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**The problems of urban development planning and  
funding withdrawal after the accession to the  
European Union in Csongrád county**

Thesis of Doctoral (PhD) dissertation

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## I. The reason of the research and its actuality

The economic-social processes accelerated by the 20<sup>th</sup> century did not leave the cities untouched, an intense differentiation can be observed among the various types of cities. It is doubtless that the most significant developments are implemented by the cities that can quickly respond to new challenges and changes in politics, economy and society. This is also influenced by the local and exterior characteristics of cities. The change, decline and renewal of the city-functions significantly affect the development of the spaces of within cities. Cities possess numerous positive characteristics (creativity, innovations, culture, entrepreneurial spirit, etc.) that are the pillars of modern, successful and knowledge-based economies and have grand importance in the increase of the regional performance. The economic, technological-architectural and social questions are deeply imbedded into the development tasks of cities. Just like the city cannot be interpreted exclusively from economic or technical point of view, these questions also cannot be handled separately from each other. Cities mean simultaneously spaces for living, residences and mental values. Consequently the economically competitive space, the home and the sustainable city have to be assured for the inhabitants at the same time (the Lisbon-criteria). When developing an urban-system one of the most important aims is to strengthen the cooperation among the cities: the spatial development can be harmonic only if the cooperation between cities becomes realised, if they form a network at any scale (at the level of regions or groups of regions) and if the cooperation between them is established (Rechnitzer J. 2009). The condition of balanced spatial development is the partnership of the cities and the rural areas depending from them in so many ways. To increase the advantages in competitions is of primary importance (Urban-rural relations in Europe ESPON). The considerable part of rural areas is less developed than the central or urban areas, which have a leading role in the changes taking place. Urban spaces are not regarded to be obstacles or reasons for conflicts; on the contrary, they offer opportunities and form bridges for development. However, the dimensions of urban development have, without any doubt, been expanded.

By Hungary's accessing to the European Union the core of its urban development has been modified. The emerging new resources created new opportunities in urban development. The accession to the European Union in 2004 meant a significant change for the development of the Hungarian towns, villages and urban system. The simple reason for this is the appearance of the applicable financial resources of the highest amount so far.

## II. Research objectives

The aim of the study was to reveal how the cities in Csongrád county (listed into categories) have been able use the developmental resources increased after Hungary's accession to the European Union, what results they achieved and what effects the membership had on the development of the cities.

## III. Applied methods

The first step of the research was to define the settlements that were the subjects of the study. To carry out the research it was of primary importance to divide the settlements into categories. categorisation was needed, since the competitiveness of the settlements can be compared only if they are compared with items of their own category, i.e. with settlements of similar size.

There had been numerous attempts to categorise the settlements of Csongrád county. The difficulty of categorisation could be finally solved by creating groups on the basis of various principles. While the group of small cities and the group of medium sized cities were defined on the basis of the number of their inhabitants, the towns with county rights was set on the basis of administrative classification. Consequently the categories are the following:

- **small cities (less than 10,000 inhabitants):** Mórahalom, Sándorfalva, Mindszent
- **medium sized cities (between 10,000 and 30, 000 inhabitants):** Csongrád, Makó, Szentes
- **towns with county rights:** Hódmezővásárhely, Szeged.

The factors effecting the cities' growth and development were examined by using various methods. These were: document analysis, comparative analysis and deep interviews. Using and analysing the literature available concerning the topic, documents on development and planning, professional materials, legal acts were needed to follow the processes in the society and economy.

During the interviews carried out in all the settlements belonging to the various categories the focus of my interest was the same: the changes, limitations and challenges caused by the accession to the European Union. These were the focal points of the interviews in the case of the small cities, medium sized cities and the towns with county rights as well. The following questions were asked in the deep-interviews:

- What changes have been appeared regarding the opportunities to develop the cities since Hungary's accession to the European Union?
- What limiting factors do you sense in regional development?
- What novelties, opportunities (excluding the political ones) have been emerged in urban development and regional development since 2004, when Hungary accessed to the European Union?

Similarly to the experts and analysers of the topics, I also presupposed that competition and rivalry have become stronger between the settlements since Hungary's accession to the European Union, and the settlements regard the applicable developmental financial resources to be the single benefit of Hungary's membership.

### III. The summary of the results

1. In the case of the examined cities it can be undoubtedly stated that **the only and most positive result** of the accession to the European Union was **the sharp increase of the applicable funding that can be spent on the development of the cities in question**. The resources are often used in an allocative, and ad hoc way by the settlements, which in fact projects the needs of the past and present, and is not future-oriented at all. At the examined cities it was stated several times that they "apply what financial support is given for". The developments generated in this way are usually not connected to each other in a coherent way, and as the developments are discrete points that are not based on each other, they do not produce the required multiplicative effect. In many cases not the required developments are carried out, if the funding needed for their realisation is relatively easy to obtain. Developmental situations are not accessed adequately, the central regulation of distributing the funds is unsettled, the monitoring and feedback of the developments carried out are occasional, the experiences are not utilised in further development and planning (this is characteristic of both the authorities and individual applicants).
2. **There are numerous problems on the side of the decision-makers and authorities as well:** there is no financial resource to support some of the winning applications, thus they are put on a reserve list. Even if these cities may have a winning project, its execution cannot be started. Complex developments represent another problem: the complexity means that projects are implemented by using the financial support gained from several operative programs. It may happen – despite numerous harmonisation processes and promises – that only some parts of the project are supported. The professional

panel may suggest a reduced technological content. The decision-makers and the authorities often make mistakes: applications are announced without social harmonising, leaving to short a period of time for harmonisation processes and for expressing opinions. Occasionally the already published announcements are also modified. In some cases the modification of the conditions of support and the supporting contracts of the winning projects are carried out without asking, and the applicants are informed only afterwards.

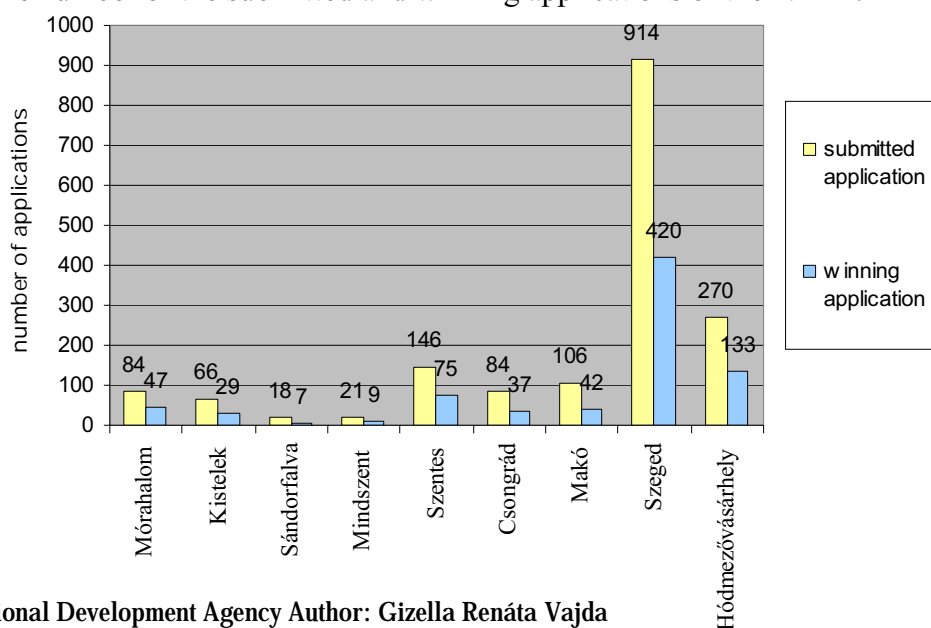
3. General problems are **the excessively bureaucratic method of the application-system** and the overcomplicating applications, the poor quality and quantity of communication with authorities, the contradictions and constant changes in law, the administrative burdens of acquiring resources and the problems of having own funds. Another problem of the authorities' is the stalling IT-system, the lack of human resources and order of procedures. Due to the deficiency in data-fixation the stage of the projects is difficult to follow. It is a systematically appearing problem that the application-process for a project reaches a stage earlier than it is prescribed by the procedure. The existing orders of procedure are changing several times a year, and due to their great number they are difficult to follow. There are problems with the potential beneficiaries and applicants as well: they are frequently unprepared, unpunctual and have only superficial information. The evident outcome of this is that the elaboration-level of the applications is low (although announcements of the projects are published in time and theoretically there is enough time for elaboration, the project managers notice them too late) and nearly all the applications need further supplementation. **The project managers do not take their projects seriously enough**, they often employ incompetent personnel, they do not meet the deadlines and the requirements of contracts and thus their implementation are not executed smoothly. Consequently project managers play a significant role in the unsuccessful winning of the financial resources and in the rejected applications. All of the cities **create general frameworks for development, often deviate from the plans and withdraw resources to implement "developments" that are actuality maintenance works that were not carried out previously.**
4. **There is no cooperation between the examined cities.** The small cities and the medium sized cities did not mention that they were cooperating with other cities, or they would be planning to cooperate in the future. **The relationships between the mentioned cities are weak**, in some cases they hardly exist. There is nearly no relationship between Hódmezővásárhely and Makó, it is rather weak between Szeged and Hódmezővásárhely, and although the relationship between Szeged and Makó is slightly stronger, it is not intensive enough to mean a strong cooperation between these cities. The cities' willingness to cooperate is often determined by the political affiliation. Unfortunately, the interests of the cities and their inhabitants seem to be less important than the cities' political affiliation when the applications are evaluated. **There are several reasons for the weak cooperation: artificial competition** generated by the project-system (for example between the city centres and smaller settlements belonging to the area, and between the "underprivileged subregions", "the most underprivileged subregions" and "the most underprivileged subregions in need for complex program"), the lack of culture to cooperate, insufficient constitutional abilities and skills, insufficient territorial and strategic approach, the deficiency of cooperation in territorial

planning. **The present project-system does not motivate the cooperation of the cities and subregions;** no projects are published that would enhance the collaboration of the cities or subregions. In the evaluation process the cities and regions are not rewarded if they apply together. This is contradictory to the principles of the European Union’s developmental policy. As the present project-system does not support the efficient use of the financial resources and as it does not motivate the settlements’ and subregions’ cooperation, the principle of partnership and the principle of concentration are violated.

- Regarding the number of the applications submitted for the First National Development Plan (NDP I.), it can be stated that every second application was a winning one. The advantage of Szeged is out of question: this city submitted the 53.5 % of all the applications, and 52.5% of the winning applications (Figure1).

Figure1.

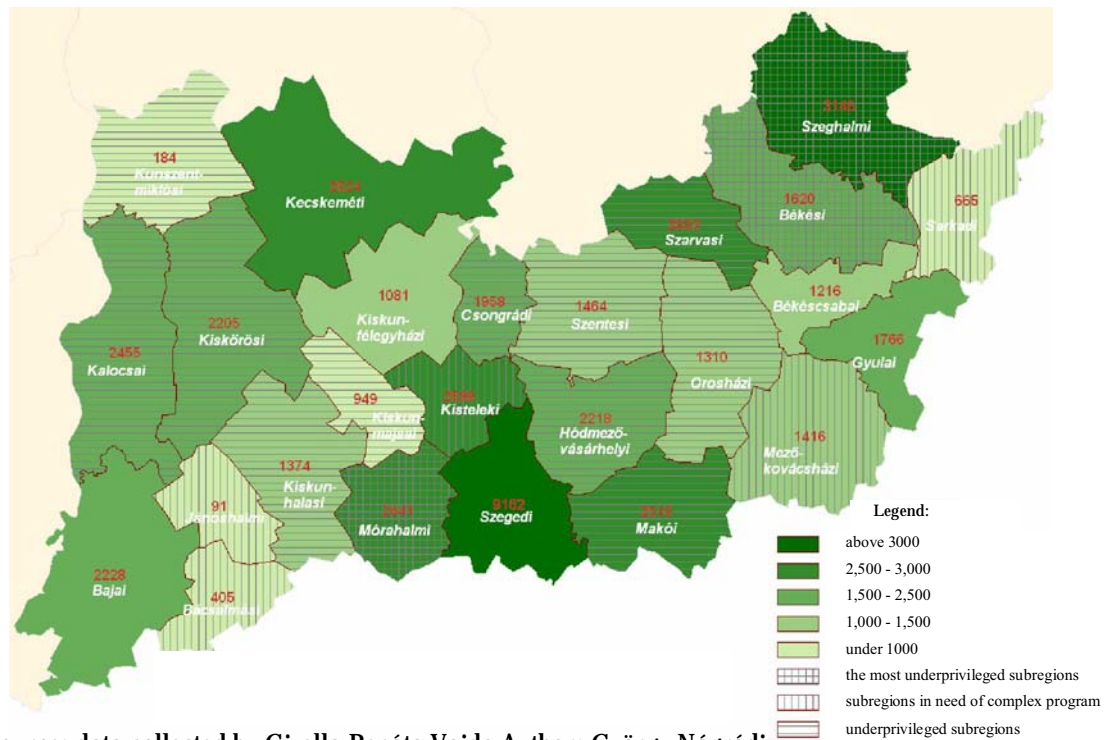
The number of the submitted and winning applications of the NDP I.



Source: National Development Agency Author: Gizella Renáta Vajda

- If the number of applications submitted for the National Strategic Reference Framework of Hungary (NSRF) and the number of applications submitted for the First National Development Plan are compared, a similar result can be seen. Szeged outstands from the region; the 53.2 % of the submitted projects and 55.8% of the winning projects derived from Szeged. If the subregions are compared, the lead of Szeged is also visible: the majority of the funding distributed was won by Szeged subregion, which draws attention to the fact that Szeged has better skills in absorbing the financial resources than the other settlements (Figure 2.).

Figure 2.  
The claim for support of the winning applications in the subregions of the South Great Plain Region

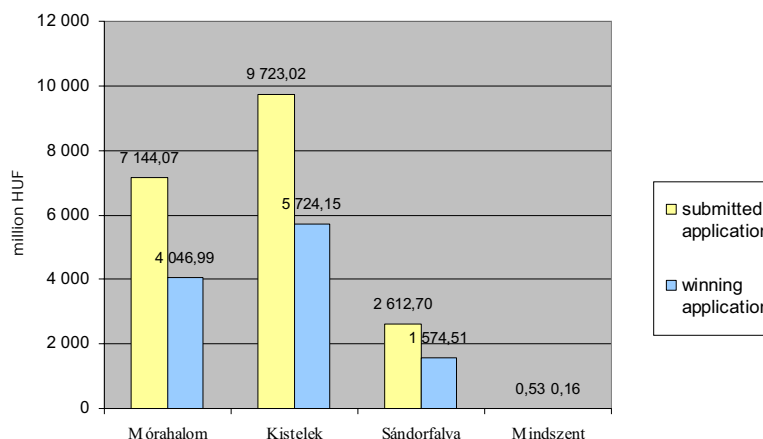


Source: data collected by Gizella Renáta Vajda Author: György Nógrádi

- Regarding the number of applications submitted by the small cities, the picture is rather diversified. Mórahalom and Kistelek are outstandingly active in submitting applications. Taking into consideration the winning projects submitted for the First National Development Plan, Mórahalom was the most successful. The sequence of the cities has been changed in the case of the NSRF: Kistelek was the most successful, followed by Mórahalom, Sándorfalva and finally by Mindszent (Figure 3). In my supposition this situation is influenced by the fact that while Kistelek and Mórahalom have their own subregions and they have subregional role, Mindszent is a marginalised city in the Hódmezővásárhely subregion without central roles. As a matter of fact Mindszent, lying among cities, is a small city with no functions to attract the other settlements around it.

Figure 3.

The number of applications for NSRF submitted and won by small cities

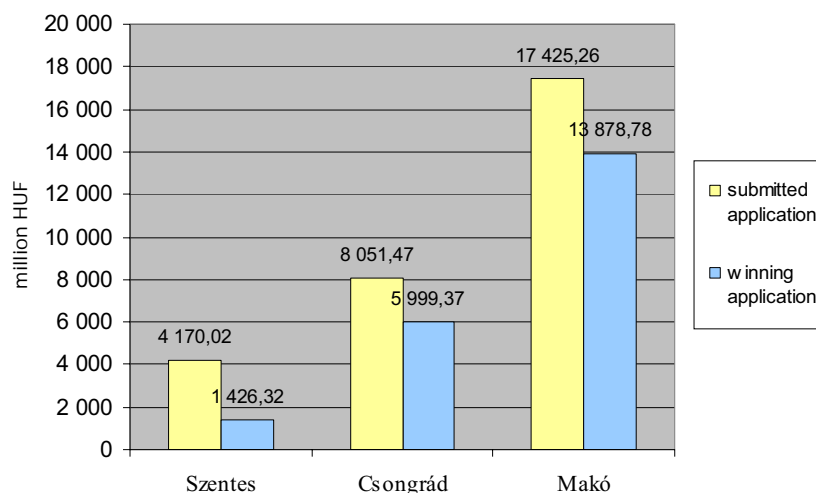


Source: National Development Agency Author: Gizella Renáta Vajda

- Medium sized cities apply more successfully for the Structural Funds in the financial period 2007-2013, than they did immediately after the accession to the European Union (Figure 4). The advantages of the present application-system are used the most efficiently by Makó. Regarding the development policy small cities (Mórahalom, Kistelek) are in better position than the middle sized cities. Between 2004 and 2006 both the Mórahalom subregion and the Kistelek subregion belonged to the category of “the most underprivileged subregions”. Consequently the development policy treated these cities as beneficiaries, which meant that their applications were more intensively supported, in numerous cases no (or minimal) own funds had to be provided to receive the financial resources, and the underprivileged condition of the area brought extra points during the decision processes of the applications. None of the medium sized cities belonged to the most underprivileged areas, consequently the general rules were used in their cases and they did not enjoy any allowances, which reduced their activity in submitting applications.

Figure 4.

The number of applications for NSRF submitted and won by medium sized cities

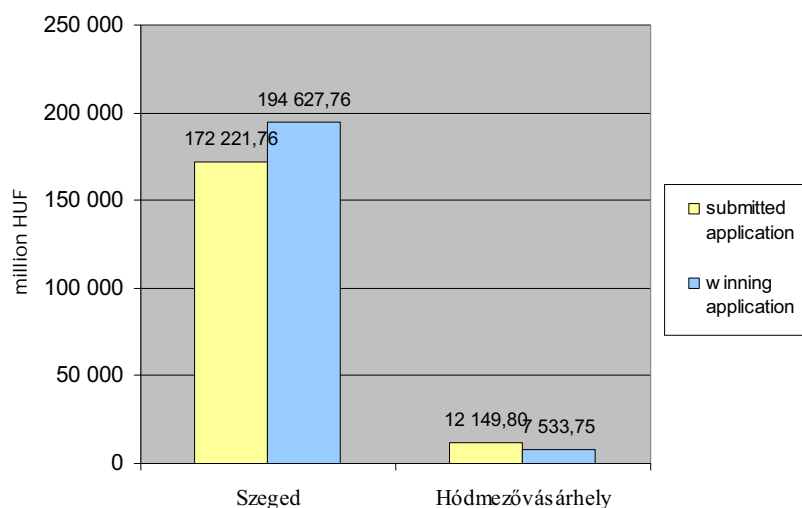


Source: National Development Agency Author: Gizella Renáta Vajda

9. If the number of population is compared to the number of the projects submitted for the NSRF, it can be concluded that regarding the number of the winning projects Hódmezővásárhely falls behind Szeged (Figure 5). taking into consideration the number of inhabitants, Hódmezővásárhely should possess around 160 winning projects and the funding received this way should reach the amount of 43-44 thousand million HUF. Hódmezővásárhely submitted numerous unsuccessful applications, and the proportion of the rejected applications was high as well. In the deep-interview it was mentioned that Hódmezővásárhely had already implemented and was implementing a vast number of projects using their own funds, and in many cases the city was not been able to win money for the remaining developments. On the other hand – as it was expressed both in the interview made in Szeged and in the interview made in Hódmezővásárhely – the cities’ political affiliation, its political lobby and political relationships are rather determining in many cases.

Figure 5.

The number of applications for NSRF submitted and won by towns with county rights



Source: National Development Agency Author: Gizella Renáta Vajda

10. City-leaders and teams of experts dealing with urban development have a rather significant role in the success or in the failure of city. The hindering factors in the urban development mentioned by the cities were the following: existence/non-existence of the European Union resources, lacking/ processing own funds, used/unused opportunities to submit applications (Table 1, Table 2, Table 3). It can be stated that all the problems of urban development planning is in connection with the European Union financial resources in the case of all the cities and no other hindering factors were mentioned. Although the “previously distributed cards” was mentioned only by one interviewed person, the role of political lobbies in increasing the chances to win a project is regarded to be general. The interviewees often mentioned that the cities regard their economic factors and natural conditions to be their weaknesses. They also revealed some other problems and disadvantages they regarded to be hindering factors in the urban development of their cities, but they also added that these had existed even before the accession to the European Union, thus they were not brought to existence by Hungary’s accession.

Table1. Hindering factors in the urban development of the small cities

Problems	Settlements			
	Mórahalom	Kistelek	Sándorfalva	Mindszent
Geopolitical situation	X			
Application system	X	X	X	X
Unableness to plan	X	X	X	X
The incompetence of the Operating Organisations' Project Managers		X		
Lack of monitoring and feedback	X	X		
Lack of commitment			X	X
"Previously distributed cards"				X
The possibility for the city to expand			X	
Underprivileged settlement in a non-underprivileged subregion				X
The underprivileged conditions of the inhabitants living at "tanya"	X	X		
Weak economic background	X			
Size of the settlement, its role in economic life	X	X	X	X
Utilization of the brown-field areas			X	X

Source: data collected by the author on the basis of the deep-interviews Author: Gizella Renáta Vajda

Table 2. Hindering factors in the urban development of the medium sized cities

Problems	Settlements		
	Csongrád	Szentes	Makó
The already prepared documents on settlement planning are not taken into consideration as required	X		
The depressing condition of the society	X	X	X
Problems of waste materials and inland water	X		
Insoluble daily commuting in the regional centres	X	X	
Lack of human and financial capital	X	X	
The disadvantageous situation of the water transport	X		
Conflicts in the internal politics	X		
Overcomplicated application-system	X	X	X
The implementation and the maintenance of the planned developments	X		
Weak communication regarding the opportunities to apply and develop	X	X	
People regard the European Union resources to be inaccessible	X		
Overregulation of agriculture		X	
The European Union does not support the development of thermal-projects and festivals		X	
The applications of the European Union are delayed, they are not pronounced at the time previously stated		X	
There is too short period of time to prepare the application		X	
Too bureaucratic and decreasingly flexible system		X	
The constant changes of development policy, support policy and legal background		X	
The city does not process innovative industries			X
The proximity of large cities hinders some functions to strike roots			X

Source: data collected by the author on the basis of the deep-interviews Author: Gizella Renáta Vajda

Table 3. Hindering factors in the urban development of towns with county rights

Problems	Settlements	
	Szeged	Hódmez vásárhely
Deficiency in public transport and regional transport network	X	
Deficiency in diverting the rainfall at the outskirts of town and complex infrastructural deficiency at the region	X	
Inadequate rail connections	X	X
Heavy transit traffic crossing the city	X	X
Difficulties in parking in the city centre	X	
Having own funds needed for the applications	X	
"Previously distributed cards"		X
Lack of cooperation between the settlements	X	X
Lack of the dynamically developing branches of industry	X	X
Disadvantages deriving from the political affiliation of the city-leaders		X
Lack of the integrated view of city-countryside	X	
Coherence missing from the documents on planning and organising	X	
Arbitrary changes regarding the deadlines of the applications (carried out by the upper organs)	X	X
Drastically decreasing population		X

Source: data collected by the author on the basis of the deep-interviews Author: Gizella Renáta Vajda

11. In connection with the opportunities and novelties brought about by the accession to the European Union the cities have merely listed their concepts and developmental aims concerning the future. It was only Mórahalom that emphasised the importance of the citizens' local patriotism, the inhabitants' positive attitude towards the developments.
12. The development of the urban-system lacks documented concepts at present. It is not adequately harmonised. It is merely a sequence of particular decisions weakening each other. Although urban policy appears in several documents, urban development lacks coordination and the necessary urban-planning policy. Spatial policy handles the growing regional differences on a regional level, but the specific beneficiaries of the support policy remain the cities in the future as well. When developing an urban-system one of the important aims is to **support cooperation between the cities**: the development of an area can be successful only if the cooperation between cities takes place, they form a network and cooperate between each other. The general conditions of urban cooperation are the following: the traffic relations within and outside the region (public transport, airport, motorway), traffic relations to widen the workforce market (daily commuting to work), the electronic accession (informational and communicational infrastructure). In numerous cases urban network is just a slogan since it is not filled with factual content and operative documents. It is the task of the state to commit itself to supporting the cooperation both by establishing the institutional framework and by offering financial support. **The condition of balanced spatial development is the partnership of the cities and the rural areas depending from them in so many ways.** This is of primary importance to increase the advantages in competition.

There will be a chance for small and medium sized networks to utilize their whole economic potentials if they are able to use their comparative advantages, if they recognise the complementary economic elements and if they arrange into a network to enter the domestic and the international competitions of the cities.

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