

Act LVII of 1995

on Water Management

In order to define the fundamental rights and responsibilities related to water utilization, the preservation of alternatives for water utilization, and the prevention of damage caused by water, taking into consideration the requirements of environmental protection and nature conservation, Parliament enacts the following Act:

Chapter I

General Provisions

Section 1

(1) The scope of the Act shall extend to

- a) the subsurface and surface waters (hereinafter: waters), the natural aquifers of subsurface waters, and the channels and beds, banks and shores of surface waters;
- b) the facilities, which influence or change the runoff and flow regimes, the quantity and quality, the channels and beds, banks and shores of waters, or the aquifers of subsurface waters;
- c) the activities, which influence or can change the runoff and flow regimes, the quantity and quality, the channels and beds, banks and shores of waters, or the aquifers of subsurface waters;
- d) water utilization, the preservation of alternatives for water utilization, and water resources management;
- e) the monitoring required for obtaining knowledge about waters and exploring their conditions, the collection, processing, supply, and use of data (hereinafter: hydrographic activities), as well as the evaluation and research of water conditions;
- f) the control of, and emergency defence operations against floodwater damage,

furthermore, to private individuals, legal entities, and the unincorporated economic associations thereof, which pursue the activities indicated in paragraphs c) to f).

(2) The scope of this Act shall extend to the fulfilment of water management tasks arising from international co-operation insofar as no international treaties provide otherwise.

(3) A separate Act shall provide for the requirements and tasks related to water conservation, which are not regulated in this Act.

(4) A list of terms, which require special definitions, is included in *Schedule No. 1*.

Chapter II

Responsibilities Related to Waters and Hydraulic Facilities

Section 2

(1) State responsibilities:

- a) elaboration and approval of the national conception of water management;
- b) organization of the implementation of the conception mentioned in paragraph a) as regards the public responsibilities of the state concerning water management;

- c) carrying out of the water management tasks, which arise from international co-operation;
- d) designation of possible water withdrawal areas as being drinking water resources to be developed for water withdrawal in the long run, and preservation of the water resources of such developed resources in a usable condition;
- e) carrying out of regulatory tasks related to the technical planning and implementation of operations on waters and hydraulic facilities, and the operation of the latter;
- f) regulation of the responsibilities of water administration, including those of the authorities;
- g) fulfilment of the authorities' responsibilities delegated to the state;
- h) operation of the state-owned public hydraulic facilities, calling and evaluation of concession tenders, and conclusion of concession contracts;
- i) ordering of the collection of data required for water management;
- j) carrying out and regulation of hydrographic activities, making inventories of the quantities and qualities of water resources;
- k) in the interest of controlling the damage caused by water, the regulation, organization, direction, and control of the activities aimed at the prevention and elimination of water damage, and carrying out of emergency defence operations, which exceed local public responsibilities.

(2) Of the tasks and responsibilities listed in subsection (1), those mentioned in paragraphs a), f), and i) shall be fulfilled by the Government; those mentioned in paragraphs c), d), and k) shall be fulfilled by the Minister in charge of water management (hereinafter: Minister) and the concerned minister jointly, in the order corresponding to the division of work determined by the Government; while those mentioned in paragraphs b), e), g), h), and j) shall be fulfilled by the Minister.

Section 3

(1) Within the scope of the tasks of the state related to waters and hydraulic facilities, the Minister shall carry out the administrative activities (hereinafter: water administration), taking also into consideration the division of work indicated in Section 2, subsection (2), through the state water administration organization (hereinafter: water administration organization).

(2) The water administration organization shall consist of the sectoral ministry headed by the Minister, as well as the central and regional organs established for this purpose.

(3) The water administration organization shall manage the state-owned waters and hydraulic facilities, which do not qualify as entrepreneurial assets of the state, and hence may not be transferred into the use of other economic organizations.

(4) The scope of activities and powers of the water administration organization shall be established in a decree by the Government.

Section 4

(1) Municipal responsibilities:

- a) elaboration of a conception, conform to the national conception, for the development of local activities related to waterworks, and organization of the implementation thereof;
- b) fulfilment of the authorities' responsibilities related to water management tasks, and delegated to the local governments;
- c) designation of riverbank and lakeshore sections and adjacent water surfaces of natural waters suitable for bathing;

- d) operation of local waterworks, calling and evaluation of concession tenders, and conclusion of concession contracts;
 - e) within the scope of activities involving waterworks, supplying of drinking water to localities, the removal of sewage, the treatment of the sewage collected, and the draining of storm water;
 - f) land drainage, the prevention and elimination of water damage, and the draining of floodwater and excess surface waters at the local level;
 - g) within the scope of public water supply, provision for the approval of plans on the restriction of public water supply, and for the establishment of the order of water consumption.
- (2) The tasks listed in subsection (1), with the exception of the tasks delegated to the powers of mayors or notaries in separate legal rules, shall belong to the competence of the municipal representative bodies, and in the case of the capital, to that of the body of representatives of the metropolitan local government.

Section 5

- (1) The regional organ of the water administration organization shall establish a Regional Water Management Council for the co-ordination and review of the water management tasks and conceptions of regional importance.
- (2) The representatives of the organs and organizations specified in a separate legal rule, and the representatives of the parties concerned in the topic under discussion, shall participate in the work of the Regional Water Management Council.

Chapter III

Provisions Concerning Properties and the Operation of Properties

Section 6

- (1) The following shall be owned exclusively by the state:
- a) the subsurface waters and the natural aquifers thereof;
 - b) of the natural lakes, Balaton Lake (together with the Kis-Balaton Water Conservation System), Velencei Lake, Fertő Lake, and Hévíz Lake, as well as the beds thereof;
 - c) the rivers, streams, and creeks forming or crossing international borders, and other streams, creeks, oxbow lakes, and the channels and beds thereof as listed in *Schedule No. 2* to the Act;
 - d) newly created islands in watercourses;
 - e) the canals forming or crossing international borders, furthermore, the canals, reservoirs, main flood-protection lines, and other hydraulic facilities as listed in *Schedule No. 3* to the Act.
- (2) The list of watercourses and hydraulic facilities mentioned in Schedules No. 2 and No. 3 shall be published in a decree by the Minister.
- (3) Local governments shall own waters and hydraulic facilities handed over to local governments as primary property (including waterworks) on the basis of the provisions of separate Acts.
- (4) The owners of real properties shall own
- a) the watercourses arising and discharging into a recipient within the boundaries of their real properties;
 - b) the natural stagnant waters found within the boundaries of real properties (lakes, ponds, and oxbow lakes), which are in no direct contact with waters found in other real properties;

- c) the storm water falling onto, and remaining within the real properties;
 - d) unless a legal rule provides otherwise, the hydraulic facilities located within the boundaries of real properties, and serving the owners' own purposes.
- (5) Waters owned by the state, and located in areas, which are protected, strictly protected, or planned to be protected from the aspect of nature conservation, shall not be negotiable.
- (6) Waters and hydraulic facilities not mentioned in subsections (1), (3), (4), and (5) shall be owned by the state, but shall be negotiable. In case they are alienated, the local government (association of local governments) concerned shall have the right of pre-emption. In case several local governments are involved, they shall have the said right in proportion to their level of concern. Such a local government shall be considered as concerned in terms of the right of pre-emption, in the municipal area or on the municipal boundary of which the water or the hydraulic facility is located.
- (7) Only the owners of riparian real properties may acquire ownership over ground, which emerged naturally along riverbanks through silting-up (bank increment), and does not form part of the channel any more.

Section 7

- (1) Waters and hydraulic facilities owned by the state shall be provided for, also taking into consideration the provisions of Sections 9, 10, and 13, to the extent of public interest, by using funds specified in the central budget, and granted from separated state funds, or through water management associations (Chapter IX).
- (2) The tasks indicated in subsection (1) are the following:
- a) provision for the protection of water resources developed for water withdrawal, for the establishment, maintenance, and operation of water distribution systems used for the reallocation of water resources, including the canals as well, furthermore, the maintenance and operation of multipurpose systems;
 - b) the facilitation of the unhindered passage of water, suspended sediments, and ice in the channels of watercourses (like in the low-water, mean-stage river, and flood beds, and in the branches), the carrying out of river and stream training, and channel maintenance work, as well as the location, marking-out, and maintenance of navigation channels in navigable river sections, on natural lakes, and in canals;
 - c) the training, maintenance, shore and bank protection, and the operation of natural stagnant waters, oxbow lakes, creeks, or creek sections, as well as the prevention and reduction of damage caused by water;
 - d) the development and maintenance of primary flood-control facilities (like levees and built structures), the carrying out of emergency defence operations thereon, flood control - if more than two localities are concerned - and the maintenance and development of special flood-control equipment;
 - e) the maintenance and operation of hydraulic structures (barrages) in accordance with the legal rules and the operational regulations;
 - f) the establishment, maintenance, and enlargement of drainage works (like drainage canals, pump stations, excess-water reservoirs), and the direction and implementation of land-drainage operations;
 - g) the enlargement and operation of waterworks systems and diversion canals used for water resources management purposes.
- (3) Waters and hydraulic facilities owned by the local governments shall be provided for, also taking into consideration the provisions of Sections 9, 10, and 13, to the extent of public interest, by using funds specified in the central and municipal budgets, and granted from separated state funds, or through water management associations (Chapter IX).
- (4) The tasks indicated in subsection (3) are the following:
- a) the maintenance, enlargement, and operation of waterworks, and the carrying out of tasks concerning the

protection of water resources developed for water withdrawal;

b) the training, maintenance, shore and bank protection, and the operation of natural stagnant waters, oxbow lakes, and creeks or creek sections, as well as the prevention and reduction of damage caused by water;

c) the establishment, maintenance, and enlargement of drainage works (like drainage canals, pump stations, excess-water reservoirs), and the implementation of land-drainage operations;

d) the facilitation of the unhindered passage of water, suspended sediments, and ice, the carrying out of river and stream training, and channel maintenance work;

e) in the inner areas of localities: the prevention of the flooding by creeks and canals, furthermore, of any damage caused by storm water and other waters; both in the outskirts and in the inner areas: creek training, the construction, maintenance, and development of flood-control facilities, organization, direction, and implementation of emergency defence operations against flooding, as well as the maintenance and development of flood-control equipment.

(5) Of the separated state funds, it is in particular the Water Management Fund, which promotes the carrying out of the tasks indicated in subsections (2) and (4).

(6) A separate Act shall provide for the Water Management Fund, and the detailed rules of the administration and use thereof.

Section 8

(1) The additional costs of activities - for instance operations on waters, the construction of hydraulic facilities - which exceed the extent of public interest, or which are not mentioned in Section 7, shall be paid by the parties requiring that the said activities be carried out.

(2) The costs of local public hydraulic facilities and public operations on waters shall be borne, in the case of water associations, by the members in accordance with the rules of the association concerning their interests involved, while in the absence of a water association, the costs shall be borne by the concerned parties in proportion to their interests involved (contribution for public purposes based on one's interest involved).

(3) In the absence of a water association, the costs mentioned in subsection (2) shall be charged to the concerned parties in proportion to their interests involved by the notary, in a decision he makes in a procedure conducted in accordance with the provisions of the Act on the General Rules of Procedures in State Administration.

Section 9

(1) For the establishment, renewal, maintenance, and operation (hereinafter: operation) of regional waterworks and canals owned exclusively by the state, or of the waterworks belonging to the primary assets of

local governments or associations of local governments (hereinafter together: local government), the state or the local government

a) shall establish an economic organization, which operates with its own controlling interest, or shall establish a budgetary or municipal institution, or

b) shall assign the temporary right of operation to the winning bidder of a tender in the concession contract.

(2) The following shall not qualify as activities subject to concession:

a) the operation of those of the canals listed in Schedule No. 3, which are not suitable simultaneously for the purposes of agriculture, the supply of industrial and drinking water, as well as navigation;

b) the establishment or development of public utilities carried out by waterworks associations;

c) the operation of industrial hydraulic facilities, even if they also provide public water supply on the basis of a separate licence;

d) of the hydraulic facilities owned exclusively by the state, or belonging to the primary assets of local governments, the operation of waterworks, if activities are ceded to an economic organization founded for this purpose under the controlling interest of the state or the local government on the basis of the general regulations on contracts, or to an economic organization founded also for this purpose by such economic organizations under their own controlling interest.

Section 10

(1) On behalf of the state, it is the Minister, and on behalf of the local government, it is the municipal body of representatives, who/which shall transfer, by means of contracts, the public utility assets of the facilities into the use of the economic organizations, which operate the exclusively state-owned public hydraulic facilities, or those belonging to the primary assets of local governments.

(2) The contracts shall include the following:

- a) the legal and financial conditions of the operation of the public utility assets;
- b) the tasks to be compulsorily carried out;
- c) legal guarantees for fulfilment.

(3) The scope of public utility assets, which may be transferred into use by another party, and the tasks related to the preparation and conclusion of the contracts shall be established in a decree by the Government.

Section 11

(1) Concession tenders shall be called

- a) by the Minister for the operation of state-owned properties;
- b) by the municipal body of representatives for the operation of properties owned by the local government.

(2) The invitation for tenders shall include whether it applies jointly or individually to the activities involving waterworks [Section 13, subsection (1)].

(3) Concession tenders may be called, if the activities to be carried out on the basis of concession contracts are in harmony with the approved regional and community (urban) development plans and physical plans, with environmental protection and nature conservation, as well as with the protection of water resources developed for water withdrawal.

(4) In addition to what is contained in the Act on Concessions, the invitation for tenders shall include the following:

- a) the requirements specified in legal rules and standards concerning the services provided by the concession company;
- b) the methods and conditions of setting and changing the service charges, including information on the official prices as well;
- c) the equipment required for the continuous supply of water, and other conditions;
- d) an indication of the real properties affected by concession, the easements burdening the concession company, and the right of use and other rights to be provided by the company;
- e) the obligation of the concession company to supply data;
- f) the liabilities for indemnification, damages, and other, which burden the concession company against third parties in connection with the carrying out of the concession activities;
- g) the requirements for the concession activities in terms of environmental protection, nature conservation, and the

protection of water resources developed for water withdrawal;

h) the conditions of participating in the tender (like participation fees, bonds, information disclosed about the management situation and financial standing of the bidders);

i) the main considerations in the evaluation of the tenders (like the undertaking of the employment of the local workforce and the use of domestic contractors, furthermore, the application of a pre-qualification procedure during the evaluation of the tenders);

j) the required level of the initial assets of the concession company.

(5) The winning bidder of the concession tender need not found a concession company, if it is an economic organization established by the state or the local government, with the controlling interest of the state or the local government, for the operation of public hydraulic facilities.

Section 12

During the period of the concession, the concession company is entitled to provide fishing, recreation, sports, tourism, bathing, and commercial services in the area of the hydraulic facilities given into concession, to implement and operate facilities serving the above, and to operate the infrastructure established on canals for navigational purposes.

Chapter IV

Public Utility Activities Performed with Waterworks

Section 13

(1) The supply of water, the removal, disposal, and treatment of sanitary sewage, as well as, in the case of a combined sewer system, the draining of storm water shall be deemed as activities involving waterworks. The operators of waterworks shall be obligated to conclude contracts for the supply of drinking water and the removal of sewage.

(2) The general rules and the provisions for public utility contracts of the Civil Code shall be applied to the activities involving waterworks mentioned in subsection (1).

(3) A fee shall be paid for the services provided by activities involving waterworks. As a result of a failure to pay the fee, the public utility works may restrict the supply of water, or may suspend it, if the water is used with the purpose of manufacturing some products, however, the water necessary for meeting water demand for subsistence, public health and emergency response to disasters shall be supplied even in this case.

(4) The quality requirements for the public water supply, as well as the fundamental rights due to, and responsibilities expected from, the parties on the basis of the contracts, including the conditions of restricting the obligation to conclude contracts, shall be established in a decree by the Government.

Chapter V

Water Resources Management

Section 14

(1) Efforts shall be made for the preservation of alternatives for water utilization by

a) regularly checking the availability of natural waters for utilization,

b) preventing water pollution,

c) constructing and operating hydraulic facilities serving the conservation or training of waters,

- d) preventing, reducing, and eliminating damage to water quality, which hinders water use,
- e) maintaining the channels and beds of waters and hydraulic facilities for the purpose of water conservation.

(2) Waters serving or designated for drinking water supply and for utilization as mineral and medicinal waters shall be kept strictly protected and safeguarded, by marking out and maintaining protective (underground) zones and protective areas of water withdrawal to the extent specified in separate legal rules (protection of water resources developed for water withdrawal).

(3) In the interest of the protection of drinking water resources to be developed for water withdrawal in the long run, or of water resources already committed with water licences in principle, the water authority may order, on the basis of this Act, the restriction of ownership and use in accordance with a separate legal rule.

(4) Persons or entities, who or which have acquired rights to utilize the water resources, shall keep the utilized water resources safe, in proportion to the extent of the utilization, furthermore, shall provide for the collection, removal, and treatment of sewage, and for the disposal thereof in a manner, which meets environmental regulations.

(5) Persons or entities, who or which discharge harmful substances into the sewers and the sewage treatment plant in excess of a specific level, shall pay a sewerage fine.

(6) The kinds of the harmful substances mentioned in subsection (5), the standards thereof, the rules related to the imposition of the sewerage fine, as well as the level of the sewerage fine shall be established in a decree by the Government, on the basis of the quantity of sewage discharged into the sewers and the sewage treatment plant, the quantity of the pollutant measured in excess of the standard, and the rate of fine set for the individual pollutants.

(7) The management of reedbeds found in the channels and beds of natural waters owned exclusively by the state, which is aimed at water quality control, shall be provided for by the manager of the channel or bed.

Section 15

(1) Subsurface waters may only be utilized to an extent, taking into account the provisions of this Act, that the balance between water withdrawal and recharge shall be maintained without any adverse effect to subsurface water quality.

(2) In view of the protection of the quantity and quality of available water resources as well, the water demand may be primarily met from the water resources not yet committed for water use.

(3) When using mineral, thermal, and medicinal water resources, the uses by therapeutics and convalescence recreation shall be preferred.

(4) The order of satisfying water demand, taking into consideration the contents of subsections (1) to (3) as well, shall be the following:

water uses aimed at

- a) subsistence drinking, public health, and emergency response to disasters,
- b) therapeutics, as well as production and service activities serving directly the supply of the population,
- c) livestock watering, fish farming,
- d) nature conservation,
- e) economic activities,
- f) other activities (like ones aimed at sports, recreation, bathing, and tourism).

(5) If it becomes necessary to restrict water use, the order of restriction shall be the reverse of the order of satisfying demand specified in subsection (4).

(6) If the quantity of available water is reduced for natural or other insurmountable reasons, water use may be restricted, suspended, or terminated - by simultaneously complying with the safety requirements - without compensation, except water use for subsistence, in the order mentioned in subsection (5).

(7) Water users shall pay the Water Management Fund a water resource charge on the quantity of water committed in their water licence or used without a licence.

Chapter VI

Control of and Emergency Defence Operations Against the Damage Caused by Water

Section 16

(1) It is the obligation of the state, the local governments, and the parties interested in the prevention or elimination of the damage to carry out the tasks necessary in the interest of controlling water damage, that is, to construct, develop, maintain, and operate the water-control works, as well as to carry out emergency defence operations.

(2) The water administration organization shall be responsible for river and stream training aimed at the prevention of water damage, for the construction of facilities for the prevention of water damage serving more than two localities, that is, main flood-protection lines, reservoirs for the prevention of water damage, main excess-water control works (hereinafter: water-control works), the maintenance and development of the above and the water-control works owned exclusively by the state, as well as the carrying out of emergency defence operations thereon.

(3) The regional organs of the water administration organization shall be responsible, in connection with the prevention and elimination of water damage, for the following:

- a) direction and carrying out of the technical and administrative activities of the prevention and elimination of water damage;
- b) the construction and development of water-control works, as well as the co-ordination of the construction and development;
- c) the regional planning, organization, and professional direction of emergency defence operations;
- d) the professional direction of the activities of local governments aimed at the prevention and elimination of water damage;
- e) data supply for the preparation of plans related to the control of damage caused by water, and required for the fulfilment of administrative tasks for the local governments;
- f) the professional direction of the activities of water associations aimed at the prevention and elimination of water damage;
- g) the provision of information related to the control of damage caused by water.

(4) The local governments shall be responsible for:

- a) the establishment of water-control works concerning not more than two localities, the maintenance and development of water-control works owned by local governments, as well as the carrying out of emergency defence operations thereon;
- b) the prevention of flooding by creeks and canals in the inner area of the locality, furthermore, of the damage caused by storm water and other waters, by constructing water-control works in the outskirts and in the inner area, the maintenance and development of water-control works, as well as the carrying out of emergency defence operations thereon;
- c) the carrying out of tasks related to the control of damage caused by water as specified in a separate legal rule.

(5) The concerned owners or the users of real properties under other titles shall be responsible for carrying out the

tasks, which do not belong to the scope of activities of the state or the local governments, but are necessary for the control of damage caused by water.

Section 17

- (1) The nationwide direction of flood-defence and land-drainage operations shall fall within the powers of
- a) the Minister until an emergency defence alert is not in force;
 - b) a government commissioner during the period of emergency defence alert (hazardous situation);
 - c) a government committee in the case of extreme hazard (state of emergency), as set forth by a separate legal rule.
- (2) The Minister shall be responsible for the tasks of the government commissioner. In case he is prevented from doing so, the administrative secretary of state shall exercise his competence.
- (3) The mayor (in Budapest the Lord Mayor) shall be responsible, under the professional direction of the regional organ of the water administration organizations, for the technical tasks of flood-defence and land-drainage operations on works maintained by localities carrying out emergency defence operations using their own organizations in the inner area of the locality, through the mayor's (Lord Mayor's) office.
- (4) The president of the county general assembly, the mayors, or in Budapest the Lord Mayor, shall be responsible for the scope of activities, and shall have the powers of administration concerning flood-defence and land-drainage operations, as well as the prevention and elimination of local water damage, as specified in a separate legal rule.
- (5) The detailed tasks and methods of emergency defence operations against the damage caused by water, and the competence of the government commissioner shall be established in a decree by the Government.
- (6) The Lord Mayor, the president of the county general assembly, or the mayors shall order evacuation and resettlement in connection with flood-defence and land-drainage operations, as well as the prevention and elimination of local water damage, within the scope of the administration responsibilities specified in a separate legal rule, furthermore, they shall co-operate in the implementation of other tasks related thereto.
- (7) In their scope of activities and powers of administration related to flood-defence and land-drainage operations, the mayors (Lord Mayor)
- a) shall co-operate in the implementation of the tasks of the regional flood-defence and land-drainage operations committee as specified in legal rules;
 - b) shall provide for the registration of public forces, furthermore, keeping records of, and mobilization - as required - of materials, tools, and equipment necessary for the emergency defence operations, as well as the general allocation of provisions for the public forces;
 - c) shall plan the evacuation, rescue, and resettlement operations, and if these ordered to be executed, he shall provide for their implementation;
 - d) shall provide for taking other measures required in the interest of the security of life and property, and rescue;
 - e) shall provide for the health care of the individuals participating in emergency defence operations, furthermore, for the measures concerning the prevention and elimination of epidemics during the evacuation, rescue, and resettlement operations, with the co-operation of the regionally competent public health and medical officer service;
 - f) shall take the measures required for reconstruction arising in relation to the damage caused by the flooding and excess surface waters, and arising in connection with the emergency defence operations.
- (8) In their scope of activities and powers of administration related to public water supply, the mayors (Lord Mayor) shall order the restriction of water consumption, in accordance with the plan approved by the body of representatives.

Section 18

(1) If the waters become or may become excessively polluted because of unforeseeable events (like accidents, elemental disasters, criminal act, radioactive pollution), and as a result, water utilization aimed at water supply, therapeutics, recreation, sports, and other purposes poses serious and direct hazard to the health and life of the population, the economy, and to the environment, all concerned parties shall be obliged to prevent, eliminate, and reduce the resulting damage (hereinafter: elimination of damage to water quality).

(2) The tasks concerning the elimination of damage to water quality shall establish in a decree by the Government.

Section 19

(1) The regional organ of the water administration organization shall be responsible for the operational control of the elimination of damage to water quality.

(2) The person or entity, who or which has caused the deterioration of water quality, and has imposed direct hazard or created a directly hazardous situation in connection therewith, shall participate in the elimination of damage to water quality (cleanup operations), and the termination of the hazardous situation, in accordance with the provisions of a separate legal rule.

(3) For the purposes of subsection (2), the entity exercising fishing rights shall qualify as a damage-causing entity, if a fishkill and consequent damage to water quality have been brought about by the violation of fishing regulations, and not by water pollution or the deterioration of water quality.

(4) The cost incurred in the elimination of damage to water quality, that is, the carrying out of emergency defence operations, the elimination of other environmental damage, and/or the provision of emergency water supply, shall be borne by the damage-causing person or entity.

(5) If the damage-causing person or entity is unknown, the costs of the elimination of the damage shall be borne by the owner of the polluted water or hydraulic facility.

Chapter VII

Provisions for Real Properties in Connection With Waters and Hydraulic Facilities

Section 20

(1) The owner (user) of a real property shall endure that, on the basis of a decision of the regional organ of the water administration organization, a public hydraulic facility be placed and operated on his real property, or any operations on the water required therefor be carried out, provided that it does not preclude the use of the real property in accordance with its designated purpose (servitude for water conduction).

(2) Upon request, the regional organ of the water administration organization shall grant its permission for making connection to an existing hydraulic facility operating on the basis of a water licence, if the hydraulic facility suits both its original designated purpose, and the goal of the person or entity being connected thereto, or may be made suitable therefor (servitude for water use).

(3) The owner (user) of a riparian real property shall endure that the owner of the channel or bed, or the agents thereof,

a) have access to the bank or shore through the real property;

b) transport materials dredged during the implementation of their water management tasks, or necessary for carrying out their water management tasks, through the real property, or place the said materials, and the tools, equipment, and temporary facilities necessary for carrying out the work, on the real property;

c) post, set up, and maintain the signs and facilities necessary for hydrographic monitoring, the marking-out of navigation channels, as well as for the fulfilment of other special tasks

to the extent necessary for the fulfilment of their special tasks, taking into consideration the interests linked to the real properties.

Section 21

A compensation corresponding to the extent of the restriction under Section 20, subsections (1) and (3) shall be due to the owner (user) of the real property. If the use of the real property, or the exercising of the rights over, or work in the profession or trade related to the real property becomes impossible or expensive to a considerable degree, the owner may request the expropriation of the real property.

Section 22

(1) The owner (user) of the real property

a) may only utilize or cultivate the real property in such a way as not to hinder the natural runoff of waters; not to pose any hazard to the conditions, operation, and maintenance of the channel or bed, as well as to the facilities on and along the bank or shore, and to any other public hydraulic facilities, and furthermore, not to impair the quality of the water;

b) may only use, and collect profits from, the channel or bed under the conditions specified in legal rules; and in the case of activities subject to water licence, in accordance with the water licence.

(2) The owner of a riparian real property is entitled to defend his/its riparian real property against wave erosion, and to restore the part thereof eroded by the waves on the basis of a water licence.

Section 23

(1) Following the coming into force of this Act, the state or local government as owner shall reserve the banks and shores of natural waters for public purposes, therefore, no ownership over unbuilt real properties shall be obtained from the state or local government on the banks and shores of natural waters.

(2) The Government shall be authorized to grant exemption in a decree - in particularly justified cases - from the restriction contained in subsection (1) with respect to specific real properties or specific bank and shore sections.

(3) In a municipal by-law, local governments may grant exemption from the restriction contained in subsection (1) with respect to unbuilt real properties located on the banks and shores of natural waters, transferred into their ownership as non-negotiable primary assets, taking into consideration the interests of the locality.

Section 24

(1) Areas located between river and stream banks and levees (bottomland), furthermore, areas reclaimed from floods by levees, in which seeping and piping waters may appear, may only be used and utilized in accordance with flood control regulations.

(2) The riparian strips of rivers, streams, and creeks (small watercourses), drainage and irrigation canals, lakes, ponds, reservoirs, and oxbow lakes shall be used in such a manner that the owner (user) of the channel or bed may use them for occasionally carrying out channel or bed maintenance work and measurements, to the extent necessary for its tasks.

(3) Buildings or other structures may be located in areas mentioned in subsections (1) and (2), as well as in regularly inundated areas on the basis of a separate legal rule, and with the approval of the regional organ of the water administration. No compensation shall be due for damage incurred by the person or entity locating such buildings or structures without licence, unless the law provides otherwise.

(4) Regulations for bottomlands, riparian strips, regularly inundated areas, and areas threatened by piping water, as well as the use and utilization thereof shall be established in a decree by the Government.

Section 25

- (1) No indemnification shall be due to the owners of riparian real properties for the temporary use of the areas thereof in the course of work done for the protection of banks and shores. However, compensation shall be paid for damage caused to the perennial vegetation and unharvested crops, as well as to buildings.
- (2) Lands required for mean water training of public interest shall be purchased from the owners of the real properties, or shall be expropriated, if no sale contract is concluded.
- (3) The owner (user) of the real property shall not carry out activities in the protective areas or strips designated to protect drinking water resources developed for water withdrawal and intake works, which would pose hazard to the water resources developed for water withdrawal.

Section 26

If the quantity of waters or the capacity of hydraulic facilities renders it necessary to drain gradually the excess surface waters (emergency), the owner (user) of the affected real property shall endure that the water be retained temporarily in, drained to, temporarily stored on, or drained through the real property, in order to reduce and prevent greater damage from occurring.

Section 27

The restrictions on ownership and use established on the basis of Section 20, subsections (1) and (2), and Section 23, subsection (1) of this Act shall be entered into the land registry.

Chapter VIII

Competence of the Water Authorities

Section 28

- (1) A water licence shall be required, apart from the exceptions specified in a legal rule, for carrying out operations on waters or for the construction, reconstruction, and decommissioning of hydraulic facilities (establishing permit), furthermore, for the commissioning and operation thereof, as well as for all water uses (operating permit).
- (2) A water licence in principle may be applied for the technical planning of water use, operations on waters, and hydraulic facility subject to the obligation of water licensing.

Section 29

- (1) In case the prescribed conditions are met, the authority may only issue the water licence, if the hydraulic facility, operations on waters, or water use
 - a) does not endanger any interests in the conservation of the water resources;
 - b) complies with the water management, technical, and safety rules, as well as with other regulations related to the water balance, water quality, and the conservation of surface and subsurface waters, issued for operations on waters, for the implementation, reconstruction, decommissioning, and operation of hydraulic facilities and waterworks, and for the use of water;
 - c) complies with the regulations contained in a separate legal rule.
- (2) New water licences may only be issued, if the quantity of water specified in the licences may be guaranteed for the licence holders.
- (3) If the operations on waters have been completed, or the hydraulic facility has been constructed or reconstructed without a licence or in a way other than specified in the licence, the issuance of the operating permit may be denied. Should the authority subsequently grant a licence allowing the existence of the result of the work, having examined the facility, and also taking into consideration all circumstances of the case, the establisher shall pay a fine. The amount of the fine may be as high as 20% of the value of the structure established without a licence, or in the case of

unlicensed operations on waters or water use, five times the upper limit value of fines imposed for infractions under water law.

Section 30

(1) The authority may amend, suspend, and even withdraw the water licence (including the licence in principle as well) ex officio or upon petition, in case the conditions are met, and the events occur as specified in a separate legal rule.

(2) If the event serving as basis for the amendment, suspension, or withdrawal of the water licence was caused by an activity or negligence, the licence holder shall be indemnified for the resulting damage by the person or entity, whose activity or negligence made the administrative measure necessary.

(3) No compensation shall be due for damage arising from measures taken ex officio on the basis of subsection (1), if the measures are justified by

a) public interest, especially the interests of water management, public health, environmental protection, and nature conservation,

b) a change in the quantity and quality of waters for natural or other insurmountable reasons.

Section 31

If the work, facility, or activity not falling under the effect of Section 28, subsection (1) affect, or may affect, in any manner the runoff and flow regimes, the quantity or quality of the waters, the conditions of the channels and beds, the banks and shores thereof, or the hydraulic facilities, the operation or protective areas thereof, and a legal rule designates the water authority as special authority, the proceeding authority shall be bound by the position taken by the water authority.

Section 32

If the protection of the quantity and quality of waters, the elimination of damage caused by water, the prevention of damage, or legal water use renders it necessary otherwise, the authority may obligate the water user, the person or entity, who or which has interfered illegally with the water conditions, to eliminate the harmful situation or the situation threatening with the hazard of damage, to carry out, in a specified manner, the necessary operations on waters once or on a permanent basis.

Section 33

(1) Within the framework of supervision of waters, the authority shall

a) perform the inspection of the implementation of operations on waters and hydraulic facilities,

b) perform the inspection of the operation of hydraulic facilities, and water use,

c) in the case of work and the construction and operation of completed facilities licensed by other authorities, perform the inspection of the observance of water management regulations,

d) look, on a continuous basis, for work carried out, facilities completed, and water uses performed without a water licence or the approval of the special authority.

(2) In order to eliminate the illegal situation and/or the situation threatening with the hazard of damage, revealed within the framework of supervision of waters, the water authority shall take the measures specified in this Act and in other legal rules, including the withdrawal of the water licence.

(3) The water authority shall keep a register of approved water uses about the operations on waters, hydraulic facilities, and water uses licensed by itself, and shall keep a record of the water resources.

Chapter IX

Water Management Associations

Section 34

- (1) Public responsibilities in water management may also be fulfilled through water management associations (hereinafter: association) created under the conditions specified in this Act.
- (2) The association shall be an economic organization being a legal entity; depending on its public responsibilities, it may be either a waterworks association or a water association. The provisions of Chapters I and II of Act VI of 1988 on Economic Associations shall be applied to the establishment, organization, operation, termination, fusion, and separation of the association, as well as to the responsibilities of the elected officers thereof, unless this Act provides otherwise.
- (3) The association shall carry out its activities to fulfil its public responsibilities specified in this Act in its area of concern.
- (4) The members of the association shall be natural persons, legal entities, and unincorporated economic organizations, who or which own real properties, or use real properties under other titles in the area of concern.
- (5) The members of the association shall contribute to the costs incurred during the fulfilment of the public responsibilities of the association in proportion to their units of interest involved.

Section 35

- (1) As its public responsibilities, the association,
 - a) shall, in the case of a waterworks association, establish or develop hydraulic facilities for the public water supply, sewage removal and treatment, and draining of harmful waters in the inner areas or inhabited areas of the locality, or localities, which may be jointly supplied;
 - b) shall, in the case of a water association, be responsible at the local level for land drainage, and for the prevention and elimination of water damage.
- (2) The water association may create public facilities for the utilization of water in agriculture, furthermore, it may carry out related activities aimed at soil improvement, may supply non-piped water, or may also carry out entrepreneurial activities promoting the fulfilment its public responsibilities specified in its statutes.
- (3) A water association may take part in an enterprise, in which its liability does not exceed the level of its contribution to the assets.

Establishment of the Association

Section 36

- (1) An association is created, if the majority of the natural persons, legal entities, and unincorporated economic organizations (hereinafter: members) calculated according to their units of interest involved, who or which own real properties, or use real properties under other titles in the area of concern
 - a) decides that an association be established,
 - b) adopts the statutes of the association, and
 - c) elects the corporate organs of management and control, and the senior officers of the associationat the statutory meeting.
- (2) A decision by at least a two-third majority of the members, calculated according to their units of interest involved, at the statutory meeting shall be required for the establishment of the association.

(3) The establishment of the association shall be prepared by an organizing committee.

Section 37

(1) The following shall be specified in the statutes of the association:

- a) its name and head office;
- b) its responsibilities and, in connection therewith, whether it will operate as a water association or a waterworks association;
- c) its scope of activities;
- d) its area of concern (shown on a layout);
- e) the rights and responsibilities of the members;
- f) the units of interest of the association, and the rules of the contribution by the members on the basis of their interests;
- g) the general organizational and operational rules for the economic management (operations), senior officers, and corporate organs of the association, as well as the scope of the entrepreneurial activities of the water association;
- h) the manner of representation of the association;
- i) all matters, which are to be settled by the statutes, or deemed to be necessary by the members' meeting.

(2) The names, home addresses, and head offices of the members of the association shall be included in the appendix to the statutes, and shall be submitted to the court of registration simultaneously with the submission of the statutes.

(3) The executive committee shall announce the establishment of the association within 30 days reckoned from the adoption of its statutes to the court of registration in order that it be registered and published.

(4) The association shall be established upon its entering into the companies register, with retroactive effect to the date when the statutes were adopted.

Operation and Activities of the Association

Section 38

(1) The organs of the association shall be the following:

- a) according to the statutes: general meeting or delegates' meeting (hereinafter together: members' meeting),
- b) executive committee,
- c) control committee.

(2) The supreme organ of the association shall be the members' meeting, which shall have a meeting at least once a year.

(3) The members' meeting shall be called by the executive committee. Should the executive committee fail to do so, the control committee is entitled to call the meeting. The authority may initiate that, acting in the framework of its supervision of legality, the court of registration take measures in the interest of calling the meeting.

(4) The written invitation, which shall include the agenda, shall be dispatched at least 15 days prior to the planned date of the members' meeting, and shall also be published in the locally usual manner.

(5) The members' meeting shall have a quorum, if,

- a) in the case of a waterworks association, at least 51% of the members, calculated according to their units of interest involved, is attending in person, or is represented by proxy;
 - b) in the case of a water association, over two thirds of the members (their representatives), calculated according to their units of interest involved, are attending, who represent, at the same time, at least 51% of the area of concern.
- (6) When passing a resolution of the members' meeting or delegates' meeting, which establishes a payment obligation for the members, the members shall cast their votes in proportion to their interests involved, while in all other matters, in equal proportions.
- (7) An at least two-third majority resolution of the members' meeting shall be required for the amendment of the statutes, and for the termination, fusion, or separation of the association.
- (8) If the members' meeting has no quorum, the second members' meeting called for a date within 8 days shall have a quorum in the matters put on the original agenda, irrespective of the number of attendees and the proportion of interests involved.

Section 39

- (1) The lead organ and the controlling organ of the association shall be the executive committee and the controlling committee, respectively. The members' meeting shall elect these organs with not less than a two-third majority.
- (2) The executive committee shall consist of a chairman and minimum two, maximum nine members (hereinafter: senior officers). The members' meeting shall elect the chairman of the executive committee, who shall be, at the same time, the president of the association.
- (3) The controlling committee shall be responsible for the continuous control over all the activities of the association. The controlling committee shall be subjected directly to the members' meeting. The controlling committee shall consist of a chairman, to be elected by the members' meeting, and at least two members.
- (4) The executive committee and the controlling committee shall establish their bye-laws within the framework of the legal rules and the statutes.

Section 40

- (1) The court of registration shall carry out the supervision of legality over the association.
- (2) For the protection of their common interests, the associations may establish an organization representing their interests, in accordance with the Act on the Right of Association.

The Assets of the Association

Section 41

- (1) The association shall fulfil its public responsibilities from the contribution of its members given on the basis of their interests involved (hereinafter: contribution), as well as the subsidies granted by the local government concerned and the state from their budgets or from other sources, furthermore, in the case of a water association, from the profits generated through their entrepreneurial activities.
- (2) The contribution shall be public dues, which may be collected like taxes. The magnitude of the contribution shall be established by the members' meeting. The members' meeting may reduce the magnitude of the contribution under the conditions specified in the statutes, or may suspend the payment thereof for a definite period of time. The members shall pay their contributions in cash, unless the statutes make exceptions.
- (3) The members of the association may request the court to review the contribution imposed on them within 30 days reckoned from the announcement of the resolution of the members' meeting.

Section 42

- (1) The subsidies granted by the state and the local government concerned, as well as the members' contributions shall become the property of the association, unless the local government accounts for a state subsidy as provided by a legal rule, or the statutes provide otherwise with respect to contributions in kind.
- (2) The separated assets and the profits generated through the enterprises of water associations required for the fulfilment of the public responsibilities thereof shall not be divided among the members.
- (3) Water associations shall not establish economic associations, non-profit companies, or foundations using their separated assets required for the fulfilment of their public responsibilities, shall not acquire interests in economic associations or non-profit companies, and shall not make contributions in cash or in kind to foundations. Separated assets required for the fulfilment of public responsibilities are: issued capital, as specified in Schedule No. 1 to Act XVIII of 1991 on Accounting, stated in the balance-sheet of the year preceding the subject year, as well as funds given in the subject year for the fulfilment of public responsibilities, furthermore, 8% of the capital issued from the equity over and above the issued capital.
- (4) Water association shall be liable for their debts with their own assets. The members shall not be liable for the debts of their association.
- (5) Water associations shall use their profits generated from their entrepreneurial activities primarily for the fulfilment of their public responsibilities.

Section 43

- (1) Members of the association may request the court to review the resolutions passed by the organs of the association in connection with their membership, which conflict with a legal rule or the statutes.
- (2) Statements of claim aimed at the review of unlawful resolutions shall be submitted within 30 days reckoned from their service. Failing to meet the deadline for filing a lawsuit shall lead to the forfeiture of right. The filing of the lawsuit shall have no dilatory force, however, the court may suspend the execution of the resolution.

Termination of the Association

Section 44

- (1) The association shall cease to exist, if
 - a) it decides to cease to exist (to get dissolved) with no legal successor;
 - b) it fuses with another association, or is separated into several associations;
 - c) the waterworks association has fulfilled its public responsibilities defined in its statutes;
 - d) the water association is terminated by the court in the course of a liquidation procedure;
 - e) it is declared to be terminated by the court of registration.
- (2) The association may not be transformed into another economic organization.
- (3) In case the association is terminated, a final accounting procedure shall be carried out.
- (4) In case the association is terminated with no legal successor, the assets necessary for the fulfilment of the public responsibilities shall be transferred to the local government, which is otherwise obliged to fulfil the local public water management responsibilities, or to the state.
- (5) If, following the termination of the association, it is the state, which fulfils the public responsibilities, the assets necessary therefor shall be taken over by the regional organ of water administration, or the economic organizations established for the management of waters and hydraulic facilities, and owned exclusively by the state, or being under the controlling interest of the state.

Chapter X

Closing Provisions

Section 45

(1) This Act shall come into force on 1 January 1996. Simultaneously, the following shall cease to be in force: Act IV of 1964 on Water Management and Law-Decrees No. 30 of 1968 and No. 1 of 1984 amending it, as well as Law-Decree No. 28 of 1977 on Water Management Associations and Law-Decree No. 32 of 1984 amending it, and Sections 1 to 3 of Act CIII of 1993, Section 1 of Act LXVIII of 1990 on the Amendment of Certain Acts in Connection With the Establishment of the Division of Work Within the Government, Sections 86 to 91 of Act XX of 1991 on the Scope of Activities and Powers of the Local Governments and the Organs Thereof, the Republic's Commissioners and Certain Organs Subjected to the Central Government, Section 55 of Act XXXIII of 1991 on the Transfer of Certain State-Owned Assets to the Local Governments, as well as Sections 1 to 3 of Act XXXIX of 1992 on the Amendment of Certain Acts and Law-Decrees Concerning Water Management and Transport in Connection with Act XVI of 1991 on Concession.

(2) Simultaneously with the coming into force of this Act, Section 1, subsection (1), paragraph a) of Act XVI of 1991 on Concession shall be replaced by the following provision:

(This Act shall establish the basic rules of the operation and transfer, as part of a ... concession contract, for)

"the national highways and the built structures thereof, the railways, canals, ports, and public airports, as well as the regional public utility systems."

(3) Simultaneously with the coming into force of this Act, Section 172, paragraph b) of Act IV of 1959 on the Civil Code, as amended several times, shall be replaced by the following provision:

(Unless the law provides otherwise, the following shall be owned exclusively by the state:)

"b) the subsurface waters, the natural aquifers thereof, the watercourses, and natural lakes and ponds, as well as the channels and beds thereof;

(4) In matters commenced in connection with the establishment of a servitude for water conduction, which are still ongoing when this Act comes into force, Section 34 of Act IV of 1964 shall be applied, if the water authority has already made its decision of first instance.

(5) The provision of this Act on the supervision of associations shall be applied, in the case of associations operating when this Act comes into force, after they are entered into the companies register.

(6) Associations operating when this Act comes into force shall draw up new statutes on the basis of this Act within one year reckoned from the date when this Act comes into force, and shall submit them to the court of registration in order that they become registered. The court of registration may impose a fine, as specified in Section 14, subsection (3) of Law-Decree No. 23 of 1989 on the Registration of Companies by the Court and the Supervision of the Legality of the Companies, on the association, which fails to request its entering into the companies register by the date specified in this subsection.

(7) The Government shall be authorized to establish, in decrees,

a) rules for the protective (underground) zone, and protective areas (strips) of water resources developed for water withdrawal, long-term water resources developed for water withdrawal, and hydraulic facilities used for the supply of drinking water;

b) rules for the maintenance tasks related to waters and public hydraulic facilities;

c) the collection, processing, and supply of input data related to the water management tasks, in harmony with the provisions of the Act on the Protection of Personal Data and the Publicity of Data of Public Interest;

d) rules for the establishment, operation, and termination of the associations, as well as for making contributions in

accordance with one's interest involved, on the basis of this Act and not falling within the scope of duties of the internal regulation of the associations;

e) rules for the exercising of the authority's competence

in connection with water management.

(8) The Minister shall be authorized to establish, in decrees,

a) general professional requirements and qualification prerequisites for water management, hydrographic tasks, and rules for making interventions into the water resources;

b) the composition and the operational rules of the Regional Water Management Council;

c) the national and regional order of water management;

d) the substantial requirements of the plan documentation necessary for water licensing procedures, and of the appendices of the applications;

e) the operation of agricultural water supply works;

f) operations on waters, hydraulic facilities, and water uses (register of approved water uses), the keeping record of the water resources;

g) the utilizable water resources, for the purposes of commencing the use of waters, or preserving utilization alternatives therefor.

(9) The Republic of Hungary shall promote the enforcement of interests in water management and water conservation also with bilateral or multilateral international treaties on co-operation, provision of information, and assistance, especially in its relations with the neighbouring countries. Even in the absence of an international treaty, the interests of other states, especially those of the neighbouring countries, shall be taken into consideration in water management.

Schedule No. 1 to Act LVII of 1995

Definitions

For the purposes of this Act,

1. *flood control*: preventive activities against the damage caused by water spilling over its banks and by floods, which protect (protected floodplain) the areas susceptible to flooding (bottomlands) from regular inundation, by establishing flood-control works (levees, floodwalls, retarding reservoirs, flood channels);

2. *mineral water*: water coming from a natural subsurface reservoir or aquifer, the mineral content of which is characteristically different from that of the drinking water used for regular human consumption, and the composition of which meets the relevant (like biological, chemical) standards set in the relevant legal rule;

3. *canal*: a hydraulic facility suitable for the carrying out of one or more simultaneous water management tasks (inter-basin diversion of water, water supplementation, draining of excess surface waters, water supply for agriculture and other purposes);

4. *wave erosion*: damage to the banks and shores resulting from the wave motion of water (river, stream, creek, canal, reservoirs, lake, and pond);

5. *primary flood-control hydraulic facility*: a (regional) flood-protection line affecting three or more localities, to be found or being constructed along watercourses, and declared by the Minister to be main flood-control works (levee, floodwall, elevated river bank, retarding reservoir, flood channel), furthermore, an earthen levee serving the flood control of a locality situated in the unprotected floodplain of a river or stream;

6. *concerned party*: private individual, legal entity, or unincorporated economic association, who or which owns or uses real property in the area of concern;

7. *area of concern*:

a) *in the case of waterworks associations, areas, in which one may have recourse to the services provided by the hydraulic facilities implemented by such associations (water supply, sewage removal, and, in inner areas, draining of storm water or groundwater)*;

b) *in the case of water associations, areas, from which waters flow naturally into their recipients (watercourses, lakes, and hydraulic facilities owned by other parties), or may be conducted to, excluding direct contacts with the waters and hydraulic facilities listed in Schedules No. 2 and No. 3 to this Act, and areas, the subsurface or surface waters of which the public operations on waters and completed hydraulic facilities by the associations have impact on*;

8. *medicinal water*: mineral water with proven curative effect, the use in therapeutics of which is licensed in accordance with separate legal rules;

9. *drinking water*: water suitable for regular human consumption, which meets the physical, chemical, bacteriological, toxicological, and radiological standards;

10. *extent of public interest*: the fulfilment of public responsibilities at a standard, which was established by taking also into consideration the personal and material conditions specified in a separate legal rule;

11. *public responsibility*: the responsibilities of the state, the local governments, and the associations indicated in this Act, furthermore, the tasks arising from their ownership or use of waters or hydraulic facilities;

12. *channel, bed*: natural depression or developed topographic feature, which is regularly covered by water up to a specific bank line;

13. *regional waterworks*: interconnected waterworks forming an integrated system, which are inoperable economically if technically separated; the said system provides for water withdrawal, treatment, and distribution in a contiguous geographical area (a part or a region of the country) including several localities (counties) for a high number localities typically situated far from the water resources developed for water withdrawal, which may also include the provision of public water supply for the consumers and sewage removal;

14. *thermal water*: all waters of subsurface origin (coming from aquifers), the temperature of which at their well-heads (measured at the ground surface) is 30°C or more;

15. *water-control works*: a hydraulic facility required for emergency defence operations against the damage caused by water;

16. *protective (underground) zone*: a subsurface part of the space, which surrounds an operating or planned intake work, and shall be safeguarded to a greater extent than its surroundings in the interest of the protection of the quantity and quality of the withdrawn water;

17. *protective area (including protective strip)*: an area, which surrounds an operating or planned intake work, and shall be safeguarded to a greater extent than its surroundings in the interest of the protection of the quantity and quality of the withdrawn water;

18. *water resources developed for water withdrawal*: an area or subsurface part of the space, which is used or designated for utilization by intake works, as well as the water available for withdrawal therefrom, together with the existing and planned water taking facilities;

19. *watercourse*: all natural or artificial topographic features, in which water flows on a permanent or temporary basis;

20. *water management*: water utilization, preservation of alternatives for water utilization, and control of and emergency defence operations against the damage caused by water (prevention and elimination of water damage);

21. *water use*: an activity, which results in influencing the runoff and flow regimes, the quantity and quality, as well as the channels and beds, banks and shores of waters, in the interest of water utilization;
22. *water user*: a natural person, legal entity, and the unincorporated economic organization of natural persons, who (which) uses the water for the supply of water or for his (its) own purposes;
23. *operations on waters*: activities, which are aimed at influencing the runoff and flow regimes, the quantity or quality, the channels and beds, banks and shores of waters, in order to prevent and eliminate damage caused by water, to utilize the waters, to monitor the quantity and quality thereof, to carry out mineral and geological exploration, and to exploit mineral resources;
24. *hydraulic facility*: works (waterworks), built structure, equipment, or mechanism, which is aimed at influencing the runoff and flow regimes, the quantity or quality, the conditions of the channels and beds, banks and shores of waters, in order to prevent and eliminate damage caused by water, to utilize the waters - including the supply of water through activities involving waterworks - to monitor the quantity and quality thereof, and to carry out mineral and geological exploration, or to exploit mineral resources;
- a) *public hydraulic facility*: it serves the water management responsibilities of the state or a local government specified by the law, especially the supply of water using waterworks, the control of damage caused by water, the exploration, preservation, utilization, supplementation, and management of water resources, as well as the monitoring of their conditions;
- b) *own-purpose hydraulic facility*: works fulfilling, according to their designated purpose, the tasks of supplying water to industries, households, or agriculture (like the disposal, conduction, and treatment of sewage, and irrigation therewith), preventing and eliminating water damage, water treatment, and hydropower development;
25. *register of approved water uses*: an authentic record of the rights and responsibilities related to operations on waters, hydraulic facilities, and water uses;
26. *water damage*: damage caused by the excess or shortage of waters;
27. *water resources management*: the aggregate of activities, which are aimed at meeting the demands for water uses in such a manner that, as a result, no irreversible change take place in the conditions of the waters, and the accessibility of water resources remain at its original level;
28. *control of and emergency defence operations against the damage caused by water (prevention and elimination of water damage)*: organized activities against adversely excessive or scarce water.

Schedule No. 2 to Act LVII of 1995

Rivers, Streams, Creeks, Oxbow Lakes, Branches, and the Channels and Beds Thereof Owned Exclusively by the State

The following shall be owned exclusively by the state:

1. rivers and streams forming or crossing international borders, as mentioned in Section 6, as well as
- a) in the Danube Valley:
- | | |
|----------------------|--------|
| aa) Mosoni-Duna | 124 km |
| ab) Szentendrei-Duna | 32 km |
| ac) Ráckevei-Duna | 58 km |
| ad) Marcal | 22 km |
| ae) Sió | 121 km |
- b) in the Tisza Valley:
- | | |
|------------------------|--------|
| ba) Zagyva | 125 km |
| bb) Hortobágy-Berettyó | 79 km |

bc) Kettős-Körös	37 km
bd) Hármás-Körös	91 km

2. the flood channels of the rivers and streams listed in Item 1;
3. the oxbow lakes and branches not mentioned by Act XXXIII of 1991 on the Transfer of Certain State-Owned Assets to the Local Governments;
4. watercourses forming or crossing international borders, as well as those with a discharge over 20 cm per second at their mouth.

Schedule No. 3 to Act LVII of 1995

Hydraulic Facilities Owned Exclusively by the State

The hydraulic facilities owned exclusively by the state shall be following:

1. canals forming or crossing international borders, as mentioned in Section 6, as well as
 - a) Danube-Tisza Canal,
 - b) Kiskunság Main Canal,
 - c) Eastern Main Canal,
 - d) Western Main Canal,
 - e) Main Canals K-III and K-IV,
 - f) Nagykunság Main Canal (Eastern Branch, Western Branch, NK III-2),
 - g) Jászság Main Canal;
2. permanent excess surface water reservoirs with reservoir capacities not less than 1 million cm, together with their filling and drainage channels;
3. of the following flood-control works:
 - a) the primary flood-control works, which protect the inner areas of more than two localities or polders with a specific area-to-length ratio of at least 1 km²/km;
 - b) the secondary flood-control works, which are
 - ba) suitable for the temporary protection of the inner areas of more than two localities in the protected area of primary water-control works, in case the latter fail,
 - bb) localizing dykes along international borders, protecting against floods rushing in from abroad,
 - bc) the levees of emergency flood-control reservoirs;
4. the river-training works, locks, sluices, floodgates, and the dammed-up bottomlands of the rivers and streams mentioned in Schedule No. 2, as well as the canals mentioned in the above paragraphs;
5. the public utility assets from the regional waterworks;
6. connecting or drainage canals assisting the joint operation of the main canals of excess surface water drainage areas and drainage basins, and drainage canals with a discharge capacity over 2 cm per second at their mouth, as well as the built structures necessary for the operation thereof;
7. the reservoirs of the watercourses mentioned in Schedule No. 2, Item 4, with reservoir capacities not less than 1

million cm, as well as the flood channels thereof.