

European Rule of Law Mechanism: input from Hungary
2025 Rule of Law Report

I. Justice System

Please provide information on measures taken to follow-up on the recommendations received in the 2024 Report regarding the justice system (if applicable):

In the 2024 Rule of Law Report the Commission recommended to Hungary to ‘(t)ake structural measures to increase the remuneration of judges, prosecutors, and judicial and prosecutorial staff, taking into account European standards on remuneration for the justice system’.

See below the information provided on the increase in remuneration for judges and judicial employees, prosecutors and non-prosecutor prosecutorial employees that will be carried out in 3 stages during the period from 1 January 2025 to 1 January 2027.

A. Independence

☐ No developments

☒ If there have been developments related to the independence of justice, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Appointment and selection of judges¹, prosecutors and court presidents (incl. judicial review)*

On 22 November 2024, the Ministry of Justice signed an agreement with the National Judicial Council (hereinafter referred to as the ‘NJC’), the National Office for the Judiciary (hereinafter referred to as the ‘NOJ’) and the Curia on improving the efficiency of the judiciary. The agreement emphasises the importance of the independence of the judiciary, the adequate remuneration of judges, the efficiency of the organisational system and the improvement of the quality of justice.

Pursuant to the fourteenth amendment to the Fundamental Law (adopted on 17 December 2024)² upon the proposal by the Standing Committee on Justice (and also, in the parts relevant to this subject, by the Standing Committee on Legislation) of the National Assembly (hereinafter referred to as the ‘Parliament’), the minimum age limit for appointment of judges has risen from thirty to thirty-five years of age. The rise of the age threshold may secure stronger professional competences of prospective judges and may contribute to promoting public confidence and enhancing the quality of judicial decision-making.

In connection with the above, Section 4 of Act CLXII of 2011 on the Legal Status and Remuneration of Judges (hereinafter referred to as the ‘Legal Status Act’), which lays down the conditions of judicial appointment, has also been amended (the amending act was adopted on 17 December 2024). In line with the above-mentioned amendment to the Fundamental Law, the age limit of thirty years to become a judge was raised to thirty-five years. Furthermore, after the entry into force of the amendment, only those who have practiced law out of the court for at least two years, in addition to the practice required under the legislation in force, may become judges. The amendment, which will enter into force on 1 March 2025, has been introduced – following the amendment proposal of the Standing Committee on Legislation of the Parliament – by Section 96 of Act LXXIV of 2024 establishing the central budget of Hungary for 2025³.

¹ The reference to ‘judges’ concerns judges at all level and types of courts as well as judges at constitutional courts.

² The text of the fourteenth amendment to the Fundamental Law is available at: <https://njt.hu/jogszabaly/2024-14-K4-00>.

³ The text of Act LXXIV of 2024 is available at: <https://njt.hu/jogszabaly/2024-74-00-00.0#AC2>.

It should be pointed out that Section 104 of Act LXXIV of 2024 introduced transitional rules to the Legal Status Act (Section 232/Y of the Legal Status Act), in view of the changes in Section 4. Accordingly, the new conditions for judicial appointment do not apply in ongoing procedures, but only in appointment procedures initiated on and after 1 March 2025. If a candidate for the judicial position entered into a service relationship as a trainee judge before 1 January 2025 in a judicial organ, or a trainee judge who was in a service relationship as a trainee judge before 1 January 2025 in a judicial organ, the amendment allows him/her to benefit from the rules applicable before the amendment. The new rules also do not apply to already appointed judges.

Furthermore, based on the fourteenth amendment to the Fundamental Law and the amendment to Act CLXIV of 2011 on the Status and Career Path of Prosecutors and Other Prosecutorial Employees⁴ (hereinafter referred to as the 'Prosecutors' Act'), effective as of 1 January 2025, the Parliament is no longer restricted to selecting the Prosecutor General from among prosecutors. However, the Prosecutor General must meet the same qualifications and criminal record requirements as any other prosecutor, even if they he/she was not a member of the prosecutorial body prior to his/her election. No other amendment took place in the period under review concerning the rules for the selection and appointment of prosecutors which are set out in the Prosecutors' Act.

- *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)*

No legislative development took place in the period under review.

As of 16 July 2022, there are no seconded judges at the Curia (hereinafter referred to as the 'Curia'), which entails that only appointed judges have been administering justice at the Curia since that date.

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

No legislative development took place in the period under review.

- *Allocation of cases in courts*

The Curia's case allocation scheme

The rules adopted in 2023 concerning the case allocation scheme of the Curia were presented in the written input provided for the preparation of the 2024 Rule of Law Report. The Curia's case allocation system is performing in accordance with the applicable rules, and the Curia has not received so far any complaints from the parties in that regard.

The other court's system

With reference to the relevant recommendation made by the Commission in its 2024 (and 2023) Rule of Law Report, the following information is provided. No relevant legislative development took place in the period under review.

It is declared in the law (Act CLXI of 2011 on the organization and administration of courts) that nobody may be withdrawn from his/her lawful judge. 'Lawful judge' means the judge or

⁴ The text of Act CLXIV currently in force is available at: <https://njt.hu/jogszabaly/2011-164-00-00>.

panel of judges which decide the case. The judge (panel) shall be clearly designated in advance.

The case allocation system is regulated by laws and internal regulations of the courts. The case allocation regime is defined by the president of each court, taking into consideration the opinion of the judicial council and the professional division of judges.

The case allocation regime shall be communicated to the judges and shall be published on the court's website and at the clerk's office for the clients. If the case allocation regime has to be amended, it is the responsibility of the court president to amend it within 30 days.

The case allocation regime shows what types of cases the judges/panels of the court deal with. In Hungary, as a general principle, judges are specialized according to law fields (criminal, civil or administrative law). More detailed specialization in the given law field (e.g. traffic crimes, family law cases) depends on the size of the court. At larger courts judges are more likely to specialize, while in smaller ones the requirement for an objective and even distribution of cases generally does not allow such division. This type of specialization, however, is taken into consideration when drafting the case allocation regime.

With a view to the principle of lawful judge, the case allocation rules shall be laid down to ensure that the judge or chamber to which the case was assigned can be ascertained in advance. The case allocation rules of a court shall define the structure and number of the chambers of that court, the type of cases generally assigned to judges or chambers and shall designate the court executive in charge of the allocation of cases and the methods by which the cases are allocated.

The method of case allocation has to ensure the objective and even distribution of cases. '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 a system it can be clear to the judges and to the clients why was a case assigned to a specific judge/panel.

A fully computerized case allocation system is available, 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).

- *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)*

No legislative development took place in the period under review.

- *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)*

According to an amendment to the Prosecutors' Act, effective as of 19 February 2025, the salary of prosecutors appointed to the Office of the Prosecutor General will no longer be determined based on their years of service (see also the answer to the question concerning the remuneration

of prosecutors). As a result, under the revised provisions of the Prosecutors' Act, instead of the disciplinary penalty of demotion by one or two salary grades, prosecutors in the Office of the Prosecutor General may face salary reductions for a maximum of one or two years, respectively. The reduction may not exceed 5% of their salary.

The rules concerning disciplinary proceedings and penalties, as well as the ethical norms and immunity of prosecutors (the latter regulated by Act CLXIII of 2011 on the Prosecution Service), have otherwise remained unchanged in the period under review.

- *Independence/autonomy of the prosecution service*

No legislative development took place in the period under review.

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

No legislative development took place in the period under review.

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

B. Quality of justice⁵

☐ No developments

☒ If there have been developments related to the quality of justice, please specify which, regarding in particular topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Accessibility of courts (e.g. court/legal fees, legal aid, language)*
- *Resources of the judiciary (human/financial/material⁶), remuneration/bonuses/rewards for judges and prosecutors, including observed changes (significant and targeted increase or decrease over the past year),*

In order to ensure adequate remuneration of members of the judiciary, the legislative changes adopted on the basis of the amendment proposed by the Legislative Committee of the Parliament will increase the salaries of judges and judicial staff, prosecutors, as well as and non-prosecutor prosecutorial employees in 3 stages from 1 January 2025 to 1 January 2027. As a result, by 1 January 2027, the average income will reach HUF 2,250,000 gross per month for judges and prosecutors compared to the 2024 base, HUF 1,125,000 gross per month for junior judges, trainee judges, as well as deputy prosecutors and trainee prosecutors, and HUF 850,000 gross per month for additional judicial employees and non-prosecutor prosecutorial employees.

In the first phase, the increase of remuneration for judges and judicial employees, as well as for prosecutors and non-prosecutor prosecutorial employees, was implemented in such a way that the remuneration of the judges of the Curia was determined as a fixed percentage of the

⁵ Under this topic, Member States are not required to give statistical information but should provide input on the type of information outlined under section 2.

⁶ Material resources refer e.g. to court buildings and other facilities. Financial resources include salaries of staff in courts and prosecution offices.

remuneration of the President of the Curia and the remuneration of the prosecutors of the Prosecutor General's Office as a fixed percentage of the remuneration of the Prosecutor General. The increase for judges adjudicating in lower courts and for prosecutors in lower prosecutors' offices was achieved by increasing the remuneration base for judges and prosecutors. In the case of junior judges, trainee judges, deputy prosecutors and trainee prosecutors of the public prosecutor's office, the increase of remuneration was achieved by modifying their remuneration scales and increasing the remuneration base for judges and prosecutors. The remuneration of other judicial employees and other non-prosecutor prosecutorial employees shall be determined by classification according to a specific remuneration scale set out in Act CXXV of 2018 on Government Administration (hereinafter: Act on Government Administration).

The 15 % increase in the remuneration base for judges and prosecutors for 2025 is provided for in Act XC of 2024 on the central budget of Hungary for 2025⁷.

Other increases of remuneration for 2025 are implemented by legislative amendments pursuant to Act LXXIV of 2024 establishing the central budget of Hungary for 2025, as follows.

From 1 January 2025:

- the remuneration of judges and heads of courts of the Curia, as well as the remuneration of prosecutors and head prosecutors of the Prosecutor General's Office, have been adjusted to the monthly remuneration of the President of the Curia and the Prosecutor General, while the remuneration of other judges and prosecutors are increased by increasing the remuneration base,
- in addition to the remuneration increase resulting from the increase in the base remuneration for judges and prosecutors, the lower and upper limits of the multipliers for the step in which they are graded have been increased by 0.15 for junior judges, trainee judges, deputy prosecutors and trainee prosecutors of the public prosecutor's office, as well as for judicial employees working at a judicial expert institution, and
- the amendment classifies other judicial employees and other non-prosecutor prosecutorial employees in the remuneration scale set out in the Act on Government Administration, and to this end the wage bill, calculated taking into account the 15% salary base increase and the 0.15 increase in the lower and upper limits of the current multipliers, has been ensured.

The budget of the court system is adopted by the Parliament. The budget of the court system for the year 2024 was 155.662,4 million HUF (for the year 2023 it was 153.836,3 million HUF).

The court system currently has approximately 11.300 employees: 2700 judges and 8600 judicial employees (including trainee judges, court secretaries and other judicial employees). The ratio of female judges is 69% and that of male judges is 31%.

Court buildings are mostly owned by the state with a few exceptions (rentals). The court system uses 187 buildings, 156 of them have judicial functions (the others are training facilities, record offices, finance offices, archives etc.).

Concerning the above detailed new rules on the remuneration of prosecutors and non-prosecutor prosecutorial, the Prosecutors' Act was amended, with effect of 19 February 2025, by revising the compensation system for prosecutors appointed to the Office of the Prosecutor General. Under this amendment, their salaries are no longer based on seniority-related pay grades. Additionally, all allowances (such as position, title, leadership, qualification, and language allowances) are abolished. Instead, their monthly salary will be equal to that of comparable senior positions in the Curia, depending on their rank. The new regulation will result in salary

⁷ The text of Act XC of 2024 is available at: <https://njt.hu/jogszabaly/2024-90-00-00.0#CI>.

increases for these prosecutors, similar to those for Curia judges.

For other prosecutors, basic salaries remain calculated based on years of service and a multiplication factor defined in the Prosecutors' Act, without changes.

At present, the basic salary of junior prosecutors, trainee prosecutors, prosecution officials and clerks (administrative staff) is determined by classification in the appropriate grade according to the job title, including the appropriate step according to length of service. Due to the amendment the basic salary shall be determined on the basis of the salary base, which shall be determined by multiplying the salary base by the number of steps in each grade, between the lower and upper limits of the grade.

The aforementioned increase in the salary base of prosecutors will thus also increase the basic salary of deputy prosecutors, trainee prosecutors, prosecution officials, and clerks.

Moreover, as of 19 February 2025, the salary multipliers for junior prosecutors and trainee prosecutors will increase by 0.15, allowing for further salary growth. An additional multiplier increase of 0.18 is scheduled for 1 January 2026.

For prosecution officials and clerks (administrative staff), and the blue-collar staff, a new job classification system and salary tables will take effect from 19 February 2025, allowing salaries to be determined based on professional skills, education, experience, and performance within the assigned category. The amounts set as the lower and upper limits of the monthly salary in some bands of the new salary scales create the possibility for further salary increases.

According to the law, the salaries of junior prosecutors, trainee prosecutors, prosecution officials, clerks and the blue-collar staff are to be set at a higher level than their salaries before the entry into force of the amendment.

These revised provisions apply retroactively from 1 January 2025, and any differences will be back-paid accordingly.

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

The following relevant changes have occurred in the prosecutorial training system since the beginning of 2024.

In 2024, a change was made in the structure of the training of trainee prosecutors organised by the Hungarian Prosecutors Training Centre, which is designed to provide new entrants with the knowledge required for the bar exam and to offer training courses focused on the transfer of practice-oriented knowledge in preparation for the prosecution profession. The training of trainee prosecutors recruited in 2023, starting in 2024, will now consist of 4 modules, spread over the 3-year traineeship.

Module 1 is a 3-day online course, starting on the day of appointment, covering the basics of prosecution. Modules 2 and 3, which take place in the first and second years of the traineeship, are 5-5 day courses (held at the Balatonlelle Training Centre), which include a part on preparation for the prosecution profession and also cover criminal substantive law and criminal procedural law. Module 4 is the preparation part for the bar exam, which takes place in the third year of legal practice, immediately before the bar exams. This is a 3-week online course which prepares candidates for all three parts of the bar exam (A: civil law, B: criminal law, C: administrative law, labour law, EU law).

In 2024, the annual forensics course has been restructured and its content has been reduced to a

shorter two-week course, with updated topic and the removal of final exams.

As of 2024, the Ethics and Integrity course has been added to the mandatory prosecutors' training. The course is available in e-learning format and attendance of the lectures is mandatory for all prosecutors, every five years. The training topics are updated as necessary.

- *Digitalisation (e.g. use of digital technology, including electronic communication and AI tools, within the justice system and with court users, procedural rules, access to judgments online)*⁸

The basic rules governing electronic communication are laid down in Act CIII of 2023 on the digital state and certain rules governing the provision of digital services.⁹ However, the use of videoconferencing for the conduct of court hearings in, inter alia, criminal, civil and non-contentious civil proceedings is not governed by the general rules, but by the specific rules applicable to each of those proceedings. Accordingly, in civil proceedings the possibility of conducting a hearing by electronic communications network, or a hearing by simplified telecommunication presence under the new rules that have entered into force on 9 July 2024, is essentially provided for in Sections 622 to 627/B of Act CXXX of 2016 on the Code of Civil Procedure (hereinafter referred to as 'Code of Civil Procedure').

The rules of hearing by simplified telecommunication presence have been introduced into the Code of Civil Procedure by Act XVII of 2024 amending Acts governing justice¹⁰ (adopted on 30 April 2024 by the Parliament). The aim of the amendment was to broaden the possibilities and simplify the technical conditions for electronic hearings by introducing the so-called simplified telecommunication presence, which has already proven its effectiveness in criminal proceedings. Simplified telecommunication presence facilitates the hearing of absent parties, witnesses, experts or other persons participating in the action, thus ultimately serving procedural economy purposes as well.

In order to ensure effective and equal access to justice for persons (parties, other litigants, witnesses and experts) whose presence at the scheduled place of trial would be possible only with considerable difficulty or with disproportionately high additional costs, the court may conduct the hearing through electronic communications network at the request of the party or of its own motion by way of issuing an order if

- a) it seems expedient, and especially if it accelerates the proceedings,
- b) conducting the interview at the specified place of the hearing or of the personal interview would imply considerable difficulties or disproportionately high extra costs, or
- c) it is justified by the personal protection of the witness.¹¹

During the hearing by means of a simplified telecommunication presence, the hearing of the person, witness or expert in the proceedings, does not take place in the official premises of the court, but the person to be heard may use the electronic means and program at his disposal to communicate with the court. In this case, only the person to be heard by means of a simplified telecommunication presence, such as the party, and a person whose presence is otherwise permitted or required by law, may be present in the room where the hearing is to take place.

In the case of a simplified telecommunications presence, the direct connection between the

⁸ Factual information presented in Commission Staff Working Document of 2 December 2020, SWD(2020) 540 final, accompanying the Communication on Digitalisation of justice in the European Union, COM(2020) 710 final and Figures 40 to 48 of the 2024 EU Justice Scoreboard, does not need to be repeated.

⁹ The text of Act CIII of 2023 currently in force is available at: <https://njt.hu/jogszabaly/2023-103-00-00>.

¹⁰ The text of Act XVII of 2024 is available at: <https://njt.hu/jogszabaly/2024-17-00-00.0#SZ6>.

¹¹ See Section 622 of the Code of Civil Procedure.

designated place of the procedural act and the place of the hearing is ensured by the device transmitting the motion picture and the sound simultaneously.

The number of civil litigious and non-litigious cases submitted to courts by electronic means – apart from business registration and insolvency cases where electronic communication is mandatory – is growing: in 2024 it was more than 101.000.

In 2023 the courts conducted 25.488 remote hearings via videoconference.

More detailed data on these topics are available in the information provided for the EU Justice Scoreboard.

To ensure the transparency of the legal system, the Ministry of Justice has started to implement technological improvements.

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

No relevant development took place in the period under review.

- *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.*

The Hungarian Electoral Code (Act XXXVI of 2013 on Electoral Procedure) assigns the task of deciding on electoral disputes to the Curia. For the first time in 2024, the election of members of the European Parliament, local government representatives and mayors, and representatives of national minority self-governments was held under a joint procedure. Petitions for judicial review submitted against the decisions of the electoral commissions were heard at first and final instance by the Curia, and constitutional complaints could be lodged against the Curia’s decisions. The election campaign period started on 20 April 2024, and the President of the Republic set the date for all three elections for 9 June 2024. The Administrative Chamber of the Curia began preparations for the election period in February 2024. It established an on-call duty system for the registry offices and the competent judicial panels, since the three-day and eight-day procedural deadlines made it necessary for them to work on weekends and public holidays as well. During the election period, the Administrative Chamber of the Curia received a total of 163 cases, all of which were dealt with in a timely manner. In addition to the election cases, the handling of appeals and petitions for cassation concerning other types of cases received by the Administrative Chamber of the Curia was also carried out timely.

C. Efficiency of the justice system¹²:

☐ No developments

☐ If there have been developments related to efforts to improve the efficiency of the justice system (e.g. as regards length of proceedings), please specify: ...

In the past 3 years the number of ‘old cases’ (cases pending for more than 2 years) has decreased radically (approximately 45%) in the courts, and so the number of cases pending for more than

¹² Under this topic, Member States are not required to give statistical information but should provide input on the type of information outlined under section 2.

5 years. Among the pending cases the overall ratio of the ‘old cases’ is around 5%, while the ratio of the cases above 5 years is around 0,6%. Although there are still challenges – mostly on the first instance – to reduce the time needed to resolve a case, more than 90% of the civil cases on the district level are finished within 1 year.

In 2023, the courts received approximately 1.194.000 cases and finished approximately 1.191.000 cases.

Although the continuous decrease in the number of pending cases seems to have a temporary stop in 2023, in the last decade the courts were able to gradually reduce the backlog by 40%. What is more noticeable, particularly the cases that have been pending for a relatively long time (e.g. 2 years) have been reduced by 45 % from the year 2019, following the introduction of new measures by the president of the NOJ in August 2020, in order to reduce the number of cases pending for more than two years.

The efficiency of the justice system can be monitored also by measuring the ratio of decisions become final in the first instance without appeal. From several years this ratio in civil litigious cases is more than 90%; in penal litigious cases is approximately 70%.

Other – please specify

According to Article 25 of the Fundamental Law of Hungary, the Curia is the supreme judicial body of Hungary, whose primary constitutional duty is to ensure the uniformity of the application of law by the courts. Its uniformity decisions are binding on the courts. The decisions delivered in uniformity and uniformity complaint procedures conducted at the Curia, in a significant number of cases, continue to contribute to the uniformization of the courts’ case-law throughout the country, thus, strengthening the implementation of the principles of the rule of law and legal certainty within the Hungarian judiciary. In 2023, the Curia delivered 9 uniformity decisions and 52 uniformity complaint decisions (21 of them being on-the-merits decisions, including 4 having the effect of a uniformity decision), while in 2024, the Curia rendered 17 uniformity decisions and 40 uniformity complaint decisions (14 of them being on-the-merits decisions, including 3 having the effect of a uniformity decision).

II. Anti-corruption framework¹³

Please provide information on measures taken to follow-up on the recommendations received in the 2024 Report regarding the anti-corruption framework (if applicable):

It was included in the Hungarian additional input sent to the Commission on 17 April 2024 that in the framework of the preparation of its 2024 Rule of Law Report, the Hungarian Government adopted Government Decision No. 1025/2024 on 14 February 2024 on the medium-term National Anti-Corruption Strategy for the period 2024-2025, as well as the Action Plan for the implementation of that Strategy, as set out in Annex 1 to that Strategy (the Action Plan is hereinafter referred to as the ‘Action Plan’, while the Strategy is hereinafter referred to as the ‘NACS’).

¹³ 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.

The Action Plan foresees a number of measures in several intervention areas¹⁴ of the NACS, which are in conformity with the recommendation made by the Commission in its 2023 Rule of Law Report (and repeated in the 2024 Rule of Law Report) to Hungary to adopt comprehensive reforms on lobbying and revolving doors, and further improve the system of asset declarations.

The NACS and its Action Plan also incorporate a number of recommendations from international organisations and domestic stakeholders, including proposals adopted by the Anti-Corruption Task Force by consensus, and identify new areas of intervention which were not included in the previous Hungarian anti-corruption strategies.

The NACS aims to attain the anti-corruption objectives in 7 intervention areas, by striking the right balance in almost all areas between taking legislative measures or developing methodological guidelines and other soft law rules in support of mitigating corruption risks and awareness-raising initiatives targeting – with different means and in various ways – public sector workers, citizens and the business community. The NACS and its Action Plan was adopted after conducting extensive consultation with the European Commission, the OECD, the Council of Europe (GRECO), the Anti-Corruption Task Force and several further national stakeholders. Reflecting the results of this broad consultation, the Action Plan sets out 46 different activities that aim to reduce the risk of corruption.

It seems that the Commission did not duly take into consideration the adoption of the NACS and its Action Plan when finalizing the Hungarian Chapter of its 2024 Rule of Law Report. Several actions set out in the Action Plan is already implemented, while the implementation of the other actions is in progress (see further details below).

It is worth pointing out that the following GRECO recommendations are addressed by the Action Plan:

- revision of the Code of Ethics for judges, prosecutors, law enforcement officials and government officials (Actions No. 3.1., 3.2., 3.5., 3.6., 3.8., 4.7.);
- establishing a Code of Ethics for political leaders, Members of the Parliament and employees of the Office of the National Assembly, involving post-employment restrictions, rules for engaging with lobbyists and handling cases of conflict of interest, training programmes on the content of the adopted Code of Ethics (Action No. 2.2.);
- strengthening of judicial independence (Action No. 3.3.) and the system of asset declarations (Actions No. 1.3., 1.4., 1.5.);
- contacts with lobbyists, investigating conflicts of interest and addressing the revolving door phenomenon at the level of municipalities (Action No. 4.8.).

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

☐ No developments

☒ If there have been developments related to the institutional framework capacity to fight corruption, please specify which, in particular regarding topics listed below: ...

¹⁴ Such measures are included in the intervention areas ‘Transparency’, ‘Legislative Integrity’ and ‘Integrity of Public Sector Bodies’, and set out e.g. in points 1.3., 1.4. and 1.5., subpoints a) and b) of point 2.2., as well as in points 4.6., 4.7. and 4.8. of the Action Plan.

Relevant topics to be covered in your contribution include:

- 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.

Concerning the Hungarian Prosecution Service

As of 20 December 2024, the number of posts at the Central Chief Prosecution Office of Investigation is as follows: 106 prosecutors (29 at a chief prosecution office level, 77 at district level), 4 junior prosecutors, 19 trainee prosecutors, 8 paralegals, 75 prosecution officials, 69 clerks, 15 drivers and 26 blue-collar staff. The Metropolitan Prosecution Office of Investigation was integrated into the Central Chief Prosecution Office of Investigation on 1 November 2023. As a result, the staff of the Central Chief Prosecution Office of Investigation increased by 14 prosecutors, 5 prosecution officials (including 1 office manager), 10 clerks, 1 driver and 1 blue-collar employee.

The budget of the Central Chief Prosecution Office of Investigation for 2024 is as follows:

Priority appropriations	Payment (in thousands HUF)
Personal allowances	3,088,841
Of which:	
Salary	2,833,752
Other allowances	255,089
Contributions payable by the employer	401,549
Expenditure on services	772,804
Surplus expenditure	4,707
Total:	4,267,901

There are no changes in the effectiveness and timeliness of cooperation with the EPPO and OLAF.

In 2024, in the framework of operational cooperation, the EPPO sent 23 European Investigation Orders to the Office of the Prosecutor General.

In 2024, OLAF sent 4 judicial recommendations to the Prosecutor General. Investigations were ordered in 3 of these cases, and in one case the recommendation and the final report were assessed in an already pending criminal case. OLAF's latest report for 2023, published in June 2024, found that the indictment rate for cases covered by OLAF judicial recommendations between 2019 and 2023 was 67%. This is an outstanding result, as the EU average indictment rate is 37%.

In the field of cooperation with both the EPPO and OLAF, it should be emphasised that, in addition to complying with investigation orders and requests, the Hungarian Prosecution Service also responded to requests for operational meetings aiming at procedural coordination, and the acting prosecutors or the prosecutors of the Office of the Prosecutor General of Hungary participated in the meetings in a constructive manner, as confirmed by the delegated prosecutors and OLAF investigators concerned, with a view to the efficiency of the proceedings. The professional cooperation did not only take place at the operational level, but a high-level

meeting between the Director General of OLAF and the Prosecutor General took place on 13 November 2024, during which Mr Ville Itälä underlined the good working relationship between his organisation and the Office of the Prosecutor General of Hungary. At the meeting, the parties confirmed that they continue to attach the utmost importance to the effective exchange of information and cooperation between their respective organisations, as well as between the EPPO and OLAF and between the EPPO and the Hungarian Prosecution Service, in the context of criminal misuse of EU funds.

Developments concerning the National Protective Service

Among the competent authorities responsible for preventing corruption and detecting or prosecuting corruption offences, the National Protective Service (hereinafter referred to as the 'NPS') has been playing a significant role ever since its establishment on 1 January 2011.

Prior to the most recent legislative amendments, effective as of 1 July 2024, the protected staff of NPS included – with exceptions provided for by law – employees of the ministry or work organisation headed by Minister of the Interior and budgetary organisations managed or supervised by the Minister of the Interior, as well as employees of the National University of Public Service, those who are in medical service employment and the staff of healthcare providers subordinated to the Minister of Defence, the professional staff, public servants and civilian workers of the Parliamentary Guard and employees of the territorial government administrative bodies.

Following the amendment of Act XXXIV of 1994 on the Police (hereinafter referred to as the 'Act on the Police') with effect of 1 July 2024, the above group of persons has been broadened, thus it currently also covers:

- a) employees of correctional institutes, and – regardless of the operator – persons employed by institutions operating children's home, the children's home and the foster parent network, as well as all applicants;
- b) workers of the regional child protection services holding the position of adoption consultant or psychologist;
- c) staff of public benefit purpose entities licensed to pursue activities promoting open adoption.

With the employees of the child protection and adoption supporting institutional system ran by state, ecclesiastical and other non-state maintainers (81 separate institutions managed by 31 maintainers as part of the social care system), the number of the protected staff of the NPS has been extended, and as a result, the range of persons belonging to its protected staff based on the respective provisions of the Act on the Police now includes approx. 266 500 individuals.

Latest change regarding the protected staff entails that in addition to the persons determined by Act XLII of 2015 on the employment status of the professional staff of law enforcement agencies (hereinafter referred to as 'Act XLII of 2015'), as of 1 July 2024 the NPS shall also perform the lifestyle monitoring of individuals referred above in point a), the legal basis of which has been laid down in Act XXXI of 1997 on the Protection of Children and Guardianship Administration (hereinafter referred to as 'Act XXXI of 1997').¹⁵

By following the established procedure, impeccable lifestyle check of the child protection system's personnel (nearly 14 000 persons) had to be conducted for the first time by the statutory

¹⁵See Section 7(1) point a) subpoint ab) of the Act on the Police (the act is available at: <https://njt.hu/jogszabaly/1994-34-00-00.125#CI>) and Sections 10/C, 10/E to 10/I and Section 188/F(2) points d)-f) of Act XXXI of 1997 (the act is available: <https://njt.hu/jogszabaly/1997-31-00-00.129#SZ4@BE4>).

deadline of 31 December 2024, resulting in an outstanding increase of 272,5% in the number of procedures completed in 2024.

Modifications to the Act on the Police¹⁶ and Act XXXI of 1997¹⁷ have also created a legal basis for conducting reliability tests in the field of child protection.

Furthermore, the amendment with effect from 9 July 2024 of Government Decree No. 293/2010 (of 22 December) on the designation of the police agency performing internal crime prevention and detection tasks and the detailed rules of the performance of such tasks, the lifestyle monitoring and integrity tests (hereinafter referred to as the 'Government Decree 293/2010') has extended the scope of criminal offences in the case of which the NPS – regarding this special category of the protected personnel – may initiate or conduct, as provided for in the Act on Criminal Proceedings (Act XC of 2017), a preparatory proceeding for the purpose of determining if the suspicion of a criminal offence can be established, and for the prevention of which the NPS may engage in secret information gathering under the Act on the Police.¹⁸

In order to perform its tasks as defined by law, the NPS has the following human and financial resources: the number of its employees was 697 on 31 December 2024. The budgetary act allocated financial resources for operational expenditure in the amount of HUF 10 456,1 million for the calendar year 2024, which was increased to HUF 11 430,1 million for 2025 (with an additional HUF 96,4 million in 2024 and HUF 146,0 million in 2025 provided for investment purpose).

At international level, the NPS primarily focuses on developing relations with partner organisations in the neighbouring countries and other EU Member States, including efforts aimed at deepening cooperation and enhancing the exchange of experience. The legal framework is adequately provided for NPS to fulfil its tasks with cross-border implications and to promote its international affairs. NPS considers that the current framework of its established relations with the foreign counterparts is appropriate, and strives continuously to improve such relations further, as well as to make extensive use of the benefits offered by multilateral networks. In this regard no relevant legislative development took place in 2024.

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

No relevant development took place in the period under review.

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

The monitoring of the implementation of the NACS and its Action Plan is carried out by the Monitoring Committee established in accordance with Chapter 6.2. of the NACS. The Monitoring Committee held its inaugural meeting on 29 April 2024. At this inaugural meeting, the Monitoring Committee adopted its order of business as well as the first updated version of the Monitoring Support Matrix (an Excel table), which contains, in a quarterly updated manner,

¹⁶ See Section 7(1) point b) subpoint *be*) of the Act on the Police.

¹⁷ See Section 10/F(3) point c) of Act XXXI of 1997.

¹⁸ See Section 6(1a) points *a*) and *b*) and Section 6/A of Government Decree No. 293/2010 (which is available at the following link: <https://njt.hu/jogszabaly/2010-293-20-22>). For the mentioned special category of the protected staff, the NPS's scope of competence has been extended to include offences against the freedom of sexual life or sexual morality committed to the detriment of children and other criminal offences violating the interests of children.

the state of progress of the implementation of each action set out in the Action Plan.

Each minister bearing first place responsibility for any measure (action) set out in the Action Plan has delegated a member to the Monitoring Committee designated from at least the professional executive level. Further members of the Monitoring Committee are as follows: President of the Integrity Authority, President of the Public Procurement Authority, Head of the Directorate General for Audit of European Funds, President of the Hungarian Government Officials' Corps, and a person elected by the members of the Anti-Corruption Task Force representing non-governmental actors. The Chair of the Monitoring Committee is the Deputy State Secretary designated by Minister of Interior as the minister responsible for coordinating the governmental tasks relating to anti-corruption. As an agency involved in coordinating the governmental tasks relating to anti-corruption, the NPS have assumed the role of the Secretariat for the Monitoring Committee.

The monitoring activity is based on the Monitoring Support Matrix (hereinafter referred to as the 'Matrix') which was developed with regard to the OECD recommendation, which is used both to ensure and support the continuous and timely implementation and coordination of tasks among ministries and the responsible persons in case of tasks involving several ministries.

In order to follow-up on the implementation, the responsible bodies prepare a report on the tasks assigned to them at the end of each quarter, and send it to the NPS. The Monitoring Committee meets in the month following each quarter to examine and assess the quarterly progress reports, subsequently reports to the Minister of Interior. Such reports form the basis for the NPS to update the Matrix, which contains all relevant information (task, deadline, responsible person) on the quarterly performance of each action and the outcome of progress achieved.

The latest version of the Matrix updated with the quarterly progress reports is published after its approval by the Monitoring Committee on the webpage <https://korrupciomegelozes.kormany.hu/>.¹⁹ The Monitoring Committee held its fourth quarter evaluation meeting on 23 January 2024, where it adopted the updated version of the Monitoring Support Matrix concerning the progress reached in the fourth quarter of 2024.

In the light of the Monitoring Committee's findings for 2024, the state of play regarding the implementation of tasks can be summarised as follows (measures are grouped into the areas of intervention).

In the area of legislative changes

By Government Decision No. 1249/2024 of 15 August 2024, the Government adopted the revised version of the Anti-Fraud and Corruption Strategy regarding European Union funds.²⁰

The Government has adopted Government Decree No. 477/2024 of 31 December 2024 on the procedure to follow in connection with protocol gifts²¹, which specifically applies to the top leaders, including the Prime Minister, his Political Director and Chief National Security Advisor, the Ministers, State Secretaries, Deputy State Secretaries and some other officials who are defined by law as senior political or professional executives.

¹⁹ The updated versions of the Monitoring Support Matrix is available at the following link: <https://korrupciomegelozes.kormany.hu/strategiai-dokumentumok1>. The version concerning the progress reached in the fourth quarter of 2024, as well as the subsequent updated versions in 2025, will be made available under the same website.

²⁰ See the file entitled 'Csalás és Korrupció Elleni Stratégia_20240815.pdf' at the following link: <https://archiv.palyazat.gov.hu/csals-s-korrupci-elleni-strategia>.

²¹ Government Decree No. 477/2024 is available at the following link: <https://njt.hu/jogszabaly/2024-477-20-22>.

Experiences of the previous research titled ‘*Mapping the domestic practice concerning the freedom of information and increasing its effectiveness*’ are in the process of being assessed and evaluated, and in this context the preparation of a legislative amendment is also ongoing.

As explained above, the entry into force of Act XXX of 2024 on amending certain Acts for the protection of children²² has extended the possibility for the application of integrity tests to certain employees in the child protection system. The NPS has already assessed the possibilities of broadening reliability checks to a wider range of persons and channelled its proposal for legislative amendments into the 2025 legislative plan.

In the area of legislative integrity

The need to explicitly demonstrate the patterns of ethical behaviour is not only reflected in the revision or creation of Codes of Ethics, but also by delivering training programmes. Ethical conduct and transparency are expected from the employees of health and social care institutions, the law enforcement personnel, as well as from executives of local governments and other public bodies, prosecutors and judges, political leaders and Members of Parliament. Pooling and assessing the desired behavioural patterns and identifying the expected standards is taking place actively in all areas. The Office of the National Assembly (Parliament) has adopted a Code of Ethics and Conduct for its staff (see also below), which is available on its intranet.

In the area of judicial integrity

In order to further strengthen the independence of the judiciary, the NACS prescribes the revision of the set of criteria to be considered in the evaluation process of judicial applications, as well as of the related scoring system. Supporting this activity, the National Judicial Council established an ad-hoc committee by its Decision No. 71/2024 of 2 May 2024, and extended the timeframe of its functioning until 31 January 2025.

With the ultimate goal of further enhancing public confidence in the judiciary and across the public sector, efforts to prevent corruption have been made more effective through joint anti-corruption training for judges, prosecutors and police personnel, which aimed at developing common anti-corruption principles and procedures, as well as strengthening integrity on personal and professional level.

To facilitate the exchange of experiences and cooperation, on the occasion of the International Anti-Corruption Day, a professional day was organised with the participation of public bodies that undersigned the Joint Declaration against Corruption in 2011 or later on and other bodies interested in cooperating with them, focusing on the topics of individual and organisational integrity.

In order to strengthen the individual integrity of police personnel, the Hungarian Law Enforcement Officials’ Corps has revised and amended the Code of Ethics for Law Enforcement and Rules of Ethical Procedure, which is published on its website²³.

In the area of integrity of public sector bodies

A working group coordinated by the State Secretary for Local Government at the Ministry of Public Administration and Regional Development

²² Accessible at <https://njt.hu/jogszabaly/2024-30-00-00.0#CI>

²³ The document is available at the following link:
https://www.rendvedelmikar.hu/letoltes/document/document_327.pdf.

In one of the measures set out in the Action Plan, the Government called on the Minister of Public Administration and Regional Development to develop – with the involvement of other competent ministers – a methodological guide on how municipalities should interact with lobbyists, how to reduce corruption risks linked to the revolving door phenomenon and on the practical aspects of preventing conflict of interest, with a view to identify and promote best practices. In order to perform this task, a working group consisting of representatives from several ministries was working on preparing the methodological guide. The draft methodological guide on *‘The interaction of local authorities with lobbyists, the revolving door phenomenon and practical aspects of avoiding cases of conflict of interest’* was elaborated, which is currently awaiting approval by the Minister.

On the basis of the methodological support of the NPS, job and position-based risk analysis is to be performed for the entire personnel of the state administration in order to explore and identify any potential risks associated with certain jobs and individual positions, and to elaborate appropriate measures to manage and minimise them. As a first step, a questionnaire was compiled and sent to all relevant stakeholders. Subsequently, the completed questionnaires will be used for mapping, identifying and assessing-evaluating the risks, finally resulting in developing appropriate risk management measures. The risk analysis process is documented, including the risks identified, the assessments, the measures taken, as well as any changes that have been made. By the end of 2025, the job and position-based risk analysis will be implemented in the whole public administration. In support of this initiative a methodology guide had been prepared, which was sent out to the ministries in June 2024.

In the area of social integrity

In order to raise the awareness of the young generation, measures have been taken to integrate corruption prevention knowledge into higher education curricula, which will be included in the next edition of the training and outcome requirements for higher education vocational training, bachelor and master programmes in January 2025. The basic knowledge of corruption prevention will be emphasised in the basic knowledge for sustainable development.

In the public sector mentoring systems, a training material for mentors on corruption prevention has been developed and integrated both into the mentor training curriculum of the National University of Public Service, and the training programme *‘Training of mentors in public service’* of the Institute of Public Administration Advanced Training. The pilot training of the programme, which includes a module on corruption prevention, has also been completed.

Further possibilities of reducing corruption risks in the public education, health and social care sectors have been explored, and the findings have been presented to the Government.

The NACS continues to consider that there is an essential need for raising awareness in society on the fight against corruption, particularly in the field of healthcare service and in terms of public interest disclosures.

During the 1st half of 2024, the NPS carried out an awareness-raising television campaign in accordance with the measure *‘C9.R9 Phasing out gratuity payments in the healthcare sector’* included in the Hungarian Recovery and Resilience Plan. The aim of this media campaign (launched on 5 January 2024) was to contribute among citizens to the eradication of the practice of offering and accepting envelope money, which has been the most serious disturbance to the transparent, integrated functioning of the public health system since the 1950s-60s. The message of this campaign has reached at least 5 million people, which has played a significant role in changing the attitudes towards gratuity payment and in the gradual elimination of the harmful

and criminalised practice of giving gratitude money.

Planning and designing of the elements of the information campaign on the functioning of whistleblowing platforms and whistleblower protection regimes are still ongoing.

B. Prevention

☐ No developments

☒ If there have been developments related to the prevention of corruption, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Measures to enhance integrity in the public sector (including as regards incompatibility rules, revolving doors, codes of conduct, ethics).*

With reference to the above information provided in relation to the implementation of the NACS and its Action Plan, we would like to reiterate the importance of the multidimensional approach taken by the NPS to enhance the integrity of the public sector.

On the one hand, it provides for opportunities to engage in dialogue with citizens and state bodies, supporting them in developing a way of thinking which allows for recognising situations with the risk of corruption, as well as in shaping an attitude and an organisational culture that resists and rejects corruption. On the other hand, it strengthens the relationship between public administration bodies and the law enforcement bodies fighting corruption. It is also in line with the conviction that – beside enforcing the need of punishment – the fight against corruption can be successful in the long term only with the application of equally effective preventive measures aimed at individual, institutional and system levels.

In the context of the activities set out above, the NPS contributed with its knowledge on integrity and corruption prevention to the preparation of the material that can be integrated into the mentor training system for public service and law enforcement; participated in the process of exploring further possibilities to reduce corruption risks in the public education, health and social care sectors and in drafting summary to the Government. Furthermore, the NPS has developed an information material on ethics and integrity for public education institutions.

The NPS contributes to promoting the integrity of public sector bodies also through its internal crime prevention activities.

In addition to keeping regular contacts with the members of its protected staff, this is primarily done through training courses delivered at the protected organisations to their leadership and staff, informing them about the circumstances that allowed for abuses or crimes in particular cases, and involving them in case discussions. In their presentations, the NPS officials inform in details about corruption risk factors, dangers and potential consequences of unlawful attempts to influence, examples of detected violations of law and criminal offences, with emphasis on their legal consequences. Feedback suggests that this type of staff protecting activity is considered by the protected personnel to be particularly helpful in detecting and preventing abuses at an early stage.

In 2024, the NPS gave crime prevention lectures on 573 occasions, attended by 14 796 individuals from the protected staff. Presentations delivered by the NPS were greatly assisted by the crime prevention and life story films of its own making, which were produced for training purposes to illustrate real life situations that may give rise to abuse and to facilitate the better

understanding of avoidance techniques.

In 2024, the anti-corruption brochure titled '*How to say no?*' was distributed to a total of 3 947 people (since its publication in 2020 it has reached nearly 30 000 people) and it is also available on the website of the NPS and can be consulted on the Intranet portals of protected organisations.

In 2024, the dissemination of the information booklet titled '*Gratitude is not money!*', which is targeting health care workers and patients, continued. This brochure explains, adapted to the specificities of the healthcare service, that either offering or accepting gratuity falls into the category of prohibited under criminal law, gives clarity concerning legal issues that may arise in everyday life and provides good practices to avoid sensitive situations in doctor-patient relationship. 140 391 copies of this leaflet were distributed, and it is also accessible on the website of the National Directorate General for Hospitals (can be downloaded using the QR code shared during the crime prevention trainings of the NPS).

Crime prevention activities carried out in the recent years by the NPS among healthcare workers and citizens have played a major role in reducing corruption pressure on the health sector, as both patients and their relatives have become increasingly aware of the criminal consequences of offering and accepting gratuity payments. Positive results of the preventive actions are also proven during integrity tests.

In its internal crime prevention activities the NPS pays special attention to new comers joining the staff of its protected organisations, police cadets, members of the protected staff serving in areas exposed to high risk of corruption, personnel of border policing offices and border hunters, and in 2024 particularly focused on employees of the child protection system.

Code of Ethics and Conduct of the Office of the National Assembly

Previously, the Code of Civil Service of the Office of the National Assembly set out the principles of professional ethics. The Code of Ethics and Conduct replaced it with effect from 10 October 2024, which regulates in more detail than before the provisions arising from the special privileged administrative status of the Office of the National Assembly as a professional support to the functioning of the legislature.²⁴ In order to enhance organisational integrity, the new Code sets out the ethical principles and the forms of conduct adopted on the basis of those principles, in order to uphold and enforce the core values of the Office as defined in the institutional strategy (primacy of public service, honour, probity of the civil servant and respect for the individual), with a particular view to the high moral standards and ethical principles that Office staff must uphold. In addition, the Code sets forth norms which, if accepted and observed, provide guidance for the proper management of any conflict of interest between the official duties of parliamentary civil servants and staff and their private interests, free from external influence.

- *Measures to enhance general transparency of public decision-making (including rules on lobbying, asset and interest disclosure rules, gifts policy, transparency of political party financing).*

The amendment to subtitle 35 of Act XXXVI of 2012 on the National Assembly, adopted on 17 December 2024 by Act LXXV of 2024²⁵, effective from 1 January 2025, while leaving the substantive rules on conflict of interest and declaration of assets unchanged, has redefined the

²⁴ The Code of Ethics and Conduct of the Office of the National Assembly is available on the Intranet of the Office of the National Assembly (not public).

²⁵ The text of the Act is available at: <https://njt.hu/jogszabaly/2024-75-00-00.0#CI>.

procedure for determining conflict of interest and the procedure for declaration of assets in order to make them more transparent and to ensure the efficiency of decision-making. In order to ensure efficient decision-making, all procedural steps are accompanied by a deadline, so as to allow both an examination on the merits and a decision within a reasonable time. In both types of procedure, it is proposed that the examination on the merits will continue to take place at the most appropriate committee level, before the Committee on Immunities, which is composed on a parity basis. The Committee on Immunities may request information and data from any public body, which will be obliged to comply with the request without delay. In addition, the Member of Parliament concerned can also participate in the Committee procedure in the most direct way by providing information, including by presenting evidence and expressing his/her views. The fact that the procedure does not get bogged down even if there is no majority in favour of any of the (decision) options in the Committee also contributes to efficient decision-making. When this happens, the chairman of the Committee shall initiate a decision by the Parliament. The new rules provide the Member of Parliament concerned with the possibility to remedy the situation in both types of procedure and the necessary procedural guarantees in the decision-making process. One element of the right to a fair procedure is the right to be heard. The proposal ensures that the Member of Parliament concerned has the right to be heard during both the committee's investigation and the plenary decision. At the committee stage the Member of Parliament can also make submissions and submit documents and evidence to justify his/her position. The right to a fair hearing also extends to the right to know and understand the reasons for the decision taken in his/her case. The Rules of Procedure provide for the information and participation rights of the Member of Parliament on a number of points, while the reasoned committee decision and the reasoned proposal for a decision in plenary also provide the Member of Parliament with detailed information on the circumstances considered in the committee's decision-making. In addition, the transparency of the procedure is of the utmost importance in conflict of interest and declaration of assets cases, not only for the person concerned, but also for all Members of Parliament and the wider public. To this end, the proposal provides for a number of information obligations towards the whistleblower, the Member of Parliament concerned and the plenary of the National Assembly, to the public at large thanks to the public sitting of the latter.

Furthermore, please see the reply provided above concerning of the implementation of the NACS and its Action Plan.

- *Measures to prevent 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).*

Details on the conflicts of interest rules were included in the written contributions to the previous Rule of Law Reports.

In line with Action No. 4.8. of the Action Plan of the NACS, a methodological guide on the interaction of local governments with lobbyists, revolving-door phenomenon, and on the practice of avoiding conflict of interest situations was adopted. The methodological guide was published on 13 January 2025.²⁶

→ ***For the three previous points, please also provide information and figures on their***

²⁶ The document is published in Issue No. 1. of 2025 of the newsletter for local governments, which issue is available at the following link: <https://cdn.kormany.hu/uploads/sheets/0/0c/0cb/0cb76739e09cb3b322c5123df731cf0.pdf>.

application/enforcement, such as number of detected breaches/irregularities of the various rules in place and the follow-up given (investigations, sanctions, etc.).

- *Measures to ensure whistleblower protection and encourage reporting of corruption, including their application (i.e. number of reports received, and the follow-up given).*

In accordance with 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 ‘Whistleblower Directive’), the National Assembly adopted Act XXV of 2023 on complaints, disclosures of public interest and rules related to reporting abuses²⁷, which entered into force on 24 July 2023. This Act, together with Government Decree No. 225/2023 (of 8 June) on the designation of government bodies required to establish a separate abuse reporting system²⁸, which also entered into force on 24 July 2023, designated a total of 22 bodies whose scope and remits cover the abuse reporting subjects specified in the Whistleblower Directive.

Anyone can file a report to the NPS, and the NPS makes the necessary investigation of all reports it receives. Number of reports of a substantive nature made in 2024 at the well-known toll-free number (+36 80 200 974) through the secure telephone hotline dedicated to receive citizens’ – even anonymous – reports and complaints was 48. Number of reports filed by way of other channels (e.g. through e-mail) was 185. When reporting any indication of a potential criminal offence, the NPS ordered preparatory proceeding or started secret intelligence gathering. In a number of cases the NPS initiated an investigation or filed a criminal complaint on the suspicion of a criminal offence based on data generated in the course of a procedure following anonymous reporting. 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 anonymous conflict of interest reporting platform²⁹, operated by the Directorate of Internal Audit and Integrity aims to enable anyone who is aware of or suspects a conflicts of interest situation regarding a member of staff of the national institutions to report it, facilitating this way the proper and transparent use of EU funds.

In accordance with point 5.1. subpoint c) of the Action Plan of the NACS, in order to ensure transparency and after completing the examination, the Public Procurement Authority publishes on a permanent basis key information on its website³⁰ on notifications of public interest, where necessary in a way that ensures the anonymity of reporting person. Furthermore, the Public Procurement Authority issued a new Presidential Briefing on the procedure of examining notifications of public interest and published it on 2 July 2024.³¹ Decisions regarding unsuccessful self-cleanings have been published in the Electronic Public Procurement System since 1 February 2024.

- *Specific measures to enhance transparency, integrity and accountability in sectors with high risks of corruption, with a view to monitor and prevent corruption and conflict of interests, and where applicable measures to prevent and address corruption committed by organised crime*

²⁷ The text of Act XXV of 2023 is available at: <https://njt.hu/jogszabaly/2023-25-00-00>.

²⁸ The text of the Government Decree, as amended with effect from 1 January 2025, can be found at <https://njt.hu/jogszabaly/2023-225-20-22>

²⁹ See at <https://osszeferheteltenseg.palyazat.gov.hu/>.

³⁰ See at <https://www.kozbeszerzes.hu/adatbazisok/kozerdeku-bejelentesek-nyilvantartasa/?page=1>.

³¹ See at <https://kozbeszerzes.hu/kozbeszerzesek-az/magyar-jogi-hatter/elnokei-tajekoztatok/a-kozbeszerzesi-hatosag-elnokei-tajekoztatoja-a-kozerdeku-bejelentesek-vizsgalatanak-rendjere-2024-07-02/>.

groups.

- *Such high-risk sectors could include: public procurement, including construction, transport/infrastructure, defence, cohesion, agriculture, environment, healthcare, citizen/residence investor schemes, large-scale investments of national interest and the spending of EU funds, urban planning.*

In order to determine if the suspicion of specified criminal offences can be established, NPS shall initiate or conduct, as provided for in the Act on Criminal Proceedings, a preparatory proceeding and for the prevention of such offences the NPS may engage in secret information gathering under the Act on the Police. The NPS aims to use covert information gathering and integrity testing in such a manner that they build on each other in a planned way, complemented by the targeted use of human intelligence capabilities.

When it comes to the detection of criminal offences committed in official capacity and corruption-related criminal offences, over the past year the NPS has continued to place increased focus on groups of offenders showing the signs of organised crime, drug abuse, Schengen border-related crime, as well as malpractices related to the smuggling of excise goods at the external borders of the EU. Staff of the border policing offices in the Eastern part of the country is exposed to increased risk of corruption, therefore the NPS has concentrated a significant part of its efforts in this area.

Although the level of corruption and the willingness to its commitment has decreased among public order police personnel (partly due to the deterrent effect of previous convictions and because offenders are apprehensive of the activities of the NPS), taking countermeasures remains an important task for the NPS, including especially against corrupt police officers serving in areas of motorways and international highways.

Experiences regarding the public health sector show that corruption risks still can be linked basically to the 'purchases' of healthcare services, to gratuity payments, and occur mainly in doctor-patient relationships, although the previously explicit transfer of bribes is becoming increasingly covered up.

Crime detection activities of the NPS also include examining whether the legal requirements on responsible and expedient use of public fund resources dedicated to the maintenance and operation of national health institutions are met, as well as whether individuals entitled to access public healthcare services receive such services in the order and manner as justified by professional rules.

In a number of cases, the results of the secret information gathering prior to the filing of a complaint and the activities of the NPS carried out in the course of preparatory proceedings have laid the foundations for the successful prosecution by the competent prosecution office.

The NPS, as provided for by the Act on Criminal Proceedings, upon request of the prosecution office shall assist the performance of a procedural act, furthermore, at the request of the prosecution service or the investigating authority, or until instructed otherwise by the investigating authority or the prosecution service shall assist in implementing the use of covert tools. In such instances the investigating authority is the 'master of the case' who specifies which covert tool should be used, which procedural action is to be taken. This way the officers of the NPS took part in bringing investigations to a successful completion in 273 cases during 2024, which high number indicates that prosecution offices and investigative authorities increasingly tend to exploit the practical experiences, possibilities and efficiency of the NPS.

Integrity testing (applied since 2011) has proved to be an effective tool in ensuring the unbiased, fair and impartial administration of cases, and it has facilitated the fight against corruption both

in terms of prevention and collecting proof. Experiences show that both the crime prevention and deterrent effect of integrity tests are powerful, and the mere existence of this legal instrument and possibility of becoming subject to it has the potential to be dissuasive.

In relation to those fields of activities of the protected organisations which are most exposed to the risk or pressure of corruption (public procurements, administrative licensing and inspections, treatment of patients), the NPS performs integrity tests on a permanent basis. Integrity tests conducted in 2024 affected the whole range of the protected bodies (except for the child protection institutions), and altogether 835 individuals from the protected staff were subject to such checks. As results of the integrity checks completed by the end of 2024 show, in case of 282 individuals the planned real-life situation could be manifested, 273 of whom chose the right way, and 9 persons were reported for breach of duty for undue advantage. Such findings confirm the high level of resilience of the protected bodies' members to the risks of corruption.

Lifestyle monitoring conducted by the NPS is another important tool to strengthen organisational integrity, which aims to prevent those applicants joining and individuals belonging to the protected staff whose lifestyle, behaviour or network of contacts are not compatible with the duty, as well as to ensure that staff members meet the highest level of moral integrity. In 2024, 17 271 lifestyle checks were ordered, representing an increase of 272,5% compared to the previous year. This sharp increase in the number – as mentioned before – is due to lifestyle checks conducted for the new category of the protected staff. In 2024, the lifestyle of 149 people did not meet the expectations.

C. Repression

- ☐ No developments regarding the repression of corruption
- ☐ If there have been developments related to the repression of corruption, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *The legal framework on the criminalisation and sanctions for corruption and related offences, including foreign bribery.*

Action against international bribery appears as a specific intervention area in the NACS, with 9 related measures in the Action Plan, including the implementation of information campaigns addressing, among others, the issue of reporting suspected foreign bribery cases; delivery of training programmes for agencies and export companies cooperating with Hungarian enterprises; the assessment of exposure to foreign bribery of Hungarian enterprises with international interests and based on its findings the development of an action plan.

- *Official data on the number of investigations, prosecutions, final judgments, and the application of sanctions for corruption offences (differentiated by offence if possible)³². Please indicate whether the cases: involve legal persons; are related to the implementation of EU or national*

³² Please include, if available the number of (data since 2022 or latest available data): indictments; first instance convictions, first instance acquittals; final convictions; final acquittals; other outcomes (final) (i.e. excluding convictions and acquittals); cases adjudicated (final); imprisonment / custodial sentences through final convictions; suspended custodial sentences through final convictions; pending cases at the end of the reference year.

funds³³; involve high level corruption. Please indicate which data is publicly available and how policy-making is informed by the data.

Number of persons convicted (on a final level) for corruption related crimes:

- in 2019: 328
- in 2020: 260
- in 2021: 326
- in 2022: 307
- in 2023: 364
- in 2024: 264

See in the attached document (annex) the statistics.

In connection with the data provision, please note that the data of the prosecution specialised systems, the Prosecution Information System (VIR) and the Criminal Case Management System (BÜR), which are the sources of the data, cannot be considered as final for the previous year. The case management data will be final from 15 January 2025, while the VIR data will be final after 20 January 2025, including any changes made up to that date.

- *Potential obstacles identified in law or in practice to the investigation and prosecution of high-level and complex corruption cases (e.g. political immunity regulation, procedural rules, statute of limitations, cross-border cooperation, pardoning).*

There were no relevant developments or any potential obstacles identified in the period under review.

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

Other – please specify

In addition to promote the identification and management of integrity and corruption risks, regular audits also serve to consistently raise awareness of good conduct and rules of compliance.

The State Audit Office of Hungary (hereinafter referred to as the 'SAO') continuously monitors the regularity of allocation of EU and national funds. In the summer of 2024, the SAO published a report on the '*Targeted Audit on the EU Subsidies from the Rural Development Programme*', which has examined the legality of the established framework for the tendering system related to the call for tender entitled '*Development of the public welfare functions of forest ecosystem services provided free of charge*', as well as the compliance of decisions on grant applications and payment of grants.

III. Media pluralism and media freedom

Please provide information on measures taken to follow-up on the recommendations received in the

³³ For MS participating in the EPPO, data on cases related to EU funds does not encompass investigations and prosecutions carried out by the EPPO.

2024 Report regarding media pluralism and media freedom (if applicable):

A. Media authorities and bodies³⁴

☒ No developments

☐ If there have been developments related to media authorities and bodies, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution:

- *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 the period under review.

- *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 the period under review.

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

No relevant development took place in the period under review.

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

☒ No developments

☐ If there have been developments related government or political interference or transparency and concentration of media ownership, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Measures taken to ensure the fair and transparent allocation of state advertising*

No relevant development took place in the period under review.

- *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 financial and 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 the period under review.

- *Transparency of media ownership and public availability of media ownership information,*

³⁴ Cf. Article 30 of Directive 2018/1808.

including on direct, indirect and beneficial owners

No relevant development took place in the period under review.

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

☐ No developments

☐ If there have been developments related to the framework for journalists' protection or transparency/access to documents, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

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

In Hungary, there is no numbered journalistic ID card registered by a public administration body, therefore, during events, the Police consider those persons as journalists or correspondents who provide themselves with a distinctive inscription (vest, badge), and the activity they perform – photography, interviewing – presupposes this. The work of persons performing such activities continued in 2024 to be closely monitored by the Police during the police security of events – provided that the activity is clearly identifiable for everyone.

- *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 development took place in the period under review.

- *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.*

No relevant development took place in the period under review.

Other – please specify

IV. Other institutional issues related to checks and balances

Please provide information on measures taken to follow-up on the recommendations received in the 2024 Report regarding the system of checks and balances (if applicable): ...

A. The process for preparing and enacting laws

☐ No developments

☐ If there have been developments related to the process for preparing and enacting laws, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Framework, policy and use of impact assessments and evidence based policy-making, stakeholders³⁵/public consultations (including rules and practices on the transparent participation of civil society to policy development and decision-making processes, and transparency and quality of the legislative process both in the preparatory and the parliamentary phase.*

Public consultation and stakeholders' consultations

The Hungarian Government fulfilled the relevant commitment made in Hungary's Recovery and Resilience Plan (RRP) in 2023 and in 2024 as well: 94% of the legislation initiated by the Government in 2023 and 96% in 2024 were announced following public consultation, i.e. the proportion of draft legislation submitted to public consultation increased and it exceeded the 90% level set in the RRP in both years.

The National Economic and Social Council (in Hungarian: Nemzeti Gazdasági és Társadalmi Tanács, hereinafter referred to as the 'NGTT') was created in 2011 with the purpose of functioning as an advisory body with consultative powers to discuss general economic and social policy issues affecting society as a whole, and to inform key economic and social policy decisions with its proposals and opinions (see Act XCIII of 2011 on the National Economic and Social Council). Since its establishment, the NGTT brings together actors representing a broad spectrum of society, such as employee and employer representative organisations, advocacy associations, as well as Hungarian representatives of national chambers of commerce, NGOs active in the field of national politics, established churches, and sciences and the arts in Hungary and abroad. The NGTT has consultative, proposal-making and advisory functions. Under the auspices of the Council, cross-cutting issues affecting economic and social development are discussed, as well as national strategies extending beyond a government cycle.

The fact that instead of the previous 4 annual meetings of the NGTT, the number of meetings increased to 6 in 2024, is a significant step forward in strengthening social cooperation, and the members intend to continue this practice in the coming years, regarding the number of meetings. That the number of working groups also increased significantly over the past year. (Previously, the activities of the Socialization Support Working Group could be highlighted in the work of the NGTT, which aimed to make the activities of the NGTT more and more widely known.) At the end of 2024, further 4 working groups began to operate, which are as follows: Climate Crisis Working Group, International Working Group, Agricultural and Rural Working Group, Food Safety Working Group. Looking to the future, the thematization of the annual work plan will also help the NGTT to function more effectively, which creates an opportunity to discuss individual topics in a more targeted manner.

Impact assessment

In the framework of the renewal of the impact assessment system, in line with the relevant commitment made in Hungary's RRP, the Government Office of the Prime Minister has formed a professional working group, which was holding meetings continuously in 2024 with the participation of the specified ministries. The working group – for the purpose of evolving the integrated and efficient system of the preliminary and subsequent impact assessment – has examined the experiences, problems and suggestions of the preliminary and subsequent impact assessments in the case of the participating ministries.

³⁵ This includes also the consultation of social partners.

Regarding the impact assessment system, the Government Office of the Prime Minister also held discussions with the Organization for Economic Co-operation and Development (OECD).

The Government Office of the Prime Minister – with the participation of the Government Control Office – discussed the comments, recommendations and proposals made by the OECD in several circles and prepared the report on the review of the new methodology of the regulatory impact assessment according to the regulatory policy and principles of the OECD, which was submitted to the decision making body.

The new methodology is structured thematically, and compared to the previously applied ÁROP methodology (see ‘ÁROP-1.1.10 Rationalization of the legislative preparation process’ as presented in the previous written inputs provided in the framework of the preparation of the Rule of Law Reports), new elements are included such as digitalization, demographic issues, the situation of families, employment, labor market, national security, defense, and energy, and contains also the questions listed in the European Commission’s Better Regulation Toolbox.

The impact assessment system was renewed in accordance with the commitment made in Hungary’s RRP, and was introduced on 15 January 2025, after the public consultation on the documents finished.

- *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)*

1. Special legal regime

The number of laws prepared under special legal regime has decreased significantly in 2024, considering that 202 special legal orders were adopted in 2023 and 84 in 2024, which represent a 58% decrease.

A state of danger declared due to the prevention and management of the consequences of an armed conflict in a neighboring country or a humanitarian disaster in Hungary

Government Decree No. 424/2022 (of 28 October) on the declaration of a state of danger and certain emergency rules in order to prevent and manage the armed conflict and humanitarian disaster in Ukraine, as well as their consequences in Hungary [hereinafter referred to as ‘Government Decree 424/2022’] declared a state of danger for the entire territory of Hungary as from 1 November 2022.

As it was presented in the previous inputs submitted in the framework of the preparation of the Rule of Law Reports, according to the ninth amendment of the Fundamental Law, a state of danger can be declared for thirty days. The Government may extend the state of danger based on the authorization of the Parliament, if the circumstances that led to the declaration of the state of danger continue to exist.

Pursuant to Section 82/A of Act XCIII of 2021 on the coordination of defense and security activities, the proposal initiating the decision of the Parliament pursuant to Article 51, paragraph (3) of the Fundamental Law may be aimed at granting the authorization for a maximum period of 180 days on occasion.

Since 2022, the Parliament has authorized four times to extend the state of danger by 180 days in accordance with the Government Decree 424/2022, most recently the Government was authorized to extend the state of danger by another 180 days until 18 May 2025.

The Government may declare a state of danger in the event of an armed conflict, war situation

or humanitarian disaster in a neighboring country, as well as a serious event threatening the security of life and property – especially an elemental disaster or industrial accident – and in order to prevent their consequences.

A state of danger can be declared for thirty days. The Government may extend the state of danger based on the authorization of the Parliament, if the circumstances that led to the declaration of the state of danger continue to exist. The Parliament decides on the authorization with the vote of two-thirds of the present members of the Parliament.

By Act XCIII of 2021 on the coordination of defense and security activities, the Government

- after initiating the declaration of martial law or a state of danger,
- during a state of danger

can suspend the application of certain laws, deviate from legal provisions, and take other extraordinary measures in order to guarantee citizens' life, health, personal, property and legal security, as well as the stability of the national economy.

The Government can practice the above powers in regulatory areas

- related to personal freedom and living conditions,
- related to economic and supply security,
- related to security restrictions affecting communities and informing the population,
- related to state and local government operations,
- related to the protection or restoration of legal order, public order and public safety,
- related to national defense and national mobilization,
- others not included in the list, which are directly related to the prevention, management, elimination of the event that caused (the state of war, state of emergency and) state of danger, as well as the prevention and elimination of its harmful effects.

The Government may exercise its powers – to the extent necessary, in accordance with the event that caused the state of danger, and in proportion to the goal to be achieved – for the purpose of preventing, dealing with, liquidating the event that caused the state of danger, as well as preventing and eliminating its harmful effects.

In a special legal order, for the purposes of the aforementioned list, the limitation of fundamental rights may only take place to the extent absolutely necessary in accordance with the event that triggered the special legal order, in proportion to the goal to be achieved.

In a special legal order, the suspension of fundamental rights can only take place if the restriction of fundamental rights is not sufficient for the legal purpose, and the prevention, management, liquidation of the event that triggered the special legal order, as well as the prevention and elimination of its harmful effects cannot be guaranteed in any other way.

The above requirements related to the limitation and suspension of fundamental rights cannot be deviated from, and the Government is obliged to continuously ensure their enforcement. If the conditions for limiting or suspending the fundamental right do not exist, the Government is obliged to immediately ensure that the limitation or suspension of the fundamental right is lifted.

The proposal of the Fundamental Law of the National Assembly to initiate the decision to be taken on the extension of the state of danger may be directed to the granting of authorization for a maximum period of 180 days on occasion.

In the current emergency situation, the Government has taken extraordinary measures in three main areas for the purpose of:

- care, employment and education of asylum seekers from Ukraine,
- maintaining Hungary's energy security and economic stability,
- mitigating the effects of the European Union's sanctions policy, which concerns Hungary's

economic interests and the burdens of Hungarian citizens.

The Government shall continuously inform the President of the Republic, the Speaker of the National Assembly and the competent and responsible Standing Committee of the National Assembly, in accordance with Article 53(2) of the Fundamental Law, of the decrees issued during the state of danger. According to the information sent by the Government to the Speaker of the Parliament, 53 emergency decrees were issued between 1 January 2024 and 30 September 2024, broken down by quarter, as follows:

- between 1 January and 31 March 2024: 16
- between 1 April and 30 June 2024: 16
- between 1 July and 30 September 2024: 21
- between 1 October and 31 December 2024 - no data yet.

Asylum seekers from Ukraine

Since 7 March 2022, Ukrainian citizens residing in Ukraine prior to 24 February 2022, stateless persons or non-Ukrainian third-country nationals who, prior to 24 February 2022, were under international protection or equivalent national protection, have the right to claim asylum status, along with the family members of all these persons. In order to be recognized as an asylum seeker, the asylum authority accepted a total of 45,300 applications for temporary protection until 30 June 2024. It made a decision recognizing 39,837 people as asylum seekers, and recognized another 2,517 people as admitted.

As a result of the Russian-Ukrainian conflict, the workload of both the body established to perform general police tasks and the foreign police body increased significantly. It is therefore extremely important to ensure adequate protection for those fleeing the war taking place in the neighborhood, so that foreigners who have already been in Europe in significant numbers illegally and do not need international protection, cannot take advantage of the migration pressure on the country.

The crisis situation caused by mass immigration and its legal effects

With the effect of 10 March 2016, the Government ordered a crisis situation caused by mass immigration for the entire territory of Hungary. The temporal scope of the relevant decree (presented in the previous written inputs submitted in the framework of the preparation of the Rule of Law Reports) was most recently extended by the Government until 7 March 2025.

The crisis situation caused by mass immigration makes it possible to apply special provisions of certain laws (for example, a special situation of the law on legal violations, a special procedural rule of the law on criminal procedure in the case of crimes related to the border closure, the cooperation of the Hungarian Defense Forces in guarding the state border).

The duration of ordering a crisis situation caused by mass immigration is a maximum of six months, which can be extended if the conditions for ordering a crisis situation caused by mass immigration met by the Government decree exist at the time of termination of the decree.

Hungary's border protection and public security are directly affected by the migration situation in other European countries. According to Serbian migration data, by 9 June 2024, the number of illegal border crossings into Serbia was 7222, while the number of illegal border crossings prevented was 4,416, and 2,230 illegal migrants were apprehended on Serbian territory. Measures taken by the Serbian authorities have significantly reduced the number of irregular migrants on the Hungarian-Serbian border since October 2023, but Serbian reinforcement forces withdrew from the Serbian-Hungarian border in mid-May 2024, resulting in the re-emergence

of small groups of migrants along the temporary security border. The weekly figure from 24 to 30 June 2024 reached 250 persons, but there were occasions when the number of persons involved was 100 per day. The increasing trend is also reflected in the higher frequency of breaches of the temporary security barrier, which also indicates the presence of smugglers.

All this suggests that the conditions for declaring a mass immigration crisis remain in place.

2. Fast-track legislative procedures

The special procedures that ‘expedite’ the legislative process in the Parliament are the urgent procedure, the exceptional procedure and the derogation from the provisions of the rules of procedure of the House.

In 2024, 1 urgent debate was ordered in *urgent procedure*³⁶.

In 2024, a total of 4 *exceptional procedures* were ordered.³⁷

In 2024, the Parliament adopted 1 motion in the procedure which provides for derogation from the provisions of the rules of procedure of the House.³⁸

The number of bills (acts) and resolutions adopted in 2024 under a special procedure, and their relative percentages are shown in the tables below.

	Number of bills adopted	Percentage of bills adopted through special procedure compared to the total number of adopted bills
Adopted by derogation from the provisions of the Rules of Procedure	1	1,05%

³⁶ In the case of an urgent procedure the debate on the proposal shall be conducted at an expedited pace, as specified in the Rules of Procedure, instead of the general procedure laid down therein. The proposer may propose that certain procedures be conducted earlier than the general rules, even for a single element of the debate, provided that the general debate may not begin before two days have elapsed since the submission of the proposal and that at least six days have elapsed between the calling of the urgent debate and the date of the final vote. An urgent debate may be called up to six times every six months, with at least two-thirds of the Members of Parliament present voting ‘yes’.

³⁷ Exceptional procedures may be ordered up to four times every six months, with the support of a simple majority of the Members of Parliament. In addition to simple majority voting, the rules stipulate additional guarantees: the exceptional procedure may not be requested for the adoption or amendment of the Fundamental Law, the promulgation of certain international treaties, the adoption or amendment of cardinal provisions, the adoption or amendment of provisions of the House Rules of Procedure, or the adoption of the law on the central budget or the law on its implementation or amendment. The rules of procedure for the exceptional procedure are clearly laid down, the time limit for tabling amendments may not be less than three hours. The consolidated debate and the final vote may take place at the earliest on the sitting day following the day on which the exceptional procedure was ordered.

³⁸ The purpose of the institution of derogation from the provisions of the Rules of Procedure is to allow the Parliament to act in derogation from the general rules of procedure on an extraordinary matter, with the support of at least four-fifths of the Members present, according to special rules of procedure. Given that there is no predetermination as to which provisions of the Rules of Procedure may be derogated from and to what extent, it is of particular importance as a guarantee that it be applied by a majority of four-fifths of the votes cast, which is the largest possible consensus of Members of Parliament. Even with all these guarantees, there are some proposals that cannot be debated by derogation from the rules of the House: it cannot be applied to the adoption or amendment of the Fundamental Law, the proclamation of certain international treaties and the adoption or amendment of provisions of the Rules of Procedure.

Adopted by exceptional procedure	3	3,12 %
Adopted by urgent procedure	1	1,05%
Total number of bills adopted in 2024	96	100,0%

	Number of proposals for resolution adopted	Percentage of proposals for resolution adopted through special procedure compared to the total number of adopted decisions
Adopted by derogation from the provisions of the Rules of Procedure	0	0,0%
Adopted by exceptional procedure	1	6,6%
Adopted by urgent procedure	0	0,0%
Total number of proposals for resolution adopted in 2024	15	100,0%

Total number of acts and resolutions adopted in 2024	111
Percentage of proposals for law and resolution adopted through special procedure compared to the total	5,4%

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

As it was presented above, the Parliament, on the basis of Article 51(3) of the Fundamental Law, by amending Act XLII of 2022 on Eliminating and Managing the Consequences in Hungary of an Armed Conflict and Humanitarian Catastrophe in a Neighbouring Country, authorised the Government to extend the state of danger under Government Decree 424/2022 until 19 November 2024 (as a result of the amendment under Act VIII of 2024), and thereafter until 18 May 2025 (as a result of the amendment under Act LIV of 2024).

Act XLII of 2022 continues to provide that the Parliament may revoke this authorisation during the state of danger.

- *Regime for constitutional review of laws*

There has been no change in the order of constitutional review of laws in the period under review.

B. Independent authorities

☐ No developments regarding independent authorities

☐ If there have been developments related to independent authorities, please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Independence, resources, capacity and powers of national human rights institutions ('NHRIs'), of ombudsman institutions if different from NHRIs, of equality bodies if different from NHRIs and of supreme audit institutions³⁹*
- *Statistics/reports concerning the follow-up to recommendations by National Human Rights Institutions, ombudsman institutions, equality bodies, and supreme audit institutions in the past two years.*

C. Accessibility and judicial review of administrative decisions

☐ No developments

☐ If there have been developments related to the accessibility and judicial review of judicial decisions please specify which, in particular regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

- *Transparency of administrative decisions and sanctions (incl. their publication and rules on collection of related data)*
- *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).*
- *Rules and practices related to the application by all courts, including constitutional jurisdictions, of the preliminary ruling procedure (Art. 267 TFEU)*

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

It was included in the Hungarian written input sent to the Commission on 18 January 2024 for the preparation of its 2024 Rule of Law Report that Act No. LXXXV of 2023 modified the Act on the Constitutional Court with effect of 14 December 2023 by introducing a new procedure, the so-called 'decision on a preliminary EU interpretative opinion' (Section 38/A of the Act on the Constitutional Court). The new rules were presented, including that this procedure can be launched exclusively by the Court of Justice of the European Union in a case pending before it. This new competence has not yet been exercised by the Constitutional Court.

- *Implementation of final judgments by the public administration and State institutions and follow-up given to supranational judgments, including decisions from the European Court of Human Rights, as well as available remedies in case of non-implementation*

As it was reported earlier, by its Decision No. 23/2007. (III.20.), the Parliament 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

³⁹ Cf. the website of the European Court of Auditors: <https://www.eca.europa.eu/en/Pages/SupremeAuditInstitutions.aspx#>

activities of the Agency of the Government before the Court. In accordance, the Minister of Justice has submitted reports on all relevant aspects of the judgments of the Court, 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 Parliament could raise their questions.

The experts of the Department for Execution of Judgments of the European Court of Human Rights had a country visit in Hungary in May 2024.

D. The enabling framework for civil society

☐ No developments

☐ If there have been developments related to the enabling framework for civil society, please specify which, regarding topics listed below: ...

Relevant topics to be covered in your contribution include:

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

Act CIII of 2023 on the digital state and certain rules for the provision of digital services (which replaced Act CCXXII of 2015 on the general rules of electronic administration and trust services, the so-called E-administration Act), entered into force on 1 July 2024. Section 109 (2) of that act extended a rule that was previously applicable to for-profit companies to civil organizations, namely that an electronic private document can only be considered ‘written’ if it is recorded exclusively in text form. This provision increases the credible and transparent operation of civil organizations, as well as private legal entities, thereby strengthening legal certainty.

- *Rules and practices having an impact on the effective operation and safety of civil society organisations and human rights defenders. This includes measures to protect them 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, as well as available remedies.*

The so-called Child Protection Act (Act LXXIX of 2021, which is subject to infringement procedure, currently pending before the Court of Justice in case C-769/22), which amended various laws, including the National Public Education Act, empowers the competent minister to regulate by decree the conditions for the registration of NGOs authorised to hold sex education classes in public education institutions. Since the entry into force of those amendments, no such ministerial decree has been issued.

- *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 National Cooperation Fund (in Hungarian: Nemzeti Együttműködési Alap, hereinafter referred to as the ‘NEA’) is a budget appropriation and a form of public funding used in

partnership between NGOs and the Government through grant schemes targeting NGOs. The NEA is designed to support the operation and professional activities of NGOs, which can apply not only for grants to cover their operating costs and fund their professional programmes, but also for state aid for the donations they collect. Since 2015, the amount of the NEA appropriation has been a function of the amount of 1% personal income tax (PIT) donations. The source of the NEA is equal to the difference between the amount that can be offered to the NGO beneficiaries and the amount actually awarded to them in the second year preceding the fiscal year in question. In order to ensure the independence of the funding system, 80% of NEA grants are allocated through grant applications, in accordance with the provisions of the Civil Act (Act CLXXV of 2011 on the Freedom of Association, Non-profit Status and the Operation and Support of Civil Organizations). The total NEA budget in 2024 was HUF 13,899 billion, i.e. it exceeds the budget for 2023 (HUF 11,05 billion) by over 25% higher. Compared to its launch in 2012, the NEA's total budget has been more than quadrupled (in 2012, its budget was HUF 3.38 billion).

E. Initiatives to foster a rule of law culture

☐ No developments

☐ If there have been developments related to initiatives to foster a rule of law culture, please specify which, (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

Additional questions for input on the single market dimension of the Rule of Law Report

General remark: The Hungarian Government maintains and hereby reiterates its position sent to the Commission on 5 December 2024 within the framework of the Network of Contact Points on the Rule of Law concerning the Commission's decision to include a Single Market dimension in its future Rule of Law Reports.

Pillar I:

Quality of justice

- Specialisation (of judges/specific courts/chambers within courts) and training for the judiciary to deal with commercial cases.

Regarding the specialisation of judges, we would like stress that judicial appointments are uniform in Hungary, so there are no judges specialising exclusively in commercial cases, nor are there specialised courts for commercial cases. Courts deal with commercial matters according to the general competence rules.

The main rules regarding the training of judges are laid down in Act CLXI of 2011 on the organization and administration of courts (hereinafter 'Court Administration Act'). The Court Administration Act lists the obligations of the president of NOJ regarding the training of judges, as follows.

Section 76(7) Acting within his or her function regarding training, the president of the NOJ

- a) shall decide upon the central training tasks and monitor the implementation thereof, and also determine regional training duties, and
- b) shall lay down, with the consent of the NJC, the rules for the training system and the fulfilment of the training requirements of judges,
- c) shall appoint the head of the Hungarian Academy for Judicial Training,
- d) shall set out a system of uniform centralised training for trainee judges.

Furthermore, under the Court Administration Act, the National Judicial Council 'shall make a proposal for a central training plan', and 'exercise the right of consent as regards the rules for the training system and the fulfilment of the training requirements of judges'.

The aim of the activities of the Hungarian Academy of Justice is laid down in Section 171/A (1) of the Court Administration Act which stipulates that 'the Hungarian Academy of Justice shall provide training for judges and other persons involved in the administration of justice and shall perform the tasks of uniform central training of trainee judges'.

- Alternative dispute resolution mechanisms and mediation

There are two ways of settling disputes out-of-court in Hungary: the arbitration procedure, during which a body acting as an arbitral tribunal adjudicates the case, and mediation procedure, where the mediator helps the parties to settle their dispute by reaching an agreement.

The basic rules on mediation in Hungary are laid down in Act LV of 2002 on mediation.⁴⁰ According to the Act, a mediation procedure may be conducted upon the mutual agreement of the parties in cases that are not precluded by the law from under mediation. The law does not preclude mediation in commercial disputes.

⁴⁰ The text of Act LV of 2002 currently in force is available at: <https://njt.hu/jogszabaly/2022-55-00-00.0#CI>.

As a general rule, participation in the procedure is based on the voluntary will of the parties, which may be initiated at any stage of the court proceedings, but, exceptionally, the court may also oblige the parties to participate in a mediation procedure.

Mediators may be natural or legal persons registered in the register of mediators of the Ministry of Justice or judicial mediators appointed by the President of the NOJ.

The framework for arbitration in Hungary is set out in Act LXXI of 1994 on Arbitration⁴¹ (hereinafter referred to as the ‘Arbitration Act’) which follows the model law adopted by the United Nations Commission on International Trade Law (UNCITRAL) in 1985.

The Arbitration Act refers commercial cases in front of the Permanent Arbitration Court attached to the Hungarian Chamber of Commerce and Industry (hereinafter ‘Commercial Arbitration Court’). In the course of the proceedings, the parties shall decide on the essential aspects of their proceedings, the location of the seat of the proceedings, the language of the proceedings and the substantive and procedural rules applicable, in addition to the nomination of the arbitrators.

The Commercial Arbitration Court besides arbitration may also conduct mediation proceedings.

In addition to the above, the Hungarian legal framework provides for special arbitration regulations in certain sub-areas, such as the Permanent Court of Arbitration for Sport under the Act on Sport and the arbitration court operated by the Chamber of Agriculture.⁴²

The consumer protection conciliation procedure and the activity of the Labour Advisory and Dispute Resolution Service operated by the Ministry for National Economy should also be mentioned in this context which can be regarded as a transitions between the two procedures.⁴³

Pillar II:

Prevention

- Measures for the prevention of corruption in relation to the issuing of official permits (e.g. related to environment, energy and various types of construction)

As regards the issuance of public authority permits, it is important to note that the above-referred National Anti-Corruption Strategy for 2024-25 set out a priority for the control of public budget bodies implementing public authority legislation in terms of the regular, economic and efficient allocation of national and EU funds and the lawful use of funds, which significantly contributes to the corruption-free operation of public authorities and thus the issuance of official permits.

The current regulatory framework provides adequate safeguards to ensure that public authorisation procedures are conducted in a corruption-free, transparent, accountable and integrity-friendly manner. The prevention of corruption can be achieved mainly through legal

⁴¹ The text of Act LXXI of 1994 currently in force is available at: <https://njt.hu/jogszabaly/1994-71-00-00>.

⁴² See Act I of 2004 on Sport (the text of the act currently in force is available at: <https://njt.hu/jogszabaly/2004-1-00-00-25>), Act CXXVI of 2012 on the Hungarian Chamber of Agriculture, Food Economy and Rural Development (the text of the act currently in force is available at: <https://njt.hu/jogszabaly/2012-132-00-00>) and Act VII of 2014 on the detection and prevention of legal transactions aimed at circumventing legal provisions restricting the acquisition or use of agricultural land (the text of the act currently in force is available at: <https://njt.hu/jogszabaly/2014-7-00-00>).

⁴³ See Act CLV of 1997 on consumer protection (the text of the act currently in force is available at: <https://njt.hu/jogszabaly/1997-155-00-00-44>).

regulation aimed at promoting transparency and the proper exercise of powers, guaranteed by the principles laid down in Act CL of 2016 on the General Administrative Procedure⁴⁴ (hereinafter referred to as the ‘General Administrative Procedure Act’) and certain provisions that sufficiently cover the regularisation of public authority procedures.

The right of access to documents is a fundamental procedural right of the client in administrative proceedings, which is guaranteed by the General Administrative Procedure Act. This right allows the client to have access to the documents generated in his/her case, their contents and the evidence obtained by the authority. The right of access to the file ensures the transparency of the public authority's procedure and helps the client to effectively exercise his/her remedies and to defend himself/herself effectively during the procedure.

The digitisation of public authorisation procedures should be also highlighted, which is facilitated by Act CIII of 2023 on the digital state and certain rules for the provision of digital services. The introduction of digital systems, automated and online administration is one of the most effective ways to eliminate or at least minimise corruption from public authority mechanisms. The effect is, on the one hand, to significantly reduce the need and possibility of human intervention in public authority processes, thus avoiding decisions based on individual discretion and, on the other hand, to reduce waiting times due to the automation of procedural processes, which at the same time limits the possibility of planning or executing corrupt acts.

However, as regards the activities of government offices, in the recent period the NPS has observed increased corruption pressure in areas such as vehicle roadworthiness testing, official veterinary activities, building authority activities and official inspections. Areas most exposed to corruption pressure are continuously monitored by the NPS and are given particular focus in the course of planning integrity tests. During integrity tests conducted in 2024, in breach of duty and by committing criminal offence 2 individuals accepted the offered amount of bribe payment.

Environment

One of the most significant recent changes is the setting up of the second-level environmental authority by the legislator on 1 July 2024.⁴⁵ The second-instance authority is responsible for conducting administrative appeals against all decisions taken by the first-instance authority in the preliminary examination procedures, the environmental impact assessment procedures and IPPC (Integrated Pollution Prevention and Control) procedures. The possibility to appeal ensures that potential technical and procedural errors in the decision of the first instance authority are resolved more effectively through administrative procedures than through judicial procedures. In addition, the second instance authority contributes to the establishment of uniform jurisprudence.

The second instance environmental authority's decisions can be subject to judicial review. Administrative litigation is mainly concerned with procedural errors, which is expected to shorten the length of court proceedings.

⁴⁴ The text of Act CL of 2016 currently in force is available at: <https://njt.hu/jogszabaly/2016-150-00-00>.

⁴⁵ The legal basis for the jurisdiction of the authority of second instance are:

- Section 71/A (1) of Act LIII of 1995 on the General Rules for the Protection of the Environment,
- Section 1(1) and (2), Section 4(3), and Section 13 of Government Decree No. 624/2022 (of 30 December),
- Section 26/A of Government Decree No. 314/2005 (of 25 December).

Energy

Supplied district heating

In Hungary supplying district heating also for residential users can be done only by licence. The licensing requirements are set out in Act XVIII of 2005 on District Heating Services and Government Decree No. 157/2005 (of 15 August) on the implementation of Act XVIII of 2005 on district heating services in detail. In the district heating sector, the detailed legal regulation and the multi-stakeholder verification establishes the cleaning of licensing.

The Hungarian Energy and Public Utility Regulatory Authority (hereinafter referred to as the 'MEKH') issues the licences to licensees upon request. The MEKH is an independent regulatory authority entrusted with legislative powers was established under Act XXII of 2013. The operation of licensees is checked also by the municipal notary and territorially competent consumer protection authority. The licencing procedures are set out in the General Administrative Procedure Act.

According to Act XVIII of 2005 there are clear condition of the issue licence, that the applicants must comply. The margin of manoeuvre of the MEKH is defined by the mentioned act with that, the MEKH can deny the issue of licence, if

- a) the legislative conditions are not fulfilled;
- b) the applicant is in bankruptcy or liquidation proceedings;
- c) the applicant has had any licence under Article 12(1) and (2) revoked within a period of ten years for reasons attributable to him;;
- d) the applicant does not hold the required authorisations for the continuous, long-term exercise of the activity covered by the application.

The margin of manoeuvre of the MEKH to verify that the legislative conditions are fulfilled is very limited, because Act XVIII of 2005 defines clear conditions, that licensees must comply with, in order to carry out the activity.

The decision of the MEKH must be justified in the licences in accordance with the General Administrative Procedure Act. The licences must be made public on the website of MEKH. Moreover, administrative action may be initiated before the court against the decision, within 30 days, from the date of notification of decision.

In the district heating sector district heating supplier licences and district heating generator licences are issued.

Geothermal energy and mining supervisory procedures

Energy raw materials (with few exceptions) are subject to concessions. Concession tenders eliminate corruption, as the concession is awarded to the bidder offering the best proposal. Tenders are evaluated by an independent review committee, and the evaluation criteria (the scoring system) form part of the tender announcement.

Mining rights for the exploration, extraction and utilization of geothermal energy can be obtained through official authorization. Transparency and a corruption-free licensing system are ensured by the fact the exploration areas applied for are published on the SARA website after the applications have been submitted, making them accessible to everyone. Granted exploration licenses and designated geothermal protection zones are also published.

The risk of corruption is eliminated by the registration system of applications, as the application received first is registered and must be evaluated first, regardless of whether further applications have been submitted for the same area.

Mining supervisory procedures, like other administrative procedures, are conducted in accordance with the General Administrative Procedure Act. The relevant provisions of the Act (e.g. Section 33) ensure the transparency of the procedures. Furthermore, Act CXII of 2011 on the Right to Informational Self-Determination and Freedom of Information allows access to documents related to specific procedures. The mining authority has no discretion in procedures for granting, transferring, or terminating mining rights; applications that meet the legal requirements must be approved, in the order of receipt.

The risk of corruption is further mitigated by the protocol for issuing licenses (a decision granting rights cannot be issued by a case officer, only by a superior). Management control is continuous throughout the evaluation (processing) of applications.

Electricity

In the electricity and natural gas licensing process, the prevention of corruption is ensured by legal regulations, the conditions set forth in these regulations, primarily in the Act LXXXVI of 2007 on electricity (hereinafter referred to as the ‘Act on Electricity’) and Act XL of 2008 on natural gas supply (hereinafter referred to as the ‘Act on Natural Gas Supply’), and the supervisory and monitoring powers of the MEKH, the regulatory authority responsible for licensing. The permitting process is regulated in a simple and transparent manner, thereby eliminating any risk of corruption. During the permitting process, the MEKH primarily ensures compliance with the provisions of the legislation (including the examination of the ultimate owner) and, when issuing a license, takes into account aspects that reduce the risk of corruption when monitoring compliance with the terms of the license. During the licensing process, the MEKH always examines the ultimate beneficial owner, as defined in Section 3, Point 38 of Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing. In this regard, it may request data provision and require declarations during the issuance of new licenses, with the ultimate beneficial owner needing to be identified in the license application. The obligation to identify the beneficial owner is also regulated under the provisions of the Act on Electricity.

Natural gas

The permitting tasks of the natural gas industry are outlined in Section 114, paragraph (1), points a)-k) of the Act on Natural Gas Supply.

The following activities require a permit:

- Limited natural gas trading,
- Transportation system operation,
- Natural gas distribution,
- Natural gas storage,
- Natural gas and LNG trading,
- Universal service,
- Organized natural gas market operation,
- Pipeline gas service,
- Single-window capacity sales,
- Construction of pipelines by the pipeline operator,

- LNG facility operation, except for activities mentioned in Subsection (1a).

The natural gas permitting process and its Hungarian regulation are harmonized with the relevant EU rules. Since the permitting process is regulated in a simple, transparent manner, it does not carry corruption risks.

Construction

In the technical assessment and certification activities required for the marketing and installation of construction products, two authorities play an essential role: the Government Office of the Capital City Budapest (hereinafter referred to as 'BFKH') and the National Accreditation Authority (hereinafter referred to as 'NAH').

The BFKH carries out the official tasks related to the designation and notification of the following bodies under Regulation (EU) No 305/2011 of the European Parliament and of the Council of 9 March 2011 laying down harmonised conditions for the marketing of construction products and repealing Council Directive 89/106/EEC:

- (a) technical assessment bodies pursuant to Article 29(1), and
- (b) organisations involved in the assessment and verification of constancy of performance of construction products pursuant to Article 39 and Annex V, point 2, and the Government Decree No. 275/2013. (VII. 16.) on the detailed rules for the design and installation of construction products in construction works and the verification of performance.

Pursuant to Section 24 (d)-(f) and (h) of Government Decree 365/2016 (XI. 29.) on the designation of the Government Office of the Capital City Budapest as the authority in certain industrial and commercial matters and on the regional metrological and technical safety authorities, BFKH performs its official duties both in the case of the Construction Quality Control Innovation Nonprofit Limited Liability Company (Építésügyi Minőségellenőrző Innovációs Nonprofit Korlátolt Felelősségű Társaság) and in the case of other designated or notified organisations (e.g. the Institute for Transport Sciences and Logistics).

Accreditation by the NAH is voluntary and open to any organisation or natural person that carries out its activities impartially and professionally and meets the requirements for competence. The accreditation body must conclude a legally enforceable agreement with each conformity assessment body. The NAH shall conduct accreditation procedures with the involvement of independent external assessors and experts.

During the procedure, in addition to their professional competence, applicants must demonstrate that they have an effective quality management system. The applicant will be assessed on the basis of the documentation submitted and on-site visits. The decision to grant accredited status is taken by the Vice-Chair of the NAH, taking into account the opinion of the opponents, and communicated to the applicant by administrative decision.

Accredited status applies to conformity assessment activities as defined in the Annex to the accreditation decision. On the basis of the accreditation decision, the NAH issues an accreditation certificate signed by the NAH President or Vice President. Accredited organisations are entitled to use the accreditation mark in addition to the reference to the accredited status.

During the validity period of the accredited status, the operation of the accredited will be reviewed by the NAH through administrative procedures. The readiness of the organisation or person is assessed by the NAH with the help of assessors and experts appointed by the NAH heads of department. Based on the outcome of the supervisory examination procedure, the Vice-Chairman of the NAH maintains, suspends or withdraws the accredited status in justified cases.

The accredited status is valid for 5 years, with the condition that the organisation continues to meet the requirements for accreditation through monitoring inspections. The accreditor must notify the NAH of any significant change that occurs in its accredited status that in any way affects its status or any aspect of its activities.

The technical assessment and certification required for the distribution and incorporation of construction products by the Construction Quality Control Innovation Non-profit Limited Liability Company (hereinafter referred to as 'ÉMI') means the followings.

In accordance with the requirements of Regulation (EU) 2024/3110 laying down harmonised rules for the marketing of construction products and repealing Regulation (EU) No 305/2011, assessment or verification activities may be carried out by conformity assessment bodies designated and, where required by law, notified.

In the public register of conformity assessment bodies, the ÉMI is authorised and validly licensed to carry out activities for the assessment and verification of constancy of performance of products, the assessment of horizontal characteristics of construction products and the technical assessment of products, for product families, products and intended uses as defined by the BFKH in specific notices.

At the Conformity Assessment Centre of the ÉMI, technical assessment and certification (verification of constancy of performance of construction products) for the marketing and installation of construction products is carried out, including, where appropriate, verification of the constancy of performance of manufacturing processes. The resulting documents are necessary for the issuance of the so-called declaration of performance by the manufacturer, without which the construction product cannot be installed in Hungary.

In the framework of this third-party conformity assessment activity, the ÉMI carries out National Technical Assessments, European Technical Assessments (ETAs) and, for products falling within the harmonised field, standard assessments. It also prepares certificates of conformity for constancy of performance and in-service production control. These conformity assessment activities are carried out by ÉMI on the basis of designation and notification in accordance with EU and national legislation, under the official authorisation of the BFKH.

The National Technical Assessment is a document valid in Hungary for a given construction product, which is one of the documents forming the basis of the declaration of performance. Pursuant to Government Decree 275/2013 (16.VII), a construction product may be incorporated into a building, except for those listed in Section 7 of the Government Decree, if the performance of the product is certified by a declaration of performance.

The ETA is a document, which can be requested on a voluntary basis and which is valid throughout the EU for a specific construction product, regulated by Regulation (EU) 2024/3110 of the European Parliament and of the Council and is one of the documents on which the declaration of performance is based. An ETA can be issued for a construction product if it is not covered by a valid harmonised European Standard (hEN) or if it deviates significantly from the standard. Once the ETA has been issued and the first type test has been carried out according to the assessment and a certificate of product constancy of performance or in-service production control for a product constructed if necessary, has been issued, the manufacturer can affix the CE marking to the product, which allows it to be freely marketed in the EU. Although products with ETA and CE marking may be freely marketed, they may only be installed in buildings where their performance meets national requirements for buildings (e.g. fire, thermal, acoustic, etc.).

- Reporting on the use of digital technologies to enhance transparency and oversight in public procurement

The contract award notice database is available in the Electronic Public Procurement System (hereinafter referred to as the ‘EPS’) since November 2022, as a result of which the related data has been published in an organized and searchable format ever since. The aim of the development was to create a regularly updated database that contains the data of contract award notices in a structured format, which can be processed by machine tools, and in which all economic operators – including the members of consortia and subcontractors – can be identified by using a unique identifier (tax number). The published database can be accessed and downloaded from the EPS homepage without registration. As recommended by the 2023 annual report of the Integrity Authority, the database was supplemented with additional variables in December 2024, related to contract performance.

Available from June 2024, the Procedure Library module has been introduced in the EPS. The new development contributed to easier access to business opportunities open to economic operators, as well as to a more structured search option regarding public procurement procedures. An easier and more transparent search for public procurement procedures is ensured by the transformation of the interface and the installation of a more modern search engine. With the development, the search between public procurements has become significantly more differentiated, efficient and accurate, thereby facilitating the search for business opportunities. The search parameters that were previously available to users are still available, but their functionality has been improved (for example, the CPV code search engine has been modernized, making it easier than ever to find relevant public procurement procedures), and a number of new search parameters have also been added (for example, public procurement procedures suitable for SMEs can be listed or a direct search for eligibility criteria and the place of performance has also become available).

In addition, a notification service has also been implemented, with the help of which economic operators (especially SMEs) can receive automatic e-mail notifications about newly appearing public procurement notices and other business opportunities that match the search criteria they previously specified. The new, free notification function is available even without EPS registration, by signing up with an e-mail address. The aim of the development is to enable businesses to learn about the relevant opportunities of the public procurement market in a simple and timely manner. Notifications can be set up for public procurement procedures (ongoing business opportunities) as well as for announced preliminary market consultations (future business opportunities).

Since 2022 the Hungarian Government operates a ‘performance measurement framework’ to assess the efficiency and cost-effectiveness of public procurements, based on a comprehensive system of indicators used on the national level to measure performance of the public procurement system. The primary goal of the framework is to support policymakers to understand the public procurement market and to identify weaknesses in its operation which call for policy action. Moreover, the comprehensive analyses that are published every year can be a useful source of information for everyone having interest in public procurements. The results of the framework are published every year by 28 February in an analysis.⁴⁶ The framework was established in 2022, and in 2023 it underwent additional development, drawing

⁴⁶ The results for the year 2023 of the Performance Measurement Framework for the evaluation of the efficiency and cost-effectiveness of public procurement were published on the EPS website on 28 February 2024. The document and its annexes are available at the following link: <https://ekr.gov.hu/portal/hirek/8798812927320>.

on proposals from the working group of independent non-governmental organisations and independent public procurement experts participating in the operation of the framework and the OECD, as well as insights gained during its first year of operation.⁴⁷

The areas covered by the performance measurement framework are classified under three broader categories inspired by the OECD framework: compliance, efficiency and public procurement serving strategic objectives. Under these categories, the specific areas include legal compliance, effectiveness of the remedies, transparency, integrity, effectiveness of public procurement procedures, cost-effectiveness and administrative costs, functioning of the market and the intensity of competition, the effectiveness of contract performance, the level of professional capacities, the effectiveness of central purchasing bodies and strategic public procurement.

In 2024, building on the results of the 2023 development – primarily based on the working group’s proposals and the previous year’s experiences – the framework was revised. The 2024 development further specified the list of indicators and sub-indicators, some indicators and sub-indicators were dropped and new ones were formulated (5 indicators were dropped and 4 new ones were formulated), currently 115 indicators and 161 sub-indicators are used to measure performance.⁴⁸ Each indicator is assigned to at least one of the areas listed above but several indicators can be linked to more than one area. The introduction of the new indicators also required some updates to the Business Intelligence module of the EPS.

Pillar IV:

The process for preparing and enacting laws

- Safeguards to ensure legal certainty, the stability of the legal framework and non-discrimination.
[this question complements the exiting question on rules and use of fast-track and emergency procedures]

Article B) (1) of the Fundamental Law declares that ‘Hungary shall be an independent, democratic rule-of-law State’. In this context, the Constitutional Court of Hungary stated as early as 1991 that one of the fundamental requirements of the rule of law is that bodies vested with public authority must carry out their activities within the organisational framework defined by law, within the operational framework established by law, within limits which are regulated by law in a manner which is known and predictable by the citizens. In other words, the State must also operate in accordance with the law, in compliance with the rules of law. This requirement of a formal rule of law is the basis for several decisions of the Constitutional Court [first in Decision 56/1991 (XI. 8.) AB].

The requirement of respect for the legal framework not only applies to compliance with constitutional rules, but also defines the relationship between the state and the law at a level below the level of the Constitution. The State thus is obliged to comply with its laws and other legislation.

The rule of law is closely linked to the requirement of legal certainty. Though the Fundamental Law does not mention ‘legal certainty’ in its wording, but this requirement is an intrinsic part

⁴⁷ The updated description of the framework was published on the EPS website on 22 December 2023, available at the following link: <https://ekr.gov.hu/portal/hirek/8798747522392>.

⁴⁸ The revised version of the performance measurement framework was published on 20 December 2024. It is available at the following link: <https://ekr.gov.hu/portal/hirek/8799500989784>.

of the rule of law. The Constitutional Court also considered the requirement of sufficient time for preparation and the prohibition of retroactive legislation to be deducible from Article B) of the Fundamental Law.

Legal certainty is also enshrined in Act CXXX of 2010 on law-making⁴⁹ (hereinafter referred to as the ‘Act on law-making’). In this regard, Section 2 of that Act states that:

- laws shall have a regulatory content that ensures unequivocal interpretation by their addressees;
- laws may not establish obligations, make obligations more onerous, withdraw or restrict right, or declare any conduct to be illegal with respect to the period prior to their entry into force;
- the date of entry into force of laws shall be determined in a way that allows sufficient time to prepare for their application;
- when making laws, it shall be ensured that
 - o laws comply with the requirements set out in the Fundamental Law, fit into the unity of the legal system, comply with obligations arising from international law and the EU law as well, and also comply with the professional requirements of law-making (set out in a Government Decree);
 - o laws do not unjustifiably contain provisions that are not necessarily required for achieving the regulatory objective, lack normative content.

The Act on law-making also lays down the general rule that identical or similar living conditions shall be regulated in an identical or similar way and, if possible, within the same law at each regulatory level. Regulations may not have unjustified parallelisms or multiple levels; and also, an authorisation granting the power to make laws shall specify those authorised, the subject and the framework of the authorisation.

Also, the above-mentioned professional requirements of law-making are set out in Decree No. 61/2009 (of 14 December) of the on legislative drafting⁵⁰ which applies to all bodies and persons authorised to issue legislation. The Decree sets out all professional and technical requirements to ensure legal certainty and the stability of the legal framework.

Paragraph (2) of Article T) of the Fundamental Law provides that laws are acts, government decrees, prime ministerial decrees, ministerial decrees, decrees of the Governor of the Hungarian National Bank, decrees of the heads of independent regulatory organs and local government decrees. Paragraph (3) of that Article also states that no law shall be in conflict with the Fundamental Law.

Paragraph (1) of Article 6 of the Fundamental Law provides that acts may be initiated by the President of the Republic, the Government, any parliamentary committee or any Member of the National Assembly.

Given that Act CXXX of 2010 on law-making and the related professional requirements apply to all types of legislation, the provisions and principles set out above are binding on all legislators. Legislators are therefore themselves obliged to comply with these rules and to enforce them when preparing legislation.

⁴⁹ The text of Act CXXX of 2010 currently in force is available at: <https://njt.hu/jogszabaly/2010-130-00-00.3>.

⁵⁰ The text of the Ministerial Decree No. 61/2009 currently in force is available at: <https://njt.hu/jogszabaly/2009-61-20-1U>.

Independent authorities

- Safeguards to ensure the effective independence of supervisory and regulatory authorities with a direct impact on economic operators

The safeguards to ensure the effective independence of supervisory and regulatory authorities with a direct impact on economic operators are laid down in the specific acts establishing such authorities. If the Commission needs information concerning any specific authority, we can provide the English translation of the applicable rules.

Accessibility and judicial review of administrative decisions

- Respect of the good administration principle (including the obligation of the administration to give reasons for decisions) *[this question complements the existing question on transparency of administrative decisions]*

Article XXIV of the Fundamental Law guarantees everyone the right to have their affairs handled impartially, fairly and within a reasonable time by the authorities. In the conduct of its affairs, the public administration is obliged to act within a framework of public administration procedures which is in conformity with the Fundamental Law, and shall guarantee the rights and legitimate interests of its clients, and is of high quality, modern, efficient, transparent and predictable, ensuring the speedy completion of procedures and timeliness.

Article 1 of the General Administrative Procedure defines the role of the right to good administration and the fundamental right to a fair trial, as enshrined in Article XXIV of the Fundamental Law, and the right to legal remedy, as enshrined in Article XXVIII of the Fundamental Law, in the administration of public authority law.

These principles are applicable in all administrative proceedings and constitute a benchmark for the application of specific procedural rules, but can also be directly enforced as a normative provision.

The primary means of legal remedy against decisions of public authorities is the administrative lawsuit pursuant to Section 114 of the General Administrative Procedure Act. Judicial remedies are an appropriate means of ensuring good administration, since the principles of judicial independence and the publicity of judicial proceedings mean that the decision-making processes of public authorities are transparent and the publication of judicial decisions makes the case law accessible and predictable.

At the same time, in the context of the absence of appeal, as a general rule, actions must be taken to ensure that cases are not brought before the administrative court which do not require a judicial decision on the substance or where the authority is able to correct its own erroneous decision. Therefore, it is ensured that the authority itself, on the basis of a petition against the decision, examines the merits of the decision and rectifies the unlawful decision itself (Section 115 of the General Administrative Procedure Act).

Pursuant to Section 116 of the General Administrative Procedure Act, where an act expressly permits it, the party or whoever the decision contains a provision on may appeal against the decision of first instance.

According to the General Administrative Procedure Act, the party always has the right of one or two levels of legal redress.

Procedural rules of the supervisory procedure are set out in Section 121 of the General Administrative Procedure Act. At the same time, however it is also clearly prescribed where the

so called ‘legitimate silence’ is accepted on the side of an authority.⁵¹

The authority is obliged to state the reasons for its decision, except for the decision granting the client’s application in full, if there is no opposing client, the decision approving the settlement, and decisions that cannot be challenged by independent legal remedy (Section 82(1) and (2) of the General Administrative Procedure Act). According to the Constitutional Court’s consistent practice, the obligation to state reasons arises from the requirement of the right to a fair trial, since in its absence the legality of the authority’s decision cannot be assessed in the legal remedy procedure. Consequently, the case-law of the courts considers a breach of the obligation to state reasons to be an infringement of the law on the merits.

In Hungary, the principle of ‘good administration’ is expressed in accordance with the 2007 Council of Europe Recommendation, which includes the continuous pursuit of quality, efficient and citizen-friendly public administration. Recent measures to develop and condition ‘good public administration’ include, among other things, increasing the accessibility of public services, speeding up public service procedures, efficient organisational functioning, improving customer relations, and significant formal and substantive deregulation to renew the system of tasks.

In December 2023 the Parliament adopted the above already referred Act CIII of 2023 on the digital state and certain rules for the provision of digital services, which has significantly contributed to the development of digital public services. As a result, the Hungarian public administration has not only become more efficient and customer-oriented, but also a more transparent and easier to follow system.

Reducing the administrative burden is an essential element of good administration. To this end, the Event-Mediated Data Platform (Eseményalapú Adatszolgáltatási Platform - EMAP), the first administrative block-chain based system in Hungary, has been developed. Its aim is to fundamentally reform the reporting obligations of employers to public authorities by providing a single channel for event-based data and enabling the public authorities to use this data, once submitted, to prepare the reports, returns and statements required by various public authorities. Digitalisation reforms aimed at increasing the efficiency of administration, new systems to enhance transparency, and initiatives to focus on customer centricity all show that progress in public administration is not only visible in the legislative framework, but also in everyday practice.

⁵¹ It is enshrined Section 80 (2) and (3) of the General Administrative Procedure Act, which provisions read as follows:

‘(2) Where the authority refrains from adopting a conclusive decision within the administrative time limit (legitimate silence), the party shall be entitled to exercise the right applied for. Legitimate silence shall be allowed if

a) it is not excluded by an Act or government decree in a case which may be administered through automated decision making,

b) an Act or government decree so provides in a case which may be administered in a summary procedure,

c) an Act or government decree so provides in a full procedure and there is no party with opposing interests in the case.

(3) In the event of legitimate silence, the authority shall enter the acquired right upon the application as well as on the duplicate copy of the application in the party’s possession, or otherwise it shall issue a copy of the original held by the authority to the party.’

- Safeguards (other than judicial review) regarding decisions or inaction of administrative authorities, including remedies. *[this question complements the existing question on judicial review of administrative decisions]*

The supervisory body of the authority has the right to take action against an unlawful decision or unlawful inaction by the authority. Pursuant to Section 121 of the General Administrative Procedure Act, the supervisory body may order the authority to remedy the unlawful omission and may reverse or annul the unlawful decision of the authority.

In the absence of or instead of a supervisory body, the failure of the authority may be established by an administrative court in a default action under Section 127 of Act I of 2017 on the Code of Administrative Procedure⁵² (hereinafter referred to as the ‘Code of Administrative Procedure’). If the failure to act is due to a dispute over jurisdiction, the administrative court is also entitled to designate the competent body (Section 154 of the Code of Administrative Procedure).

Pursuant to Section 29(2) of Act CLXIII of 2011 on the Public Prosecutor’s Office⁵³ and Section 122 of the General Administrative Procedure Act, the public prosecutor may, in order to protect the public interest, make a request to the authority if he/she detects a substantive violation of law affecting a decision of the authority. In the case of an unsuccessful appeal, the prosecutor is entitled to challenge the decision of the authority in an administrative lawsuit.

⁵² The text of Act I of 2017 currently in force is available at: <https://njt.hu/jogszabaly/2017-1-00-00>.

⁵³ The text of Act CLXIII of 2011 currently in force is available at: <https://njt.hu/jogszabaly/2011-163-00-00.9>.