

European Rule of Law Mechanism: input from Hungary
2024 Rule of Law Report

I. Justice System

1. *Please provide information on measures taken to follow-up on the recommendations received in the 2023 Report regarding the justice system (if applicable)*

A. Independence

2. *Appointment and selection of judges⁴, prosecutors and court presidents (incl. judicial review)*

The relevant provisions of Act X of 2023 amending, with regard to the Hungarian Recovery and Resilience Plan, certain Acts governing justice (hereinafter referred to as 'Act X of 2023') were presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023. Act X of 2023 entered into force on 1 June 2023. No further development took place in 2023.

3. *Irremovability of judges; including transfers (incl. as part of judicial map reform), dismissal and retirement regime of judges, court presidents and prosecutors (incl. judicial review)*

Pursuant to Section 31 of Act CLXII of 2011 on the legal status and remuneration of judges there is a possibility to temporary transfer a judge to another court (secondment). As it was described in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted on 6 June 2023, pursuant to the new rules introduced by Act X of 2023, the president of the National Office for the Judiciary (hereinafter referred to as the 'NOJ') may only delegate a judge with the prior consent of the National Judicial Council (hereinafter referred to as the 'NJC'). Otherwise, the rules on secondment were not changed in 2023. The secondment in practice is carried out with the consent of the judge, although it is possible to delegate the judge without his/her consent as prescribed in Section 31 (3) of the above referred Act CLXII of 2011, but only for one year within a three year period to ensure the even distribution of workload between courts. It is to be noted that the president of the NOJ has not seconded a judge without his/her consent since the establishment of the NOJ (2012), thus no such secondment took place in 2023 either.

4. *Promotion of judges and prosecutors (incl. judicial review)*

The relevant provisions of Act X of 2023 were presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023. No further development took place in 2023.

5. *Allocation of cases in courts*

5.1. Case allocation scheme of the Kúria

As regards the case allocation scheme of the Kúria, the new rules introduced by Act X of 2023 were presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023.

In order to fully and adequately meet all the criteria set out in the Act X of 2023, the Curia amended its

case allocation order with effect from 16 July 2023.¹ In line with the requirements set out in Section 9 (1) of Act CLXI of 2011 on the organisation and administration of the courts (hereinafter referred to as the 'Court Organisation Act'), as amended by Section 17 of Act X of 2023, Subpoint *bb*) of point *b*) of paragraph (2) of Section 151 of the Court Organisation Act (as inserted by Section 43 (2) of Act X of 2023) and Section 155 (2) of the Court Organisation Act (as amended by Section 44 of Act X of 2023) this amendment to the case allocation order of the Curia was determined by the President of the Curia, in accordance with the consent of the judicial council and all the three divisions of the Curia.²

The criteria determined by Section 10 (4) d) and 10 (7) of the Court Organisation Act, enacted by Act X of 2023, are being applied by the Kúria since the entry into force of Act X of 2023, i.e. from 1 June 2023. Accordingly, the Kúria publishes as from 1 June 2023 on its website³ on a weekly basis the documents where the required data on the assignment of cases are made available with regard to all the 3 Chambers (Criminal, Civil, Administrative), as well as the Panels referred to in the case allocation order of the Curia. In the period between 1 June 2023 and 5 November 2023 the log files contained the date of arrival of the cases in a breakdown year/month/day. As from the 45th week of 2023 (13 November 2023) the Kúria publishes the log files on a weekly basis which contain the date of arrival of all cases in a breakdown to the minute (year/month/day/hour/minute). This development can be considered as unique in Europe. However, the set of data to be published in the log files on the Kúria's website was further specified by the below referred amendment to Decree No. 14/2002 (1 August) of the Minister of Justice laying down the rules on judicial case management (hereinafter referred to as 'Decree 14/2002 of the Minister of Justice').

Furthermore, in 2023 the Minister of Justice amended Decree 14/2002 of the Minister of Justice. Decree No 18/2023 (7 December) of the Minister of Justice amending Decree 14/2002 (1 August) of the Minister of Justice laying down the rules on judicial case management (hereinafter referred to as 'Decree 18/2023 of the Minister of Justice') was promulgated on 7 December 2023 and will enter into force on the 61st day following its promulgation.⁴

The above referred amendment, on the one hand, clarifies in a new provision that the Kúria shall enter into the register of the case category all initial documents received by electronic means in the order of receipt, under the next registration number, according to the criteria laid down in Section 10 (4) a) of the Court Organisation Act⁵, which requires that each case received by electronic means shall be assigned a case number in an automated manner, without human intervention. Due to that amendment the following paragraph (3) was added to Section 28 of Decree 14/2002 of the Minister of Justice:

¹ The amendment to the case allocation order of the Kúria with effect of 16 July 2023 is available at the following link: https://kuria-kozasatok.birosag.hu/sites/default/files/field_attachment/a_kuria_ugyelosztasi_rendjenek_modositasa_2023_julius_16_napi_atol.pdf. The consolidated version of the currently applicable case assignment order of the Curia is available at the following link: https://kuria-kozasatok.birosag.hu/sites/default/files/field_attachment/a_kuria_2023_januar_1_napjatol_hatalyos_ugyelosztasi_rendje.pdf.

² It is apparent from the Clause of the amendment to the Kúria's case allocation order referred above that the Criminal Chamber gave its consent at its meeting held on 5 July 2023, the Civil Chamber and the Administrative Chamber gave their consent at their meetings held on 10 July 2023, while the judicial council of the Curia gave its consent in its decision adopted on 10 July 2023, to the draft amendment.

³ See at the following link: <https://kuria-birosag.hu/kuria-ugyelosztasi-rendszer>.

⁴ The date on entry into force follows from Section 103 (4b) of Act CLXI of 2011 on the organisation and administration of the courts.

⁵ Section 10(4)a) of Act CLXI of 2011 on the organisation and administration of the courts, which was enacted by Section 18 of Act X of 2023 amending, with regard to the Hungarian Recovery and Resilience Plan, certain Acts governing justice, provides as follows:

'(4) The criteria on which case assignment in the Curia is to be based shall be the following:

a) as for the registration of the cases received by electronic means, each case shall be assigned a case number in an automated manner, without human intervention;'

'(3) The Curia shall enter into the register of the case category all initial documents received by electronic means in the order of receipt, under the next registration number, with the proviso that as for the registration of the cases, each case shall be assigned a case number in an automated manner, without human intervention.'

On the other hand, as an implementing rule of Section 10 (7) of the Act CLXI of 2011 on the organisation and administration of the courts (hereinafter referred to as the 'Court Organisation Act'), the amendment specifies in a new provision the set of those data that the Kúria shall publish on its website on a weekly basis in the log files. Due to that amendment, the following Section 31/A was added to Decree 14/2002 of the Minister of Justice:

'Section 31/A The Curia shall, on a weekly basis, in accordance with section 10 (7) of the Court Organisation Act publish on its homepage the following:

- a) case number,*
- b) date and time of receipt,*
- c) date and time of registration,*
- d) date and time of assignment,*
- e) case category,*
- f) panel to act,*
- g) panel composition,*
- h) senior officer who assigned the case,*
- i) reasons for deviation from the case assignment order.'*

5.2. Case allocation scheme of the other courts

The rules were not amended in 2023.

Under the currently applicable rules, the method of case allocation has to ensure the objective and even distribution of cases. We note in light of the recommendation No. 1 addressed by the Commission to Hungary in its 2023 Rule of Law Report that 'automatic' case allocation does not necessarily mean a computer-aided process. However, a pre-defined system for the allocation of cases ensures that the allocation of cases is independent from the court executives' ad hoc or subjective decision. According to such system it can be clear as well to the judges as to the clients why was a case assigned to a specific judge/panel.

A fully computerized case allocation system is available in the Hungarian courts for example for business registry cases, and in other case categories allocation methods may also be automatic without computerization (e.g. based on odd and even case numbers).

Differing from the general rules of the pre-defined case allocation regime is allowed only for reasons defined by law (e.g. a judge is excluded from the case because he/she is related to one of the parties) or because of important circumstances affecting the functioning of the court (e.g. the judge who should get the case is known to leave the court in a short period so would not be able to finish the case).

- 6. Independence (including composition and nomination and dismissal of its members), and powers of the body tasked with safeguarding the independence of the judiciary (e.g. Council for the Judiciary)*

The relevant provisions of Act X of 2023 were presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023. No further development took place in 2023.

7. *Accountability of judges and prosecutors, including disciplinary regime and bodies and ethical rules, judicial immunity and criminal/civil (where applicable) liability of judges (incl. judicial review)*

The relevant provisions of Act X of 2023 were presented in the ‘updated and additional input from Hungary’ to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023. No further development took place in 2023.

8. *Remuneration/bonuses/rewards for judges and prosecutors, including observed changes (significant and targeted increase or decrease over the past year), transparency on the system and access to the information*

The relevant provisions of Act X of 2023 were presented in the ‘updated and additional input from Hungary’ to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023. No further development took place in 2023.

9. *Independence/autonomy of the prosecution service*

No relevant development took place in 2023.

10. *Independence of the Bar (chamber/association of lawyers) and of lawyers*

No relevant development took place in 2023.

11. *Significant developments capable of affecting the perception that the general public has of the independence of the judiciary*

For the general public, judicial independence is often aggregated from the overall performance of the courts.

In the past 3 years, the number of ‘old cases’ (cases pending for more than 2 years) decreased radically (by 45%), and the number of cases pending for more than 5 years decreased at the same ratio (by 45%). Among the pending cases, the ratio of cases pending for more than 2 years is around 5%, while the ratio of cases pending for more than 5 years is 0,6%.

The time needed to resolve a case is also getting shorter on every instance. The most cases courts deal with are district level civil cases: more than 90% of these cases are closed within one year.

Digitalization has become part of the courts everyday activity – this also made the courts more accessible to the citizens which may have positive impact on the perception of the general public.

B. Quality of justice⁵

12. *Accessibility of courts (e.g. court/legal fees, legal aid, language)*

No relevant development took place in 2023.

13. *Resources of the judiciary (human/financial/material⁶)*

The budget of the court system for the year 2023 was approximately 165.000.000.000 HUF.

The court system has cca. 11.500 employees: cca. 2700 judges and cca. 8800 judicial employees.

As regards the prosecution service, we refer to the data provided to the EU Justice Scoreboard. There has been no change in the legal framework, however, it should be noted that the Prosecution Service is also affected by the reduction in expenditures foreseen in the budget planning for public bodies. The total expenditure in Chapter VIII on the Prosecution Service in Act LV of 2023 on the Central Budget of Hungary for 2024 is HUF 58,199.5 million, which is a decrease of HUF 3,418.9 million compared to the HUF 61,618.4 million in 2023. The expenditure reduction for the Office of the Prosecutor General is 5.6%. Moreover, there has been a change in the figures on employees. As of 31 December 2023, the total number of employees in the prosecution service was 4,208, of which 1,864 were prosecutors, 94 junior prosecutors and 111 trainee prosecutors, 932 administrators, 761 clerks and 446 manual staff.

Resources of the National Judicial Council

As regards the budget of the NJC, the following developments took place in 2023.

As it was already presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023, Act X of 2023 provides the NJC with legal capacity. It stipulates that the NJC shall be a central budgetary organ with autonomous financial management. The Act also provides the NJC with the necessary budgetary autonomy. Under Section 4 of the Court Organisation Act, as amended by Section 16 of Act X of 2023, the NJC became a separate title within the Courts heading of the central budget.

Act VI of 2023 amending Act XXV of 2022 on the Central Budget of Hungary for the year 2023 (hereinafter referred to as the 'Act VI of 2023') included the title on the NJC under the heading on Courts in the central budget of Hungary and provided additional resources of HUF 300 million to the NJC for the year 2023. The Act VI of 2023 entered into force on 6 April 2023. Pursuant to Section 11 of Act VI of 2023, in the Act XXV of 2022 on the central budget of Hungary for the year 2023, the following paragraph (5) was added to Section 22: '*(5) The condition for the use of the appropriations specified in the title 3 National Judicial Council under heading VI Courts is the entry into force of the legal provision declaring the National Judicial Council to be a central budgetary organ with autonomous financial management. The day of this entry into force shall be determined by the Minister responsible for justice in an individual decision published in the Hungarian Official Gazette without delay after it becomes known.*' The day of the entry into force referred to in this provision was determined by Decision No 1/2023 of the Minister of justice, which was published on 1 June 2023 of the Hungarian Official Gazette. In that decision the Minister of justice stated that the date of the entry into force of the legislative provision declaring that the National Judicial Council is a central budgetary organ with autonomous financial management is 1 June 2023 pursuant to Section 65 of Act X of 2023. Thereby the Minister of justice also stated that the condition set out in Section 22 (5) of Act XXV of 2022 on the central budget of Hungary for the year 2023, according to which the condition for the use of appropriations, laid down in Chapter VI on Courts, Title 3 on the NJC is the entry into force of the legislative provision declaring that the NJC is a central budgetary organ with autonomous financial management, is met on 1 June 2023.

The NJC adopted on 5 July 2023 its Decision No 61/2023 on its 2023 budget.

As for the year 2024, the Act LV of 2023 on the central budget of Hungary for the year 2024 provides HUF 600 million to the NJC.

Concerning the annual budget of the NJC, as from the year 2025, Section 104 (1) of the Court Organisation Act, as amended by Section 32 of Act X of 2023 provides for the adequate budgetary resources to the NJC. Pursuant to Section 104 (1) of the Court Organisation Act, the NJC shall determine the budget for a year concerned before that year and communicate it to the president of the NOJ. The president of the NJC

shall manage the budget amount allocated to the NJC; in this context, the president shall have the right to authorise payments and to undertake obligations. Under Section 76 (3) a) of the Court Organisation Act, as amended by Section 23 (1) of Act X of 2023, the president of the NOJ shall, in compliance with what is defined in the heading of the courts within the Act on the central budget, and, for the NJC, by the NJC, and, for the Curia, through the opinion of the president of the Curia having been sought and presented, compile his or her proposal for the budget of the courts and his or her account on its implementation, which shall be submitted by the Government, without change, as part of its legislative proposal for the central budget and legislative proposal for its implementation to the National Assembly.

14. Training of justice professionals (including judges, prosecutors, lawyers, court staff, clerks/trainees)

No relevant development took place in 2023.

The training of the Hungarian judges and judicial employees is mainly the responsibility of the Hungarian Academy of Justice (hereinafter referred to as the 'Academy of Justice'), which is part of the NOJ. The Academy of Justice organizes legal and 'soft skill' trainings on a national level and each regional court and regional court of appeal has its own decentralized trainings for its judges and judicial employees. For trainee judges - during their three year traineeship - the court where they work organizes regular trainings that cover all the relevant legal fields. For court secretaries - who already have passed the bar exam - the Academy of Justice organizes a preparation training for the judicial work (ethics and integrity, criminal law, civil law and mock trials). The obligatory training courses for judges also take place at the Academy of Justice. Providing on-line trainings has been a part of the training regime for more than a decade – both the importance and the number of these trainings is growing (especially in accordance with the special situation caused by the COVID-19 pandemic). While due to the Covid-19 pandemic in 2021 all the trainings were organized on-line, in 2022 training courses with personal attendance have been reintroduced.

15. Digitalisation (e.g. use of digital technology, particularly electronic communication tools, within the justice system and with court users, procedural rules, access to judgments online)

Pursuant to Act CCXXII of 2015 on the General Rules of Electronic Administration and Authentication Services, the prosecution service shall provide electronic administration services. Accordingly, the Prosecution Service of Hungary has developed and operates specialised systems (IT systems) that ensure the authentic reception, management and transmission of case files in proceedings involving the participation of the Public Prosecutor's Office, e.g. in criminal proceedings. The detailed procedural rules are set out in procedural laws, such as Chapter XXVII of Act XC of 2017 on the Code of Criminal Procedure (hereinafter referred to as the 'Code of Criminal Procedure').

The provisions of Chapter XX of the Code of Criminal Procedure provide for the possibility of participation in the proceedings through technical means as if the person concerned were present in person. Accordingly, the Prosecution Service has acquired the means of telecommunication which are suitable for substituting the personal presence at procedural acts.

Pursuant to Chapter CV/A of the Code of Criminal Procedure, as from the beginning of 2023 the Prosecution Service of Hungary publishes on its official website its anonymised decisions in proceedings concerning special criminal offences related to the exercise of public authority or the management of public property, in respect of which a 'third party' person not directly concerned by the offence may file a motion for revision, or in respect of which only the Integrity Authority has filed a motion for revision, and in which the court has determined that a motion for prosecution may be filed.

The Prosecution Service of Hungary regularly produces and publishes statistical information on the

criminal landscape on-line.

The Prosecution Service of Hungary has set up online access to case files for those entitled to do so, while ensuring full IT security, in criminal cases involving a large volume of case files or a large number of participants.

16. Use of assessment tools and standards (e.g. ICT systems for case management, court statistics and their transparency, monitoring, evaluation, surveys among court users or legal professionals)

No important development took place in 2023.

About the availability and application of ICT tools the EU Justice Scoreboard includes further information and data. To summarize it briefly, the case management system is fully computerized in Hungary.

17. Geographical distribution and number of courts/jurisdictions (“judicial map”) and their specialisation, in particular specific courts or chambers within courts to deal with fraud and corruption cases.

C. Efficiency of the justice system⁸

18. Length of proceedings

Measuring the workload of Hungarian courts is based on mainly the number and ratio of incoming - resolved - pending cases, not on the timeframe of the cases. Although generally it can be emphasized that app. 86% of the first instance cases are finished within one year.

In 2022, the courts received app. 1.167.000 cases and finished app. 1.178.000 cases, thus the backlog of courts has been reduced further.

In the last decade, the courts were able to continuously reduce the backlog year by year, particularly the cases that have been pending for a relatively long time. The president of the NOJ introduced new measures in 2020 to reduce the number of cases pending for more than two years: since then the number of litigious cases pending for more than two years has been reduced by 45%.

Other – please specify

II. Anti-corruption framework

Where previous specific reports, published in the framework of the review under the UN Convention against Corruption, of GRECO, and of the OECD address the issues below, please make a reference to the points you wish to bring to the Commission’s attention in these documents, indicating any relevant updates, changes or measures introduced that have occurred since these documents were published.

19. Please provide information on measures taken to follow-up on the recommendations received in the 2023 Report regarding the anti-corruption framework (if applicable)

A. The institutional framework capacity to fight against corruption (prevention and investigation / prosecution)

20. List any changes as regards relevant authorities (e.g. national agencies, bodies) in charge of prevention, detection, investigation and prosecution of corruption and the resources

allocated to each of these authorities (the human, financial, legal, and technical resources as relevant), including the cooperation among domestic and with foreign authorities. Indicate any relevant measures taken to effectively and timely cooperate with OLAF and EPPO.

In order to fight corruption, the Central Investigation Prosecution Office, which has exclusive jurisdiction to investigate official corruption offences, has been further strengthened.

As of 1 November 2023, the Metropolitan Investigating Prosecutor’s Office, which was previously under the control of the Metropolitan Prosecutor’s Office, was integrated into the regional investigative bodies of the Central Investigation Prosecution Office.

The primary aim of the integration of the Metropolitan Investigating Prosecutor’s Office into the organisation of regional prosecution offices is to eliminate the workload imbalance and to relieve the burden of the regional investigating prosecution offices. A secondary objective is to preserve the professional experience in investigations accumulated at the Metropolitan Investigative Prosecutor’s Office and to channel it for use in investigating public corruption.

After the integration, on 31 December 2023, the total number of staff of the Central Investigation Prosecution Office was 320, including 113 prosecutors, 3 junior prosecutors, 17 trainee prosecution, 79 administrators, 67 clerks and 41 manual staff.

The budget of the Central Investigation Prosecution Office for 2023 is as follows:

Priority appropriations	Payment (in thousands of HUF)
Personal allowances	3.015.614
Of which:	
<i>Salary</i>	2.770.595
<i>Other allowances</i>	245.019
Employer contributions	391.900
Expenditure on services	683.979
Administrative expenditure	12.601
Total:	4.104.094

Given the special nature of the investigation of corruption offences, the Central Investigation Prosecution Office cooperates effectively with various investigative authorities, intelligence services and the National Protective Service. The operational units of the Counter-Terrorism Centre and the various police units, in particular the Emergency Police, provide significant support to the staff of the Prosecutor’s Office in carrying out on-the-spot investigations. The results of the secret information gathering prior to the filing of a complaint and the activities of the National Protective Service in carrying out the preparatory procedures have laid the foundations for the successful prosecution of the Central Investigation Prosecution Office in a number of cases.

No specific or significant obstacles to cooperation with foreign judicial authorities can be identified, and cooperation with foreign states usually involved in cross-border corruption cases is smooth.

Already before the European Public Prosecutor’s Office became operational, the Office of the Prosecutor General and the European Public Prosecutor’s Office concluded a working agreement on cooperation to establish a framework for operational cooperation and strategic cooperation in criminal matters on 6 April 2021. Within the framework of operational cooperation, the European Public Prosecutor’s Office sent 29 European investigation decisions to the Prosecutor General’s Office in 2022 and 26 in 2023, all in cases of offences against the European Union budget. The Hungarian prosecution service executed all

European Investigation Orders received from the European Public Prosecutor's Office in 2022. As concerns the year 2023, 20 European Investigation Orders have been already executed and the remaining 6 are in the process of execution.

Although it is not a judicial body, the Prosecution Service of Hungary cooperates closely with the European Anti-Fraud Office (OLAF) as well, with regular meetings at both senior and expert level. The excellent cooperation between the OLAF and the Prosecution Service of Hungary was formalised in a working agreement in February 2022. Since then, the framework for working on the basis of common interests and objectives has been formally ensured by the working agreement. Although the Prosecution Service is not legally obliged to do so, it has ordered investigations in all cases on the basis of the OLAF's judicial recommendation, as ordered by the Prosecutor General, and if an investigation was already underway, the OLAF's recommendation was attached to the investigation file and evaluated therein.

The OLAF's latest annual report (for 2022) shows that the Prosecution Service of Hungary prosecuted 75% of the cases covered by the OLAF's judicial recommendations. This is an outstanding result, more than double the EU average of 34%.

Finally, Hungary informs the European Commission that Government Decree No. 244/2022. (VII. 8.) *on the rules regarding to the contracted border guards, come under the organisation established perform general police duties* came into effect as of 1 August 2022, defining that the lifestyle monitoring is performed by the National Protective Service (hereinafter referred to as the 'NPS') concerning to the contracted border guards. With effect from 1 February 2023, the regulation on border hunters was raised to statutory level by Act L of 2022 amending certain laws serving the security of Hungary, which also deregulated (repealed) the referred government decree.

21. Safeguards for the functional independence of the authorities tasked with the prevention and detection of corruption.

No relevant development took place in 2023.

22. Information on the implementation of measures foreseen in the strategic anti-corruption framework (if applicable). If available, please provide relevant objectives and indicators.

In accordance with the commitment undertaken by Hungary in the conditionality procedure initiated against Hungary on the basis of Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget (hereinafter referred to as the 'Conditionality Regulation'), Hungary finalized the implementation of the National Anti-Corruption Strategy (2020-2022) and its Action Plan⁶ by 30 June 2023. The Hungarian Government is of the opinion that all actions have been fully and adequately implemented.

The summary of the implementation of the above referred Strategy and its action plan is included in the draft of the new National Anti-Corruption Strategy and its Action Plan (hereinafter referred to as the 'new National Anti-Corruption Strategy') which is expected to be adopted by the Hungarian Government soon. The new National Anti-Corruption Strategy will be applicable until 31 December 2025. The draft of the new National Anti-Corruption Strategy was elaborated in consultation with the European Commission, the OECD, the Council of Europe, the national Anti-Corruption Task Force⁷ and several other

⁶ See Government Decision No 1328/2020 (of 19 June 2020) on the adoption of the mid-term National Anti-Corruption Strategy for the period 2020-22 and its action plan. The text of this Government Decision is available at the following link: <https://njt.hu/jogszabaly/2020-1328-30-22>.

⁷ The Anti-Corruption Task Force adopted on 13 June 2023 its opinion on the draft Strategy, which opinion is available at the following link: https://kemcs.hu/wp-content/uploads/2023/06/Kiegeszito_jelentes_NKS.pdf. The Hungarian Government discussed this opinion and the Minister of Interior took action to incorporate the comments and proposals adopted by consensus into the Strategy. Moreover, the Hungarian Government also published its reply given to the recommendations formulated by

national stakeholders in the course of 2023.

B. Prevention

23. Measures to enhance integrity in the public sector and their application (including as regards incompatibility rules, revolving doors, codes of conduct, ethics training).

The NPS's crime prevention activities are mainly carried out through training the management of the protected bodies, their staff, processing and explaining the circumstances that make it possible to commit concrete abuses and crimes, and daily contact with protected staff. Corruption threats, detected crimes, offences and offences committed are presented at staff meetings, with emphasis on the legal consequences. In 2023, the NPS continued to pay special attention to crime prevention activities for the staff of the border police stations and the newly created Border Guard Regiment of the Rapid Response and Special Police Services police force.

24. General transparency of public decision-making (including rules on lobbying and their enforcement, asset disclosure rules and enforcement, gifts policy, transparency of political party financing)

See in this regard the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted to the European Commission on 6 June 2023.

The adoption of the 'new National Anti-Corruption Strategy' referred to in the answer under point 22 will be also relevant.

In accordance with Section 75 of Act XXVII of 2022 on the control of the use of European Union budget funds, the Integrity Authority published its ad-hoc report on the asset declarations system on 7 December 2023.⁸

25. Rules and measures to prevent and address conflicts of interest in the public sector. Please specify the features and scope of their application (e.g. categories of officials concerned, types of checks and corrective measures depending on the category of officials concerned)

For questions 23-25, please provide figures on their application, such as number of detected breaches/irregularities of the various rules in place and the follow-up given (investigations, sanctions, etc.).

The adoption of the 'new National Anti-Corruption Strategy' referred to in the answer under point 22 will be relevant.

26. Measures in place to ensure whistleblower protection and encourage reporting of corruption, including the number of reports received and the follow-up given

Act XXV of 2023 on Complaints, Disclosures in of Public Interest and Related Rules on Reporting Abuses⁹ (hereinafter referred to as the 'Complaints Act'), which entered into force on 24 July 2023, introduced new legal provisions on the reporting abuses, while at the same time ensuring the protection of whistleblowers. Under the provisions of the Complaints Act, the complainant or whistle-blower shall not be

the civil Members of the Task Force, which have not been adopted by consensus. In this case, the Government provided detailed explanations, if a recommendation has not been followed up in the draft Strategy. The Hungarian Government's reply is available at the following link: <https://kemcs.hu/wp-content/uploads/2023/10/NKS-kiegeszito-jelentesre-adott-Kormanyzati-allaspont.pdf>.

⁸ The ad-hoc report is available at the following link: https://integritashatosag.hu/wp-content/uploads/2023/12/Integritas_Hatosag_Vagyonyilatkozatok_Eseti_Jelentes_2023-1.pdf.

⁹ The text of Act XXV of 2023 is available at the following link: <https://nit.hu/jogszabaly/2023-25-00-00>.

prejudiced because of the filing of a complaint and shall be given the opportunity to make their complaints through a secure information system. The act lays down detailed rules in this respect.

Government Decree No. 225/2023 (8.VI.) on the designation of government bodies required to establish a separate abuse reporting system¹⁰, which entered into force on 24 July 2023, specifies those government bodies which are obliged to establish a separate abuse reporting system in accordance with the provisions set out in the Complaints Act.

The Complaints Act and the above referred Government Decree ensure the transposition of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (hereinafter referred to as the 'Whistleblowing Directive') into the Hungarian legal system.

As regards the work of the NPS, it is important to add that all reports (even anonymous ones) are investigated by the NPS's departments. The NPS operates a toll-free number (+36 80 200 974), where anyone can report - even anonymously. The data of collaborators who are in contact with the NPS's protection officers are highly protected, classified data. In case of providing information by a collaborator, the NPS takes particular care to ensure that his/her identity remain hidden. The Telephone Witness Programme (+36 80 555 111) has been in operation in Hungary since 15 January 2001, under which anyone can report a crime to the police without revealing their name. When receiving a call, the phone does not display the caller's number and no audio recordings are made.

Please see also the answer given under point 49, in subpoint 49.2.

27. Sectors with high risks of corruption in your Member State:

- Measures taken/envisaged for monitoring and preventing corruption and conflict of interest in public procurement*
- list other sectors with high risks of corruption and the relevant measures taken/envisaged for monitoring and preventing corruption and conflict of interest in these sectors (e.g. healthcare, citizen/residence investor schemes, urban planning, risk or cases of corruption linked to the disbursement of EU funds, other), and, where applicable, list measures to prevent and address corruption committed by organised crime groups (e.g. to infiltrate the public sector)*

First of all, we would like to draw the European Commission's attention to the fact that the adoption of the 'new National Anti-Corruption Strategy' referred to in the answer under point 22 will be relevant.

Furthermore, Hungary provides the following information.

The police – just as in 2021 and 2022 – also in 2023 continuously monitored the development and tendencies of investigations (including especially 'gratuity' cases) initiated due to acts of corruption committed by doctors and other health workers in connection with the provision of health care.

Since 2021, we are aware of a total of 97 such proceedings (23 in 2023), of which, according to their subject matter, a total of 45 (14 in 2023) were initiated specifically in connection with the giving or acceptance of gratuities.

Among the other procedures, the most typical form of perpetration was the unauthorized acquisition of certain health documents (medical certificates required for sports, driving) and prescription drugs, during which an illegal advantage was given/accepted between the parties involved in corruption.

¹⁰ The text of the Government Decree is available at the following link: <https://nit.hu/jogszabaly/2023-225-20-22>.

The investigations were most often initiated by the NPS. Since 2021, a total of 464 persons (70 in 2023) have been questioned as suspects in criminal proceedings by the investigating authority.

There has been an increased focus on offenders showing the signs of organised crime, drug abuse, Schengen border-related crime and the detection of malpractices related to the smuggling of excise goods at the external borders of the EU.

The fight against corruption in the public sphere remained in the focus of crime detection aiming to build on each other in a planned way, using covert information gathering and integrity testing complemented by the targeted use of human intelligence capabilities.

The NPS continues to monitor the links between organised crime groups and law enforcement. Some of the procedures conducted by the NPS at the Schengen border were based on information of involvement in/or facilitation of smuggling of human beings and excise goods. The NPS took part in cases on possible police staff involvement in the transit of third-country migrants at not official border crossing points and border crossing points.

Gratitude payment has been the most serious disturbance to the transparent, integrated functioning of the public health system since the 1950s. In order to eliminate this, first doctors' salaries were significantly increased and the Act C of 2012 on the Criminal Code (hereinafter referred to as the 'Criminal Code') was amended with effect from 1 January 2021. The provisions, which remain unchanged in 2023, were presented in the previous inputs of Hungary to the European Commission's Rule of Law Reports.

Until 31 December 2023, 218 cases of corruption and other criminal offences in the health sector have been reported or investigation had been initiated against 1354 persons. In the health sector 216 integrity testings were conducted resulting the denunciation of 8 persons.

The experience of the NPS is that the organised crime groups – illegal usage of data of natural persons – are trying to circumvent the support system, obtain more funding for the distribution of health products.

The NPS informed the managers of the specific organisation and the audit unit (e.g. government offices, National Health Insurance Fund of Hungary), who take administrative measures in order to prevent similar offences.

Another important change in the health care sector as of 1 January 2021 is the introduction of the concept of medical service employment. As of 1 March 2021, doctors, nurses and other professionals directly involved in the treatment of patients in the state-funded health care sector can only be employed in this employment relationship. The primary aim of the new legislation is to clearly separate second-job health care services from publicly funded care. As a general rule, a person in a medical service employment may have another job only with a special permit, and may only treat patients whose treatment is not covered by state-funded care.

Considering the social nature of the problem of gratitude payment, to phase gratitude payment out, the NPS launched an awareness-raising campaign using almost the full range of available media platforms to reach different groups of the population, worth HUF 330 million, in the framework of Hungary's Recovery and Resilience Plan. The project is closely linked to the general awareness-raising activities of the NPS against corruption and gratitude payment. The Corruption Prevention Department of the NPS takes part in developing a television campaign titled '*Cutting out bribery in the health sector*'. The media campaign was launched on 5 January 2024, including a press conference. In addition, 200.000 pcs of brochures entitled '*The gratitude is not money*' will be distributed among the patients and their relatives to educate them. Until 27 December 2023 32.055 pcs of that amount were already distributed.

Areas with high risk of corruption

The NPS basically performs its crime prevention and crime detection tasks in the law enforcement sector. Within the law enforcement sector, public officials dealing with clients or with official licensing, sanctioning tasks, having decision-making power over major financial instruments (e.g. those with competencies in positions related to citizens, prisoners) are at risk of corruption.

Areas with the highest risk of corruption include public bodies with public authority responsibilities and contacting clients. The NPS's experience shows that with regard to the National Tax and Customs Administration, the staff of the customs administration department, especially the staff serving in the Schengen external border area, is at stake of the highest risk of corruption, but the staff of the tax administration and criminal specialties has a significant risk. The NPS is dedicated to mitigate the risk of corruption discovered in relation to the protected staff by conducting crime prevention and detection procedures specified in the legislation.

In addition, in the course of the work of the protected personnel, the possibility of corruption, the risk thereof, may predominantly occur in connection with illegal handing over registration data, open or classified information related to a procedure.

In connection with those who are at risk, the NPS performs lifestyle monitoring and - in the case of executive appointments and out of turn promotions - a preliminary opinion-forming procedure is implemented before appointment. If it is justified, the NPS carries out lifestyle monitoring, integrity testing and initiates detection in special cases (in case of information arises). In order to reduce the risks, the most important task of the NPS is to give crime prevention lectures to raise awareness of the risks of corruption and to explain the possibilities for action from the point of view of the individual.

28. Any other relevant measures to prevent corruption in public and private sector

Also with reference to the answer given under point 27, we recall that the rules on integrity testing and lifestyle monitoring were presented in the previous inputs provided by Hungary to the European Commission's Rule of Law Reports. These rules were not changed in 2023.

In 2023, 989 persons were the subjects of integrity testing ordered by the conducted by the NPS, in case of 280 individuals the planned real-life situation could be manifested, 263 of whom passed, and 17 persons were reported for breach of duty for undue advantage.

In 2023, 4636 lifestyle monitorings were ordered. The lifestyle of 109 people did not meet the expectations.

C. Repressive measures

29. Criminalisation, including the level of sanctions available by law, of corruption and related offences, including foreign bribery.

No relevant development took place in 2023 apart from the elaboration of the draft the 'new National Anti-Corruption Strategy' referred to in the answer under point 22. The adoption of this new Strategy will be relevant.

30. Data on the number of investigations, prosecutions, final judgments and application of sanctions for corruption offences (differentiated by corruption offence if possible)⁹, including for legal persons and high level and complex corruption cases and their transparency, including as regards to the implementation of EU funds¹⁰.

30.1. Statistics related to proceedings concerning corruption offences

Please see the below data. Please be informed that final data concerning the year 2023 will be available only after 21 January 2023.

Data sets	Year 2023
Number of proceedings with an indictment ¹	106
Number of accused with a judgment of guilt that became final and binding at first instance ²	76
Number of accused with a judgment of acquittal that became final and binding at first instance ²	6
Number of accused with judgment of guilt that became final and binding ²	284
Number of accused with judgment of acquittal that became final and binding ²	19
Number of accused subject to 'other' termination, by a court, of proceeding with final and binding effect ²	1
Number of accused subject to a criminal proceeding concluded with final and binding effect ²	304
Number of proceedings concluded with final and binding effect ²	102
Number of accused sentenced, with final and binding effect, to imprisonment to be served ²	48
Number of accused sentenced to suspended imprisonment with final and binding effect ²	131
Number of ongoing prosecutorial investigations in the given year ³	241

¹ Source of data: unified criminal statistics of investigating authorities and prosecutors - Statistics of Completed Criminal Proceedings (ENyÜBS'18 - BBS)

² Source of data: prosecution information system (VIR)

³ Source of data: criminal justice case management system (BÜR)

The number of persons convicted (on a final level) for corruption related crimes were 364 in 2023. The statistics for the last 5 years are the following:

- in 2019: 328
- in 2020: 260
- in 2021: 326
- in 2022: 307
- in 2023: 364.

30.2. Number of corruption crimes registered in the police proceedings

The following crime statistics contain only and exclusively data registered in police proceedings.

The number of corruption crimes registered in police proceedings in ENyÜBS ¹¹ between 2019 and 2023 (yearly data)					
Name of crime	2019	2020	2021	2022	2023
Active trading in influence	10	1	5	3	0
Passive trading in influence	39	4	9	7	846

¹¹ Unified System of Criminal Statistics of Investigative Authorities and of Public Prosecution

Active bribery regarding a public officer	36	15	96	1	13
Passive bribery regarding a public officer	10	3	88		1
Active bribery	38	5	33	48	123
Active bribery in court or in authority proceedings	1			2	1
Passive bribery	42	18	38	43	628
Passive bribery in court or in authority proceedings	1		1		
Failure to report a corruption-related criminal offence					
Total:	177	46	270	104	1612

Based on the <https://enyubs.bm.hu> website operated by the Ministry of Interior

The number of completed procedures registered in police proceedings in corruption crimes in ENyÜBS between 2019 and 2023 (yearly data)					
Name of crime	2019	2020	2021	2022	2023
Active trading in influence	15	2	6	4	
Passive trading in influence	58	11	12	56	850
Active bribery regarding a public officer	86	20	100	5	15
Passive bribery regarding a public officer	15	8	89	1	1
Active bribery	55	21	59	83	175
Active bribery in court or in authority proceedings	6		1	2	2
Passive bribery	55	35	58	69	655
Passive bribery in court or in authority proceedings	3	2	1		
Failure to report a corruption-related criminal offence					
Total:	293	99	326	220	1698

Based on the <https://enyubs.bm.hu> website operated by the Ministry of Interior

31. Potential obstacles to investigation and prosecution as well as to the effectiveness of criminal sanctions of high-level and complex corruption cases (e.g. political immunity regulation, procedural rules, statute of limitations, cross-border cooperation, pardoning)

We recall that the definition of high-level corruption offences is still unclear, and such a criminal substantive category cannot be identified under Hungarian law. However, we note that several criminal proceedings have been brought against high-level public officials (State Secretary, Deputy State Secretary) in the previous years.

As it was presented in Hungary's input submitted for the 2023 Rule of Law Report, the rules set out in Chapter CV/A of Act XC of 2017 on the Code of Criminal Procedure (hereinafter referred to as the 'Code of Criminal Procedure'), i.e. the rules on the procedure concerning special criminal offences related to the exercise of public authority or the management of public property became applicable as of 1 January 2023.

The revision of the rules on the above referred procedure, which was committed by Hungary in the conditionality procedure, was started in 2023.

32. Information on effectiveness of non-criminal measures and of sanctions (e.g. recovery measures and administrative sanctions) on both public and private offenders.

Other – please specify

1. The annual report covering the year 2022 adopted by the Anti-Corruption Task Force and the Hungarian Government's opinion thereon

As it was presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report submitted to the European Commission on 6 June 2023, the Anti-Corruption Task Force adopted its first annual report (on the year 2022) on 13 March 2023.

In accordance with Section 52 (2) of Act XXVII of 2022 on the control of the use of European Union budget funds, on behalf of the Hungarian Government the Minister of Interior informed the President of the Anti-Corruption Task Force in his letter dated 24 May 2023 about the opinion of the Government.¹²

2. The Integrity Authority's first annual analytical integrity report covering the year 2022 and the Hungarian Government's opinion thereon

Under Section 11 of the above referred Act XXVII of 2022, the Integrity Authority is required to prepare an analytical integrity report every year. Pursuant to Section 12 (2) of the Integrity Authority Act, the first annual analytical integrity report of the Authority had to be made publicly available by 30 June 2023, covering the calendar year of 2022. In accordance with these rules, the annual analytical integrity report covering the calendar year of 2022 was published by the Integrity Authority on 29 June 2023.¹³

In accordance with Section 13 of Act XXVII of 2022, the Hungarian Government presented in its reply sent to the Integrity Authority how it will address the findings of the annual analytical integrity report.¹⁴ This reply is based on Government Decision No. 1423/2023 (of 4 October) on the Government's position on the findings formulated in the annual analytical integrity report of the Integrity Authority for the year 2022.¹⁵

III. Media pluralism and media freedom

33. Please provide information on measures taken to follow-up on the recommendations received in the 2023 Report regarding media pluralism and media freedom (if applicable)

Hungary maintains its position stated in its input submitted to the 2023 Rule of Law Report with regard to the recommendations addressed by the European Commission to Hungary in its 2022 Rule of Law Report regarding media pluralism and media freedom as in essence the same recommendations were addressed to Hungary in the 2023 Rule of Law Report.

¹² The letter of the Minister of Interior is available at the following link: <https://kemcs.hu/wp-content/uploads/2023/06/kormany-valasz-kemcs-jelentesre-2023.pdf>.

¹³ The annual analytical integrity report is available at the following link: https://integritashatosag.hu/wp-content/uploads/2023/06/Integritas_Hatosag_Eves_Elemzo_Integritasjelentes_20220629.pdf.

¹⁴ The Hungarian Government's reply is available at the following link: https://integritashatosag.hu/wp-content/uploads/2023/12/Kormanyzati_allaspon_tegritas_Hatosag_2022_integritasjelentes.pdf. The Integrity Authority made public its position on the Hungarian Government's reply on 14 December 2023 which position is available at the following link: https://integritashatosag.hu/wp-content/uploads/2023/12/Integritas_Hatosag_osszegzes_Kormanyvalaszokra_20231206.pdf.

¹⁵ The text of Government Decision No. 1423/2023 is available at the following link: <https://nit.hu/jogszabaly/2023-1423-30-22>.

A. Media authorities and bodies¹¹

34. Measures taken to ensure the independence, enforcement powers and adequacy of resources (financial, human and technical) of media regulatory authorities and bodies

No relevant development took place in 2023.

35. Conditions and procedures for the appointment and dismissal of the head / members of the collegiate body of media regulatory authorities and bodies

No relevant development took place in 2023.

36. Existence and functions of media councils or other self-regulatory bodies

No relevant development took place in 2023.

B. Safeguards against government or political interference and transparency and concentration of media ownership

37. Measures taken to ensure the fair and transparent allocation of state advertising (including any rules regulating the matter)

No relevant development took place in 2023.

38. Safeguards against state / political interference, in particular:

- safeguards to ensure editorial independence of media (private and public)*
- specific safeguards for the independence of heads of management and members of the governing boards of public service media (e.g. related to appointment, dismissal), safeguards for their operational independence (e.g. related to reporting obligations and the allocation of resources) and safeguards for plurality of information and opinions*
- information on specific legal provisions and procedures applying to media service providers, including as regards granting/renewal/termination of licences, company operation, capital entry requirements, concentration, and corporate governance*

No relevant development took place in 2023.

39. Transparency of media ownership and public availability of media ownership information, including on direct, indirect and beneficial owners as well as any rules regulating the matter

No relevant development took place in 2023.

C. Framework for journalists' protection, transparency and access to documents

40. Rules and practices guaranteeing journalist's independence and safety, including as regards protection of journalistic sources and communications, referring also, if applicable, to follow-up given to alerts lodged with the Council of Europe's Platform to promote the protection of journalism and safety of journalists.

As of 2 June 2023, the offences of defamation and insult determined in the Criminal Code have been amended.¹⁶ For both offences, the act of a person who commits an offence in the free discussion of

¹⁶ See Sections 226 (3) and 227 (3) of Act C of 2012 on the Criminal Code. The text of the act is available at the following link: <https://nit.hu/jogszabaly/2012-100-00-00>.

public affairs through a press product or media service is no longer punishable, provided that his or her conduct is not intended to deny the human dignity of the victim in a clear and serious manner.

The official explanation of that amendment also draws attention to the fact that Article IX of the Fundamental Law of Hungary refers to the need to develop democratic public opinion as a specific constitutional value. The above referred amendment excludes criminal liability for offences committed in the context of free discussion of public affairs through a press product or media service. This does not mean that there are no sanctions for such actions, but that the legislator considers the free discussion of public affairs to be an important value for which it is sufficient to maintain civil and other administrative sanctions.

In accordance with the requirements laid down in the consistent case-law of the Constitutional Court of Hungary, the inviolable core of human dignity must not be violated by means of a press product or media service. In the case of expression of opinion on public affairs, recourse to criminal law is a last resort, since the victim can obtain both moral and material reparation through a press or civil action.

This means that if journalists or media representatives make statements or express opinions in a press product or other media content that are likely to defame, they are only liable for criminal offences in a narrow range of cases. This new provision is intended to protect the freedom of expression of media representatives.

41. Law enforcement capacity, including during protests and demonstrations, to ensure journalists' safety and to investigate attacks on journalists

No relevant development took place in 2023.

42. Access to information and public documents by public at large and journalists (incl. transparency authorities where they exist, procedures, costs/fees, timeframes, administrative/judicial review of decisions, execution of decisions by public authorities, possible obstacles related to the classification of information)

No relevant legislative change took place in 2023.

We would like to draw attention to a good practice that supports the transparency of democratic governance. This is the 'Government Info', a regular press conference on the Hungarian Government's policies and actions. These press conferences, which are held by a member of the Government (the Minister heading the Prime Minister's Office) were regularly held also in 2023, last two hours each, during which journalists have the opportunity to ask questions about anything.

43. Lawsuits (incl. SLAPPs - strategic lawsuits against public participation) and convictions against journalists (incl. defamation cases) and measures taken to safeguard against manifestly unfounded and abusive lawsuits

Please refer to the answer given under point 40.

Other – please specify

IV. Other institutional issues related to checks and balances

44. Please provide information on measures taken to follow-up on the recommendations received in the 2023 Report regarding the system of checks and balances (if applicable)

A. The process for preparing and enacting laws

- 45. Framework, policy and use of impact assessments and evidence based policy-making, stakeholders¹²/public consultations (including consultation of judiciary and other relevant stakeholders on judicial reforms), and transparency and quality of the legislative process both in the preparatory and the parliamentary phase.*

The Hungarian Government is currently applying the methodology prepared in the framework of the project titled 'ÁROP-1.1.10 Rationalization of the legislative preparation process' co-financed by the European Union. The guide and the supporting material are available at the webpage www.hatasvizsgalat.kormany.hu. The ministries responsible for the preparation of the legislation are publishing the impact assessment summary on the Government's website (www.kormany.hu), where everyone can express its opinion and suggestions. The legislative framework of the impact assessment at the implementation level is provided by Decree No. 12/2016 (IV. 29.) the Minister heading the Prime Minister's Office on the preliminary and subsequent impact assessment on the basis of the authorization provided in Section 30 (3) of the Act CXXX of 2010 on legislation.

In 2022, Hungary undertook in its Recovery and Resilience Plan to revise the methodology of the impact assessment and develop a new methodological guide, in addition to introduce a new impact assessment sheet, taking into account the strengths and weaknesses of the previous system, the best practices of the Member States, and taking into account the comments received from a recognized international organization (such as the OECD), as well as taking into account the European Commission's Better Regulation toolbox.

This guide was prepared during 2023 and its general introduction is expected to take place in 2024.

- 46. Rules and use of fast-track procedures and emergency procedures (for example, the percentage of decisions adopted through emergency/urgent procedure compared to the total number of adopted decisions).*

As it was presented in Hungary's input for the 2023 Rule of Law Report, the provisions of the Ninth Amendment to the Fundamental Law of Hungary which conceptionally restructured the rules governing Special Legal Order – including those relating to the state of emergency – entered into force on 1 November 2022. It was also presented that the humanitarian and economic experience of the Russian-Ukrainian war made it necessary to amend the scope of special legal order by the Tenth Amendment to the Fundamental Law. This amendment introduced the possibility of promulgation of state of emergency in case of the armed conflict in the neighbouring country, war situation or a humanitarian catastrophe if it has a serious impact on Hungary. It is the responsibility of Hungary to take care of those fleeing the war, minimizing the economic damage caused by it and protecting the Hungarian people as much as possible from the adverse effects on the economy. To deal with a humanitarian disaster and to deal with the consequences of the international economic change Hungary needs to ensure the possibility of designing effective and rapid national responses.

Under the currently applicable rules, which were not amended in 2023, the Hungarian Government may exercise its' legislative powers for the aversion, management or elimination of the circumstances giving grounds for the declaration of the state of emergency or the prevention or aversion of the negative consequences of such circumstances – to the degree necessitated by the circumstance in question and proportionate to the pursued objective.

The state of emergency that was first declared in 2022¹⁷ with regard to in case of the armed conflict in the neighbouring country, war situation or a humanitarian catastrophe was prolonged in 2023, in accordance with the applicable rules, two times: in May 2023 until 25 November 2023, and then from 25 November 2023 until 24 May 2024.¹⁸

In accordance with Article 53 (2) of the Fundamental Law of Hungary, the Hungarian Government continuously informs the President of the Republic, the President of the National Assembly and the responsible standing committee of the National Assembly with tasks and powers according to the scope of the special legal order during the time of the state of emergency.

The Government regularly provides information on the declared state of emergency decrees in a quarterly breakdown.

Accordingly, in 2023 the Government fulfilled its obligation to provide information

- on 11 May 2023, in relation to the emergency decrees promulgated between 1 January 2023 and 31 March 2023,
- on 4 August 2023 in relation to emergency decrees promulgated between 1 April 2023 and 30 June 2023,
- on 16 November 2023 in relation to emergency decrees promulgated between 1 July 2023 and 30 September 2023.

The information for the last quarter of 2023 is under preparation.

47. Rules and application of states of emergency (or analogous regimes), including judicial review and parliamentary oversight.

Please refer to the answer given under point 46.

48. Regime for constitutional review of laws

B. Independent authorities

49. Independence, resources, capacity and powers of national human rights institutions ('NHRIs'), of ombudsman institutions if different from NHRIs, of equality bodies if different

¹⁷ Pursuant to Government Decree No. 424/2022 (X. 28.) on the declaration of a state of emergency and certain emergency rules, regarding the armed conflict and humanitarian disaster in Ukraine, as well as the prevention and management of their consequences in Hungary a state of emergency for the entire territory of Hungary was declared as from 1 November 2022.

¹⁸ The National Assembly, based on (i) Act XLII of 2022 on the prevention and management of the consequences of an armed conflict in a neighboring country or a humanitarian disaster in Hungary, (ii) Act XI of 2023 on amending Act XLII of 2022 on the prevention and management of the consequences of an armed conflict in a neighboring country or a humanitarian disaster in Hungary, and (iii) LXXII of 2023 on amending Act XLII of 2022 on the prevention and management of the consequences of an armed conflict in a neighboring country or a humanitarian disaster in Hungary, has given authorization three times according to Section 4 (1) of the Government Decree 424/2022. (X. 28.) to extend the state of emergency by 180 days.

On the basis of these authorizations, the Hungarian Government declared state of emergency by the following Government Decrees:

- Government Decree No. 479/2022 (XI. 28) on the extension of the state of emergency declared in view of the armed conflict and humanitarian disaster in the territory of Ukraine, as well as the prevention and management of their consequences in Hungary (which extended the state of emergency until 29 May 2023),
- Government Decree No. 167/2023 (V. 11.) on the amendment of Government Decree No. 424/2022 (X. 28.) on the declaration of a state of emergency and certain emergency rules in view of the armed conflict and humanitarian disaster in Ukraine, as well as the prevention and management of their consequences in Hungary (which extended the state of emergency until 25 November 2023), and
- Government Decree No. 515/2023 (XI. 22) on the amendment of Government Decree No. 424/2022 (X. 28.) on the declaration of a state of emergency and certain emergency rules in view of the armed conflict and humanitarian disaster in Ukraine, as well as the prevention and management of their consequences in Hungary (which extended the state of emergency until 24 May 2024).

from NHRIs and of supreme audit institutions¹³

The mandate of the Commissioner for Fundamental Rights of Hungary (hereinafter: the CFR) was significantly extended in 2023 with regard to the protection of persons with disabilities, as well as whistleblower protection.

49.1. Protection of persons with disabilities

Pursuant to the amendment of Act CXI of 2011 on the Commissioner for Fundamental Rights of Hungary (hereinafter referred to as the 'CFR Act') effective as of 1 January 2023¹⁹, the CFR ensures the performance of the tasks of the independent mechanism as set out in Article 33 (2) of the UN Convention on the Rights of Persons with Disabilities (hereinafter referred to as the 'CRPD'), by involving civil society, especially the persons with disabilities and the organisations representing them. Even before this amendment, the CFR was responsible for paying special attention to supporting, protecting and controlling the implementation of the tasks set out in the CRPD. However, with the new provision taking effect, the CFR can protect the fundamental rights of persons with disabilities even more efficiently, by involving civil society, especially the persons with disabilities and the organisations representing them. The responsibilities of the independent disability mechanism under the CRPD are fulfilled by a separate organisational unit of the Office of the Commissioner for Fundamental Rights of Hungary (hereinafter referred to as the 'OCFRH'), namely the General Directorate for Disability (hereinafter referred to as the 'Disability Directorate'), which was set up on 1 January 2023. During the implementation of the tasks of the independent disability mechanism, the CFR acts either in person, or through his authorised staff members, and he/she may authorise other experts to participate in the performance of his/her further tasks on a permanent or ad hoc basis as well. In selecting the staff of the Disability Directorate, which operates as an independent organisational unit of the Directorate General, it was a key criterion for the candidates to have theoretical or practical knowledge or experience in the area of disability. In selecting the staff, the CFR also paid special attention to giving a chance to personally affected potential employees, or candidates with changed working abilities. The Disability Directorate fulfils its responsibilities from a unit geographically separated from the headquarters, namely it is located in Debrecen, in the spirit of decentralisation, with a national competence. In establishing the location for the Disability Directorate, barrier-free accessibility, ensuring employment conditions equally available to employees with changed working abilities, as well as creating working conditions that are safe and healthy for all were the key criteria. The site of the General Directorate and at the same time, the building of the Debrecen Regional Office is fully accessible, and is compliant with both the physical and infocommunications requirements of barrier-free accessibility.

All the requirements set out in the CRPD and the respective legal provisions are met by the complaint office where the complainants with disabilities can manage their affairs in person.

As regards the matters that concern the Disability Directorate, the complainants have the opportunity to submit their petitions in an oral form, at different locations of the country, at the regional offices (in Debrecen, Győr, Szeged, Miskolc, Székesfehérvár and Pécs), as well as at the Budapest headquarters of the OCFRH. In addition they can file their complaints in a written form, through the client gate, via e-mail, or in a letter sent by post. The OCFRH provides information on the responsibilities and activities of the Disability Directorate, as well as the relevant laws on its website.

With a view to the more efficient fulfilment of his mandate under the CRPD, based on Section 39/P of the CFR Act, the CFR set up a Disability Advisory Board (hereinafter referred to as the 'Advisory Board') for the establishment of close cooperation with civil society organisations and the performance of his tasks related to the independent disability mechanism. This board consists of professional experts with outstanding theoretical knowledge or practical experience regarding the rights of persons with

¹⁹ See Section 1(3) of the CFR Act.

disabilities, as well as delegates of the organisations representing the persons with disabilities and civil society. A tender was launched for participation in the work of the body. The tender documentation of all the organisations that submitted tenders was accepted, thus the body that ensured broad public participation started its operation with 28 delegated members in 2023. The Advisory Board is made up of the national advocacy organisations of persons with disabilities and other organisations working for persons with disabilities, as well as the delegates representing disability science and the historic churches, which are the following, in Hungarian alphabetical order: Hungarian Aphasia Association, National Autistic Society, CÉHálózat Egyesület - Civic Advocacy Network, Civil út Foundation, Démoszthenész National Advocacy Society of Persons with Speech Impediment and their Helpers, Institute for Disability and Social Participation of ELTE's Bárczi Gusztáv Faculty of Special Needs Education, Hungarian Association for Persons with Intellectual Disability, ÉTA National Association of Social Organisations and Foundations for Serving the Mentally Handicapped, FICSAK - Association for Young Families, Foundation for the Culture of Persons with Hearing Impairment, Heves County Parents' Association for Persons with Multiple Disabilities, National Association for Persons with Multiple Disabilities, Hand in Hand Foundation, Hungarian Baptist Aid, Hungarian Association of Special Education Teachers, Hungarian Catholic Church, Hungarian Charity Service of the Order of Malta, Hungarian Paralympic Committee, Hungarian Federation of the Blind and Partially Sighted, Federation of Hungarian Jewish Communities, Evangelical Lutheran Church in Hungary, Reformed Church in Hungary, National Federation of Organizations of People with Physical Disability, Mental Disability Advocacy Forum, Hungarian National Association of the Deaf and Hard of Hearing, Hungarian National Deafblind Association, Hungarian Civil Liberties Union and Validity Foundation.

During its activity, the Advisory Board may comment on the draft laws on disability, as well as the preparation and implementation of the National Disability Programme as a comprehensive strategic document on disability and the related Action Plans. Furthermore, they may formulate opinions on the relevant reports and may make proposals or recommendations regarding the initiation of government policies and programmes concerning persons with disabilities to the CFR.

The Advisory Board held its inaugural session in Budapest on 3 October 2023, which was attended by all the members, through their delegates. At this inaugural session, the rules of procedure of the Advisory Board, as well as the organisation, operation and task performance of the Disability Directorate were presented. The second session of the Advisory Board was held on 15 November 2023.

During the year 2023, the barrier-free accessibility of patient transport vehicles, the merging of the records of persons under guardianship and those of their guardians, the barrier-free accessibility of cash machines, the accessibility of online cash registers by visually impaired persons, the employment conditions of employees with changed working abilities, the public transport allowances for persons with physical disabilities, as well as the barrier-free accessibility of persons with reduced mobility in air travel were also the subjects of investigations. The inquiries were mainly conducted in the form of unannounced visits to the institutions. Each on-site inquiry is reported on by the CFR. During the comprehensive investigation into the supported housing of persons with disabilities, with regard to the respective provisions of the CRDP, especially the contents of the report on the 2019 inquiry of the CRPD Committee, the special focus of the visits to the institutions was to find out how the circumstances of independent living are realized and how the move of the patients from larger institutions to smaller ones (de-institutionalisation) is implemented. In the inquiry into the nursery school education of children with disabilities, in addition to the protection of the rights of the children, the provisions set out in Article 7 of the CRPD were key criteria, as they declare that the exercising of all human rights and fundamental freedoms should be ensured for children with disabilities on the same basis as for other children. The CFR asked the members of the Advisory Board for an even closer cooperation in the future and requested them to identify the disability issues to be remedied in 2024 in a written or oral form.

The staff members of the newly set up Disability Directorate participated in several national and

international consultation sessions and conferences in 2023. It is to be highlighted that a staff member of the Disability Directorate took part in the preparation of a training material compiled by the Hungarian Academy of Justice. The goal of this material is to enforce the rights of persons with disabilities in the judicial procedure and to sensitise those working in the field of justice.

49.2. Whistleblower protection

It is a significant development in the field of efficient and guaranteed whistleblower protection that the Complaints Act was adopted which entered into force on 24 July 2023. As it was mentioned above, this act ensures the transposition of the Whistleblowing Directive into the Hungarian legal system. The system run by OCFRH is compliant with the concept of the external reporting channel as defined in that Directive.

Pursuant to the Complaints Act, the CFR ensures a neutral external channel, a so-called secure electronic system for submitting public interest disclosures and abuses from 24 July 2023.

When a public interest disclosure is made, or an abuse is reported through the secure electronic system, the person making the disclosure shall supply their name and residential address, however, they can request anonymity, i.e. that their personal data only be accessible to the CFR and his Office.

Public interest disclosures and their attachments – or upon request, their extracts deprived of any personal data – are forwarded by the CFR to the body with competence to investigate into the case (i.e. the acting body) within 8 days.

It is another change in the legal environment that a new concept was added to the scope of disclosures by the Complaints Act, namely, the reporting of abuses; pursuant to the provision set out in Section 33 of the Complaints Act, information on unlawful or assumed unlawful acts or omissions, or other abuses may be reported to the separate abuse reporting system. Anyone may make a report to the separate abuse reporting system.

The rules of reporting abuses under the Complaints Act considerably extended the scope of reporters as compared to the Whistleblowing Directive.

In compliance with the Directive, the Complaints Act and Government Decree No. 225/2023 (VI. 8.) on the appointment of the government bodies obliged to establish the separate abuse reporting system, those government bodies are appointed for this task which have relevant responsibilities and competences with regard to the topics set out in the Annex to the Directive (and Annexes 1 and 2 to the Complaints Act). The state bodies obliged to establish separate abuse reporting systems (currently as many as 18 state bodies) are obliged to run an external abuse reporting channel compliant with the rules set out in the Complaints Act from 24 July 2023. Abuses can also be reported through the electronic system run by the CFR.

It is also a novelty that the state bodies obliged to establish separate abuse reporting systems and the CFR provide comprehensive and independent, free of charge information easily accessible to the public on the procedures and legal remedies available to the disclosers, the rules related to the protection of whistleblowers under the Complaints Act, the rights and obligations of the disclosers under that act, as well as the rights of the persons affected by such reporting. Furthermore, they provide oral or written information on the above topics on request.

It is another novelty that under the Complaints Act, the state bodies are to run internal abuse reporting channels from 24 July 2023, while the municipalities are obliged to do so from 1 January 2025.

Pursuant to the provision set out in Section 30 of the Complaints Act, state bodies, municipalities, as well

as the organs or economic associations owned by them, or those over which they exercise owner's rights, or those that they control or supervise, with a few exceptions, are obliged to establish and operate internal abuse reporting channels as well.

Pursuant to the provision set out in Section 20 of the Complaints Act, abuses can be reported to the internal abuse reporting channels by a person employed, or in a contractual relationship with the employer.

The establishment and operation of an internal abuse reporting system is a new task defined in the Complaints Act for the OCFRH as well. The OCFRH has been running this system in compliance with the statutory requirement since 24 July 2023.

49.3. General Directorate of Police Complaints

The CFR has devoted attention to the operations of law enforcement agencies for over three years. In order to facilitate this oversight, a dedicated unit was established within the OCFRH, formally designated as the General Directorate for Police Complaints on 1 January 2023. This General Directorate assumes the responsibility of scrutinizing complaints directed against entities specified in legislation, as well as those involving bodies responsible for the implementation of criminal offenses, criminal proceedings, and the penitentiary system. A concerted effort is made to establish the requisite conditions conducive to the efficient progression of the investigation, including but not limited to furnishing requested documents and information, and facilitating cooperation during on-site inspections.

49.4. Measures related to the war in Ukraine

In response to the exigencies of the extraordinary circumstances, the OCFRH established a temporary regional office near the affected border area in March 2022. This facility serves as a hub where the CFR's staff personally delivers immediate assistance, including case management and legal advice. Furthermore, the OCFRH disseminates updated information in Hungarian, Ukrainian, and English through its website and community page to aid those fleeing the conflict.

Alongside temporary regional offices in Záhony and Beregsurány, the CFR's staff has provided continuous assistance at the BOK Sports Hall in the capital (Budapest), which served as a reception centre for people fleeing from the war. Beyond legal support, the OCFRH has distributed information leaflets in Hungarian, Ukrainian, and English, offering the opportunity for individuals to lodge complaints against procedural aspects of the authorities.

Throughout 2023, the CFR and his staff actively engaged in providing information on fundamental and social rights, encompassing access to various forms of social benefits, assistance, healthcare, housing, education, and employment. To ongoing monitoring, the CFR is committed to conducting continuous oversight activities to ensure the consistent and effective assistance of refugees. The objective is to support the integration and reintegration of individuals, whether their stay in Hungary is temporary or long-term, while considering their fundamental rights and social needs. The CFR prioritized facilitating and supporting their integration into employment, assimilation into the Hungarian education system, and enhancing their daily lives throughout 2023.

The CFR places significant importance on maintaining a dynamic and pragmatic dialogue with international partners, actively engaging in the exchange of good practices. Furthermore, in 2023, the CFR reported his activities since the onset of the war to the Ukrainian Ombudsman.

50. *Statistics/reports concerning the follow-up of recommendations by National Human Rights Institutions, ombudsman institutions, equality bodies and supreme audit institutions in the past two years.*

In the year 2023, the CFR concluded a total of 4597 cases. Generally, in instances involving public entities, collaborative efforts were observed, with the entities displaying a commitment to facilitating the CFR's undertakings. In instances where the CFR identified shortcomings in fundamental rights, his recommendations were typically acknowledged and embraced.

C. Accessibility and judicial review of administrative decisions

51. *Transparency of administrative decisions and sanctions (incl. their publication and rules on collection of related data)*

No development took place in 2023.

52. *Judicial review of administrative decisions:
- short description of the general regime (in particular competent court, scope, suspensive effect, interim measures, and any applicable specific rules or derogations from the general regime of judicial review).*

No development took place in 2023.

53. *Rules and practices related to the application by all courts, including constitutional jurisdictions, of the preliminary ruling procedure (Art. 267 TFEU)*

53.1. Amendment to the Code of Criminal Procedure

As is was presented in the 'updated and additional input from Hungary' to the 2023 Rule of Law Report that was submitted on 6 June 2023, Act X of 2023 amended, with effect from 1 June 2023, Sections 490 (1) and 667 of the Code of Criminal Procedure and thereby removed the possibility for the Curia to review the legality of the decision of a judge to make a preliminary reference to the Court of Justice of the European Union (hereinafter referred to as the 'CJEU').

These new rules set out in the Code of Criminal Procedure provided that in accordance with the rules set out in the Treaties of the European Union, the court initiates the preliminary ruling procedure before the Court of Justice of the European Union ex officio or on a motion if it determines that it is necessary in relation to any European Union legal act or legislation applicable in criminal proceedings. Furthermore, it was further specified that no legal remedy may be submitted against an order initiating a preliminary ruling procedure. The aim of these rules was to make clear that no decision shall be made which would review the lawfulness of the decision by which a court initiates a preliminary ruling procedure before the CJEU.

The above referred Section 490 (1) of the Code of Criminal Procedure was further amended in 2023. Section 35 of Act LXXXV of 2023²⁰ provides that in Section 490(1) of Act XC of 2017 on the Code of Criminal Procedure the following words '*applicable in criminal proceedings*' shall be repealed. This provision will enter into force on the 61st day following the entry into force of Act LXXXC of 2023 (which entered into force on 14 December 2023).²¹

²⁰ The text of Act LXXXV of 2023 is available at the following link: <https://njt.hu/jogszabaly/2023-85-00-00.1#C1>.

²¹ The date on entry into force follows from Section 103 (4b) of Act CLXI of 2011 on the organisation and administration of the courts.

Hungary emphasizes that in the criminal proceedings, neither before and nor after the above referred amendments to the Code of Criminal Procedure, the Kúria had the possibility to prevent the submission of any preliminary ruling reference to the CJEU.

53.2. Rules and practices related to the application of the preliminary ruling procedure by the Constitutional Court

Although there is not any explicit rule set out in Act CLI of 2011 on the Constitutional Court (hereinafter referred to as the 'Act on the Constitutional Court'), the Constitutional Court of Hungary (hereinafter referred to as the 'HCC'), in its case-law, established that it can turn to the CJEU asking a preliminary ruling. The HCC ruled in its decision No. 26/2020 (XII. 2.) that '*(t)he Constitutional Court notes that the above interpretation of the Fundamental Law may also give rise to the right of the Constitutional Court to initiate a preliminary ruling procedure, [...].*' Nevertheless, the HCC has not asked for a preliminary ruling yet.

In certain cases, where there was a parallel case pending before the CJEU, the HCC suspended its proceedings, if it depended on the decision of the CJEU [for example in a VAT-case: suspending decision No. 3220/2018. (VII. 2.), case regarding higher education: suspending decision No. 3200/2018. (VI. 21.), case regarding NGO-s: suspending decision No. 3198/2018. (VI. 21.)].

53.2.1. Constitutional requirements stemming from the right to a fair trial regarding the preliminary ruling initiated in ordinary proceedings

The case-law of the HCC established certain constitutional requirements regarding ordinary courts, when the parties of a procedure initiate a preliminary ruling.

In connection with the initiation of the preliminary ruling procedure, the HCC's Decision No. 26/2015 (VI. 21.) pointed out that the right to a fair hearing is violated if the forum obliged to initiate the preliminary ruling procedure under EU law rejects the request for such a decision without giving reasons. In its Decision No. 26/2015. (VII. 21.) the HCC declared that '*(i)n the Constitutional Court's view, the court seised, whether or not it has been held liable, and whether or not it accepts the application for an initiative, must take a formal decision on the initiative and state its reasons in the decision ruling on the case at the latest. The applicant litigant has a legitimate expectation that a problem of Community law which has arisen in his case and which is relevant to the resolution of the case will be referred to the Court of Justice [CJEU]. Failure to do so may have a material impact on the outcome of the dispute, and the court or tribunal is therefore obliged to state the reasons for rejecting the application, since this guarantees that it has reached a well-founded decision on the initiative and enables the litigant to know the reasons for the decision.*'

54. Follow-up by the public administration and State institutions to final (national/supranational, including the European Court of Human Rights) court decisions, as well as available remedies in case of non-implementation

The Office of the Agent before the European Court of Human Rights is located in the Ministry of Justice. This office (currently the Human Rights Department) also coordinates the execution of the judgments, starting with the translation and dissemination of the judgment. In respect of the payment of just satisfaction, the Human Rights Department collects the applicants' banking data, and the Financial Department arranges the transfer of the money.

In respect of general measures, the necessity of legislation or other actions to be taken is determined by the ministry responsible for the area concerned. The Ministry of Justice recently took actions for creating effective domestic remedies in respect of overcrowding in prison facilities and lengthy civil proceedings.

The Action Reports submitted to the Committee of Ministers are prepared by the Ministry of Justice on the basis of the information provided by the competent ministries.

The National Assembly of Hungary by its Decision No. 23/2007. (III.20.) requested the Minister of Justice to inform the committee dealing with cases concerning the constitutionality and the committee dealing with human rights once a year about the implementation of the judgments of the European Court of Human Rights by the national authorities and about the activities of the Agency of the Government before the Court. In accordance with the aforementioned decision, the Minister of Justice has submitted reports on all relevant aspects of the judgments of the European Court of Human Rights, including statistics and case descriptions annually since 2007 which were adopted by the competent parliamentary committees after a session of debate at which the Members of the National Assembly can raise their questions.

The above described system ensures the proper follow-up of the final decisions of the European Court of Human Rights. It is also important to note, that the relationship and the communication between the Human Rights Department and the Department for Execution of Judgments of the European Court of Human Rights is very good and constructive.

D. The enabling framework for civil society

55. Measures regarding the framework for civil society organisations and human rights defenders (e.g. legal framework and its application in practice incl. registration and dissolution rules)

Hungary recognizes the vital contribution of non-governmental organisations (hereinafter referred to as the 'NGOs') to the promotion of common values and goals (over 60 000 NGOs are operating in Hungary).

The results of the last decade of the civil society sector show that the economic strength of NGOs in Hungary is constantly increasing, including its opportunities to carry out useful activities in the interest of society. In addition to the financial support, the state provides free professional assistance to NGOs in some counties of the country and in the capital by operating the Civil Community Service Centers. Hungary provides free assistance to NGOs in fulfilling their administrative obligations, provide professional advice in the field of legal, public benefit, in-format, as well as in connection with tenders and financial, accounting and tax issues. In addition to providing the necessary resources for its operation and free professional services, the Hungarian Government recognizes the high-quality activities of NGOs by awarding an annual award entitled 'Value-Creating Communities Award'.

56. Rules and practices having an impact on the effective operation and safety of civil society organisations and human rights defenders. This includes measures for protection from attacks – verbal, physical or on-line –, intimidation, legal threats incl. SLAPPs, negative narratives or smear campaigns, measures capable of affecting the public perception of civil society organisations, etc. It also includes measures to monitor threats or attacks and dedicated support services.

The National Strategy Against Antisemitism of Hungary is at the final stage of preparation. The national strategy presents the diversity of Jewish life in Hungary, as well as the steps taken in the fight against anti-Semitism and in the interest of the Hungarian communities.

At the same time, the draft of the National Strategy Against Racism and Xenophobia is under development.

57. Organisation of financial support for civil society organisations and human rights defenders (e.g. framework to ensure access to funding, and for financial viability, taxation/incentive/donation systems, measures to ensure a fair distribution of funding)

The Hungarian Government is increasing the amount of state subsidies paid for the civil society. Between 2010 and 2021, the amount of total state aid flowing into the classical civil sector (associations, foundations) increased from HUF 144 billion per year to HUF 503 billion per year, i.e. more than two and a half times (Based on CSO data). Within this, the budget of the National Cooperation Fund (hereinafter referred to as the 'NCF') increased from HUF 3.4 billion to HUF 13.9 billion between 2012 and 2024. In recent years, two new forms of support available to associations and foundations registered in Hungary have been introduced: the Village Civil Fund and the Urban Civil Fund with a budget of HUF 5-5 billion. 80% of NCF grants (HUF 9.8 billion in 2023) has been distributed through tenders. In the NCF, 5 colleges with 9 members each decide on the allocation of resources, and the college partly carries out its activities with representatives elected by NGOs (3 civil delegates).

58. Rules and practices on the participation of civil society organisations and human rights defenders to the decision-making process (e.g. measures related to dialogue between authorities and civil society, participation of civil society in policy development and decision-making, consultation, dialogues, etc.)

No relevant development took place in 2023.

E. Initiatives to foster a rule of law culture

59. Measures to foster a rule of law culture (e.g. debates in national parliaments on the rule of law, public information campaigns on rule of law issues, contributions from civil society, education initiatives, etc.)

Other – please specify

1. Statistics about cases before the European Court of Human Rights

According to the statistics of 7 December 2023 the number of new repetitive cases has decreased to 59 (from 62) and the number of pending repetitive cases has decreased to 121 (from 176) in respect of Hungary within 1 year.

2. New, interpretive competence of the Constitutional Court of Hungary in the framework of constitutional dialogue with the Court of Justice of the European Union

Act No. LXXXV of 2023 modified the Act on the Constitutional Court with effect of 14 December 2023. The amendment introduced a new procedure, the so-called 'decision on a preliminary EU interpretative opinion'. According to Section 38/A of the Act on the Constitutional Court, the Constitutional Court of Hungary (HCC), at the request of the Court of Justice of the European Union (CJEU), by respecting the powers conferred on it by the EU Treaties, shall give a preliminary opinion on the interpretation of certain constitutional topics [i.e. (a) the constitutional system of Hungary and the basic functions of the State, b) constitutional order, obligations and traditions of Hungary, c) national identity of Hungary, d) sovereignty, e) Hungary's unalienable right to determine its population, f) fundamental rights and freedoms and human dignity protected by the Constitution], if such questions are raised in the context of a case pending before the CJEU and the interpretation can be directly deduced from the Fundamental Law of Hungary.

In this competence, the HCC gives interpretative, preparatory and auxiliary opinions. The procedure can be launched exclusively by the CJEU. Up till now (15 January 2024) there was not any procedure launched in this competence.

3. Act LXXXVIII of 2023 on the protection of national sovereignty

In her State of the Union address of 14 September 2022, the President of the European Commission Ursula von der Leyen accurately identified the necessity of better shielding ourselves from malign interference. Hence the European Commission presented the Defence of democracy package, including an initiative on the protection of the EU democratic sphere from the assertion of the interests by third countries. Even before that, the European Democracy Action Plan was introduced explicitly stating that for participation in democracies to be meaningful, citizens should be able to make electoral choices in a public space free from manipulation of any kind including malign interference, either foreign or domestic.

In face of the increasing challenges Europe and nation states are facing nowadays it is ever so important to define the proper framework for protecting national sovereignty from the above described interference. Following Hungary's national elections of 2022 several signs and statements, as well as the results of official investigative procedures indicated that certain parties received illegal funding from abroad. These events spotlighted that efforts have to be step up in order to strengthen the country's democratic system's resilience.

In this context the Hungarian National Assembly adopted Act LXXXVIII of 2023 on the protection of national sovereignty²² on 12 December 2023. The Hungarian rules that were in force before the entry into force of this act already prohibited political parties from accepting foreign support. The rules adopted in the new legislation are only aimed to establish a framework for preventing the circumvention of these provisions, by using funds from abroad through civil society organisations and companies engaged in political activities, thus safeguarding national sovereignty.

The adopted legislation paves the way for establishing the Sovereignty Protection Office. The Office, that will effectively function from 1 February 2024, is entitled to explore and investigate interest representation activities, information manipulation and disinformation activities, as well as activities aimed at influencing democratic discourse and State and social decision making-processes, carried out in the interest of another State or, irrespective of its legal status, of a foreign organ or organisation and natural person. In its mandate it is also entitled to investigate organisations whose activities funded with supports from abroad may exert influence on the outcome of elections, organisations which, using supports from abroad, perform or support activities aimed at influencing the will of voters.

At the same time the Criminal Code was also amended introducing a new criminal offence: illegal influence of the will of the voters. In this regard, it is important to recall that according to Section 4 (3) of Act XXXIII of 1989 on the functioning and management of political parties, the party shall not accept any financial contribution from another state. Thus, as it was mentioned above, this rule was applicable prior to the entry into force of Act LXXXVIII of 2023. Under these rules, the party shall not accept any financial contribution from a foreign organisation, regardless of its legal status, or from a natural person who is not a Hungarian citizen, nor can it accept anonymous donations. In the event of a breach of these provisions, under the previously already applicable rules the party or association must pay twice the amount of the prohibited support. However, based on the recent unfortunate experience, the use of foreign support is considered by the legislator to be so serious from the perspective of protecting national sovereignty, that it was to be accompanied by a criminal sanction. According to the new criminal offence: a member, responsible person or executive officer of a nominating organisation within the meaning of the Act on election procedure and a candidate within the meaning of the Act on election procedure who uses prohibited foreign support or material advantage originating from an agreement disguising, to circumvent this prohibition, the origin of prohibited foreign support is guilty of a felony and shall be punished by imprisonment for up to three years.

Act XXXVI of 2013 on election procedure was also amended in order to prohibit candidates standing in

²² The text of Act LXXXVIII of 2023 is available at the following link: <https://net.jogtar.hu/jogszabaly?docid=a2300088.tv>.

parliamentary, municipal and European Parliament elections from using foreign support for their election campaigns. Under the new legislation an association which requests its registration, or is registered, as a nominating organisation shall not use, regarding the election concerned, any foreign support, support from a Hungarian legal person or organisation without legal personality, anonymous donation, or asset element originating therefrom for the purpose of performing any activity aimed at influencing or attempting to influence the will of voters. If a violation is suspected, the State Audit Office shall check compliance with the provisions of this paragraph and in case the violation is established the association shall pay twice the amount of support to the central budget within fifteen days after being called upon to do so by the State Audit Office.