 was amended at the end of 2004. The amendment brought about the better targeting of several cash benefits and the better differentiation of their amount (see Chapter 2.3.1.), while the following changes were made in the field of <u>social services</u>: as the social service system established in the past 15 years aimed primarily to improve specialised (institutional) services, there are deficiencies in the field of basic services, especially in small settlements. Consequently, from 2004 priority will be given to the development of basic services and the provision of community-based services. Accordingly, the range of mandatory basic services of local authorities was modified. In case of small settlements, mandatory services consist in meals provision, home care and social information services. In addition, the Act promotes the provision of services in small settlements in the form of associations. In the case of meals provision and home care, the previous resident-based normative state subsidy was replaced by financing in proportion to the number of care recipients, which is expected to allow every settlement to provide such services.

Each year, applications are available for local governments and NGOs for social service development. In 2004 these applications promoted the evolution of new forms of basic social services. 21 new support services for disabled persons were established, and the material conditions or the physical accessibility of 10 additional centres were improved. 27 programmes were aimed at

assisting rehabilitation employment, and 28 at psychiatric care or the community care for additive patients. 75 settlements were able to launch new meals provision or home care service or to improve existing ones, while village and homestead care-giving services were established, or their operating conditions were improved, in 31 settlements. 30 residential institutions for the elderly received grants to improve the conditions of care for patients suffering from dementia. 42 settlements were supported for the development of street social work.

In 2005, the ongoing programmes continued, primarily the replacement of vehicles used by supporting services, village and homestead care-giving services and 'signalling' home care system,. The establishment of wards for patients suffering from dementia in old peoples' homes, the creation of special units in the homes of psychiatric patients, and the establishment of community services for people with additions can also be supported this year.

Improving services by strategic planning

As an important step towards improving services by strategic planning, settlements with more than 2000 residents have prepared <u>service planning strategies</u> containing the directions of development of the local service systems in 2004. As the next step, the micro-regional strategies will have to be prepared by the end of 2005.

To lay the foundations of regional social policy planning, the <u>Regional Social Policy Planning</u> <u>and Development Network</u> has operated since 2003; in 2004, they completed the assessments of the regional social policy situations. The assessments were discussed by the regional development councils responsible for the complex development of regions as well. The programme will be continued in 2005. The network participates in the design and coordination of the sectoral and regional development plans for the 2007-2013 programming period. The network plays and important role in the public awareness-raising of the planning process. An HRD OP measure provides assistance to involve all stakeholders, especially people affected by social exclusion.

2.1.2. Education

For the detailed description of programmes assisting the education of disadvantaged groups, see Chapter 4.2.

2.1.3. Health care

In the disadvantaged regions of the country (Northern Hungary, Northern Great Plain, Southwest) the healthcare infrastructure is less advanced than in other regions. A HRD OP measure <u>"Health infrastructure development in backward regions,"</u> supports measures between 2004 and 2006 to equalise access to healthcare. The measure has three components: establishing a Regional Health Centre model institution, creating up-to-date regional diagnostic facilities and the establishment of rehabilitation centres and complex nursing institutions. The Regional Health Centre model institution especially focuses on advancing health behaviour among the Roma population, which can assure early diagnosis, screening and treatment.

The National Public Health Programme improves, inter alia, the access of disadvantaged groups to healthcare services. In 2004, the following activities were implemented under the programme:

<u>Settlement-level and regional health promotion programmes</u> were started to preserve health and improve the quality of life in local communities. A number of unique initiatives received support in, raising health consciousness among thousands of participants. In 2005, activities are focusing on the reduction of smoking, alcohol prevention, healthy nutrition and sport especially in child, youth, kindergarten and school areas.

Other preventive and therapeutic programmes, which include timely screening for breast and cervical cancer, are also intended to improve health promotion. In 2005, expanding participation and awareness raising will continue under the <u>Breast screening programme</u>. In order to clarify the legislative background, Public Health Service are exempted, as of 30 June 2005, from the prohibition to manage data relating to health status, and a liability insurance of service providers will be introduced; furthermore, there are plans to improve the quality assurance system as well. Screening under the <u>Mobile breast cancer screening station programme</u> will start in 30 June 2005. The <u>Cervical cancer screening programme</u> started in 2003. Out off the 482,096 women notified, 13,660 were reported to have showed up for screening in 2004. In 2005, the objective is to continue screening as well as to identify and address difficulties encountered during the launch, and to radically improve participation by the use of new mobilisation strategies and by targeted communication. The target is to achieve a 50% screening ratio by the end of this government term (middle 2006).

Other programmes starting in 2005:

By the end of 2005, all men between 50 and 70 years of age should have the possibility for <u>colonic and rectal screening</u>. The target is to have 50% of the target population show up for screening.

Based on the experiences of the <u>Oral Hygiene Model Programme</u>, a national oral hygiene strategic plan will be devised by 2005 September with the objective of improving the health behaviour of elementary school students between 6-15 years of age, so that they have the necessary information and willingness, to maintain oral health. Participation in screening twice a year should become the norm, and the ratio of young people refusing early treatment should decline.

Under the <u>Complex Prevention in Basic Healthcare Services Programme</u>, the preventive tasks of family doctors will be specified, current experiences and achievements will be dispersed and support will be given to preventive programmes in basic health-care. In 2005, a smoke-quitting programme, alcohol minimal preventive programme, and programmes to prevent hypertension and diabetes will be organised.

The National Health Insurance Fund (NHIF) intends to promote prevention efforts in microregions through applications in the second half of 2005.

Among members of high HIV-risk groups, <u>HIV/AIDS prevention programmes</u> will be launched in order to raise awareness and to reduce risk.

<u>Dr.Info</u>, the first general information system accessible through the phone and Internet to provide health and social information to citizens was launched in 2004. In 2005 it will be supplemented by a publication for the general public.

<u>The National Environmental Programme</u>, which runs from 2003 to 2008, contains a subprogramme focused on health problems triggered by environmental factors, in particular on assessing and reducing health risks caused by outdoor and indoor air quality. Within the subprogramme, the environment authorities elaborated and published action plans in 2004 to improve the air quality in polluted regions and settlements. A national programme for the reduction of the emission of certain air pollutants up to 2010 was elaborated as well. To facilitate the measuring of air pollution, the development of the National Air Pollution Measuring Network continued. The review of air quality regulations will continue in 2005. Several surveys will be conducted to identify the impacts of the environment on human health; their topics include the effect of the indoor air quality of schools on the health of children.

Another sub-programme aims to perform a <u>comprehensive survey of the settlement and micro-regional environmental health problems</u>: identification of the environmental health problems of some sensitive social strata (children, Roma, people previously worked in hazardous occupations), and support to eliminate these problems. Under the programme, the survey of the environmental health problems of people living in slums is expected to be completed.

2.1.4. Information technology

In the framework of the Hungarian Information Society Strategy, internet connections will be established in every small settlements, mostly in libraries, public culture institutions or local government offices, within the <u>Public Network programme</u>. In the course of the programme, 4130 access points were established in 2004. For 2005, plans include the completion of the installation of the IT Public Network access points, the launch of monitoring and control processes, annual assessment, and the elaboration of a strategy for the post-2006 period.

The <u>eHungary Point</u> network offers public access to people who do not have their own computers. To this end, those businesses, organisations and institutions (such as libraries, public culture institutions, local governments, hospitals, old people's homes and clubs, foundations) were eligible for grants that already operated community internet access points, or undertook to establish new ones. In 2004, 1821 organisations received grants, resulting in the installation of 2104 access points. Furthermore, another 855 points were established with one-off grant agreements.

Under the <u>eOpportunity programme</u>, organisations and programmes promoting the access of disadvantaged groups to information society received one-off grants in 2004.

The EC OP measure "Extension of Broadband Telecommunication Infrastructure" supports building a broadband Internet access infrastructure in economically backward regions. The objective is to connect 500 settlements into the broad-band network, serving some half a million households, up till 2008. The beneficiaries of one of the components of the measure are SMEs providing telecommunication services to whom a call for application was announced in 2004. As part of the other component of the same measure it has been possible for local

governments to apply for funds since 2005. HUF 10.48 billion is provided to implement the measure till the end of 2006.

In 2005, courses in computer and internet use were launched to persons above 60 years living in settlements with fewer than 5000 residents, in order to promote their access to information. Participants had to undertake to peers as well to learn more about computer and internet use.

2.1.5. Culture and sports

The purpose of the '<u>Museums for everyone' Programme</u> is to involve mainly disadvantaged groups and people with disabilities in the world of museums (publications, special exhibitions). On 1 May 2004, free entry into public museums was introduced. In the course of 2004, various events were organised, publications compiled and awards granted.

Under the programme 'Development of Reading Culture in Services to Disadvantaged Library Users' funds were provided for tools and software facilitating the use of libraries for the blind and sight-impaired. 45 applicants were awarded funds. 40 more libraries will be equipped with the appropriate tools and software in 2005. The programme will be extended to people with physical impairment in 2005 as well, and assuring the physical accessibility of library buildings is also among the objectives.

The purpose of the <u>national public culture institution and library network development</u> is to assure that every settlement has public culture institutions or community venues corresponding to the needs of local residents. To this end, public culture institutions or public libraries are established, expanded or refurbished in some 50 settlement every year. The funds available for 2004 were moved to the decision making competence of regional development councils so that decisions reflect the local characteristics and needs. 65 public culture institutions (45 cultural centres, 15 libraries and 5 jointly managed institutions) were refurbished in 2004. In 2005, the aims is to develop at least 100 public culture institutions and refurbish 15-20 libraries.

The Ministry of National Cultural Heritage intends to launch the <u>Library Supply Service</u> <u>System</u> in 2005, with the purpose of providing library services to residents of small settlements especially. As a pilot project, a mobile library service will also be introduced.

<u>Developing cultural tourism</u> is a part of the programme 'For a more liveable village' and it aims to give a chance to micro-regions for development.

Under the applications announced by the <u>Sports Committee for Persons with Multiple</u> <u>Disadvantages</u>, funds were available in 2004 for the facilitation of swimming courses, the acquisition of sports equipment, and the organisation of winter and Christmas sports events for disadvantaged children and their relatives. 136 projects were supported, with 15-45 children receiving support per application.

The purpose of the <u>Moon Ray programme</u> is to provide sports opportunities to multiple disadvantaged young people, for constructive spare time activities, and, in the course of training sessions, to teach job search and job retention techniques to them. In 2004, 25-30 thousand youths participated in the events, the most popular one being night-time table tennis (alongside indoor soccer, volleyball and basketball sessions).

2.2. Reducing regional disparities

The <u>territorial and regional development fund</u>, provides funding to overcome regional inequalities. To this end, it provides assistance in the most disadvantaged regions, for the following purposes: job creation or preservation, human infrastructure development, public work programmes, equipment purchases, solution of social, economic and employment crises, continuation of the 'micro-regional inequality reduction programmes'. Using approx. HUF 15.6 billion funds, more than 850 new jobs were created and almost 1000 jobs preserved. As a result of the public institution development, road improvement etc., the living conditions of a substantially larger population were improved. In 2005, decentralised regional development and professional programmes (job creation and preservation projects, investments to promote business start-ups, improvement of micro-regional transport links, human infrastructure development) and sectoral programmes (improving internet access, social land programme, improvement of urban public road network, public work programmes) will be implemented, with an aggregate value of HUF 22.2 billion.

<u>A developmental grant aimed at equalising regional development</u> was also provided in 2004 to disadvantaged settlements. This grant has been available since 1996 to advance underdeveloped settlements, or suffer from an unemployment rate that significantly exceeds the national average. In 2004, the grants were used to implement infrastructure and human infrastructure development. In 2005, the grant will be merged with the targeted decentralised grants, and will be continued under the heading of 'Supporting the development and force majeure tasks of local governments'. 63% of the new appropriation will continue to be used towards regional equalisation projects. The main goals set for 2005: infrastructure development and renovation; establishment of surface canalisation systems, supplementary grants to earmarked and targeted subsidies, modernisation of public baths, tourisms, environment and nature protection. The budget of the grant was HUF 10.5 billion in 2004, and 16.9 billion in 2005.

To facilitate the fulfilment of the mandatory basic tasks of small settlements, assistance to <u>multi-purpose micro-regional associations of local governments</u> was started in 2004. The voluntarily organised micro-regional associations undertook to jointly perform the mandatory tasks of the local governments. Until 30 June 2004, 73 micro-regions received grants for the implementation of multi-functional tasks (public education, health care, basic social and child protection services, environment, road management, public administration, etc.) and for regional development task, and another 69 received regional development grants only. In 2005 additional funds were allocated to promote the foundation of new micro-regional associations, while the ones established in 2004 are entitled to normative state subsidy from this year on. The total budget was HUF 7.7 billion in 2004, and HUF 15.4 billion in 2005.

At this time, drinking water is not satisfactory in quality in the living place of 2.7 million Hungarians (one quarter of the population) – primarily in the disadvantaged Northern Great Plain, Southern Great Plain and Northern Hungarian territories. The multi-annual <u>Drinking Water Quality Improvement Programme</u> will bring healthy drinking water to 191 settlements, or 338 thousand people by the end of 2006, and to all the affected settlements of the country (658 settlements, 2,047 thousand persons) by the end of 2009. During 2004, the projects to be submitted for EU support have been prepared.

Settlement sewage systems are another important priority. In the areas where such systems do not exist yet, a comprehensive programme is being implemented from 2000 to 2015, the <u>National Programme for the Safe Disposal of Communal Sewage Water</u>. The goal is to have sewage systems operating in 87% of all settlements by 2015. (In 2004 the ratio is estimated to be 61%). Under the programme, partly implemented from EU funds, sewage canal systems were constructed, sewage treatment plants established, modernised or their technology improved in 2004.

The <u>three-year micro-regional inequality reduction programmes</u> aim to establish the basic and specialised social services and child welfare services within 3-4 years. Under the programme, which has been in operation for several years, 19 micro-regions of 10 counties received grants in 2004. In 2005 one additional micro-region is expected to be added to the programme.

The <u>social land programme</u>, which has been in operation since 1992, sets out to reduce the number of long-term unemployed and to improve the quality of life of disadvantaged families in underdeveloped regions. In 2004, the programme was implemented in 139 settlements in the 10 least developed counties, with the involvement of approx. 34 thousand persons (approx. 50% of them were Roma). In 2004, the grant facility was reduced to about half of the previous years level. The most important task for 2005 is to prepare the government resolution on the land programme, which serves to provide methodological foundation for the rollout of the programme.

The <u>village and homestead community care-giving network</u>, which operates in settlements with fewer than 600 inhabitants, plays an important role in providing basic services in small settlements. Out of the 1,187 such settlements in the country, the service is available in nearly 800. The goal for the forthcoming years is to further expand the network. In 2004 the Social Ministry provided grants to the establishment of 10 new services and the replacement of 21 minibuses which are the most important element of the service. A comprehensive development strategy will be prepared in 2005.

The programme 'For a more liveable village', started in 2004 and encompassing 516 settlements with multiple disadvantages, supports complex initiatives aimed at addressing employment and social problems as well as activities of environmental and cultural sustainability. In 2004, accredited training programmes were organised for the persons involved in the programmes, which could assist them in finding jobs. The preparation of the sub-programme to provide entrepreneurial skills to elementary and secondary school pupils has started. Furthermore, public work is also organised under the programmes. The above initiatives will be continued in 2005 as well.

The <u>'Cserehát' Regional Development Model Programme</u> sets out to promote the complex development of the Cserehát region through cross-border cooperation (employment, human resource development, improvement of educational facilities, providing better access to social and health care services, dissemination of information technologies). The programme is proposed to be launched in June 2005, in conjunction with the United Nations Development Programme (UNDP), covering the residents of three micro-regions, a total of 91,000 people. In 2004 the elaboration of the programming document was started, and in October 2004 the budget agreement was signed with the UNDP.

Under the OPRD measure 'Improving the accessibility of the regions and micro-regions lagging behind', road and public transport infrastructure development was implemented to strengthen the mobility of labour and to improve accessibility of public services. As a result of the measure, 477 km of roads will be renovated, and the transport facilities for over 1.5 million residents will be improved, from a total budget of HUF 19.2 billion. Furthermore, the complex development of the public transport system of 10 cities will be implemented, in the value of HUF 1.2 billion, making the daily life of 1.15 million people easier. The implementation has started in 2005.

The HRD OP measure '<u>IT development in healthcare in the regions lagging behind</u>' aims to promote the improvement of the health status of the active age population of backward regions. Under the programme, methods will be elaborated and introduced to facilitate the flow of information between health care institutions, so that the unnecessary moving of patients can be minimised. The 'ePrescription' service to be introduced will allow physicians to send prescriptions directly to pharmacies. No grant agreements were signed in 2004, but the professional preparation of the project is under way.

2.3. Ensuring an accessible service environment and justice, reducing discriminatory practices

The measures related to ensuring an accessible service environment to disabled persons are described in Chapter 5.2.

In October 2003 the Parliament adopted the law on <u>legal aid provision</u>; as a result, an institutional system has been established, where people unable to pay for such services can receive legal advice and representation in procedural law to enforce their rights and settle their legal disputes. Clients will receive the services free of charge or the fee will be advanced by the state. Attorneys, notaries public and civic legal advocacy groups included in the national registry provide the concrete legal services, and clients can choose freely among them.

The core of the institutional system established is the National Office of the Probation and <u>Legal Assistance Network</u> (hereinafter: National Office), which started its operation on 1 January 2004. The National Office has established its national network, entering into service agreements with the appropriate number of legal professionals. The county offices started receiving clients on 1 April 2004. Pursuant to the law, until 1 January 2006, they may provide assistance only in extra-judiciary procedures, while they will be able to assist in judicial proceedings after 2006 as well. The number of clients has been growing dynamically since 1 April 2004 (until the end of 2004, 14,568 clients turned to the offices). From the beginning of 2005, more than 600 clients have been seen each week.

The activities of the <u>Probation Service</u>, reorganised in July 2003 and currently employing almost 350 probation officers, encompasses the fight against the social exclusion of victims and offenders of crimes; in this respect, personalised case management and the special assistance programmes organised in the probation employment centres to be established between 2004 and 2006 will be priorities. The Service also has the objective of expending the range of alternative penalties. In 2004, close to 35,000 offenders were affected by the work of the probation officers. The Service hired 130 new employees. A general education system has been

devised, and special trainings (e.g. drugs, follow-up care) have been organised. The preparation of environment surveys and recently introduced probation officers' reports allowed probation officers to meet offenders in the early state of the criminal proceedings, which is especially important in case of juveniles. In 2005, the survey of reparation facilities will be given priority.

In February 2004 the Government adopted an <u>action programme to implement the National Strategy for Crime Prevention</u>. This programme involves a series of diverse efforts to reduce crime among children and minors, to increase urban safety, to prevent domestic violence and victimisation, and to protect crime victims. The drafting of an act on crime prevention and victim protection is among its aims as well. To implement the tasks set forth in the strategy, the National Crime Prevention Board was established in 2004 as an advisory body to the Government. In 2004, under application schemes invited by the Secretariat of the National Crime Prevention Board, 44 organisations received grants for the implementation of complex model programmes and research projects. Calls for applications for the year 2005 have also been published.

In 2005, the concept of the <u>Act on assistance to the victims of crime and the mitigation of</u> <u>damage by the state</u> has been completed, and it is now in the discussion phase. The draft bill must be completed by 30 August 2005. The purpose of the Act is to assure services for the restoration of the social position, physical and psychological condition of persons whose financial, social, physical or psychological condition has been adversely affected by a criminal act.

Operation of the <u>Roma Anti-discrimination Client Service Network</u>, started in 2001, will continue and expand in 2004-2006. The goal of this network is to offer legal assistance to Roma people in discrimination cases. The assistance includes counselling, the drafting of documents and legal representation. The services are free of charge for Roma clients. In 2004, 27 lawyers worked in the network, with presence in the capital and in at least one town in each county. Of the 1527 cases handled in 2004, discrimination was established in 97 cases. Most cases were relating to labour discrimination, residential issues, social assistance, the protection of personality rights or infringements in educational institutions. At the beginning of 2005, 5 more lawyers has been added to the staff of the Network, and services will be extended to more settlements. In order to increase awareness of its existence, the Network distributes publications, and publishes discriminatory cases.

In order to reduce discrimination in education an <u>anti-discrimination signalling system</u> is under preparation.

The <u>Equal Treatment Authority</u> started its operation on 1 February 2005, facilitating legal protection going beyond the scope required in Directive 2000/43/EC, as it may initiate official proceedings in case of any manner of discrimination. If discrimination is proved, they employ the sanctions specified in law (such as fines). To protect the disadvantaged persons and groups, the Authority may also bring class action, or labour or personality law action. In the first three months of its operation, more than 200 persons turned to the Authority, and proceedings were commenced on 60 cases. So far, complaints have been received mostly in labour discrimination issues, primarily for discrimination based on age, sex or ethnic origin. In addition, the Authority plays a consultative function in relation to Government measures concerning equal treatment.

The <u>patients'</u>, <u>care recipients'</u> and <u>children's rights advocates</u>, introduced first in the field of health care, then in 2003 also in social and child protection care, serve to promote legal protection and the enforcement of interest of patients. At the beginning of 2005, there were 52 patent rights', 26 care-recipients' rights and 27 children's rights advocates working within the Foundation for the Rights of Patients, Care Recipients and Children, covering the entire country.

Within the framework of the <u>National Equal Opportunity Network</u> programme, established in 2004, equal opportunity offices and information points have been set up on regional and microregional levels, and county Opportunity Centres are being set up. In 2004, 12 Opportunity Centres were established (in 11 counties and in Budapest). The main activity of these centres is to provide information on the government's equal opportunity and social policies, to assure consultancy services and to launch awareness raising campaigns to strengthen social solidarity. Furthermore, the offices operate the local Equal Opportunity Forum with the participation of NGOs, institutions and professionals, which will devise plans for the resolution of local discrimination problems and assist in their implementation. In 2005, by the opening of eight new Opportunity Centres, the establishment of the country network will be completed, and the professional and methodological improvement of the network will continue.

Pursuant to the amendment of the Social Act in 2004, the care recipients in day care and residential social institutions may set up <u>care recipients' self-governments</u> to promote their interests. These self-governments are typically established in rehabilitation institutions or institutions providing temporary care, but in practice these already existed in some residential institutions (mostly homes for psychiatric and addictive patients) before the legal amendment as well. To support the self-governments, their representatives receive continuous training through methodological institutes.

3. Reducing persistent and deep poverty

3.1. Targeted social assistance

The <u>amendment of Act III of 1993</u> on social administration and social benefits, which enters into force in 2005, contains two major <u>changes respecting cash benefits</u>.

On the one hand, the modification of the rules applicable to the caregiver's fee and the elderly allowance contains short term measures to assist the persons most in need, and on the other hand, it also sets out the regulation of the regular social assistance to promote reintegration into the labour market:

The <u>increased caregiver's fee</u> being introduced from 1st September 2005 amounts to 130% of the minimum old age pension. Relatives caring for severely disabled persons requiring intensive nursing will be eligible to the increased caregiver's fee. Furthermore, the caregiver's fee can be disbursed alongside with other regular cash benefits, provided that the amount of the latter is below the sum of the caregiver's fee.

On 1st January 2006, an <u>increased version of the elderly allowance</u> will also be introduced. Thus three eligibility categories will be formed: for persons past the retirement age living with spouses, both the income ceiling and the amount of the benefit will be 80% of the minimum pension; for single persons above the retirement age but below 75 years, both will be 95%, while for single persons above 75, both will be 130%. Thus measure provides higher benefits to elderly people who are unable to supplement their low pension because of their old age.

The amendment of the <u>regular social assistance</u> rules coming into effect on 1 September 2005 has three important elements from the aspect of labour market integration:

- In case of persons whose other social benefit specified in law, expires, the duration of cooperation obligation required for eligibility for regular social assistance will be reduced from one year to three months. The purpose of the measure is to assure that persons unable to find jobs are not left without social assistance for a long time.
- The cooperation obligation has also been re-regulated. The institution designated for cooperation must prepare an inclusion programme together with the recipient of assistance. The law specifies what this may cover; but the main objective is to promote social inclusion.
- The maximum duration of communal work programmes has been specified in one year. Previously the beneficiary could be employed only until he became eligible for the unemployment benefit.

3.2. Improving housing security

<u>Measures to reduce the indebtedness of households</u> include the introduction of card-operated metering, the consolidation of home loans and debt management services. Local governments can operate debt management services since 2003. In order to manage debts from home loans and unpaid utility bills, in accordance with a programme approved in 2004, the home loans will be consolidated (the repayment can be suspended for 10 years) for a narrow circle of the most needy families, while in other cases the existing debt management service will be expanded. The programme has the objective of increasing the number of recipients of debt management services by 5000 persons by 2005. The other objective is to eliminate past due loans, which is expected to affect 10,000 persons in 2005. Furthermore, approx. 1000-1100 card-operated meters should be installed in 2005, which will prevent the accumulation of unpaid utility bills because they allow only a certain amount of consumption. As a result, the debt of households is expected to fall by HUF 2 billion in 2005.

On 1st February 2005, the '<u>Nesting programme</u>' was started to provide targeted assistance to young families for the acquisition of their first homes. Accordingly, the amount of the housing construction benefit available in respect of children increased again, going to one and a half times the year 2002 level in case of one child, and 1.7-2 times that level in case of 2-4 children. The benefit is now also available for the purchase of used homes by young couples with children and by single parents. As another important element, young couples with children can now purchase their new or used homes with only 10-20% own resource, with a state guarantee. In addition, families with children living in rented housing may be eligible to a max. 30% rent subsidy from the central government if the competent local government provides the same subsidy. In addition, in 2005 the Government will earmark HUF 6 billion for the energy-saving renovation of blocks of flats; 25-30 thousand homes can be refurbished from this amount.

The measure of the Operational Programme for Regional Development (ORDP) called '<u>Regeneration of urban areas</u>' is intended to improve slums in segregated urban areas. The programme includes renovating deteriorating urban areas using support from the European Regional Development Fund (ERDF). This measure is expected to connect 30,000-50,000 homes a year to the system of public utilities or to renovate these connections between 2004 and 2006. Investments of HUF 20 billion will be implemented in 18 settlements and one district of Budapest between 2004 and 2006, which will improve the quality of life of more than half a million residents and create 140 new jobs.

In 2004, a model programme was devised for the full social integration of <u>Roma families living</u> <u>in slums</u>. The programme will be implemented in 2005/2006 through a restricted procedure. It will entail mobilisation into integrated residential areas in some cases and the rehabilitation of the residential environment in others. Furthermore, it will provide funds to facilitate access to public services. HUF 800 million is available for the programme in 2005.

3.3. Reducing homelessness

In the years to come, top priorities in caring for the homeless include reducing the number of people living on the streets and creating pathways that lead back to society.

To that end, the improvement of <u>street social work</u> will continue; in that context, normative state subsidies will be available from 2005. 39 organisations received grants in 2004 in application procedures. As the continuation of the programme, the year 2005 objectives include providing better equipment for the street social worker services (procurement of new vehicles) and the promotion of regional cooperation; the <u>regional dispatcher centres</u> provide the background for that effort. In order to improve the coordination of regional work, <u>regional methodology centres</u> were established in 2004. Since 2005, the centres have also been able to rely on normative state subsidies for their operation.

At the end of 2004, a <u>programme for the improvement of the care for the homeless</u> was adopted; it will provide opportunities for 900 homeless persons able to cater for themselves to find homes in rented flats outside the social service system. A pilot programme has also been started to provide complex support for a new start for homeless families ("Inclusive Village" programme).

A legislative amendment in 2004 targeted the establishment of six regional and four Budapest <u>health centres</u>, which are to provide emergency care, monitoring and nursing to back up street social work. These centres were set up in the course of 2004, providing round-the-clock health care and medical duty services. The goal for 2005 is the expansion of the network. The protocols of the professional work in the centres will also be elaborated.

HRD OP measures include <u>expanding day-care for homeless persons</u> in 2004-2006. The goal is primarily to evolve services that are aimed at integration into society and the labour market, and that improve the skills of service recipients and provide sheltered, semi-sheltered, or transitory employment. In the first round of applications, grants were given for the establishment of 4 institutions, while the second round is currently being assessed.

4. Investing in the future: guaranteeing child well-being

4.1. Benefits and services for families

Benefits in cash and in kind

Among the cash benefits of the family benefit system, the <u>regular child protection benefit</u> is the most significant, means-tested cash benefit to vulnerable families. In recent years, approx. 700 thousand children were eligible.

Since September 2003, meals have been free of charge in kindergartens, and since 2004 also in crèches, for children receiving regular child protection benefit. In 2004, this applied to 100,000 kindergarten pupils. In public education institutions (elementary schools, secondary education), children receiving regular child protection benefit, disabled children and children living in large families are eligible for a 50% reduction on the price of meals, which affected 343 thousand pupils in 2004. Similar figures are expected for 2005. Furthermore, after 2005 September the system will be supplemented to the effect that, depending on the decision of local governments, the most disadvantaged grade 1-4 pupils may receive free or subsidised meals, irrespective of whether they were previously eligible for the 50% discount. In 2005, because of the close-down of public catering during the summer vacation, the government will provide transfers to local governments amounting to HUF 300 million to support the summer meals of children in need.

As of September 2003, <u>free textbooks</u> became available to an even broader group of children than subsidised meals. Children who live in large families, are chronically ill, disabled, or raised by a single parent, as well as children in grades 1-4 who receive regular child protection benefit are entitled to free textbooks. Since September 2004, children receiving regular child protection benefit have been entitled to free textbooks from grades 1 to 8 (443 thousand children in total). The system is under continuous expansion to increase the number of children entitled to the benefit, which will eventually include students in grades 9-13 or in vocational training who receive regular child protection benefit.

From 1st January 2006 the regular child protection benefit will be built into the family allowance, but the entitlements connected to the regular child protection benefit (entitlement to free textbooks and meals) will still available for the beneficiaries. From 2006 a new kind of children's benefit system will be devised from a fund of HUF 20 billions.

Child welfare service

The national system of child welfare services is intended to manage the problems of children raised in disadvantaged families. As a change in the system, from 1 July 2005 settlements with more than 40,000 inhabitants will have to establish so-called <u>child welfare centres</u>, operate "street children" projects by providing street and district social work, and provide hospital social work for neglected and abused children and for mothers in crisis. On-call services must be organised in child welfare centres, and liaison services may also be established to promote contacts between children and the divorced parent. As preparation for the special services of child welfare centres, in 2004 seven institutions received grants to establish social work in

hospitals. In 2005, normative subsidy will be introduced for the establishment of child welfare centres.

In the framework of improving <u>care for special-needs children</u>, a call for applications was published in 2004 for child welfare institutions, with the following objectives: youth counselling for young people in difficult situations, establishment of alternative day care facilities, sports and spare time services as well as team or club sessions to operate peer support and community building programmes. In total, 98 programmes were awarded grants.

Targeted programmes

In 2004, the <u>'Sure Start'</u> programme was launched (an adaptation of a UK programme). The programme is operated by inter-sectoral cooperation involving NGOs, aimed at complex support to families with children under 6 years of age living in disadvantaged villages or in urban blocks of flats. The goal of the programme is to coordinate the work of the existing social, educational and health care institutions and to involve NGOs and volunteers in helping children under 6 years of age to catch up with their peers. The adaptation of the programme to Hungary began in five geographic areas where there were regional disadvantages as well as other risks of exclusion. 'Sure start basis institutions' were established, and cooperation and development programmes started with 580 children. In 2005, work will be started on the methodological foundations of the roll-out of the programme (elaboration of manual-books and procedures, establishment of a network of desk officers).

Additional programmes support local governments in the operation and development of youth information and counselling offices, the establishment of youth community venues, and in the operation of programmes that promote community values. From that purpose,156 community programmes were implemented under the <u>"We need a place"</u> programme in 2004. In case of the youth programme applications to be launched in 2005, the targeting of disadvantaged groups will be a special evaluation criterion.

4.2. Enabling education

An OPRD measure being implemented between 2004-2006, and aimed at assisting the <u>increase of pre-school places</u> and the infrastructure and IT development of <u>elementary schools</u> in disadvantaged micro-regions, primarily in settlements with a high ratio of Roma residents, promotes the participation of Roma children in elementary education. The available sources had been used up in 2004. Therefore in 2005 the Ministry responsible for regional development subsidizes the development of educational establishments from its own budget.

In the 2004-2005 funding of the <u>multi-purpose micro-regional associations</u> priority was given to provide basic education in public education sector by associations. <u>Micro-regional associations</u> have been obliged since 2004 to draft a public education action plan.

Integrated education

To prevent disadvantaged and Roma students from dropping out of school and to reduce the prevailing school segregation practice, as of September 2003 a programme of *integrated education* was established in grades one and five of elementary schools and grade nine of vocational schools. This programme included the introduction of <u>integration training</u> in the aforementioned grades. The goal of integration is to eliminate segregated classes. The institutions engaging in integrated education are professionally assisted by the National Education Integration Network through its regional coordinators. At present there are 45 basic institutions operating in the regions where the most Roma live.

On 1st September 2003, 8,800 first-, fifth- and ninth-grade students started their studies in the framework of integration training, while in September 2004, as much as 16,300 students. The integration subsidy, received by the maintainers of schools after children participating in integrated education, was increased to HUF 60 thousand in 2004. In 2005, the programme will continue and the establishment of the legal background necessary for the monitoring of the programme will be commenced. Also under the integrated education programme, students in the other grades were supported in evolving their capabilities, also with normative subsidy. In the 2004/2005 school year, 31,300 students have participated in such education. The programme will be continued in 2005.

Up till 2006, 11,500 teachers and supportive professionals will be trained as part of the preparation for integrated education, and new teacher training / further training packages will also be devised.

The goal of a project called <u>"Out of the Back Row"</u> is to reduce the number of (often Roma) students who are unreasonably labelled as disabled and to return them to classes with general curricula. In order to achieve the above goals the necessary legislative amendments have been made. For example, the expert rehabilitation committees investigating the learning abilities of children will not be allowed in the future to declare any pupil mentally handicapped without medical examination. Since September 2004, local governments have been entitled to higher normative subsidy for children thus returned to mainstream education. In 2004, there were 2100 children mandatory reexamined by independent specialists, and 212 children returned to mainstream classes. The non-culture-biased tests that are essential for the programme will be standardised in 2005.

Other programmes assisting students in disadvantaged situations

In September 2005 the <u>'Send-off'</u> programme will start, an expansion of the existing scholarship system targeting four groups of disadvantaged students: the 'Road to the secondary school' helps at least 8 thousand students in the 7th and 8th grades of elementary education, while the 'Road to the A-level" helps the same number of secondary school students. The 'Road to a vocation' supports 2 thousand vocational school students, while the 'Road to sciences' gives assistance to 4 thousand students of outstanding abilities intending to go on to tertiary education.

Since 2004, '<u>Study halls'</u> have been established to promote extra assistance to disadvantaged children in their educational attainment and qualifications, thus promoting their further education and reducing drop-out rates. Study halls assist especially Roma children in the higher grades of elementary school and in secondary schools. In the framework of an HRD OP

measure, 23 study halls were established, with the participation of approximately 2000-2500 students and staff. In 2005 the network is expected to expand.

As a new element in education, as of September 2004, in the first three grades of primary school children cannot be forced to repeat a year because of scholastic results. It has been found that most children forced to repeat a year could make up arrears with a bit more time spent on improving basic literacy and numeric skills. Since September 2004 it has been possible to prolong the period of time devoted to basic literacy and numeric skills, but it is too early to report on results yet.

The objective of the <u>Digital secondary school programme</u> is to help Roma early school leavers obtain A-levels and vocational qualifications with IT support. In 2004, the course materials for the 9th grade (1st grade of secondary school) were completed, and the first groups were taught on that basis. 120 students enrolled in the 2003/2004 school year. The dropout rate was 28.3%. In the 2004/2005 school year 159 students enrolled and the 10th grade was also started. In September 2005 the 11th grade will also be launched and the necessary course materials will be designed. The programme is proposed to be extended to the regions of the country with the highest Roma population.

In higher education, <u>affirmative action</u> or positive discrimination, is being introduced as of September 2005. This will help students currently or previously participating in child protection services as well as young people in disadvantaged situations who receive regular child protection benefit, if their parents' education levels do not exceed primary school. As of 2005, in line with the affirmative educational policy, disadvantaged student may be admitted to college with only 80% of the admission threshold score. The students thus admitted are also assigned a mentor to help them with their studies.

4.3. Enhanced enforcement of children's rights

As a step forward in combating child abuse, the amendment of the Child Protection Act that came into force on 1st January 2005 declares that "children may not be submitted to torture, corporeal punishment or other cruel, inhumane or degrading punishment or treatment".

To assure the protection of children's rights, a <u>government commissioner for the rights of</u> <u>children and youth</u> was appointed in October 2004.

The network of <u>children's rights advocates</u> has been established nationally; at present, there are one or two advocates in each county, 27 altogether. The advocates received the requisite training. They help the enforcement of the rights of children in child protection care and they monitor the work done in educational institutions in the field of child protection and, if necessary, they may initiate public guardianship authority proceedings.

5. Mainstreaming the fight against social exclusion in respect of the main target groups

5.1. Mainstreaming the fight against the social exclusion of the Roma

In 2004, the Hungarian Government adopted a <u>medium term government programme to</u> <u>promote the social integration of the Roma</u>. The programme requires inter-sectoral cooperation and the enforcement of the following horizontal objectives from planning through implementation to evaluation: equal treatment, elimination of segregation, complexity, positive discrimination, maintaining cultural identity, modernisation, separation of the social and ethnic dimensions. The package set a wide range of tasks for ministries in terms of equality before the law, improvement of the quality of live, housing, employment, education and training. In January 2005, a uniform set of criteria was devised for financial and professional reporting, to assure more thorough monitoring. Under the programme, the following measures are implemented in 2004/2005:

- To promote equality before the law, the <u>Roma Anti-discrimination Client Service Network</u> was expanded, giving legal assistance to Roma clients in discrimination cases. <u>The Roma Conflict Management and Legal Protection Fund</u>, continuing its work started in previous years, supports organisations giving legal protection against discrimination of the Roma, and also supports the organisation of professional conferences, conflict prevention and management programmes.
- The model programme devised in 2004 to *improve quality of life and housing* serves to promote the <u>full social integration of Roma families living in slums</u>. The programme will be implemented in 2005/2006, through a restricted call for tenders, and aims to improve housing conditions as well as access to educational, social, health care etc. services in the affected settlements. The programme means mobilisation into integrated residential neighbourhoods in some cases and the rehabilitation of the slum in others. Furthermore, it provides funds to facilitate access to public services.
- Priority government programmes continuously operating in the filed of *education and training*: promoting pre-school education of disadvantaged, in particular Roma children (development programme, free meals), programme of integrated education; the 'Out of the Back Row' programme facilitating the return of children unreasonably labelled as disabled into classes with normal curricula, 'Study hall' programme (see Chapter 4.2.).
- Other important programmes in operation, not specified in the first Hungarian NAP/incl:

<u>"Run forward" programme</u>: promotes the learning of languages by disadvantaged and Roma young people. Under the programme, 10% of Roma children may learn some world language in 4 years.

<u>Vocational school development programme</u>: in the 9th-10th grades, students can obtain the general skills and knowledge required to participate in vocational training, then in the 11th-12th grades, practical training receives priority in the vocational training centres of companies and in training workshops. In April 2004, the framework curricula for the

various fields of education were completed; based on these, training started in 70 institutions in the 2004/2005 school year.

The János Arany Talent development programme, which has been in operation for several years, helps students in disadvantaged situations to continue their studies. As a new sub-programme, a dormitory programme was launched in 2004, providing triple normative state subsidy for dormitory accommodation in respect of disadvantaged children.

The <u>Public Foundation for the Hungarian Roma</u>, established in 1996, focused primarily on providing assistance to the elementary, secondary and higher education studies of Roma students in 2004. In that year the Public foundation funded scholarships to approx. 45 thousand young people in total.

- Programmes for the *employment* of the Roma are described in detail in Chapter 1.2.
- The 'Digital Secondary School' programme promotes integration into the information society, providing assistance to young Roma dropped out of public education in obtaining A-levels and vocational qualifications with IT support. In the 2004/2005 school year, 159 young people joined the programme, which started in 2003. In 2005, the programme will go into its thirds school year, and the design of course materials for the various grades is ongoing.
- To promote the *preservation of culture and identity*, the <u>Roma Cultural Fund</u> supports NGOs engaging in cultural activities and Roma artists. The Fund gave support to 32 applicants in 2004. The <u>Roma Coordination and Intervention Facility</u> provides funding to eliminate crisis situations endangering the operation of Roma minority self-governments or Roma NGOs that arose for reasons beyond their control. The Fund supported 81 organisations in 2004.
- In the field of *health care*, a model programme operated in 2003-2004 to improve the access of disadvantaged groups, especially the Roma, to <u>social</u>, <u>child protection and health services</u>. In an application procedure, 16 organisations (Roma minority self-governments, associations, foundations) received funding for the elaboration of innovative models. Under the <u>"Tolerance for health"</u> programme, 5 hospitals introduced a model in 2004, with the objective of evolving inclusive forms of service tolerant of the Roma. The inclusion of the Roma in the greatest possible numbers is also a special consideration in the various prevention and screening programmes.

In 2004, the <u>International Decade of Roma Integration</u> was elaborated, which allows for the implementation of wide-ranging measures, with the participation of nine Central Eastern European countries, to promote the social integration of the Roma and eliminate their exclusion, between 2005 and 20015. In 2004, the Roma Integration Decade Secretariat and the international steering committee consisting of government and NGO delegates were set up. In addition, the practical aspects of the programme were elaborated in four main areas (employment, education, health care, housing). The participating countries prepared their own action plans. The ceremonial launch of the programme was held in February 2005. Furthermore, an International Roma Education Fund has been established, intending to promote partnership between the government and NGOs.

The <u>"Inclusive Society Programme"</u>, started in 2004 with EU support, serves to enhance tolerance for Roma people. The programme consists of research, communication and pedagogical elements. To make the Roma image projected in the media more realistic, a comprehensive pro-tolerance media campaign is implemented in three stages in 2004-2005. A further training programme for teachers will also be organised, resulting in 250 trained teachers developing pro-tolerance programmes in respect of their own schools. The related project 'Local tolerance programmes' supports, through applications, local initiatives in the media, education and employment.

5.2. Mainstreaming the fight against the social exclusion of people living with disabilities

The <u>survey</u> of the physical and communicational <u>accessibility of Hungarian</u> local government and public administration institutions was completed in 2004. It was established that a significant part of the buildings of central or local governments are not yet accessible, even though the Act on the rights of disabled persons and on assuring their equal opportunities, which was adopted in 1998, required public buildings to be physically accessible by 1 January 2005. Early in 2005 a government resolution was adopted requiring that the complex access to public services must be assured by 31 December 2010. In addition to the final deadline, annual interim deadlines for various categories of public services will be set, to allow for the planning and monitoring of implementation. This reflects the conceptual change that access must be assured in light of the different needs of all groups of the disabled.

The ministry responsible for equal opportunities provides support through applications to local governments to assure physical accessibility. Under the applications of 2004, 111 local governments received fund for assuring <u>disabled access to public buildings</u>. In 2005, a similar total budget will be available with the objective of supporting the physical accessibility of at least 150 buildings.

Furthermore, under an application programme, <u>disabled access to outdoor public spaces</u> will be assured. The objective is to assure disabled access to public spaces in 8 counties, through public work programmes. Thus the programme also offers job opportunities to disadvantaged unemployed persons.

In 2004, the national, systematic development programme of <u>PES institutions (Rehabilitation</u> Information Centres, offices and training centres) continued, giving priority to the communication access component of complex accessibility. The communication accessibility initiative can be extended to the entire country in 2005.

A <u>PHARE programme</u>, running between 2003 and 2006, aims to assure disabled access to educational institutions and sports facilities. Under the first round of applications in 2004, 15 elementary and secondary educational institutions, 7 higher education institutions and 6 sports facilities received grants, while the 2nd round funded 8 higher education and 13 sports facilities, bringing the total number to 49. Implementation is expected to be completed by 2006.

In 2004-2006 applications can be submitted for grants to projects <u>improving physical access to</u> <u>commercial accommodation and catering facilities</u>. The facility will give grants to some 20 service providers.

In the field of disabled access to transportation, in accordance with the EU recommendation, the system of <u>parking permits</u> to the disabled with restricted mobility has been modernised. New parking permits have been issued to some 25 thousand persons.

As a priority within assuring information access, the <u>regional sign language interpretation</u> <u>services</u> for people with hearing impairment have been expanded. In 2004, 6 regional services were in operation, while in 2005 the funds available for the expansion of the network have been more than doubled, which will be used for professional improvements and for the establishment of county-level services.

The programmes promoting the employment of disabled persons and persons with reduced working capacities are described in Chapter 1.2.

In the field of education, the programme '<u>More disabled youth in higher education</u>' stands out. It sets out to assure that the number of disabled persons studying in higher education increases by 2.5 times between 2004 and 2006. To that end, information conferences are organised annually for disabled young people.

In the field of social services, the priority for 2004-2006 will be to care for disabled person in their own home environments. To that end, a network of <u>support services</u> has been set up. The services have been entitled to normative state subsidy since 2004. In 2004, 21 new services were established. The objective is to launch approx. 20 more services by 2006. Furthermore, in 2005 there is a call for applications available for the establishment of residential homes for disabled persons and persons afflicted by autism and for improving disabled access to such homes.

EU funds are also available between 2004 and 2006 for improving the <u>day care services</u> for persons with disability and the establishment of new institutions. In the first round of applications under the HRD OP, 12 applications were awarded grants of HUF 1 billion in aggregate. The results of the 2^{nd} round are expected to be published in the summer.

5.3. Gender mainstreaming

To help victims of domestic violence, the establishment of a network capable of providing complex (legal, psychological, social) assistance was started in 2004, providing services through the telephone and in person, and also offering protective shelters. In 2004, training was organised for the professionals of the Budapest districts, and an awareness raising campaign was implemented. The Protocol on the professional principles of the first Hungarian <u>Crisis</u> <u>Management Centre</u> and the Procedures of its operation were also completed. A help line, operating in working hours, was started up for battered women. After April 2005, the centre continues its operation in a new structure, as a round-the-clock service.

At present, parents running away from home with their children because of violence or a family crisis can receive temporary care in the temporary homes of families operating within the social service system. Currently there are 90 such homes in the country with 2300 places. On that

basis, the establishment of a <u>Regional Crisis Service Network</u> was started in 2004, facilitating the placement of the affected families and of individual victims of domestic violence. In 2004, 8 institutions received grants (in seven regions and in Budapest) to increase the number of places. The professionals of the institutions received special training. The reinforcement of the network is promoted by an amendment of the Child Protection Act to the effect that as of 1 July 2005, settlements with more than 30 thousand inhabitants must operate temporary homes of families. The establishment of a secret, closed shelter is also in progress.

5.4. Activation and dignity for the elderly

In order to improve the financial situation of the elderly, the 13^{th} month pension will be gradually introduced between 2003 and 2006, corresponding to an approx. 2% pension increase each year. In accordance with the plans, in 2004 an additional two-week pension was paid in two instalments, while in 2005, three weeks of additional pension will be paid in two instalments. Together with the pension increases during the year, this resulted in the real increase of 2.5% of pensions in 2004, while in 2005, the real growth is expected to be 3.8%.

To create a senor-friendly physical and social environment, the research to establish methodological standards required for the establishment of <u>senior friendly flat</u> was conducted in 2004. The technical report and publication on the technical parameters of safe homes will be completed in 2005.

The '<u>Senior friendly local government</u>' award was issued for the first time in 2004, to encourage local governments to take innovative measures improving the social participation and quality of life of senior citizens. The applications were met with keen interests, with 120 local authorities applying. The best applications and best practices will be presented in a publication in 2005. The call will be issued in 2005 again.

To <u>shape societal attitudes</u> towards the elderly, conferences (e.g. "International Day of the Elderly") were held in 2004, a study was conducted on the learning and spare time habits of the elderly, and a photo competition was announced for young people about the elderly to strengthen inter-generational solidarity. In 2005, a county level model programme will be launched to promote inter-generational cooperation.

In order to improve access to public services (primarily social and health care services), between 2004 and 2006 the priority will be the development of forms of service allowing for this group to remain in their homes (home care, 'signalling' home care system). In 2004, more than 61% of settlements provided home care, but such services were lacking in a lot of small settlements. In 2004, 75 settlements received grants to introduce home care or meals provision, or to improve the conditions of existing services. To assure that home care is available in every settlement by 2006, the financing system was altered as of 1 January 2005. The former resident-based normative state subsidy was replaced by financing in proportion to the number of care recipients, which is expected to allow even under-funded smalls settlements to operate such services. The facilitation of the signalling home care system will be another priority, in 2005 mainly on the two counties where no such services have existed until now. The objective is to have signalling home care systems operating in 500 settlements by 2006.

In 2005, funds are available through applications for the establishment, in old people's homes, of units specifically adapted to the needs of elderly people suffering from dementia. The objective is to create places for 150 persons by 2006. In 2004, 30 institutions received grants, and a total of 50 places were created. In 2005 a similar magnitude of improvement is expected.

In health care, the <u>improvement of geriatric services</u> is an objective. In 2004, the service covered 250 in-patients and 400 outpatients, as a result of the establishment of an independent geriatric ward. In 2005, a twenty-bed geriatric ward will be opened, and more geriatric and hospice wards may be established from application funds.

A <u>Psychological help-line</u> available in the whole country has been operating for years for elderly people who are in crisis situations or who are lonely.

5.5. Supporting persons with mental disorders or addictions

The reduction of alcohol consumption and the treatment of alcohol patients are supported by several programmes. Under the <u>National Public Health Programme</u>, applicants received funding in 2004 for projects aiming at the early identification of alcohol abusers at workplaces and the elaboration of the related organisational and service methods. The detailed professional criteria will be devised in 2005. In 2004, the basic and specialised health care services were improved to facilitate early treatment of alcohol abusers, and the NGOS and self-help groups of rehabilitated alcohol dependents also received grants. 30 self-help groups of alcohol and drug addiction victims were formed in 2004.

In the framework of the fight against drug abuse, application funds are also available for the development of drug clinics and rehabilitation institutions, and preventive activities were also implemented with PHARE support.

Under the <u>national drug strategy</u>, the following main areas were supported during 2004:

- Prevention: preventive programmes operate continuously, targeting secondary schools; and other programmes in institutions such as prisons and spare time facilities where drug-consumers and drug-prevention are dealt with have been subsidized;
- Treatment, rehabilitation: infrastructure and human resource development in institutions dealing with drug problems;
- Re-socialisation, re-integration programmes: institution development, training and further training programmes, launching pilot programmes aiming at sheltered workplace creation;
- Damage mitigation: operation of low-threshold institutions, help lines, day shelters, proactive street work, needle exchange programmes, programmes ensuring the safety of bars and discos;
- Social science research: support to research aimed at reducing the social exclusion of drug users and drug addicts, surveys of social attitudes towards the drug problem;
- Diversion: supporting the development of infrastructure needed for diversion;

- Publications: subsidizing professional publications and books on prevention of drug consumption
- Supporting the establishment and the operating of Social Forums on Drug;
- Training of experts dealing with drug users and drug prevention as well as of peer assistants and of vulnerable social groups.

These directions of support will be continued in 2005. New programmes will be added such as subsidizing IT tools which can be used in drug prevention, as well as supporting the complex programmes of institutions specializing in drug users and drug prevention.

One of the main direction of the development of the social service system both in 2004 and 2005 is the <u>establishment of community-based services</u>. The objective is to establish 80 new community-based services between 2004 and 2006 both for psychiatric as well as addictive patients. In 2004, 20 community based services were established for psychiatric patients and 7 for addicts. Furthermore, 10 rehabilitation institutions for addicts were expanded. In 2005, funds will be available for the establishment of rehabilitation homes as well.

5.6. Promoting the social integration of immigrants and refugees

Even though the number of foreigners living in the country or expected to stay here for a longer of time (immigrants, residents, refugees, holders of long-term residence permit) is considerably lower in Hungary than in Western European countries, their numbers are expected to grow in the future, therefore it is essential to establish instruments to promote the comprehensive social integration of this group. At present, Hungary offers complex integration programme packages to recognised refugees (e.g., 360 hours of free language course, complex integration programmes based on societal and labour market knowledge training). The improvement and extending this to other groups of non-Hungarian citizens is under way.

Between 1 January 2003 and 30 June 2004, a comprehensive programme sponsored by the Dutch Foreign Ministry was implemented for devising the institutional framework of a comprehensive refugee and immigrant integration policy, under the <u>MATRA programme</u>.

In September 2005 a 15-month <u>Twinning project</u> is to be started with the primary objective of the training of professionals of local governments and of labour centre staff who come in contact with foreigners during their work.

Two projects will be implemented under the <u>EQUAL</u> Community Initiative, their start expected for the autumn of 2005, targeting the labour market and social integration of asylum seekers.

The European Refugee Fund supports 24 additional projects. With the help of this fund refugee camps can be modernised and NGOs working in the field of refugee and migrants issues can also be supported.

6. Mobilising all relevant bodies for social inclusion

6.1. Cooperation between sectors and levels of the public administration

The change in the government structure in October 2004 allowed the social policy and equal opportunity functions to be concentrated in one ministry. The establishment of the <u>Ministry of Youth, Family, Social Affairs and Equal Opportunities</u> reinforced the position of this area within the Government. Furthermore, Roma and equal opportunities desk officers have been appointed in almost every ministry, with the responsibility of enforcing considerations of the equality of opportunities of disadvantaged groups in the sector concerned.

In 2004-2005, the <u>Interministerial Committee to Combat Social Exclusion (ICCSE</u>), set up to draw up and monitor the NAP/incl, continued its work. The Committee is kept informed about the applications and activities of the Community Action Programme to Combat Social Exclusion, and comments on the reports of the independent expert. In addition, the Committee receives information about the enforcement of social integration and social cohesion aspects within the regional planning processes and in the course of the drafting of the 2nd National Development Plan (2007-2013).

Early in 2005, the <u>METOD methodological working group</u> was established under the auspices of the Committee to Combat Social Exclusion. The working group consists of experts from major research institutes, ministries and associations of local governments. It is responsible for consultations and recommendations relating to the Laeken indicators and tertiary indicators. It is also responsible for the methodological discussions about the major Hungarian social statistical surveys (e.g. EU-SILC, Micro-census), and recommendations to the Government concerning data needs in this area.

The establishment of cooperation between ministries and the various territorial levels is fundamental for effective development policy. In the course of planning for the 2007-2013 programming period, the enforcement of social inclusion aspects in regional planning is promoted by the Regional Social Policy Planning and Development Network (see Chapter 2.1.1.). Furthermore, a <u>co-operation agreement</u> has been drafted between the ministers responsible for youth, family, social affairs and equal opportunities and the regional and territorial issues, and the regional development councils, with the objective of reinforcing cooperation between these sectors and the regions to promote social cohesion and equal opportunities.

To assure that social cohesion, as a precondition of competitiveness, is appropriately reflected in planning for 2007-2013, the so-called <u>Cohesion criteria</u> have been devised, and the revisiting of the equal opportunity criteria is also on the way.

To implement the tasks set forth in the National Strategy for Crime Prevention, the <u>National</u> <u>Crime Prevention Board</u> was established in 2004 as an advisory body to the Government.

6.2. The involvement of the civil society

Today in Hungary the Central Statistical Office has some 53 thousand non-profit organisations registered as operating (2003), most of them, however, have little clout. The NGO sector must be strengthened in order to be able to undertake certain social, cultural, educational and community development functions from the state. To this end, taxpayers may donate 1% of their personal income tax to the NGO of their choice since 1996. In 2004, approx. 23 thousand organisations were beneficiaries. In addition, since 2004, the central budget has matched the amount donated by taxpayers to NGOs under the <u>National Civil Fund Programme</u>. In 2004, this amounted to approx. HUF 7 billion. The central budget is allocated by regional and professional boards, mostly composed of delegates of NGOs. In 2004, 4130 organisations received funds in the 1st round of applications, and another 2100 organisations in the 2nd round. During 2005, a similar magnitude of funds is expected to be allocated, also in two rounds.

The draft of the <u>Bill on Public Interest Voluntary Activities and the Legal Status of Volunteers</u> has been devised following wide-ranging public discussions, and the Parliament is expected to approve it in 2005. The law will regulate and institutionalise the legal relationship relating to voluntary activities of public interest, thereby promoting the reinforcement of civil communities and improving the quality and social status of voluntary work.

The most important forum of social dialogue is the Social Council. The Council was reformed in 2005, and continues its work under the name of <u>Social Policy Council</u>. The reorganised national council and the regional councils to be established will commence their work in September 2005.

At the beginning of 2005, the <u>Social Sectoral Interest Conciliation Council</u> was also re-formed, with the task of coordinating interest conciliation about legal regulations and bills with a social aspect. The members of the Council include representatives of the government, employers, social institutions, trade associations and five large trade unions operating in this sector.

In 2004, a <u>network programme to support community initiatives</u> was started under the coordination of the Social Ministry, with the participation of community workers. Under the programme, local action programmes and processes were started in almost two hundred settlements and housing estates. The programme proposed for 2005 concentrates on the expansion of the network, mainly in small settlements.

The <u>Hungarian Anti-Poverty Network</u>, established in the spring of 2004, became a member of the European Anti-Poverty Network (EAPN) in November 2004. The purpose of the Network is to provide publicity to the problems of poverty and exclusion, to organise awareness raising campaigns and conferences, to monitor the Government's measures and to make proposals to the Government.