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Greco RC-I (2004) 14E
Addendum

First Evaluation Round

Addendum to the Compliance Report on Hungary

Adopted by GRECO at its 32nd Plenary Meeting
(Strasbourg, 19-23 March 2007)

I. INTRODUCTION

1. GRECO adopted the First Round Evaluation Report on Hungary at its 13th Plenary Meeting (24-28 March 2003). The report (Greco Eval I Rep (2002) 5E), which contains 11 recommendations addressed to Hungary, was made public on 23 May 2003.
2. Hungary submitted the Situation Report required by GRECO's compliance procedure on 22 November 2004. On the basis of this report and a Plenary debate, GRECO adopted the First Round Compliance Report (RC-report) on Hungary at its 22nd Plenary Meeting (14-18 March 2005) which was made public on 18 March 2005. The Compliance Report (Greco RC-I (2004) 14E) concluded that recommendations i, ii, iii, v, vi, viii, ix, x and xi had been implemented satisfactorily or dealt with in a satisfactory manner. Recommendation iv had been partly implemented and recommendation vii had not been implemented. GRECO requested additional information on their implementation. The additional information requested was submitted on 6 October 2006.
3. Pursuant to Rule 31, paragraph 9.1 of GRECO's Rules of Procedure, the objective of the present Addendum to the First Round Compliance Report is to appraise the implementation of recommendations iv and vii in the light of the additional information referred to in paragraph 2.

II. ANALYSIS

Recommendation iv.

4. *GRECO recommended to ensure that the employer [within the public administration] be empowered to check declarations of interests, income and assets or have them checked by an appropriate body. Also, provide appropriate safeguards against retaliation for members of the public who lodge complaints about potential cases of suspicious enrichment, including potential cases of corruption.*
5. GRECO recalls that in the RC-report it was satisfied with the safeguards provided to protect members of the public who report potential cases of suspicious enrichment, including corruption. With respect to the first part of the recommendation, GRECO welcomed the draft amendments concerning the checking of declarations of assets and income of civil servants; however, pending their definitive adoption, GRECO concluded that the recommendation had only been partly implemented.
6. The Hungarian authorities report that, in order to improve the verification of property statements while meeting the principles of efficiency and economy of public service, a draft amendment to the Act on the Legal Status of Civil Servants¹ is still being considered and is expected to be adopted in the second half of 2007. It includes proposals concerning, *inter alia*, the frequency of declarations, the categories of relatives of the civil servants subject to the obligation to file property statements, the role and duties of the employer empowered to check declarations, the nature of the institutions involved in the verification procedure (e.g. tax authorities), etc. In addition, the afore-mentioned amendment aims at vesting the verification process with a more preventive character by providing individual counselling and by raising awareness of civil servants regarding the prevention of conflicts of interest.

¹ Act No. XXIII of 1992.

7. GRECO takes note of the ongoing discussion concerning the checking of declarations of assets and income of civil servants; however, it cannot change its previous conclusion until the proposed amendment to the Act on the Legal Status of Civil Servants is formally adopted.
8. GRECO concludes that recommendation iv has been partly implemented.

Recommendation vii.

9. *GRECO recommended to provide additional guarantees to safeguard the professional impartiality of prosecutors assigned to the Central Investigation Office of the Public Prosecution Service (CIOPPS), in particular those in a leading position, and to ensure that the cases can only be reassigned on the basis of objective professional criteria.*
10. The recommendation was not implemented, because although the statistical information provided by the Hungarian authorities suggested that most of the reassignment of cases had been justified by objective reasons, GRECO recalled that the main concern expressed in the recommendation was the absence of established objective professional criteria for such reassignments. Moreover, GRECO was not convinced that the system for dismissal of prosecutors in a leading position had provided sufficient guarantees to safeguard the prosecutors' professional impartiality, in particular when taking important prosecutorial decisions (e.g. withdrawal or changing of charges).
11. The Hungarian authorities now state that by virtue of Act No. VII of 2006, the tasks of the former CIOPPS were taken over by the Central Investigative Chief Prosecution Office on 1 February 2006. The Central Investigative Chief Prosecution Office, although under supervision of the General Prosecutor, is not a structural component of the General Prosecutor's Office and thus apparently enjoys a higher degree of independence which is ultimately aimed at preventing any possible risk of political interference in sensitive cases. According to the Rules of Procedure of the Central Investigative Chief Prosecution Office, a file could be reassigned only if the absence of the responsible prosecutor exceeds two weeks, which is justified by the objective reason of giving a swift response to a given case. In addition, an amendment to the Rules of Procedure of the Central Investigative Chief Prosecution Office is being drafted to include an individual chapter which provides a strict and exhaustive list of objective criteria for the reassignment of cases. The draft amendment determines that cases can only be reassigned on an exceptional basis, i.e. long-term absence, leave, unexpected and unforeseen workload of the responsible prosecutor; or, as necessary, in order to avoid the impression of unbiased treatment or prejudice in a given case.
12. According to the statistical data gathered by the Prosecution Service concerning the reassignment of cases by the Central Investigative Chief Prosecution Office, in 2005, 450 cases were submitted; reassignment took place in 12 cases – 2.6% (of these: leave of responsible prosecutor in 3 cases; unexpected workload and subsequent re-organisation of tasks in the office in 9 cases). In 2006, 500 cases were submitted; reassignment took place in 6 cases – 1.2% (of these: leave of responsible prosecutor in 2 cases; unexpected workload and subsequent re-organisation of tasks in the office in 3 cases; in order to avoid the impression of unbiased treatment or prejudice in 1 case).
13. In the light of the foregoing, GRECO concludes that recommendation vii has been dealt with in a satisfactory manner.

III. CONCLUSION

14. In addition to the conclusions contained in the First Round Compliance Report on Hungary and in view of the above, GRECO concludes that recommendation vii has been dealt with in a satisfactory manner. Recommendation iv remains partly implemented. In this connection, GRECO invites Hungary to pursue the envisaged legislative initiative to improve the checking of declarations of assets and income of civil servants.
15. The adoption of the present Addendum to the Compliance Report terminates the First Evaluation Round compliance procedure in respect of Hungary.
16. Finally, GRECO invites the authorities of Hungary to translate the Addendum into the national language and to make this translation public.