

## **9<sup>th</sup> Ministerial Meeting**

### **The Coalition of Finance Ministers for Climate Action**

#### **Statement from Mr. Tibor Tóth, State Secretary of the Ministry of Finance of Hungary**

Dear Excellencies, dear ladies and gentlemen!

Hungary is committed to the green transition. In order to reach climate neutrality by 2050, Hungary has introduced the National Clean Development Strategy, the National Energy and Climate Plan, and 3 Territorial Just Transition Plans, which pave the way for a low-carbon and environment-friendly economy.

We finance the transition from different sources. In case of the national budget, a significant source is the 50% of the revenues from the EU Emission Trading System, which we use for climate purposes. Other green spending from the national budget are refinanced by the loans from EIB and the Hungarian Green Bonds.

The Hungarian government presented the Green Bond Framework in 2020 and the Green Bonds are proved very successful in the international capital markets, too.

The Climate Bonds Initiative awarded Hungary the Sovereign Green Market Pioneer Award in 2021, recognizing Hungary's issuance of a EUR 1.5 billion sovereign green bond in 2020.

In the case of the Green Bonds the main challenge is to ensure that the data needed to meet strict regulatory requirements and investor expectations are available in a timely and high-quality manner.

That is why we see the EU's initiative of the Green Budgeting as a big potential to track and evaluate the green budget spending and identify eligible expenditures.

Our aim is to build capacity for developing a green budgeting framework and to reach it we count on the Coalition's programs as well.

Thank you for your attention!