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# **FOURTH EVALUATION ROUND**

Corruption prevention in respect of members of parliament, judges and prosecutors

# FOURTH INTERIM COMPLIANCE REPORT HUNGARY

Adopted by GRECO at its 93<sup>rd</sup> Plenary Meeting (Strasbourg, 20-24 March 2023)

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# I. <u>INTRODUCTION</u>

- 1. The <u>Fourth Evaluation Round Report on Hungary</u> was adopted by GRECO at its 67<sup>th</sup> Plenary Meeting (27 March 2015) and made public on 22 July 2015, following Hungary's authorisation. GRECO's Fourth Evaluation Round deals with "Corruption Prevention in respect of Members of Parliament, Judges and Prosecutors".
- 2. As required by GRECO's Rules of Procedure, the Hungarian authorities submitted a Situation Report containing information on measures taken to implement the recommendations. In the <u>Compliance Report</u>, adopted by GRECO at its 76<sup>th</sup> Plenary Meeting (23 June 2017) and made public on 1<sup>st</sup> August 2019, it was concluded that Hungary had implemented satisfactorily or dealt with in a satisfactory manner only five of the 18 recommendations contained in the Fourth Round Evaluation Report (recommendations vii, ix, xi, xiii and xviii). In the light of these results, GRECO concluded that the overall low level of compliance with the recommendations was "globally unsatisfactory" within the meaning of Rule 31, paragraph 8.3 of its Rules of Procedure. It therefore decided to apply Rule 32, paragraph 2.i) in respect of members not in compliance with the recommendations contained in the mutual evaluation report and called on the Head of the Hungarian delegation to submit a report on progress in implementing the outstanding recommendations.
- 3. In the <u>Interim Compliance Report</u>, adopted by GRECO at its 81<sup>st</sup> Plenary Meeting (7 December 2018) and made public on 1<sup>st</sup> August 2019, it was concluded that Hungary had still only implemented satisfactorily or dealt with in a satisfactory manner five of the 18 recommendations contained in the Fourth Round Evaluation Report. In the light of these results, GRECO also concluded that the overall low level of compliance with the recommendations remained "globally unsatisfactory" within the meaning of Rule 31, paragraph 8.3 of its Rules of Procedure. In accordance with Rule 32, paragraph 2 subparagraph (ii), GRECO instructed its President to send a letter with a Copy to the President of the Statutory Committee to the Head of Delegation of Hungary, drawing his attention to the need to take determined action with a view to achieving tangible progress as soon as possible.
- 4. In addition, given the lack of information provided and the lack of progress in implementing the recommendations, in accordance with Rule 32, paragraph 2(iii), GRECO also requested the authorities of Hungary to receive a high-level mission in order to discuss, on the spot with all stakeholders concerned, ways to expedite the legislative and policy changes highlighted in the *Interim* Compliance Report. This high-level mission took place on 1<sup>st</sup> March 2019, at which the GRECO delegation¹ met with the State Secretary for Cooperation in European and International Justice Affairs at the Ministry of Justice, the Prosecutor General and the President of the National Judicial Council, as well as representatives of the National Office for the Judiciary and members of the Hungarian Delegation to the Parliamentary Assembly to the Council of Europe.
- 5. The <u>Second Interim Compliance Report</u> was adopted at GRECO's 85<sup>th</sup> Plenary Meeting (25 September 2020) and made public on 17 November 2020, following the authorisation by the authorities of Hungary. It concluded that Hungary had still only implemented satisfactorily or dealt with in a satisfactory manner five of the 18 recommendations contained in the Fourth Round Evaluation Report. Four recommendations had been partly implemented and nine not implemented. The level of compliance was again assessed as "globally unsatisfactory". GRECO invited the President of the Statutory Committee to send a letter to the Permanent Representative of Hungary to the Council of Europe, drawing the attention to non-

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<sup>&</sup>lt;sup>1</sup> The GRECO delegation comprised the President of GRECO, the Council of Europe Director of Information Society and Action Against Crime, the Head of the Austrian Delegation to GRECO, GRECO's Executive Secretary and a member of the GRECO Secretariat.

compliance with the relevant recommendations. GRECO also requested the Head of the Hungarian delegation to GRECO to provide a report on the action taken to implement the outstanding recommendations.

- 6. The Third Interim Compliance Report was adopted at GRECO's 89<sup>th</sup> Plenary Meeting (3 December 2021) and made public on 8 September 2022, following the authorisation by the authorities of Hungary. It concluded that Hungary had still only implemented satisfactorily or dealt with in a satisfactory manner six of the 18 recommendations contained in the Fourth Round Evaluation Report. Three recommendations had been partly implemented and nine not implemented. The level of compliance was again assessed as "globally unsatisfactory". Pursuant to Rule 32 2(i) of the Rules of Procedure, GRECO asked the Head of the Hungarian delegation to provide a report on the progress in implementing the outstanding recommendations (i.e. recommendations i-vi, viii, x, xii, xiv, xvi and xvii).
- 7. The situation report was received on 13 January 2023 and forms the basis of this Fourth *Interim* Compliance Report, which assesses the implementation of the 12 outstanding recommendations and provides an overall assessment of Hungary's level of compliance with these recommendations.
- 8. GRECO selected Austria (with respect to members of parliament) and Romania (with respect to judges and prosecutors) to appoint Rapporteurs for the compliance procedure. The Rapporteurs appointed were Mr Christian MANQUET on behalf of Austria and Mr Sorin TANASE on behalf of Romania. They were assisted by GRECO's Secretariat in drawing up this Fourth *Interim* Compliance Report.

# II. ANALYSIS

9. GRECO, in its Fourth Round Evaluation Report, addressed 18 recommendations to Hungary. In the Third *Interim* Compliance Report, GRECO concluded that recommendations vii, ix, xi, xiii, xv and xviii had been implemented satisfactorily or dealt with in a satisfactory manner. Recommendations vi, xiv and xvii had been partly implemented and recommendations i-v, viii, x, xii and xvi not implemented. Compliance with the 12 outstanding recommendations is dealt with below.

Corruption prevention in respect of members of parliament

### Recommendation i

- 10. GRECO recommended (i) to ensure that all legislative proposals are processed with an adequate level of transparency and consultation and, (ii) that rules be introduced for members of parliament on how to interact with lobbyists and other third parties seeking to influence the parliamentary process.
- 11. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. In the Compliance Report, steps had been taken towards the implementation of parts of recommendation i(ii) with the preparation of guidelines on the rules of conduct. In the Second *Interim* Compliance Report, GRECO noted that no progress had been made with respect to this recommendation and the authorities reiterated that Parliament alone was responsible for the implementation of this recommendation.
- 12. The authorities now report that, with respect to part (i), following the commitments made by Hungary to reach an agreement with the European Commission, the obligation of public consultation of legislative proposals has been rendered stricter (with effect on 28 October 2022) by stipulating that 90% of the draft legislation prepared by the Government must be submitted to public consultations. The

Government Audit Office publishes an annual public report on the relevant data and imposes a fine on the Government actor responsible for the preparation of the draft legislation in case of non-compliance. However, no progress is reported with respect to part (ii) of this recommendation, which recommended the introduction of rules on the interaction of MPs with lobbyists and third parties.

- 13. <u>GRECO</u> notes that progress has been reported with respect to <u>part (i)</u> of the recommendation as a result of commitments made by Hungary to reach an agreement with the European Commission, which reportedly is to lead to stricter public consultation obligations for legislative proposals by the Government. This includes the obligation to submit to public consultations 90% of the draft legislation prepared by the Government. The Government Audit Office is to impose a fine on government actors responsible for the preparation of the draft legislation in case of non-compliance. GRECO notes that the agreement is rather recent and that statistics showing progress have not been provided. In addition, there is no progress reported for <u>part (ii)</u> of the recommendation, on the introduction of rules on the interaction of MPs with lobbyists and third parties.
- 14. GRECO concludes that recommendation i remains not implemented.

# Recommendation ii

- 15. GRECO recommended that a code of ethics/conduct for members of parliament be adopted, including in respect of their staff as appropriate covering various situations of conflicts of interest (gifts and other advantages, third party contacts, lobbyists, accessory activities, post-employment situations, etc.) and that it be complemented by practical measures for its implementation, such as dedicated training and counselling.
- 16. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. In the Compliance Report, steps had been taken towards the implementation of parts of recommendation ii with the preparation of guidelines on the rules of conduct. In the Second *Interim* Compliance Report, GRECO noted that no further progress had been made with respect to recommendation ii.
- 17. The authorities now report that an amendment has been made to the Rules on the acceptance of gifts in Act XXXVI of 2012 on the National Assembly. According to this amendment (Section 87), an MP may not accept any gifts or similar advantages in connection with his/her mandate as an MP, unless it falls within "customary courtesy" and its value does not exceed 5% of the MP's salary in accordance with Section 104(1) of the Act or was received by the MP while acting in the official capacity of the Parliament, i.e. when representing Parliament on behalf of the Speaker in international events, on ceremonial occasions or when representing a committee or an interparliamentary delegation on an official mission authorised by the Speaker. Under the new rules, all gifts received in this way must be given to the Speaker, who then decides on whether or not the MP may keep these gifts.
- 18. <u>GRECO</u> notes that, with respect to conflicts of interest and gifts, an amendment was made to the Rules on the acceptance of gifts in Act XXXVI of 2012 on the National Assembly. It sets out under what circumstances MPs may accept gifts/similar advantages. However, it only addresses the issue of gifts, not third-party contacts, lobbyists, accessory activities, post-employment situations etc. It also does not address the introduction of a code of ethics/conduct for MPs/their staff nor training and counselling in this respect, which is the gist of this recommendation. Consequently, this recommendation has not been implemented, even partly.
- 19. GRECO therefore concludes that recommendation ii remains not implemented.

#### Recommendation iii

- 20. GRECO recommended that a requirement of ad hoc disclosure be introduced for members of parliament for situations of personal conflicts of interest which may emerge during the parliamentary proceedings and that rules for such situations be developed.
- 21. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. In the Compliance Report, some steps had been taken towards the implementation of parts of recommendation iii with the preparation of guidelines on the rules of conduct. In the Second *Interim* Compliance Report, GRECO noted no progress with respect to this recommendation.
- 22. The authorities report nothing new with respect to recommendation iii.
- 23. GRECO concludes that recommendation iii remains not implemented.

#### **Recommendation iv**

- 24. GRECO recommended to ensure (i) that the obligation upon members of parliament to disclose outside occupations and activities of a non-financial character are applied in practice; and (ii) that all declarations as submitted follow a format, which allows for adequate public scrutiny over time, preferably by using electronic means.
- 25. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. In the Compliance Report, steps had been taken towards the implementation of parts of recommendation iv with the preparation of guidelines on the rules of conduct. In the Second *Interim* Compliance Report, GRECO noted no further progress with respect to recommendation iv.
- The authorities now report that there have been changes to "notifiable activities" and declaration of assets. Article 89 of Act XXXVI of 2012 on the National Assembly was amended on 1st August 2022 and now MPs must declare all items, including those not subject to conflicts of interest, in their declaration of assets rather than on a separate form. This includes (a) shareholdings (membership) in a sole proprietorship, partnership or cooperative, positions as a managing director or member of a supervisory board of such entities; (b) status as a trustee or beneficiary of assets under a trust; (c) status of founder of or associate in a foundation, including a public trust with a public purpose, or of membership in an NGO or in a supreme authority, administration or representative body or such organisations, as defined by law or by their status; (d) membership in a public body, and of supreme, administrative and representative organs of public bodies, as defined by law or statute. This data is publicly available. The authorities also refer to amendment to the Act adopted on 24 October 2022 (to enter into force on 31 March 2023), providing for the obligation in Article 94 to ensure searchable access to the personal declarations of an MP's assets published on the website.
- 27. <u>GRECO</u> welcomes that amendments have been introduced to Act XXXVI on the National Assembly on provisions dealing with "notifiable activities" and declaration of assets allowing for searchable access to the personal declaration of assets of MPs online. The amendments with respect to Article 89 of Act XXXVI of 2012 on the National Assembly entered into force on 1st August 2022 and the amendments to Article 94 ensuring searchable access to the personal declarations of an MP's assets will only enter into force on 31 March 2023. GRECO has seen these amendments, however, their implementation in practice remains to be seen.

28. GRECO concludes that recommendation iv has been partly implemented.

#### Recommendation v

- 29. GRECO recommended that appropriate measures be taken in order to ensure that the procedures of lifting the immunity of parliamentarians do not hamper criminal investigations in respect of members of parliament suspected of having committed corruption related offences.
- 30. <u>GRECO recalls</u> that that this recommendation was not implemented in the Third *Interim* Compliance Report.
- 31. <u>The authorities</u> reiterate that corruption related offences are prosecutable under Hungarian law and that there is a long-standing practice for Parliament to lift immunity of MPs in case of public prosecution, including corruption cases.
- 32. <u>GRECO</u> wishes to stress that this recommendation is largely about simplifying and speeding up cumbersome proceedings for the lifting of immunity of MPs. No new measures have been introduced to address the concerns of this recommendation.
- 33. GRECO concludes that recommendation v remains not implemented.

# Recommendation vi

- 34. GRECO recommended that appropriate measures be taken to ensure effective supervision and enforcement of the existing and yet to be established rules on the conduct, conflicts of interest and interest declarations of members of parliament and that adequate and proportionate sanctions be introduced to that end.
- 35. <u>GRECO recalls</u> that this recommendation was partly implemented in the Third *Interim* Compliance Report. The Second *Interim* Compliance referred to the amendments made to Act XXXVI of 2012 on the National Assembly on 10 December 2019, listing the rights an MP may not exercise in the event of a potential conflict of interest listed in Sections 80, 84-86 or 88 of the Act on the National Assembly. These were welcomed by GRECO as providing clearer consequences in case incompatibilities and certain potential conflicts of interests were not resolved by the MP in question. Nevertheless, they did not address the wider issue of deficiencies in the supervision carried out by the Committee on Immunity, Incompatibility and Mandate Control and the lack of proportionality of sanctions remained to be addressed.
- 36. <u>The authorities</u> now refer to the amendment described above (under recommendation iv) providing for searchable access to the personal declarations of an MP's assets online, which is to enter into force on 31 March 2023.
- 37. <u>GRECO</u> takes note of the information provided, which is to ensure searchable access to the personal declarations of an MP's assets online. However, this does not sufficiently address the main components of the recommendation.
- 38. GRECO concludes that recommendation vi remains partly implemented.

Corruption prevention in respect of judges

# **Recommendation viii**

39. GRECO recommended that the powers of the President of the National Judicial Office to intervene in the process of appointing and promoting candidates for judicial

positions be reviewed in favour of a procedure where the National Judicial Council is given a stronger role.

- 40. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. GRECO's main concern, as stated in previous compliance reports, was that it would be advisable that the National Judicial Council (NJC), as the highest collective body of the judiciary, be given the final say on recommendations for judicial appointments. Although GRECO acknowledged that the involvement of the President of the National Judicial Office (PNJO) in these procedures was somewhat balanced by the supervisory function of the NJC, GRECO's recommendation to introduce measures to review the role of the PNJO and to provide for a stronger role of the NJC in the process of appointing and promoting candidates for judicial positions was not heeded.
- The authorities now reiterate that the current institutional model of the judiciary was established as part of the judicial reform in 2011. The Government had successfully conducted discussions with the European Commission and the Venice Commission<sup>2</sup> and closed all remaining issues concerning the National Judicial Office and the National Judicial Council in a satisfactory manner. Further discussions were undertaken with the European Commission in October 2022 on possible adjustments to the justice system, without altering the constitutional set-up of the system for the administration of justice. An implementing decision on the Hungarian Recovery and Resilience Plan was adopted by the Council of the European Union on 15 December 2022. The authorities explain that the implementation of these commitments will strengthen the role and powers of the NJC to effectively counterbalance the powers of the PNOJ. The legislative amendments undertaken by Hungary, that will apply by 31 March 2023, will ensure that the NJC provides motivated and binding opinions, inter alia, on the following matters regarding individual decisions: the annulment by the PNOJ of appointment procedures for judicial and court executive positions where there is at least one eligible candidate who has been supported by the judges of the given court. As regards regulations, the amendments will ensure that the NJC provides motivated and binding opinions, inter alia, on the points system for the assessment of applications for judicial posts within the legislative framework.
- 42. The authorities also state that they have committed to establishing in law, nondiscretionary rules on the designation of ad interim court presidents through a preset order of positions within a court. For the Supreme Court, the rules on its functioning will be amended by establishing stronger powers for the judicial council and the departments of judges ('kollégium') concerned, ensuring, in particular, that they shall give a binding opinion, inter alia, on candidates for the post of chairs and vice-chairs of departments of judges, presiding judges and the Secretary General of the Supreme Court (Kúria). The authorities also reiterated that the tendering procedures involve several panels of judges and judges elected by judges. These bodies are the Judicial Councils of the Trial Courts, the Magistrates' Courts, and the Supreme Court, which rank the candidates according to criteria laid down by law, and, in the case of the posts of judge of the Trial Courts, the Magistrates' Courts and the Supreme Court, the candidates are also subject to the opinion of a professional college of local judges of the relevant jurisdiction. In addition, the NJC, also composed of members of the judiciary elected by the judges and of the President of the Supreme Court as an ex officio member, is of particular importance in the evaluation of judicial candidatures.
- 43. <u>GRECO</u> takes note of these developments, notably that under the Hungarian Recovery and Resilience Plan, adopted by the Council of the European Union on 15 December 2022, the commitments undertaken by Hungary aims at strengthening the role and

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<sup>&</sup>lt;sup>2</sup> <a href="https://www.venice.coe.int/webforms/documents/?pdf=CDL-AD(2019)004-e">https://www.venice.coe.int/webforms/documents/?pdf=CDL-AD(2019)004-e</a>. See, however, the conclusion (paragraphs 112-118).

powers of the National Judicial Council (NJC) to effectively counterbalance the powers of the President of the National Judicial Office (PNOJ). The legislative amendments, which are to enter into force on 31 March 2023, are to ensure that the NJC will provide a motivated and binding opinion on <u>individual decisions</u>, notably on the annulment, by the PNOJ, of appointment procedures for judicial and court executive positions where there is at least one eligible candidate who has been supported by the judges of the given court. With respect to <u>regulations</u>, the amendments are to ensure that the NJC provides motivated binding opinion notably on the points system for the assessment of applications for judicial posts within the legislative framework. The rules on the functioning of the Supreme Court are also to be amended to establish stronger powers for the NJC and the departments of judges notably for them to provide binding opinions on candidates for the post of chairs and vice-chairs of departments of judges, presiding judges and the Secretary General of the Supreme Court. GRECO welcomes these developments that will apply by 31 March 2023 and this will need to be followed up in practice.

44. GRECO concludes that recommendation viii has been partly implemented.

#### **Recommendation x**

- 45. GRECO recommended that the power of the President of the National Judicial Office to re-assign ordinary judges without their consent be reduced to a minimum in time and only for precise and particular reasons of a temporary character.
- 46. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report.
- 47. The authorities now reiterate their position that, in practice, a judge has never been assigned to another place of work without his/her consent and that this uninterrupted ten-year practice should be taken into account in GRECO's assessment. In addition, commitments have been made under the Hungarian Recovery and Resilience Plan (adopted by the Council of the European Union on 15 December 2022) that amendments to be applicable with effect of 31 March 2023 will ensure that the National Judicial Council (NJC) provides motivated and binding opinions on individual decisions, the transfer of judges (including secondment) to another court by the President of the National Judicial Office (PNOJ) (Sections 27, 27/A, 31 and 32 of Act CLXII of 2011 on the Legal Status and Remuneration of Judges), except for secondments to the National Judicial Office. In addition, an amendment is to prohibit the reintegration of judges by the PNOJ, following their secondment, to a court of a higher instance than the court in which they were before their secondment. For the Supreme Court, the amendments will change the rules on the functioning of this Court by establishing stronger powers for the judicial council of that Court and the departments of judges ("kollégium") concerned. They will also provide for a binding opinion on secondments to the Supreme Court.
- 48. GRECO takes note of these developments, notably that under the Hungarian Recovery and Resilience Plan, adopted by the Council of the European Union on 15 December 2022, amendments to be in force by 31 March 2023 are to ensure that the National Judicial Council (NJC) provides motivated and binding opinions on individual decisions and on the transfer of judges (including secondment) to another court by the President of the National Judicial Office (PNOJ). It also takes note that judges, following their secondment, will be prohibited to be assigned to a court of a higher instance than the court in which they were before their secondment. While not all components of this recommendation have been fully addressed, GRECO acknowledges that measures are underway which will give the NJC a stronger role in the reassignment of ordinary judges. For these reasons, it considers that this recommendation has been complied with partly.

49. GRECO concludes that recommendation x has been partly implemented.

#### Recommendation xii

- 50. GRECO recommended that the immunity of ordinary judges be limited to activities relating to their participation in the administration of justice ("functional immunity").
- 51. <u>GRECO recalls</u> that this recommendation remained not implemented in the Third *Interim* Compliance Report. GRECO had taken note of the authorities' opinion that to ensure the highest possible level of independence of judges, it was necessary to maintain the immunity of judges in its current form in order to protect them and the judiciary from harassment through unfounded accusations, including from persons initiating private prosecutions against judges for alleged minor offenses in order to delay proceedings.
- 52. <u>The authorities</u> now report that no progress has been made regarding recommendation xii.
- 53. GRECO concludes that recommendation xii remains not implemented.

Corruption prevention in respect of prosecutors

#### **Recommendation xiv**

- 54. GRECO recommended that i) the possibility to re-elect the Prosecutor General be reconsidered and ii) the possibility to maintain the Prosecutor General in office after the expiry of his/her mandate by a minority blocking of the election in Parliament of a successor be reviewed by the Hungarian authorities.
- 55. <u>GRECO recalls</u> that this recommendation was partly implemented in the Third *Interim* Compliance Report. GRECO had noted that consideration had been given to the first part of this recommendation, but that the second part had not been subject to any review by the authorities. In the Second *Interim* Compliance Report, the authorities stressed that it was essential for the proper functioning of the prosecution service for the Prosecutor General's position to be filled even during the transitional period until the required majority was formed.
- 56. <u>The authorities</u> report that no further progress has been made with regard to this recommendation.
- 57. GRECO concludes that recommendation xiv remains partly implemented.

# **Recommendation xvi**

- 58. GRECO recommended that the immunity of public prosecutors be limited to activities relating to their participation in the administration of justice ("functional immunity").
- 59. <u>GRECO recalls</u> that this recommendation was not implemented in the Third *Interim* Compliance Report. The authorities had already outlined, in the previous compliance reports, that they considered it necessary to maintain the broad immunity of prosecutors in order to protect them from harassment through groundless accusations. The authorities also stressed that limiting immunity of prosecutors could potentially have adverse effects on their level of independence. GRECO reiterated its regret that the prosecutors' immunity was not limited to functional immunity.

- 60. <u>The authorities</u> now report that no progress has been made with regard to this recommendation.
- 61. GRECO concludes that recommendation xvi remains not implemented.

#### Recommendation xvii

- 62. GRECO recommended that disciplinary proceedings in respect of prosecutors be handled outside the immediate hierarchical structure of the Prosecution Service and in a way that provides for enhanced accountability and transparency.
- GRECO recalls that this recommendation was partly implemented in the Third Interim Compliance Report. GRECO had welcomed the entry into force of the Amendment to Act CLXIV of 2011 on the Status of the Prosecutor General, Prosecutors and Other Prosecution Employees and the Prosecutor Career (ASPGPC) that made the involvement of a disciplinary commissioner compulsory in all disciplinary proceedings, who cannot be in a hierarchical relationship to the persons under investigation and s/he is entrusted with investigating a breach of discipline (which would then be followed by a decision on the merits of the case by the superior prosecutor or the Prosecutor General). Nevertheless, GRECO found that the role of the disciplinary commissioner remained limited to investigating the case, with the superior prosecutor still leading the overall procedure. The authorities maintained that the appointment of a disciplinary commissioner and the safeguards foreseen in the relevant laws offer a proper solution to the question raised by the recommendation. However, GRECO remained concerned that it was still the direct superior prosecutor who decided on the merits of the case, rather than an impartial body. Objections filed on the ground of bias also appeared to be handled within the immediate hierarchical structure (and in cases where the Prosecutor General him/herself would decide the case on merit, s/he would also decide on the objection of bias made against him/her). As such, while improvements had been made, GRECO could not say that disciplinary proceedings were being handled outside the immediate hierarchical structure of the Prosecution Service in a way that provided for enhanced accountability and transparency, as required by the recommendation. The involvement of the immediate superior prosecutor was particularly striking in this respect.
- 64. The authorities now reiterate that GRECO had welcomed the amendment made to Article 88 of Act CLXIV of 2011 requiring the involvement of a disciplinary commissioner in disciplinary proceedings, whose task is to investigate disciplinary offences and who cannot be in a hierarchical relationship with the person under investigation. They add that Article 85 of the Act sets out that the decision on the merits of disciplinary cases remains the responsibility of the superior prosecutor within the prosecutorial hierarchy. Also, Article 92(3) of the Act provides that the Prosecutor General him/herself decides on any objection of bias lodged against the Prosecutor General as the person exercising disciplinary powers, and the superior in the service decides on any objection of bias lodged against any other person exercising disciplinary powers. According to the authorities, the latter provision addresses the concerns of this recommendation.
- 65. <u>GRECO</u> notes that no new information has been provided. The progress acknowledged in previous reports to include a disciplinary commissioner in disciplinary proceedings was a welcome step forward. However, this role is limited, and the superior prosecutor is still leading the overall procedure. No measures to increase the transparency of the process has been reported.
- 66. GRECO concludes that recommendation xvii remains partly implemented.

# III. CONCLUSIONS

- 67. In view of the foregoing, GRECO concludes that Hungary has implemented satisfactorily or dealt with in a satisfactory manner six of the eighteen recommendations contained in the Fourth Round Evaluation Report. Of the 12 remaining pending recommendations, six recommendations have now been partly implemented and six recommendations remain not implemented.
- 68. More specifically, recommendations vii, ix, xi, xiii, xv and xviii have been implemented satisfactorily or dealt with in a satisfactory manner. Recommendations iv, vi, viii, x, xiv and xvii have been partly implemented and recommendations i, ii, iii, v, xii and xvi not implemented.
- 69. In respect of members of parliament, GRECO reiterates that more determined measures are needed to improve the integrity framework of Parliament. This is notably important with respect to the level of transparency and consultation in the legislative process although this may well be addressed in the near future by amendments to be made to the relevant legislation that will enter into force on 31 March 2023. This matter will need to be followed up. However, neither the introduction of rules on interactions with lobbyists nor the adoption of a code of conduct for members of parliament/their staff to further develop rules obliging them to disclose, in an *ad hoc* manner, potential conflicts of interest between their parliamentary work and their private interests, to ensure a uniform format of asset declarations and to review the broad immunity enjoyed by MPs as well as ensure the effective supervision and enforcement of rules of conduct, conflict of interests and asset declarations seem to be foreseen.
- 70. As regards <u>judges</u>, some progress has been made regarding the three remaining recommendations. GRECO takes note of upcoming legislative amendments that are to strengthen the role and powers of the National Judicial Council to effectively counterbalance the powers of the President of the National Judicial Office in the appointment/promotion of candidates for judicial positions. They will also ensure that the National Judicial Council will provide motivated and binding opinions on the transfer and secondment of judges. However, once again, these amendments will enter into force on 31 March 2023 and have yet to be implemented. The issue of the far-reaching immunity of judges also remains a concern.
- 71. As regards <u>prosecutors</u>, GRECO reiterates that disciplinary proceedings are still not handled outside the direct hierarchical structure and remains a concern. Also, no progress has been made regarding the prolongation of the term of the Prosecutor General and the broad immunity enjoyed by prosecutors.
- 72. In light of the foregoing, GRECO notes that the current level of compliance with the recommendations is no longer "globally unsatisfactory" in the meaning of Rule 31 revised, paragraph 8.3 of the Rules of Procedure. GRECO therefore decides not to continue applying Rule 32 concerning members found not to be in compliance with the recommendations contained in the Evaluation Report.
- 73. In application of paragraph 8.2 of Article 31 of the Rules of Procedure, GRECO asks the head of the Hungarian delegation to provide a report on the measures taken to implement the outstanding recommendations (i.e. recommendations i-vi, viii, x, xii, xiv, xvi and xvii) by 31 March 2024 at the latest.
- 74. Finally, GRECO invites the authorities of Hungary to authorise, as soon as possible, the publication of the present report, to translate it into the national language and to make this translation public.