

CITY DIPLOMACY OF BUDAPEST, OCTOBER 2019– SEPTEMBER 2020

City Diplomacy of Budapest

Annual Report



Table of Contents

1. Visiting a travelled path with new momentum: The development of the traditional bilateral and multilateral relations system.....	3
2. New, value-based cooperation: The Pact of Free Cities.....	3
3. Lobbying for direct access to European Union resources for climate protection and post-COVID-19 recovery	4
4. New tools to improve the international embeddedness, the lobbying power, and the visibility of Budapest	6
Budapest Global	6
Budapest Forum	7
Academy of City Diplomacy.....	7
5. City diplomacy during the pandemic	8
Appendix:	9
Meetings of the Mayor with international partners	9
Mayor’s visit abroad.....	9
City Diplomacy online	10
Donations from partner cities	11

Budapest's renewed, ambitious city diplomacy activities reflect on the appreciation of the city's economic, social, cultural, and political role of the past decades. Based on the values of the coalition platform which received majority support at the October 2019 municipal elections, it aims to reposition the Capital on the international stage by focusing on global challenges (climate crisis, public health crisis, etc.) with an international approach – by improving the living conditions of the citizens of Budapest through active international cooperation. City diplomacy tasks and actions are carried out by the City Diplomacy Unit at the Mayor's Office, any by Budapest's Representative Office in Brussels, in close cooperation with other departments of the Municipality of Budapest. Our city diplomacy activities over the past 11 months have been organized around the following topics.

1. Visiting Travelled Paths With New Momentum: The Development of the Traditional Bilateral and Multilateral Relations System

A key element of Budapest's foreign relations is the development of our bilateral and multilateral relations. Our bilateral initiatives are value-based; we seek cooperation with cities that - just like us - orientate themselves among the values of sustainability, citizen participation, social inclusion, and pluralism.

Building bilateral relations is not a goal per se: we aim to improve the living conditions of Budapest's citizens by observing good practices from cities that follow similar goals to us. In the past few months, we initiated dialogues with Vienna regarding the topic of smart city and social housing, with Amsterdam in the topic of sustainable tourism, with Copenhagen and London in the topic of sustainable transportation, and with Paris in the topic of participatory budgeting. Meanwhile, we also share our own experiences with others: we help Tirana in issues related to water management, and Bratislava in the topic of thermal baths.

Another important aspect of our bilateral relations is to maintain strong relationships with Hungarian cities beyond the country's borders, by the developing lively cultural and civil relations. Referring to the latter, it needs to be highlighted that Budapest is signing a twin city agreement with Kosice later this year.

In our multilateral cooperation programmes, we build upon our already existing memberships in important international alliances (e.g. the Covenant of Mayors, Global Covenant of Mayors, ICLEI, UCLG). In addition, we also aspire to join new international forums, with particular regard to organisations with sustainability and climate protection goals, in accordance with our policy priorities. With these goals in mind, we have strengthened our participation in the thematic working groups of the largest European city network, the EUROCITIES. After a long hiatus, we re-joined the Energy Cities cooperation which is an organisation that consists of approximately 1000 local municipalities from 30 countries. We also joined the knowledgeable City Today Institute, and we began our accession process to C40 - an elite club of cities fighting against climate change.

Since the period from October 2019, The Mayor of Budapest, Gergely Karácsony, his deputy mayors, and the professional leaders of the Municipality of Budapest have conducted their international meetings based on these principles.

2. New, Value-Based Cooperation: The Pact of Free Cities

An important element of building our value-based city alliances is *The Pact of Free Cities*, established with the mayors of Warsaw, Prague, and Bratislava on 16th December 2019. The founding document lays down the three main goals of the alliance:

1. The joint representation and protection of the values of liberal democracy, pluralism, and sustainability in our region.
2. Lobbying for better access to the European Union's climate protection funds.
3. Professional cooperation in key policy areas (e.g. climate protection, citizen participation, and digitalization).

Following the goals of the founding document, the members of the Pact have made the following steps in the past 9 months:

- On 8th December 2019, on the eve of the mass protests against the Hungarian theatre law, the Czech city administration lit the Czech National Theatre green in order to show solidarity.
- Mayor Gergely Karácsony expressed his solidarity with the Mayor of Prague, Zdeněk Hřib in a Facebook post and a letter (28th April 2020), when he was placed under police protection after an assassination attempt.
- Matúš Vallo, the mayor of Bratislava, expressed his solidarity with Mayor Gergely Karácsony in a letter following the Hungarian government conducting a smear campaign based on false claims during the coronavirus pandemic.
- On 26th June 2020, three mayors of the Pact (Rafal Trzaskowski, the mayor of Warsaw was not present due to the Polish election campaign) participated in the “Cities can Save Democracy” online panel discussion, during the yearly event series hosted by the German Marshall Fund. The main topic of the conversation was the role of metropolitan cities in strengthening liberal democracy and citizen participation.
- The mayors jointly attended the Globsec 2020 Bratislava Forum (October 7-8), and will attend the Conference of the Central European Institute (November 19-20), focusing on the topics relating to liberal democracy protection and urban cooperation.
- The policy cooperation of the Pact members in the first half of 2020 was also marked by the exchange of experience regarding the protection against the pandemic. The mayors of the Pact discussed the protective measures against the pandemic and the best practices in a video conference on 20th May 2020 (more information about the video conference can be found in the section titled *City Diplomacy During a Pandemic*).

3. Lobbying for Direct Access to European Union Resources for Climate Protection and Post-COVID-19 Recovery

One of the main directions for our city diplomacy activities is our initiative for direct access to EU resources for sustainable urban solutions, and post-pandemic economic recovery. This initiative was launched by the Pact of Free Cities in February 2020 due to a suggestion made by Budapest, but it soon grew beyond the framework of the Pact and moved to a Pan-European framework.

This Pan-European urban movement aims to raise awareness of the importance for direct urban support for sustainability - as well as post-pandemic economic recovery - in the next EU Multiannual Financial Framework, and in the allocation of resources from the European Green Deal, Recovery and Resilience Facility and REACT EU programs. Our initiative is based on the following arguments:

- The climate crisis (just like the economic crisis following the pandemic) is having a particularly severe impact on the urban population, which makes up close to three quarters of the European population.
- An overwhelming majority of Europe's urban population supports progressive climate policy, and expects this at a local, national and EU levels. A brave climate policy is a fundamental democratic expectation.

- Cities are among the highest emitters of CO₂ (fossil-based transport and heating systems, as well as emissions from metropolitan lifestyles and consumption patterns), therefore they can have a larger impact to combat the climate crisis.
- Cities are able to implement climate protection measures in smaller volumes, but faster and more efficiently than national governments. Cities are also less exposed to pressure from traditional large-scale and energy industry lobbying compared to central governments.
- Cities with the right resources can therefore be strategic allies for both the EU and the governments of the Member States to achieve Europe's most important goal, implementing the European Green Deal and making Europe carbon neutral.

In accordance with our initiative it is important to highlight that:

1. We are not calling for a major overhaul of the current distribution system, but rather for the introduction of mechanisms that can be easily created with minor changes in legislation, allowing cities to apply directly for certain resources for sustainability, thus helping to achieve the EU's strategic goals.
2. Our lobbying efforts are not region-specific. Our May position paper (see below) is now supported by a total of 31 cities, making up almost 9% of the EU's population. At the same time, our proposals are in line with previous proposals from EURO CITIES - the largest European association of cities - as well as the EU's advisory and consultative body, the Committee of the Regions. This helps to increase the involvement of the sub-national level when it comes to the formulation and implementation of EU strategic goals.

Our progress so far:

- On 11th February 2020, the mayors of the V4 capitals wrote to the presidents of the three main EU institutions, setting out their arguments in favour of a direct urban funding scheme. On 12th February, the mayors presented the letter at a press conference in Brussels, followed by a meeting with European Commission's Vice-President Timmermans, and EU Commissioner for Cohesion Policy, Elisa Ferreira. So far 36 European cities have joined the petition.
- In May 2020, we explained in a detailed paper (the so-called position paper) what legal possibilities we see for the introduction of direct forms of urban financing. These include amending the legislation on the European Urban Initiative, increasing the direct involvement of local governments in the Sustainable Urban Development, European Networking Facility programs, and the use of city-specific solutions with direct access to the European Green Deal and post-COVID-19 recovery financial instruments (RRF, REACT EU, etc.). These proposals have so far been signed by 31 cities, together with the V4 capitals, which account for almost 9% of the EU's population.
- The position paper was presented on 10th June at a webinar jointly organized by Budapest's Representative Office in Brussels and the European Green Party. Representatives of key European stakeholders (European Commission, German EU Presidency, EURO CITIES, Committee of the Regions, EP: Greens and Renew Europe political groups) attended the webinar and discussed our suggestions. The webinar was opened by Mayor Gergely Karácsony and the Mayor of Prague, Mr Zdeněk Hřib also spoke at the event.

- On 16th June, the V4 mayors addressed an open letter to the President and members of the European Council detailing the need to increase climate ambitions at the EU level, and to introduce direct urban funding. In the letter, the mayors explained:
 - Climate crisis must not be forgotten when creating a post-pandemic economic recovery package. The European Green Deal should be an integral part of the recovery package.
 - The EU needs to raise its emission reduction targets for 2030 (from the current 40% to 55%).
 - The EU should provide directly accessible resources for urban climate protection measures through new legal financial and legal frameworks (e.g. agreements between EU and cities).
 - As part of the economic recovery package, a European Building Renovation Fund should be set up to help cities and private individuals with grants and loans.
- Ahead of the July European Council meeting, the V4 mayors wrote to Chancellor Angela Merkel, the head of government of the incoming German EU presidency. The letter outlined the direct urban funding initiative proposed by the cities, and asked for the support of the German presidency.
- In the first half of the year, Budapest's Representative Office in Brussels actively lobbied the Greens/EFA, Renew Europe and S&D groups of the European Parliament. As a result of which, these political groups proposed amendments to the Commission's legislative proposals for better recovery of cities, the Recovery and Resilience Facility, the React EU, and the Just Transition Fund to ensure better and direct access for cities to EU resources. These amendments will be voted on by the EP committees during the autumn season.

4. New Tools to Improve the International Embeddedness, the Lobbying Power, and the Visibility of Budapest

Budapest Global

In our globalised world, the success of major cities and the quality of life of their citizens are greatly determined by their international embeddedness. Through a city's foreign network, it can access financial and intellectual resources, increase its economy, and strengthen its competitiveness. In addition to official city diplomacy activities, the systemic involvement of foreigners and foreign companies, as well as successful, influential Hungarians living abroad is crucial.

To promote this complex target system, the City Diplomacy Unit and BFTK Non-profit Ltd. have started the process to launch innovative organisation called Budapest Global. The planned date for setting up the organization is spring 2021. In recent months as part of this work, we have explored the stakeholder network of Budapest with an external partner (Milestone Institute). The analysis shows a network of contacts between individuals, organizations and companies that define the city's international positions.

We also conducted state-of-the-art research, which, based on international examples, examined the structure, strategic objectives, financial structure and relationship of these types of forums.

On the basis of this research and interviews with stakeholders, we have started developing Budapest Global's concept, strategic objectives and organisational structure.

Budapest Forum

Over the past decade, an increasing number of international conferences with a high level of focus on foreign policy, security, and economic policy have been organised in Central and Eastern Europe, as well as in the Baltic region. These conferences have numerous positive impacts on the host city's development (e.g. GLOBSEC, Bled Forum, Prague European Summit, Economic Forum in Krynica, Riga Security Summit, etc.). In Budapest, however, such intellectual efforts are less noticeable, as the Capital is not present on the map of the most prestigious international conferences.

We aim to fill this gap by launching an annual Budapest-based conference, called the Budapest Forum. The key initiative of the Budapest Forum is to become one of the main centres of discussion focusing on „sustainable democracies”. The forum aims to address different aspects of democracy, locality, sustainability, equality, and knowledge in a single framework and platform.

The Budapest Forum is scheduled for 15 - 17 September 2021. One of the main venues would be the Central European University. With the active involvement of Political Capital, the CEU Institute of Democracy, and the German Marshall Fund of the United States, preparations for the forum have begun. Development of the main program elements of the conference, as well as expanding the list of attendees has been coordinated by the City Diplomacy Unit.

Academy of City Diplomacy

Launched in 2020, the Budapest Academy of City Diplomacy is a training programme aimed at introducing university students, as well as recent graduates into the life of international and city diplomacy. The mission of the Academy is to train a group of young, value-driven and enthusiastic people interested in foreign policy and grant them a knowledge base in order for them to constructively participate in contemporary debates.

The programme combines theoretical perspectives with practical knowledge within the framework of an eight-month project, and explores global, social, economic, political, and historical issues, with a particular focus on city diplomacy. Participants will also have the opportunity to learn about the diplomatic activity between cities over the past decade and their role in tackling global issues.

The project started in October 2020 and will run until May 2021. The program consists of two Saturdays per month. Lectures are held in Hungarian and in English. The number of participants is 20, with two of them receiving a one-year internship opportunity at the City Diplomacy Unit. Courses are held in the Municipality of Budapest and other institutions of Budapest. Former diplomats, researches, and experts will support the program as lecturers.

5. City Diplomacy During the Pandemic

In the second - and partly third - quarter of 2020, the city diplomacy activities of Budapest took place primarily at online conferences and meetings and focused primarily on information exchange regarding the pandemic. The necessity of transitioning to online conferences was in line with our intentions to decrease the number of high emission group travels and to make use of virtual meetings, in order to promote sustainability. Accordingly, the construction of a modern online conference room, with an interpreting booth has begun at the Mayor's Office.

As a part of the experience exchange among Budapest and its partner cities, Mayor Gergely Karácsony participated in two online conferences with Berlin and its partner cities. These conferences were organised by Michael Müller, the Mayor of Berlin. Furthermore, Mayor Karácsony also took part in discussions with the mayors of the Pact of Free Cities, with Ekrem Imamoğlu, Mayor of Istanbul, Mansur Yavaş, Mayor of Ankara, Pirouz Hanachi, Mayor of Tehran and Michael Ludwig, Mayor of Vienna. Mayor Karácsony also participated in a conference titled “How does COVID-19 change the future of the European cities?” organised by the city of Warsaw, also attended by the mayors of Bratislava, Prague, Warsaw, Stockholm and London.

In addition, the City Diplomacy Unit prepared daily international summaries for the heads of the Municipality of Budapest, started the English versions of the [koronavirus.budapest.hu](https://www.koronavirus.budapest.hu) and the [restart.budapest.hu](https://www.restart.budapest.hu) websites, and coordinated the donations arriving from the Chinese partner cities to Budapest. It was an important objective to provide enough protective equipment for the employees of Budapest, who play a key role in operating the city. In addition to the 165,000 masks we received from our Chinese sister cities, 60,000 masks arrived from Shenzhen and Beijing. Beijing also donated more than 1,660 pieces of protective equipment, and 5,000 pairs of shoe protectors. The city of Seoul sent more than 3,000 pieces of protective equipment (Appendix No. 3.). George Soros donated more than 1.5 million euros to Budapest through the Open Society Foundation to help the fight against COVID-19, and the City Diplomacy Unit provided help in the negotiations. The donation was used to perform tests on the doctors and nurses working in outpatient care, primary medical care, and the employees of elderly homes.

Appendix:

Meetings of the Mayor with international partners

- 15 November 2019: Jean-Louis Bourlanges, Member of the French National Assembly
- 18 November 2019: Ivan Vuković, Mayor of Podgorica
- 19 November 2019: Katrin Göring-Eckardt, Leader of the Bundestag Greens faction
- 22 November 2019: Peter Hanke, Vienna Councillor for International Relations (Deputy Mayor)
- 20 January 2020: Jaroslav Polaček, Mayor of Kosice
- 3 February 2020: Pavol Hamžík, Slovak Ambassador
- 25 February 2020: Iain Lindsay, UK Ambassador
- 27 February 2020: Annual State of City Diplomacy Reception, meeting with representatives of the diplomatic representation and the international business community
- 19 May 2020: Kirsten Rosenvold Geelan Danish Ambassador, Markku Virri Finnish Ambassador, Olav Berstad Norwegian Ambassador and Dag Hartelius Swedish Ambassador.
- 26 June 2020: Yacov Hadas-Handelsman, Ambassador from Israel
- 3 July 2020: Daniel Freund, Member of the European Parliament (The Greens/EFA)
- 22 July 2020: Johannes Konrad Haindl German Ambassador

The Mayor's visit abroad

- 8 November 2019, Berlin: Gergely Karácsony, Mayor of Budapest, on the invitation of Michael Müller, Mayor of Berlin, participated in the celebration to mark the 30th anniversary of the fall of the Berlin Wall.
- 21 November 2019, Prague: Gergely Karácsony, Mayor of Budapest, attended the private political section of the annual general meeting of EUROCITIES, and held a brief bilateral meeting with Deputy Mayor of Paris, Hermano Sanches Ruivo.
- 10 December 2019, Brussels: Gergely Karácsony, Mayor of Budapest, held a meeting in Brussels with Evelyne Huytebroeck, co-chair of the European Green Party, Pascal Canfin, Chairman of the EP Environment Committee, Philippe Lamberts and Ska Keller, co-chairs of the Greens/EDF, Vula Tsetsi, Secretary-General, and Marc Lemaitre, Director-General of the DG Regio of the European Commission.
- 12-13 February 2020, Brussels: Gergely Karácsony, Mayor of Budapest, presented our initiative for direct EU funds at a joint press conference with the mayors of the Pact of Free Cities, and discussed the same agenda with European Commission Vice-President Frans Timmermans, and EU Commissioner for Cohesion and Reforms, Elisa Ferreira.
- 13 February 2020, London: Meeting of Gergely Karácsony, Mayor of Budapest, and Sadiq Khan, Mayor of London, followed by Mayor Gergely Karácsony's participation in a roundtable organised by the urban department of the London School of Economics.

City Diplomacy online

Online meetings of Gergely Karácsony, Mayor of Budapest, and other heads of The Municipality of Budapest during the coronavirus pandemic:

- 21 April 2020: Webinar organized by Beijing on Beijing's anti-epidemic measures. Participants: Gábor Kerpel-Fronius Deputy Mayor, Balázs Rékassy Health Advisor, Ferenc Falus Chief Medical Officer.
- 22 April 2020: Webinar organized by EUROCITIES, with the speaker Dávid Dorosz, Deputy Mayor, on mobility measures in European cities during the coronavirus epidemic.
- 23 April 2020: Meeting of Gergely Karácsony, Mayor of Budapest, and Ekrem Imamoğlu, Mayor of Istanbul.
- 29 April 2020: A video conference including mayors on anti-epidemic urban practices organised by Michael Müller, Mayor of Berlin.
- 29 April 2020: Meeting of Gergely Karácsony, Mayor of Budapest and Michael Ludwig, Mayor of Vienna.
- 5 May 2020: Meeting of Gergely Karácsony, Mayor of Budapest and Iain Lindsay, UK Ambassador.
- 6 May 2020: Meeting of Gergely Karácsony, Mayor of Budapest and David Cornstein, US Ambassador.
- 13 May 2020: Meeting of Gergely Karácsony, Mayor of Budapest and Pirouz Hanachi, Mayor of Tehran.
- 26 May 2020: A second mayoral video conference on anti-epidemic urban practices organised by Michael Müller, Mayor of Berlin.
- 3 June 2020: The participation of Gergely Karácsony, Mayor of Budapest in the webinar "How does COVID-19 change the future of European cities?" organised by EUROCITIES. Other participants included Rafal Trzaskowski of Warsaw, Zdenek Hrib of Prague, Anna König Jelmlyr and Mayor Sadiq Khan of London
- 23 June 2020: Meeting of Gergely Karácsony, Mayor of Budapest and Mansur Yavaş, Mayor of Ankara.
- 26 June 2020: Meeting of Dávid Dorosz, Deputy Mayor of Budapest and Tatiana Kratochvílova, Deputy Mayor of Bratislava.
- 7 July 2020: The online conference of Dr Tamás Számadó, Chief Clerk of Budapest with Erich Hecthner, Chief Executive Director of Vienna.
- On 4 September 2020, Budapest hosted the Annual Chief Executive Director Meeting of the Central European Capitals in the form of an online video conference with the chief executive directors of Vienna, Ljubljana, Bratislava and Prague.

Donations from partner cities

Donor	Name of the equipment
Beijing Capital	20 000 surgical masks, 20 000 KN95 masks, 1 660 protective equipment, 5 000 pairs of shoe protector
Shanghai Provincial City	3 000 N95 masks (9132), 18 000 KN95 masks
Shanghai Huangpu District (for District VII of Budapest)	30 000 KN95 masks
Shanghai Minhang District (for District VII of Budapest)	10 000 masks
Shanghai Changning District (for District VII of Budapest)	50 000 masks
Jiaxing Xiuzhou District (for District XI of Budapest)	10 000 masks
Nanking (Jiangsu Provincial Capital)	24 000 masks
Shenzhen (Guangtung Province)	20 000 masks (WINNER Disposable Medical Mask)
Hangzhou (Zhejiang Provincial Capital)	10 000 masks (DroAir-1020FFP2 NRD)
Hangzhou International Exchange & Service Center	10 000 surgical masks
Seoul Capital	3 200 protective equipment, 3 200 pairs of shoe protector