



**Ministry of Interior**

# **National Report**

**on non-accepted provisions of the Revised European Social Charter**

**Submitted by:  
the Government of Hungary**

**Budapest, 2024**

The decision on the reporting procedure on non-accepted provisions under Article 22 of the European Social Charter, adopted at the 821st meeting of the Council of Europe's Vice-Ministers on 11 December 2002, requires States Parties to review the ratifiability of non-accepted provisions every five years after ratification of the Charter. As Hungary ratified the Charter on 20 April 2009, the Secretariat of the Charter requested the Government of Hungary to carry out the review procedure and to submit a report on the outcome of the review in its request dated 7 November 2023. The report only covers legislative changes and government actions since the previous report (2019).

The report examines the articles of the Charter which have not been ratified and approved by Hungary:

<b>Provision</b>	<b>Title of the article</b>
Sections (1)-(5) of Article 4	The right to a fair remuneration
Sections (2)-(10) of Article 7	The right of children and young persons to protection
Sections (2)-(4) of Article 12	The right to social security
Sections (1)-(4) of Article 18	The right to engage in a gainful occupation in the territory of other Parties
Sections (1)-(12) of Article 19	The right of migrant workers and their families to protection and assistance
Article 23	The right of elderly persons to social protection
Article 24	The right to protection in cases of termination of employment
Article 25	The right of workers to the protection of their claims in the event of the insolvency of their employer
Sections (1)-(2) of Article 26	The right to human dignity at work
Sections (1)-(3) of Article 27	The right of workers with family responsibilities to equal opportunities and equal treatment
Article 28	The right of workers' representatives to protection in the undertaking and facilities to be accorded to them
Article 29	The right to information and consultation in collective redundancy procedures
Article 30	The right to protection against poverty and social exclusion
Sections (1)-(3) of Article 31	The right to housing

The National Report also includes an assessment of the ratifiability of the Additional Protocol to the European Social Charter on the right to collective redress, which entered into force in 1998.

Given that, according to Article 23 of the Charter, national reports may be commented on by national organisations which are members of international organisations of employers and workers, the report will also be sent to the relevant Parties of the National Economic and Social Council (NGTT).

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## LIST OF REFERENCED LEGISLATION

- Fundamental Law of Hungary
- Act IV of 1991 on Job Assistance and Unemployment Benefits
- Act XXXIII of 1992 on the Legal Status of Public Servants
- Act III of 1993 on Social Administration and Social Services
- Act XCIII of 1993 on Labour Safety
- Act LXXV of 1996 on Labour Inspection
- Act XXXI of 1997 on the Protection of Children and the Administration of Guardianship
- Act LXXXI of 1997 on Social Security Pension Benefits
- Act LXXXIII of 1997 on the Benefits of Compulsory Health Insurance
- Act XXVI of 1998 on the Rights and Equal Opportunities of Persons with Disabilities
- Act LXXXIV of 1998 on Family Support
- Act LXXXIV of 2003 on Certain Aspects of Performing Healthcare Activities
- Act CXXV of 2003 on equal treatment and the promotion of equal opportunities
- Act I of 2007 on the Entry and Residence of Persons with the Right of Free Movement and Residence
- Act LXXX of 2007 on Asylum
- Act LXIII of 2010 on the Central Public Administration Bodies and the Legal Status of Government Members and State Secretaries
- Act CVI of 2011 on public employment and on the amendment of other acts related to public employment
- Act CXC of 2011 on National Public Education
- Act CXCI of 2011 on the Benefits for Persons of Altered Working Ability and on the Amendment of Certain Acts
- Act CXCIX of 2011 on Civil Servants
- Act CLXXIX of 2011 on the Rights of Nationalities
- Act I of 2012 on the Labour Code
- Act CCV of 2012 on the Legal Status of Military Personnel
- Act XLII of 2015 on the Service Status of Professional Members of Law Enforcement Agencies
- Act CLIX of 2017 on the Amendment of Acts related to the Entry into Force of the Act on the General Code of Public Administration Procedure and of certain other Acts
- Act CXIV of 2018 on the Legal Status of Defence Employees
- Act CXVI of 2018 Amending Certain Acts Related to the Organization of Working Time and Minimum Wage of Temporary Agency Work
- Act CXXV of 2018 on Government Administration
- Act LXXX of 2019 on Vocational Education
- Act CXXII of 2019 on Persons Entitled to Social Security Benefits and on the Coverage of These Benefits
- Act C of 2020 on the Employment Status of Health Workers
- Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration
- Act XC of 2023 on the General Rules for the Entry and Residence of Third-Country Nationals
- MT Decree 83/1987. (XII. 27.) MT of the Council of Ministers on the invalidity allowance

- Decree No. 33/1998 (VI. 24.) NM of the Minister for Welfare on the medical examination and opinion on the suitability for work, occupational and personal hygiene
- Decree No. 43/1999 (III. 3.) on the detailed rules of financing healthcare services from the Health Insurance Fund
- Government Decree No. 170/2011 (VIII. 24.) establishing the public employment wage and the guaranteed public employment wage
- Government Decree No. 321/2011. (XII. 27.) on the Rules of Planning Equal Opportunity Programmes at Local Level and on the Equal Opportunity Mentors
- Government Decree No. 273/2012. (IX. 28.) on further training of public service officials
- Government Decree No. 10/2013. (I. 21.) on individual performance assessment and evaluation in public service
- Decree of the Minister of Defence No. 12/2013. (VIII. 15.) on certain monetary, in kind and social benefits
- Government Decree No. 256/2013 (VII. 5.) on the detailed rules of salary or wage increases for certain health care professionals and persons employed in health care and the receipt of related support
- Government Decree No. 445/2013. (XI. 28.) on the authorisation of the employment of third-country nationals in Hungary based on procedures other than the single application procedure; the exemptions of such authorisation obligation; the involvement of the metropolitan and county government offices' employment centres as opinion makers in single application procedures; the notification of employment of third-country nationals' authorisation for free employment in Hungary and salary reimbursement
- Decree of the Minister of Defence No. 7/2015. (VI. 22.) on the Salaries and Salary-related Allowances of the Defence Forces
- Decree No. 31/2015. (VI. 16.) BM of the Ministry of Interior on the personnel management involving the professional staff of organisations that implement law enforcement tasks belonging under the Minister of Interior
- Government Decree No. 115/2021 (III.10.) on the activities of the employment supervisory authority
- Government Decision No. 1681/2022 (XII. 28.) on the wage increase for health care professionals and health care workers subject to the health sector promotion rules
- Government Decision No 1684/2018 (XII. 17.) on the salary increase for healthcare professionals and health visitors for the years 2019-2022
- Government Decree No. 508/2023 (XI. 20.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage

## ARTICLE 4 – THE RIGHT TO A FAIR REMUNERATION

With a view to ensuring the actual exercise of the right to a fair remuneration, the Parties undertake:

1. to recognise the right of workers to a remuneration such as will give them and their families a decent standard of living;
2. to recognise the right of workers to an increased rate of remuneration for overtime work, subject to exceptions in particular cases;
3. to recognise the right of men and women workers to equal pay for work of equal value;
4. to recognise the right of all workers to a reasonable period of notice for termination of employment;
5. to permit deductions from wages only under conditions and to the extent prescribed by national laws or regulations or fixed by collective agreements or arbitration awards.

The exercise of these rights shall be achieved by freely concluded collective agreements, by statutory wage-fixing machinery, or by other means appropriate to national conditions.

### I. INFORMATION TO SECTION 4 (1) AND (2)

- ***Persons falling under Act XXXIII of 1992 on the Legal Status of Public Servants (hereinafter referred to by the Hungarian abbreviation as "Kjt.")***

The rules on remuneration and salaries of the Kjt. did not change in the reporting period, but with the sectoral regulations (e.g. teachers, cultural sector) the scope of the Kjt. has been narrowed down to the social sector (childcare and elderly care) and public higher education. Two factors for salary progression remain:

- salary grades reflect the skill requirements of the job,
- time spent working in the public sector is reflected in the salary grades.

The basis for calculating the salary supplement for civil servants (Section 69 of the Kjt.) is HUF 20,000 between 2018 and 2023 [based on Act XXV of 2022, Section 66 (1) (b), Act XC of 2021, Section 63 (1) (b), Act XC of 2020, Section 62 (1) (b), Act LXXI of 2019, Section 59 (1) (b), Act L. of 2018, Section 61 (1) (b), Act C. of 2017, Section 60 (1) (b)].

The amendment to the salary system of the Vocational Education and Training Act, effective from 1 January 2020, was a technical amendment, the purpose of which was to transfer the necessary denominations due to the vocational education system, which is separate from the public education system and represents a separate branch within the education system, based on Act LXXX of 2019 on Vocational Education and Training.

- ***Persons falling under Act CVI of 2011 on public employment and on the amendment of other acts related to public employment (hereinafter referred to by the Hungarian abbreviation as "Közftv.")***

The gross allowance for public employees is set by a government decree. In its National Reform Programme, the Hungarian Government has made it a fundamental principle that work has a value-creating power, and has therefore placed work at the centre of Hungarian economic

policy. Related to this, the system of public employment was developed. Its principle is that persons of working age who are temporarily or durably excluded from the labour market and for whom the labour centre cannot offer other job opportunities, in place of social benefits, should receive a higher amount of income from work in the framework of public employment, which contributes to maintaining their ability to work and to their (re)integration into the labour market.

The amount of income that can be earned in public employment is determined by Government Decree No 170/2011 (VIII. 24.) establishing the public employment wage and the guaranteed public employment wage. Prior to 1 January 2022, the Government Decree contained a fixed amount of public employment wage, which had to be adjusted to the change in the minimum wage in each case. However, under the Government Decree in force from 1 January 2022, the public employment wage for a public employee has been set at 50% of the minimum wage for full-time work. As of 1 December 2023, the minimum wage was increased and the public employment wage automatically increased.

<b>Trends in public employment wages 2020-2024</b>		
	Public employment wage	Guaranteed public employment wage
	HUF/month	HUF/month
From 1 January 2020	81,530	106,555
From 1 March 2021	85,000	110,815
From 1 January 2022	100,000	130,000
From 1 January 2023	116,000	148,200
From 1 December 2023	133,400	163,000

- ***Persons falling under Act CXIX of 2011 on Civil Servants (hereinafter referred to by the Hungarian abbreviation as "Kttv.")***

Government Decree No. 508/2023 (XI. 20.) on the Statutory Minimum Wage and Guaranteed Minimum Wage (hereinafter: the Decree) also applies to employers and employees subject to the Kttv. The Decree sets the statutory minimum amount of the basic wage (minimum wage) for a full-time civil servant. The minimum wage for a monthly wage is HUF 200,000 as from 1 January 2022, HUF 200,000 as from 1 January 2023, and HUF 266,800 as from 1 December 2023.

From 1 December 2023, the guaranteed minimum wage for a civil servant with full-time employment in a post requiring at least secondary education or vocational training is HUF 326,000 per month.

- ***Persons falling under Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as "Mt.")***

In accordance with Mt. Section 45 (1), the amount of the basic wage must be fixed in the employment contract. The amount of the basic wage may not be less than the statutory minimum wage.

In accordance with Mt. Section 153 (1) of the Hungarian Labour Code, the Government, after consulting the National Economic and Social Council, shall establish the amount and scope of

the statutory minimum wage and the guaranteed minimum wage in a decree. The amount of the statutory minimum wage and the guaranteed minimum wage shall be reviewed every calendar year [Section 153(4) of the Mt.].

Section 202 of Act CLIX of 2017 on the Amendment of Acts related to the Entry into Force of the Act on the General Code of Public Administration Procedure and of certain other Acts amended Section 153 (2) - (4) of the Mt. with effect from 1 January 2018 with the intention of clarification. The purpose of the amendment was to extend the obligation of annual review to the guaranteed minimum wage in addition to the statutory minimum wage [Section 153 (2)-(4) of the Mt.].

The regulation and amount of the minimum wage and the guaranteed minimum wage for 2018-2023 are as follows:

- According to Government Decree No. 430/2016. (XII. 15.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the amount of the statutory minimum wage is HUF 138,000 from 1 January 2018, and the amount of the guaranteed minimum wage is HUF 180,500 from 1 January 2018.
- According to Government Decree No. 324/2018. (XII. 30.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage for 2019, the amount of the statutory minimum wage is HUF 149,000 from 1 January 2019, and the amount of the guaranteed minimum wage is HUF 195,000 from 1 January 2019.
- According to Government Decree No. 367/2019. (XII. 30.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the amount of the statutory minimum wage is HUF 161,000 from 1 January 2020, and the amount of the guaranteed minimum wage is HUF 210,600 from 1 January 2020.
- According to Government Decree No. 20/2021. (I. 28.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the amount of the statutory minimum wage is HUF 164,000 from 1 February 2021, and the amount of the guaranteed minimum wage is HUF 219,000.
- According to Government Decree No. 703/2021. (XII. 15.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the amount of the statutory minimum wage is HUF 200,000 from 1 January 2022, and the amount of the guaranteed minimum wage is HUF 260,000 from 1 January 2022.
- According to Government Decree No. 573/2022. (XII. 23.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the amount of the statutory minimum wage from 1 January 2023 is HUF 232,000 for monthly wages, and the amount of the guaranteed minimum wage is HUF 296,400 for monthly wages.
- According to Government Decree No. 508/2023. (XI. 20.) on the Statutory Minimum Wage (minimum wage) and Guaranteed Minimum Wage, the compulsory minimum basic wage for full-time employees, i.e. the monthly minimum wage, is HUF 266,800 from 1 December 2023. The guaranteed minimum monthly wage for a job requiring at least secondary education or vocational training is HUF 326,000.

#### Rules on the qualification and remuneration of overtime

The rules on working hours (work schedule) remain to be set by the employer [Section 96 (1) of the Mt.]. Pursuant to the Mt., the employer must set the working hours at least one week in advance, and at least 168 hours before the start of the scheduled daily working time. In the absence of such notification, the latest working time shall apply. The employer may, in the event of unforeseeable circumstances in his management or operation, change the communicated work schedule at least 96 hours before the start of the scheduled daily working



time. The employer may also modify the communicated work schedule at the written request of the employee [Section 96 (4) to (5) of the Mt.].

It remains unchanged that overtime work shall mean work performed:

- a) outside regular working hours;
- b) over and above the hours covered within the framework of working time banking;
- c) over and above the weekly working time covered by the payroll period, where applicable; and
- d) the duration of on-call duty. [Section 107 (d) of the Mt.].

Extraordinary working time shall be ordered by written notice if the employee so requests. There are no restrictions on the ordering of extraordinary working hours in order to prevent or avert an accident, a natural disaster, serious damage or an imminent and serious threat to health or the environment [Section 108 (1)-(2) of the Mt.].

It has also not been changed in the reporting period that overtime work on public holidays may be ordered

- a) if the employee can otherwise be required to work on such day; or
- b) in the case defined in Subsection (2) hereof [Section 108 (3) of the Mt.].

The provision in force until 31 December 2018 on the rate of extraordinary working time is as follows:

*„Section 109*

*(1) Concerning full-time jobs, two hundred and fifty hours of overtime work can be ordered in a given calendar year.*

*(2) The provisions set out in Subsection (1) shall be applied proportionately:*

- a) if the employment relationship commenced during the year;*
- b) in the case of fixed-term employment relationships;*
- c) in connection with part-time jobs.”*

Act CXVI of 2018 Amending Certain Acts Related to the Organization of Working Time and Minimum Wage of Temporary Agency Work has amended the above-mentioned provision as follows:

*„Section 109*

*(1) Two hundred and fifty hours of overtime work can be ordered in a given calendar year.*

*(2) On the basis of a written agreement between the employee and the employer, up to a maximum of one hundred and fifty hours of extraordinary working time per calendar year (voluntary overtime) may be ordered beyond the limit set out in paragraph (1). The employee may resign from the agreement at the end of the calendar year.*

*(3) The provisions set out in Subsection (1) shall be applied proportionately:*

- a) if the employment relationship commenced during the year;*
- b) in the case of fixed-term employment relationships;*
- c) in connection with part-time jobs.”*

According to the justification of the amendment, the maximum number of hours of extraordinary working time is 250 hours, and the employer may only order an additional 150 hours of extraordinary working time if a written agreement has been concluded with the employee.

According to the provision in the first sentence of Section 109 (2) of the Mt., on the basis of an agreement between the employer and the employee, the employee may be ordered to perform a maximum of 150 hours of additional extraordinary work (voluntary overtime) beyond the 250 hours of overtime that may be ordered by law. The second sentence provides that the employee may terminate the agreement at the end of the calendar year.

The Mt. stipulates that the wage supplement is in addition to the worker's wages for normal working hours. In the case of work performed out of the regular working hours, the Mt. provides as follows:

*„Section 143 (2) The employee is entitled to a fifty per cent wage supplement or, according to the rules of employment relationship or by agreement between the parties, to time off in the case of work carried out during*

- a) an extraordinary working time ordered in excess of the daily working time according to the work schedule,*
- b) in addition to the regular working time; or*
- c) in addition to the accounting period.*

*(3) The duration of time off may not be less than the overtime work ordered or the work performed, and shall be remunerated by a commensurate part of the base wage.*

*(4) Where overtime work is ordered on the scheduled weekly rest day (weekly rest period), a one hundred per cent wage supplement shall be paid. The wage supplement shall be fifty per cent if the employer provides another weekly rest day (weekly rest period).*

*(5) Where overtime work is ordered on a public holiday, the employee shall be entitled to a wage supplement as under Subsection (4).”*

According to the rules, the worker is entitled to a 50% wage supplement for the extraordinary working time during the daily rest period. This is the case if the employer schedules the working time for a period exceeding the daily working time scheduled or for a working day for which no working time was originally scheduled.

A special case of working outside the working time schedule is when the employer orders an extraordinary working time for the employee's weekly rest day (weekly rest period). The employee is entitled to a 100% wage supplement for working an unscheduled working time on the weekly rest day (weekly rest period) or, if the employer decides to provide another weekly rest day (weekly rest period), to a further 50% wage supplement.

- ***Persons falling under Act CCV of 2012 on the Legal Status of Military Personnel (hereinafter referred to by the Hungarian abbreviation as "Hjt.") – In force until 30 June 2024***

Compensation for the first 150 hours of overtime service in a given year shall be made by granting time off of the same duration – or twice the amount of time off in the case of overtime service performed on public holidays and weekly rest days – or by paying overtime service fee on the basis of the employer's decision, while overtime service over 150 hours per year shall be compensated for exclusively by paying overtime service fee. If a service timeframe is applied, compensation for overtime service performed beyond this timeframe shall be made

exclusively by paying overtime service fee, the amount of which shall be determined as described above. As from 1 January 2025 overtime service shall be compensated for by granting time off exclusively, the duration of which shall be determined as described above. [Section 104 (1)–(3) and Section 247/H of the Hjt.]

Based on the decision of the Government, professional and contract military personnel received a 10% salary increase from 1 January 2020 and 1 January 2022, an average salary increase of 26% from 1 September 2022 and an average salary increase of 11% from 1 January 2024. In addition to professional and contract military personnel, the salary increases also affected voluntary reserve military personnel and, after 20 August 2022, military officers in training, whose status was converted to contract military service from that date, and who were entitled to a significantly higher salary instead of the previous stipend.

For the recognition of the military service, in addition to the salary increases, a service allowance equal to 6 months' salary was paid in February 2022 to eligible professional and contract military personnel on the basis of *Government Decree 712/2021 (XII.20.) on the service allowance established for the recognition of professional service in the armed forces and law enforcement forces.*

- ***Persons falling under Act XLII of 2015 on the Service Status of Professional Members of Law Enforcement Agencies (hereinafter referred to by the Hungarian abbreviation as "Hszt.")***

Relevant developments since the previous reporting period include the introduction of a new promotion and salary system from 2015.

The first stage of the salary system is the reclassification of professional staff on 1 July 2015, which resulted in an average increase of 30%. In 2016-2019, there was a further 5-5% increase in salaries (for those whose salaries did not reach the maximum under the reclassification with the previous increases). The introduction of the additional allowance on 1 January 2020 and 1 January 2022 resulted in a further 10+10% increase in salaries.

In addition to the above, basic pay increases based on performance appraisal - averaging 5% - were implemented for law enforcement management staff between 2020 and 2022, and the basic wage of armed security guards employed in 2020 increased by an average of 10%. In addition, a one-off service allowance was paid to all professional staff, for about 34,000 persons, until 15 February 2022.

The Government decided in Government Decision 1339/2022 (VII.15.) on the salary increase for professional members of law enforcement agencies under the control of the Minister of the Interior and the Parliamentary Guard, under which the first increase of the professional allowance came into effect on 1 September 2022, the second on 1 January 2024. The first stage of the measure (250% increase in the professional allowance) resulted in a gross monthly salary increase of HUF 116 900 for all members of the professional staff in service, while the second stage (170% increase in the professional allowance) resulted in a gross monthly salary increase of HUF 79 500.

Pursuant to Section 157 (1) of Hszt., the professional allowance is intended to compensate for the additional obligations undertaken by professional staff in their oaths and for the additional

demands and workload of their duties. The amount shall be fixed by the Minister at between 50 and 1070% of the law enforcement salary base.

In determining the amount of the professional allowance, account shall be taken of

- real and systematic risks arising from the specific nature of the tasks to be performed, including the risks to life, physical safety and health,
- the frequency of service with a weapon or of situations involving the use or the potential use of a weapon,
- the external circumstances of the service,
- the stringency and constraints of the internal circumstances and regime rules relating to the performance of the service, and
- the additional responsibilities arising from professional management, higher professional requirements.

Paragraphs (4) to (4a) of Section 350 of the Hszt. lay down the rules for the compensation of overtime worked by professional staff. Accordingly, by way of derogation from paragraphs (2) and (3) of Section 140 of the Hszt., until 31 December 2024, members of the professional staff, with the exception of the commander in charge of the staff and superiors, shall be entitled to time off or remuneration, at their choice, as compensation for overtime. Overtime shall be compensated with time off or pay equal to the overtime worked, or, if the overtime was worked on a weekly rest day or public holiday, equal to twice the overtime worked. The remuneration for overtime shall be paid as an absence allowance for the period of the overtime, payable no later than the second month following the month in question. In accordance with paragraph 4a, the commander in charge of the civilian national security services may decide, in the interests of the service, that, in the case of certain posts, overtime worked may be compensated only with pay or only in time off, by way of derogation from paragraph 4.

- ***Persons falling under Act CXIV of 2018 on the Legal Status of Defence Employees (hereinafter referred to by the Hungarian abbreviation as "Haj. tv.")***

In connection with the introduction of the status of defence employees in 2019, the Government has decided on an annual salary increase for the group concerned from 2019 to 2022. The total salary increase of 35% between January 2019 and January 2022 was followed by an average salary increase of 6.6% on 1 September 2023 and another increase of 15.4% on 1 January 2024.

Otherwise, the provisions of the Mt. shall apply to defence employees.

- ***Persons falling under Act CXXV of 2018 on Government Administration (hereinafter referred to by the Hungarian abbreviation as "Kit.")***

Under the provision which entered into force on 1 March 2019, a government official is entitled to a monthly salary in accordance with the *Annex to the Act*, determined by the employer within the scale of the grade of the post. The salary shall be rounded up to the nearest hundred HUF. Rounding shall not be regarded as a derogation from the normal method of determining salaries by an act of the employer. The salary must be at least equal to the guaranteed living wage. The amount and the scope of the guaranteed living wage shall be determined by the Government [Section 134 (1)-(3) of the Kit.]

Pursuant to Section 40 (1) of Act CIX of 2019, Section 131 is amended by the addition of paragraph 1 (a).

According to this, "the fixed-term employment relationship established by the application of Section 54 (5) (b) may, by way of derogation from paragraph (1), be paid at a salary scale one grade lower or one grade higher than the grade of the post occupied by the permanently absent government official."

- ***Persons falling under Act C of 2020 on Healthcare Service Relationship (hereinafter referred to by the Hungarian abbreviation as "Eszjtv.")***

The scope of the Eszjtv. covers both state and municipal health care providers and their maintainers. If a health care provider not covered is owned or maintained by a church legal entity, the law may be extended to its employees if it so decides. In addition, the new Status Law introduced a new three-stage salary scale for the following: doctors, pharmacists, non-medical university graduates employed in the health service, general practitioners, dentists, school doctors.

The Eszjtv. entered into force on 1 March 2021. Among health care workers, those defined in Section 8 (3) of the Eszjtv. are entitled to a salary according to Annex 1 of the Eszjtv. Allied health professionals are entitled to a salary according to Annex 7 of Government Decree No. 256/2013 (VII. 5.) on the detailed rules of salary or wage increases for certain health care professionals and persons employed in health care and the receipt of related support until 31 March 2024, and after 1 March 2024, their salaries are determined according to Annex 1/A of the Eszjtv. The salaries of persons employed in the health care sector defined in Section 1 (3) b) of the Eszjtv. shall be determined by free agreement of the parties, within the limits of Section 1 (2), taking into account the provisions of the Mt. on wages.

The salary of a member of the medical service must be equal to

- a) the statutory minimum wage,
- b) the guaranteed minimum wage for a post requiring secondary or higher education or secondary or higher vocational training.

#### *Wage-related measures*

##### Wage increases for doctors

The latest phase of the medical wage increase was implemented in three stages, resulting in an average increase of 126.6% from January 2021, 28.6% from January 2022 and 11.1% from January 2023.

In primary care, wages of those general practitioners and dentists who do not work in an employment relationship have also been increased. The corresponding regulation is provided for in Government Decree 53/2021 (II. 9.) on joint practices and in Annex 37 to Decree No. 43/1999 (III. 3.) on the detailed rules of financing healthcare services from the Health Insurance Fund [hereinafter: Government Decree 43/1999 (III. 3.)].

The measure aimed to keep health workers not falling under the scope of the Eszjtv. in primary care in practice.

##### Wage increases for allied health professionals

On 17 December 2018, Government Decision 1684/2018 (XII 17) was published, setting out the rate and schedule of wage increases for the next 4 years for allied health professionals

subject to the health sector promotion rules, and for non-medical college graduates (e.g. speech therapists, special education teachers), and the and the inclusion of health visitors responsible for schools and for the territory, employed in primary care by a provider owned and maintained by the State, local government, a religious body or an organization engaged in religious activities, in the pay scales of allied health professional staff.

The rate and timing of pay increases between 2019 and 2022 were as follows:

- the 8% increase in the salaries of allied health professionals, due from 1 November 2019, was brought forward to 1 July 2019. At the same time, health visitors responsible for schools and for the territory, employed in primary care by a provider owned and maintained by the State, local government, a religious body or an organization engaged in religious activities, were included in the salary scale for allied health professionals and benefited from the increase,
- 1 January 2020: 14%
- 1 November 2020: 20%
- 1 January 2022: 30%.

In all cases, the wage increase was based on the 2018 salary base. As a result of the wage increase, wages of allied health professionals have risen by 72% between July 2019 and January 2022. As of 1 July 2019, health visitors have been included in the salary scale for allied health professionals and the wage increase has thus been assured for them.

The wage rise for allied health professionals has continued in 2023. Based on Government Decision No. 1681/2022 (XII. 28.) on the wage increase for health care professionals and health care workers subject to the health sector promotion rules, the wage increase has been implemented in two stages:

- the first phase from 1 July 2023,
- the second phase from 1 March 2024.

From 1 July 2023, health workers subject to the health sector promotion rules received an uniform 18% pay increase, while maintaining the salary scale for allied health professionals and the structure of the supplementary allowance system.

Similar to the wage increase for allied health professionals, a wage subsidy has also been introduced for nurses working in primary care. With the amendment of Government Decree No. 43/1999 (III. 3.) of 15 February 2021, the table of wage subsidies for allied health professionals has been introduced as Annex 36, which determined the amount of the subsidy depending on the length of practice (e.g. a wage subsidy of HUF 71 800 was granted retroactively from 1 January 2021 for those with 0-3 years of practice). Subsequently, the first increase of the wage subsidy was implemented from 1 January 2022 (e.g. the wage subsidy for those with 0-3 years of practice increased from HUF 71 800 to HUF 138 000). In addition, in order to ensure the increase of earnings of allied health professionals, a practice allowance has been introduced from 1 July 2023 with a further increase from 1 March 2024. The Government allocates HUF 16,831 million in 2024 the wage increases of allied health professionals working in primary health care.

#### Wage increases for health workers in the economic and technical fields

The scope of the sectoral wage increases did not cover employees in the economic and technical fields. The salaries of those employed in health care are determined by free agreement between

the parties on the basis of the health employment status. However, based on the Government's decision, the basic wage of those employed in health care has also been increased in two steps, in line with the wage increase for allied health professionals. In their case, a monthly wage subsidy of HUF 57,600 per person per month has been made available for the employer from 1 July 2023, and an additional wage subsidy can be claimed from 1 March 2024.

- ***Persons falling under Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as "NAV Szj. tv.")***

Persons employed under Section 144 of the NAV Szj. tv. are entitled to a monthly salary on the basis of their employment status. According to Section 144 (2), the salary is composed of several elements, namely:

- a) the basic salary,
- b) the seniority allowance, and
- c) the job-related allowance and other salary allowances.

The provision of Section 144 (3) provides guarantees that the combined amount of the basic salary, the time allowance and the job title-specific allowance must be at least equal to the guaranteed minimum wage determined by the Government.

- a) Rules applicable to the basic salary

Pursuant to Section 145 (1) of the NAV Szj. tv., the basic salary of an employee shall be determined by the person exercising the employer's authority within the scale of the salary grade determined on the basis of the employee's classification, as specified in Annex 5 to the Act, or within the scale of the classification category of the managerial position, as specified in Annex 6 to the NAV Szj. tv., taking into account the following circumstances:

- significant experience relevant to the duties of the post,
- education, other qualifications,
- language skills, and
- responsibilities related to the performance of the job,
- in the case of managers, account should also be taken of the scope of the tasks performed by the manager,
- for the number of employees under his/her leadership, and
- the position of the manager in the organisational hierarchy.

According to the legislation, the classification of an employee is determined by the following factors:

- job title,
- salary grade.

#### Job title

Pursuant to Section 129 (1), the job title may be:

- a managerial position,
- a post classified in grade I,
- a post classified in grade II.

Within the different job titles, the legislation differentiates between several classification categories. Pursuant to Section 129 (2), the classification categories of managerial posts are set out in Annex 4.

According to Section 129 (3), posts in grade I may be classified in three categories labelled A, B and C, while posts in grade II may be classified in two categories labelled A and B.

Under Paragraph (4) of Section 129, the classification of the individual posts shall be determined by the President of the National Tax and Customs Administration (NAV) in the terms and conditions of employment, based on an assessment of the job content carried out in accordance with a specified methodology and procedure.

Section 130(1) specifies the circumstances to be examined by the employer when appointing an employee to the post envisaged, i.e.:

- whether the person concerned has the education and training required by law to perform the job,
- meet the requirements of competence and other requirements for the post.

#### Salary grade

Pursuant to Section 129 (5), the salary grades assigned to the classification categories of posts in grades I and II are set out in Annex 5.

No salary grades are assigned to managerial posts.

#### b) Rules applicable to the seniority allowance

The seniority allowance is the incremental component of the salary to which the employee is entitled for each additional five years of service in a position entitling to the seniority allowance, starting from the tenth year of employment in the public service, as defined by law, as defined in Section 146 (1) of the NAV Szj. tv., except for employees in managerial positions.

The rate of the time allowance is set out in Annex 8 of the NAV Szj. tv. The lowest amount is HUF 28 988, while the highest amount is HUF 123 680.

#### c) Rules applicable to the job-related allowance

The job-related allowance is a salary component to compensate for the additional obligations or workload resulting from the performance of the job, as well as the additional demands and workload associated with the job, to which the employee holding the job defined in a ministerial decree is entitled pursuant to Section 147 (1) of the NAV Szj. tv.

The ministerial decree shall fix the rate of the allowances within the ranges set out in Annex 8. On the basis of Annex 8, the amount of the allowance may be set between HUF 38 650 and HUF 77 300.

The job titles conferring the right to a job-related allowance and the amount of the job-related allowance assigned to specific job titles are established by Decree 21/2020 (XII. 30.) PM of the Ministry of Finance of 30 December 2020 on the job titles of customs officer, qualification requirements and job-related allowances at the National Tax and Customs Administration.



Pursuant to Section 147 (2) of the NAV Szj. tv., the following must be taken into account when determining the amount of the job-related allowance:

- real and systematic risks arising from the specific nature of the tasks to be performed, including the risks to life, physical safety and health;
- the specific conditions of work,
- the frequency of service with a weapon or of situations involving the use or the potential use of a weapon.

d) Rules applicable to other salary allowances

Sections 151-153 of the NAV Szj. tv. lay down the legal provisions on other allowances. Accordingly, the following allowances may be paid:

- night allowance (Section 151),
- health care allowance (Section 152),
- stand-by allowance (Section 153).

The rates of these allowances are set out in Annex 8 to the NAV Szj. tv.

Provisions on overtime pay

Section 106 of the NAV Szj. tv. lays down the rules for the compensation of overtime work performed by an employee. Accordingly, except for heads of department, employees in managerial posts are not entitled to time off for overtime up to 150 hours per year and to remuneration for overtime in excess of 150 hours per year. If the granting of time off would jeopardise the performance of the core business of the NAV, the President of the NAV may also authorise remuneration for overtime not exceeding 150 hours.

The amount of time off is equal to the duration of the overtime, or twice the duration of the working time in the case of overtime worked on weekly rest days and public holidays. The remuneration shall be the pro rata amount of the salary of the person concerned at the time the overtime is worked, for the duration of the overtime worked, which shall be:

- equal to the duration of the overtime,
- for overtime worked on weekly rest days and public holidays, an amount equal to twice the duration of the working time.

The time off must be granted no later than within sixty days after the overtime has been worked, or, if this is not possible, it must be remunerated within thirty days of the expiry of the sixty days. The remuneration for overtime work shall be the pro rata amount of the salary of the person concerned for the time off at the time the overtime is worked. The remuneration for overtime work shall be paid no later than the second month following the month in question.

An employee in a managerial post, with the exception of the head of department, is not entitled to compensation for overtime worked.

## II. INFORMATION TO SECTION 4 (3)

- *Persons falling under Mt.*

Section 12 of the Mt. continues to provide that the requirement of equal treatment in relation to remuneration for work must be respected. The anti-discrimination principle under Section 12 of the Mt. provides explicitly for the requirement concerning the remuneration of work only and includes the principle of equal pay for work of equal value. According to the principle of equal pay for work of equal value, also laid down in Section 12 of the Mt., differentiation of work of equal value - of a comparable character - is possible only on the basis of certain legitimate criteria (for example, the nature, quality, quantity, experience, responsibility of the work performed may be taken into account) [Section 12 (3) of the Mt.]. Under Section 12 of the Mt., all benefits in cash and in kind, provided directly or indirectly on the basis of the employment relationship are considered wages [Section 12 (2) of the Mt.]. On the basis of this principle, an employee may only assert a claim if he or she receives a lower wage because of a protected characteristic compared to an employee in a comparable position.

The detailed rules on equal treatment are set out in Act CXXV of 2003 on Equal Treatment and the Promotion of Equal Opportunities (hereinafter: Ebktv.). The Ebktv. defines the circumstances in which equal treatment is violated, the scope of protected characteristics and the legal remedies available in the event of violation.

Direct discrimination, which is a provision as a result of which a person or group receives, has received or would receive less favourable treatment than another person or group in a comparable situation because of an actual or perceived characteristic, is a violation of equal treatment (Section 8 of the Ebktv.). Indirect discrimination is also a violation of equal treatment, where an apparently neutral, lawful provision in fact places a group with a certain protected characteristic at a substantially greater disadvantage than another group in a comparable situation was, is or would be (Section 9 of the Ebktv.).

Among others, the gender of a person is a so-called protected characteristic under the Ebktv [Section 8 a) of the Ebktv].

The Ebktv. also contains regulation on employment in the specific provisions on certain fields [Section 21 f) of the Ebktv.].

Accordingly:

*“Violation of the principle of equal treatment shall be taken to occur in particular where an employer discriminates, either directly or indirectly, against an employee, in particular in the course of determining or applying any of the following provisions:*

*f) establishment of, and arrangements for, any benefit provided on the basis of an occupational relationship or other employment-related relationship, including, in particular the wage as defined in section 12 (2) of Act I of 2012 on the Labour Code.”*

The employment-related provisions of the Ebktv. were amended as of 1 January 2023 in order to transpose Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU into the Hungarian legal system. The content of these amendments is described in Section 27.

The Equal Treatment Authority was merged into the Office of the Fundamental Rights Commissioner on 1 January 2021. The tasks of the Commissioner for Fundamental Rights, as laid down in the Ebktv., are carried out by a separate unit of the Office of the Commissioner for Fundamental Rights, the Directorate-General for Equal Treatment. An official procedure to investigate the implementation of the requirement of equal treatment may be initiated if one year has not yet elapsed from the date on which the infringement became known and three years have not yet elapsed from the date on which the infringement occurred.

It remains applicable that, pursuant to Section 285 (1) of the Mt., the employee and the employer may enforce their claims arising from the employment relationship or the Mt. before a court. Under Section 286 (1) of the Labour Code, the statute of limitations for labour law claims is three years. The application must be submitted within thirty days of the date of the employer's notification of the legal declaration to assert a claim that the termination of the employment relationship is not in accordance with the law [Section 287 (1) (b) of the Mt.].

- *Persons falling under the Eszjtv.*

For healthcare workers and those employed in the health care system, the career and salary system is based on education and qualifications.

- *Persons falling under the NAV Szj. tv.*

Section 7 of the NAV Szj. tv. stipulates that the requirement of equal treatment in respect of the employment relationship must be observed. The remedy for a breach of this requirement may not result in a violation or impairment of the rights of another employee. The NAV shall provide employees with promotion opportunities under this Act without discrimination, solely on the basis of their professional skills, qualifications, experience and performance, as well as the length of service. In determining the equal value of work, account shall be taken in particular of the nature, quality and quantity of the work performed, the working conditions, the qualifications required, the physical or mental effort, experience and responsibility.

### III. INFORMATION TO SECTION 4 (4)

- *Persons falling under the Mt. and the Kjt.*

According to Section 64 (1) (b) of the Mt., the employment relationship may (also) be terminated by notice. In the case of termination, the employment relationship is terminated by the imposition of a notice period, which begins at the earliest on the day following the notice of termination or, in the cases specified in Section 68 (2) to (3) of the Mt. (for example, in the case of termination by the employer during a period of incapacity to work due to illness), at a different date.

Section 69 of the Mt. provides for the length of the notice period. The general period of notice is 30 days, which is extended in the case of termination by the employer depending on the length of service with the employer, as follows:

*„Section 69 (2) Where employment is terminated by the employer, the notice period shall be extended:*

- a) by five days after three years;*
- b) by fifteen days after five years;*
- c) by twenty days after eight years;*
- d) by twenty-five days after ten years;*
- e) by thirty days after fifteen years;*
- f) by forty days after eighteen years;*
- g) by sixty days after twenty years*

*of employment at the employer.”*

The parties may agree to a longer notice period than the one set out in the Mt., but not exceeding six months. Pursuant to Section 66 (8) and Section 67 (2) of the Labour Code, the parties may terminate not only employment relationships of indefinite duration but also those of fixed duration. In such cases, the notice period shall not exceed the expiry of the fixed term.

Pursuant to Section 70 (1) - (2) of the Mt., in the event of termination of employment, the employer is obliged to exempt the employee from work for at least half of the notice period (period of exemption). The fractional day is counted as a whole day. The employee shall be released from work in accordance with his wishes, in no more than two instalments. The employee shall be entitled to an absence allowance for the duration of the period of exemption from work, unless he would not otherwise be entitled to remuneration [Section 70 (3) of the Mt.].

According to the Civil Service Act, the period of exemption of a public servant must be at least sixty days and not more than eight months, which is the maximum period of exemption that can be provided for by collective agreement. Unless otherwise agreed or provided for in a collective agreement, the sixty-day period of exemption shall be extended in the event of exemption on the basis of the length of service as a civil servant, as follows:

- a) one month after five years;
- b) two months after 10 years;
- c) three months after fifteen years;
- d) four months after twenty years,
- e) five months after twenty-five years;
- f) six months after thirty years (Section 30, 33 of the Kjt.).

On the other hand, in the case of resignation of a civil servant, the notice period is two months.

- ***Persons falling under the Hszt.***

Section 288/G of the Hszt. lays down among the rules relating to exemption that in the case of exemption the notice period shall be at least two months, but a maximum of eight months (the notice period increases on the basis of the time spent in administrative relationship). If requested in writing by the law enforcement employee, the parties may agree on a shorter period than this. At the same time, if law enforcement employees are dismissed, their administrative relationship shall be terminated without allowing a notice period, if he or she does not meet the requirements of good repute, has become unfit from the aspect of national security or is unworthy of the duties of his office.

- ***Persons falling under the Eszjtv.***

As a general rule, the termination of employment of health workers and persons employed in the health care system is regulated by sections 63-64 of the Mt.

In addition, according to the Eszjtv

*"Section 12 (1) In addition to the provisions of Section 64 (1) of the Mt., the employment status of health workers may be terminated by transfer*

- a) between health care providers covered by this Act,*
- b) between a healthcare provider covered by this Act and a body covered by the Act on Civil Servants,*
- c) between a health care provider covered by this Act and a body employing a person covered by the Act on the Legal Status of Defence Employees or the Act on the Legal Status of Military Personnel."*

*(2) The transfer must include an agreement on the new job title, place of work, salary and date of transfer of the person employed in the healthcare service.*

*(3) The transferred person's employment status in health care prior to the transfer shall be deemed to have been completed at his/her new employer.*

*(4) The maintainer of a health care provider under this Act may, unless otherwise provided by law, initiate the transfer of a person employed in the health care service for an indefinite period of time among the health care providers under this Act which it maintains. Such a transfer may be made in exceptional cases, in particular where the health care provider to which the transfer is made cannot fulfil its public service obligations, in particular with regard to the rules on working time, rest periods and the granting of ordinary leave, by any other means, in particular by work organisation.*

*(5) Section 11 (4) and (5) and Section 53 (3) to (4) of the Mt. shall apply to transfers under paragraph (4).*

*(6) The employment status in health care service shall be terminated by notice if the person employed in health care service who has fulfilled the condition set out in Section 18 (2a) of Act LXXXI of 1997 on Social Security Pension Benefits applies for termination of employment no later than the expiry of the notice period.*

*(7) The period of entitlement required to establish the condition set out in Section 18 (2a) of Act LXXXI of 1997 on Social Security Pension Benefits shall be certified by a decision of the pension insurance administration.*

*(8) In the context of the establishment and termination of a employment status in the health service, the employer may, under the conditions laid down by law, provide its employees with the services of the Civil Service Personnel Services Framework of the Personnel Centre under the Kit.*

The following rule of the Mt. applies to the notice period:

*"Section 68 (1) The period of notice shall commence at the earliest on the day following the date of the notice of termination.*

*(2) In the event of termination by the employer, the period of notice shall begin at the earliest on the day following the expiry of the period specified below:*

- a) incapacity for work due to sickness, but not more than one year after the end of the sick leave,*
- b) incapacity for work on account of caring for a sick child,*
- c) unpaid leave to care for a relative at home.*

*(3) The provisions of paragraph (2) shall apply in the case of collective redundancies if the circumstances set out in paragraph (2) existed at the time of the communication of the information pursuant to Section 75 (1).*

*Section 69 (1) The period of notice is thirty days.*

*(2) Where employment is terminated by the employer, the notice period shall be extended:*

- a) by five days after three years;*
  - b) by fifteen days after five years;*
  - c) by twenty days after eight years;*
  - d) by twenty-five days after ten years;*
  - e) by thirty days after fifteen years;*
  - f) by forty days after eighteen years;*
  - g) by sixty days after twenty years*
- of employment at the employer."*

*(3) By agreement of the parties the notice periods referred to in Subsections (1)–(2) may be extended by up to six months.*

*(4) For the purposes of notice periods, the duration specified in Subsection (2) of Section 77 shall not be taken into consideration.*

*(5) The period of notice for the termination of a fixed-term employment relationship by notice may not go beyond the fixed term.*

*Section 70 (1) In the event of exemption the employer shall excuse the employee concerned from work duty for at least half of the notice period. Any fraction of a day shall be applied as a full day.*

(2) *The exemption from work duty shall be allocated in not more than two parts, at the employee's discretion.*

(3) *For the period of being excused from his duties the employee shall be entitled to absentee pay, except if he would not be eligible for any wages otherwise."*

- ***Persons falling under the Nav. Szj. tv.***

Section 16 (1) of the NAV Szj. tv. on the rules relating to declarations of rights states that if a rule on the employment status imposes an obligation to notify a party, this must be done in a time and manner that enables the exercise of the right and the fulfilment of the obligation.

Pursuant to Section 41/A (1) (e) of the Act, the employer is obliged to inform the employee about the termination of the employment relationship:

The employer shall inform the employee in writing, not later than seven days after the beginning of the employment relationship, of the rules relating to the termination or cessation of the employment relationship, in particular the rules for determining the period of exemption.

Pursuant to Section 18 (1) of the NAV Szj. tv., all essential legal declarations and agreements concerning the employment relationship must be made in writing. At the employee's request, the employer must also put his/her legal declaration in writing even if otherwise it is not mandatory.

Pursuant to paragraph (8) of the same section, the appointment, the amendment of the appointment, the declaration of termination of employment, the decision on disciplinary action, on cases of unfairness, on the compensation for damages, on the payment of injury compensation, on the notice to cease conflict of interest and on the claim for payment shall be issued electronically by the employer with at least an electronic signature of enhanced security.

Pursuant to Section 19 (7) of the NAV Szj. tv., written legal declarations of employees must be issued in accordance with Section 18 (6) and (8) (electronic document and electronic signature of enhanced security). Written declarations of rights shall be served in accordance with paragraphs (1) (delivery to a representative entitled to receive them or making the electronic document available to them) and (8) to (12) (delivery of an electronic document, communication of a document in paper form).

Paragraph (1) of Section 66 of the NAV Szj. tv. defines the cases in which the employment relationship shall be terminated:

- a) the expiry of the fixed duration of appointment,
- b) death of the employee,
- c) by virtue of this Act, the cases provided for in this Act,
- d) the age of 70 years,
- e) the date of reaching retirement age, if the employee has reached retirement age under the social security rules and has completed the period of service required for a full retirement pension, unless if, at the employee's request and in the interest of the service, the employer maintains the employment relationship,
- f) in the context of criminal proceedings, the imposition of a disqualification from practising any occupation or profession which precludes the performance of the duties required for the performance of the post.

In the cases provided for in Section 67 of the NAV Szj. law, the employment relationship may be terminated

- a) by mutual agreement of the parties,
- b) by waiver,
- c) exemption,
- d) with immediate effect during the probationary period,
- e) by transfer to the bodies subject to the legislation applicable to government service and civil service, professional service, law enforcement administrative service, and civil servant service under Act CXCIX of 2011 on Civil Servants, or to the Hungarian Defence Forces (change of status),
- f) by removal from office with disciplinary penalty.

Section 73 of the Act contains rules on the period of exemption. According to these, the period of exemption is two months. In respect of this, the suspension period is extended:

- a) by thirty days for an employee with at least one child in the household,
- b) by sixty days in the case of an employee with three or more children in the household, if the employee requests it within four working days of the date of notification of the exemption.

The period of exemption starts on the date indicated in the exemption certificate. The period of exemption shall begin at the earliest on the day following the date of notification of the exemption.

In the event of termination of a fixed-term contract, the period of exemption may not extend beyond the date on which the contract would have been terminated under the terms of the appointment without exemption.

An employee is not entitled to a period of exemption if he is exempted because

- a) he fails to attend an examination of his health or psychological fitness through no fault of his own,
- b) unworthy of his/her office,
- c) the employer finds that the customs officers' conduct is disreputable,
- d) a reason for exclusion from employment is made known to the employer.

The employee shall not be entitled to a period of release from service neither if the employee becomes a person subject to national security control during the period of service, and

- a) does not consent to the national security control, or
- b) the national security control has identified a risk to national security and the continuation of the service has not been approved by a person entitled to do so by law, but the employer does not, at his/her discretion, offer the employee another position that is not subject to national security control, or if the employee does not accept the offered position and the employment must be terminated immediately.



#### IV. INFORMATION TO SECTION 4 (5)

- *Persons falling under the Eszjtv.*

The qualification of a health worker in the health employment status is carried out at least once a year by the employer. On the basis of the qualification, the employee's salary may be increased by 40% or reduced by up to 20% of the amount corresponding to the salary grade. The health worker may appeal to the court within 30 in respect of the qualification.

- *Persons falling under the NAV Szj. tv.*

According to the rules of Section 158 of the NAV Szj. tv., deductions from salary - up to the part of the salary that is exempt from deduction - may be made on the basis of legislation or an enforceable decision. The part of the salary that is exempt from deduction is the part of the salary remaining after the deductions that may be made under the court enforcement legislation. The NAV may deduct the claim from the salary up to the part of the salary that is exempt from deduction, subject to the consent of the person concerned or, if it results from an advance payment. Otherwise, the deduction from the salary is governed by the court enforcement legislation. No set-off shall be made against the salary.

Pursuant to Section 226 of the NAV Szj. tv., unlike Act XXIX of 1991 on the Voluntary Payment of Union Membership Fees by Workers, the employer may not deduct or transfer trade union or other interest group membership fees from the salary of the employee.

## **ARTICLE 7 – THE RIGHT OF CHILDREN AND YOUNG PERSONS TO PROTECTION**

With a view to ensuring the effective exercise of the right of children and young persons to protection, the Parties undertake:

2. to provide that the minimum age of admission to employment shall be 18 years for occupations regarded as dangerous or unhealthy;
3. to provide that persons who are still subject to compulsory education shall not be employed in such work as would deprive them of the full benefit of their education;
4. to provide that the working hours of persons under 18 years of age shall be limited in accordance with the needs of their development, and particularly with their need for vocational training;
5. to recognise the right of young workers and apprentices to a fair wage or other appropriate allowances;
6. to provide that the time spent by young persons in vocational training during normal working hours with the consent of the employer shall be treated as forming part of the working day;
7. to provide that employed persons under 18 years of age shall be entitled to a minimum of four weeks' annual holiday with pay;
8. to provide that persons under 18 years of age shall not be employed in night work with the exception of certain occupations provided for by national laws or regulations;
9. to provide that persons under 18 years of age employed in occupations prescribed by national laws or regulations shall be subject to regular medical control;
10. to ensure special protection against physical and moral dangers to which children and young persons are exposed, and particularly against those resulting directly or indirectly from their work.

### **I. INFORMATION TO SECTION 7 (2), (3) AND (4)**

The main rules on the protection of minors at work are laid down in Act XCIII of 1993 on Labour Safety (hereinafter referred to by the Hungarian abbreviation as "Mvt.") and its implementing regulations, as well as in separate legislation. The scope of the legislation on labour protection applies to all organised work as defined in Mvt. section 87 (9).

In addition to the general provisions of the Mvt., in the case of employment of minors belonging to the vulnerable group of workers those workloads that are potentially harmful to health, require a ban or are permitted subject to conditions are listed in Annex 8 of the Decree of the Ministry of Welfare No. 33/1998. (VI. 24.) NM on the medical examination of and report on occupational, professional and personal hygienic aptitude (hereinafter referred to by the Hungarian abbreviation as " NM Decree.").

To summarise the provisions of Annex 8 to the NM Decree, it is prohibited to employ a minor in a job which:

- involves a risk to their own or others' health or physical safety that exceeds acceptable levels (e.g. working at height, working with mobile equipment),
- involves heavy physical work,
- involves exposure to a highly demanding working climate (working in a heat-exposed, cold working environment),

- involves increased psychological strain (e.g. periodic repetitive activities under time constraints, activities involving increased psychological information overload or requiring special attention),
- involves working in overpressure or in noise exposure above 87 dB(A),
- involves very toxic, harmful to reproduction, carcinogenic, teratogenic, mutagenic chemical exposure.

The NM Decree also specifies in detail the working conditions (substances, processes and work activities) where a specific risk assessment is required for the employment of minors as part of the assessment of aptitude [Annex 9 NM Decree]. Risk assessment is necessary to determine the conditions of employment and the preventive measures.

In working conditions where there is a risk of health impairment, the apprentice shall not be employed longer than the duration necessary to learn the trade [NM Decree section 10/A (3)]. This principle is also followed in Decree 26/2000 (IX.30) EüM of the Minister of Health on the protection against occupational carcinogens and the prevention of health damage caused by them (hereinafter referred to by the Hungarian abbreviation as "EüM.") [replaced by new Decree 55/2023 (XII.28.) GFM of Ministry for Economic Development, in force since 02 04 2024], which according to which a young person may be employed with a carcinogen only if personal protective equipment is used and only for the time and to the extent necessary for the practical training [section 6 (2) of the EüM Decree].

According to other rules:

- According to the Forestry Safety Regulation of the Ministerial Decree No. 15/1989. (X. 8.) MÉM of the Ministry of Agriculture and Food (hereinafter referred to by the Hungarian abbreviation as "MÉM"), pupils under the age of 18 who are in vocational training may be employed in logging with hand tools or multi-purpose machinery only under permanent professional supervision and for a maximum of 4 x 1 hour per week [(3.1.12.) of the MÉM Decree].
- According to the The Agricultural Safety Regulation of the Decree 16/2001 (III. 3.) FVM of the Ministry of Agriculture and Rural Development (hereinafter referred to by the Hungarian abbreviation as "FVM"), no minors under the age of 18 shall be employed on livestock farms [FVM Decree Annex 4.1.1. (d)].
- Under the Decree 24/2005 (III. 23.) FVM of the Ministry of Agriculture and Rural Development on the Safety Regulations for the Slaughtering and Processing of Animals for Slaughter, a person under the age of 18 shall not be employed as a worker in the slaughtering of animals, the production of meat products or the operation of meat processing equipment [FVM Decree Section 3(2)(d)].
- According to Decree 11/2003 (IX.12) FMM of the Ministry of Employment and Labour (hereinafter referred to by the Hungarian abbreviation as "FMM") on safety regulations for industrial alpine engineering, only persons over the age of 18 may carry out industrial alpine engineering activities [Section 2(8a), (8b) of the FMM Regulation].

Additional legal, standard prohibitions or restrictions to protect young people:

- Only persons over the age of 18 shall operate or drive lifting equipment in an organised workplace [Annex 5(1) of the Decree 47/1999 (VIII. 4.) GM of the Ministry of National Economy on the issuing of Safety Regulations for Power Hoist].
- Only workers over the age of 18 shall engage in industrial diving [Annex 2(04) and (07) of the Decree 24/2007 (VII.3.) KvVM of the Ministry of Water Resources on the issuance of the Water Safety Regulations].

- Only a person over 18 years of age can be assigned to work in dangerous equipment with boarding [according to the standard MSZ-09-57.0033:1990].

The rules of Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as "Mt.") applicable to young workers have been amended as follows as of 1 January 2023.

*“Section 144 of the Mt,*

*(..)*

*(2) The maximum daily working time of a worker under the age of 16 is six hours, except for a student of 15 years of age who is in full-time education and training working during school holidays.*

*(3) The maximum daily number of working hours for a young worker shall not exceed eight hours per day, and the maximum daily number of working hours for a worker within the meaning of paragraph 2 shall not exceed six hours per day.*

The amendment is a guaranteed change to ensure consistency with the Amended European Social Charter. In terms of working hours, there are three groups of young workers:

- 16-18 years of age: 8 hours of work per day
- Under 16: 6 hours of work per day
- 15-16 years during school holidays: 6 hours of work per day

The amendment ensures compliance with Section 7(1) of the Amended European Social Charter, which is closely linked to Section 7(3).

Section 2(3) of Act C of 2020 on the Employment Status of Health Workers states that a healthcare service employment contract may be established with a person who has no criminal record and is capable of acting and who meets the conditions required by law for performing health care activities under a health service employment contract, and who is not subject to ethical or disciplinary disqualification by the Hungarian Medical Chamber, or to disciplinary sanctions. Pursuant to the implementing regulation, a health service employment contract may also be established with a person under 18 years of age for a post requiring professional vocational training or professional qualifications in the health sector, provided that the person is undergoing a training course for the required professional vocational training or professional qualifications at the time of the establishment of the health service employment contract.

Pursuant to Section 31 (1) c) of the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration, a service employment contract may be established and maintained only with a person of legal age. The Act does not allow for any derogation from this, Section 31(8) states that no exemption may be granted from the conditions of employment laid down in this Act. The employee must comply with the conditions of the employment contract laid down by law throughout the entire period of employment.

## **II. INFORMATION TO SECTION 7 (5)-(7)**

### **Acts for health workers and those employed in healthcare**

Vocational training in the health sector is also covered by Act LXXX of 2019 on Vocational Education (hereinafter referred to by the Hungarian abbreviation as "Szakképzési tv."). Szakképzési tv aims to promote the knowledge-based choice of profession or qualification, to

ensure a high quality of vocational education and training adapted to the requirements of the 21st century, to develop a vocational education and training system based on knowledge-based practical learning, the development of digital knowledge, creative and broad-minded thinking, the ability to adapt quickly to change, the strengthening of cooperation between vocational education and training and the economic sector, and to ensure real market opportunities and a secure livelihood. Vocational education and higher education are interdependent and integral parts of the education system.

The apprentices receive both theoretical and practical training. In the latter case, the training organisation concludes an apprenticeship contract with the apprentice and is obliged to pay them a monthly allowance, of which the minimum monthly amount, the due date and the method of payment are laid down by law. [Section 85 (1) - (3) of the Szakképzési tv.].

Moreover, the apprentice or trainee is entitled to a monthly allowance in money directly paid to them for the work done under a vocational training contract, at the rate set by Government Decree.

The teaching/learning materials were provided by the National Centre for Public Health and Pharmacy, the University of Debrecen, the University of Pécs and Semmelweis University. The theoretical training was concluded by an electronic test, which had to be passed in order to start the practical training. The exercises were organised in inpatient intensive care units (doctors, nurses), skill laboratories (students) of higher education institutions and demonstration rooms (volunteers) in health training institutions.

The number of registered participants is 26,046, of which 5,751 are doctors in training, 17,640 enrolled in the training/programme for nurses and medical graduates and 2,513 enrolled in the volunteer medical assistant programme.

Practical training for doctors is provided on 48 sites by 227 trainers, for nurses/students on 62 sites by 359 trainers and on 24 sites by 60 trainers for volunteers.

Participants rated the usefulness of the programmes in the portal's anonymous quality assurance questionnaire with an average score of 4.53 on a five-point scale (doctors 4.36, nurses/students 4.63, volunteers 4.60).

### **III. INFORMATION TO SECTION 7 (8)–(10)**

An exception to the prohibition of night work for children of compulsory school age is employment in the context of artistic, sporting, modelling or advertising activities, which is subject to a declaration by the guardianship authority from 1 January 2020.

Pursuant to Section 26/D of the Government Decree 149 (IX.10.) of 1997 on Guardianship Authorities and Child Protection and Guardianship Procedures, the guardianship office shall, following the notification of the employment of a child of compulsory school age in an artistic, sporting, modelling or advertising activity, verify the information contained in the notification and, if necessary, have a hearing with the parent or other legal representative, the carer, the child with limited capacity or the child who is incapacitated. The guardianship office prohibits the child's employment if it is contrary to the child's best interests. If the guardianship office becomes aware of any facts which indicate that the employment is contrary to the best interests

of the child after the child's employment has begun, it shall immediately call for an official inspection by the body competent for employment supervision.

In Hungary, social assistance in kindergartens and schools was introduced on a national level on 1 September 2018, and the family and child welfare centres in the districts are responsible for this task as part of their special services.

Social assistance in kindergarten and school is a complex professional activity which, among other things, focuses on prevention - thus helping to prevent children from being at risk - develops competence, mediates in the resolution of eventual conflicts - between the child, the parent and the teacher -, participates in the development of children's health, supports the socialisation of the child and contributes to improving school performance, thus preventing early school leaving and helping children to grow up in a family. Within the framework of group social work, social assistants help children, parents and public education institutions with providing prevention activities. During the individual case management in kindergarten and school, they help the child to deal with problems at school, listen to the child's complaints and, if necessary, work with other professionals to deal with eventual problems. From September 2018, nearly 1,500 new posts have been created in family and child welfare centres to provide support - meaning that, from the start, this means that more professionals can contribute to the healthy physical, mental, intellectual, emotional and moral development of children throughout Hungary. In recent years, the service has become an integral part of the everyday life of public education institutions, with professionals providing direct and effective support to children attending public education institutions, their families and their teachers as well through social work. With the introduction of social assistance in kindergartens and schools, an unprecedented development in the history of child welfare has been achieved in Hungary, for which the central budget provides HUF 6.8 billion in annual national funding in 2024.

## ARTICLE 12 – THE RIGHT TO SOCIAL SECURITY

With a view to ensuring the effective exercise of the right to social security, the Contracting Parties undertake:

2. to maintain the social security system at a satisfactory level at least equal to that required for ratification of the European Code of Social Security;
3. to endeavour to raise progressively the system of social security to a higher level;
4. to take steps, by the conclusion of appropriate bilateral and multilateral agreements, or by other means, and subject to the conditions laid down in such agreements, in order to ensure:
  - a) equal treatment by their own nationals of nationals of other Contracting Parties in respect to social security rights, including the retention of benefits arising out of social security legislation, whatever movements the persons protected may undertake between the territories of the Contracting Parties;
  - b) the granting, maintenance and resumption of social security rights by such means as the accumulation of insurance or employment periods completed under the legislation of each of the Parties.

### I. INFORMATION TO SECTION 12 (2) AND (3)

#### II.

This part of the report examines compliance with the European Code of Social Security (hereinafter referred to as the "ESCS").

#### a) *Insured persons and persons entitled to health services*

The Fundamental Law of Hungary declares that:

*“Hungary shall strive to provide social security to all of its citizens. Every Hungarian citizen shall be entitled to assistance in the case of maternity, illness, disability, handicap, widowhood, orphanage and unemployment for reasons outside of his or her control, as provided for by an Act.”*

Section 6 of the Act CXXII of 2019 on Persons Entitled to Social Security Benefits and on the Coverage of These Benefits (hereinafter referred to by the Hungarian abbreviation as “Tbj.”) lists the legal status under which a natural person is considered to be insured. These include, among others, employment contracts, civil servants, sole proprietorships and partnerships. Persons who qualify as insured persons may become entitled to all social security benefits. Special entitlement is granted to persons entitled to accidental health care (Section 21 of the Tbj, e.g. pupils of educational institutions, addicts treated in sociotherapy institutions, persons performing voluntary work or public benefit and in the public interest: in their case, if the subsidy exceeds zero, a subsidy of 100 % of the cost of the medicine, medical aids and medical treatment ordered with assistance as a result of an accidental injury, and of the cost of repairing the medical aid. They are also entitled to free dental care.

Persons entitled to health care services are also separated from the group of insured persons; the provisions for this group are contained in Section 22 of the Tbj. The persons listed in Section 22(1) of the Tbj. are in receipt of social security benefits (e.g. pension benefits, childcare allowance, early retirement benefits), pupils, students, minors or persons who are in need without benefits (homeless, socially deprived). The state pays the health service contribution for these beneficiaries.

***b) Social security and family benefits***

Section 5 of the Tbj. contains a list of social security benefits. There are two main categories: health insurance and pension benefits. Health insurance benefits include health care services and monetary health insurance benefits (infant care allowance, childcare allowance, adoption allowance and sick pay). In addition, health insurance benefits include accidental health care, accident sickness benefit, accidental pension (as accident benefits), disability benefit and rehabilitation benefit (together: benefits for disabled persons). Pension insurance benefits include old-age pension and survivors' benefits (widows', orphans' and parents' pensions, survivor's benefit after accidental death).

Certain benefits are governed by specific sectoral laws, such as:

- Act LXXXIII of 1997 on the Benefits of Compulsory Health Insurance (hereinafter referred to by the Hungarian abbreviation as “Ebtv.”)
- Act LXXXI of 1997 on Social Security Pension Benefits (hereinafter referred to by the Hungarian abbreviation as “Tny.”)
- Act LXXXIV of 1998 on Family Support (“Cst.”)
- Act CXCI of 2011 on the Benefits for Disabled Persons and on the Amendment of Certain Acts (“Mmtv.”)
- Act III of 1993 on Social Administration and Social Services (“Szocsv.”)



- **Health insurance**

**i. Rules on health insurance benefits**

<b>Article in the ECSS</b>	<b>Hungarian legislation</b>	<b>Remark</b>
<b>PART II – – Medical care</b>		
<p><b>Article 8</b> Covered risks shall include any medical condition, whatever its cause, and pregnancy and childbirth and their consequences.</p>	<p>Section (5) of the Tbj. Chapter II of the Ebtv.</p>	Compliant
<p><b>Article 9</b> The persons protected shall comprise: a) prescribed classes of employees, constituting not less than 50 per cent of all employees, and also their wives and children; or b) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents, and also their wives and children; or c) prescribed classes of residents, constituting not less than 50 per cent of all residents.</p>	<p>Sections (6 ) and (22) of the Tbj.</p>	Compliant
<p><b>Article 10</b> It describes what health services should include.</p>	<p>Chapter II of the Ebtv.</p>	Compliant
<p><b>Article 11</b> The benefit specified in Article 10 shall, in a contingency covered, be secured at least to a person protected who has completed, or whose breadwinner has completed, such qualifying period as may be considered necessary to preclude abuse.</p>	<p>Sections 7-8 and 22of the Tbj. At the same time, the Hungarian social security system does not create entitlements for relatives.</p>	It is not compliant, as family members (dependents) have no derivative rights.
<p><b>Article 12</b> The benefit specified in Article 10 shall be granted throughout the contingency covered, except that, in case of a morbid condition, its duration may be limited to 26 weeks in each case, but benefit shall not be suspended while a sickness benefit continues to be paid, and provision shall be made to enable the limit to be extended for prescribed diseases recognised as entailing prolonged care.</p>	<p>Sections (7-8) of the Tbj.</p>	Compliant
<b>Part III – Sickness benefit</b>		
<p><b>Article 4</b> The contingency covered shall include incapacity for work resulting from a morbid condition and involving suspension of earnings, as defined by national laws or regulations.</p>	<p>Section (5) of the Tbj..</p>	Compliant

<p><b>Article 15</b> The persons protected shall include: a) prescribed classes of employees, constituting not less than 50 per cent of all employees; or b) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents; or c) all residents whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67.</p>	<p>Section (6) of the Tbj..  At the same time, the persons mentioned in point c), entitled to health services based on residence are not entitled to cash benefits. As this article determines alternative conditions, we comply with point a).</p>	<p>Compliant</p>
<p><b>Article 16</b> 1. Where classes of employees or classes of the economically active population are protected, the benefit shall be a periodical payment calculated in such a manner as to comply with the requirements of Article 65 or with the requirements of Article 66. 2. Where all residents whose means during the contingency do not exceed prescribed limits are protected, the benefit shall be a periodical payment calculated in such a manner as to comply with the requirements of Article 67; provided that a prescribed benefit shall be guaranteed, without means test, to the prescribed classes of persons determined in accordance with Article 15 a) or b).</p>	<p>Sections (43) and (48) of the Ebtv.</p>	<p>Compliant</p>
<p><b>Article 17</b> The benefit specified in Article 16 shall, in a contingency covered, be secured at least to a person protected who has completed such qualifying period as may be considered necessary to preclude abuse.</p>	<p>Section (43) of the Ebtv.</p>	<p>Compliant</p>
<p><b>Article 18</b> The benefit specified in Article 16 shall be granted throughout the contingency, except that the benefit may be limited to 26 weeks in each case of sickness, and need not be paid for the first three days of suspension of earnings.</p>	<p>According to the Hungarian system, sick leave is granted for the first 15 working days of incapacity for work (15 working days per year). Only after this period does the obligation to pay sickness</p>	<p>Compliance cannot be established</p>

	benefit take effect, consequently we do not comply with the rule according to which the sickness benefit does not need to be paid for a maximum of 3 days. Obviously, employees are not left without income, but the income they receive is not on the grounds of sickness benefit.	
<b>PART VI – Employment injury benefit</b>		
<b>Article 32</b> It defines fundamental principles.	Chapter VI of the Ebtv.	Compliant
<b>Article 33</b> It defines the eligible group.	Chapter VI Section (52) of the Ebtv.	Compliant
<b>Article 34</b> It describes emergency medical services.	Section (54) of the Ebtv.	Compliant
<b>Article 36</b> In respect of incapacity for work, total loss of earning capacity likely to be permanent, or corresponding loss of faculty, or the death of the breadwinner, the benefit shall be a periodical payment calculated in such a manner as to comply either with the requirements of Article 65 or with the requirements of Article 66.	Section (55) of the Ebtv.	It is compliant in the case of accident sick-pay, while benefits provided in the case of other accidents should be examined.
<b>Article 37</b> The benefit specified in Articles 34 and 36 shall, in a contingency covered, be secured at least to a person protected who was employed on the territory of the Contracting Party concerned at the time of the accident if the injury is due to accident or at the time of contracting the disease if the injury is due to a disease and, for periodical payments in respect of death of the breadwinner, to the widow and children of such person.	No accident sick leave is due to relatives.	Compliance cannot be established
<b>Article 38</b> The benefit specified in Articles 34 and 36 shall be granted throughout the contingency, except that, in respect of incapacity for work, the benefit need not be	Chapter VI of the Ebtv. Immediately on the first day of incapacity for	Compliant

paid for the first three days in each case of suspension of earnings.	work, the insurer's obligation to pay accident sick leave takes effect.	
<b>PART VIII – Maternity benefit</b>		
<b>Article 47</b> The contingencies covered shall include pregnancy and childbirth and their consequences, and suspension of earnings, as defined by national laws or regulations resulting therefrom.	Chapter V of the Ebtv.	Compliant
<b>Article 48</b> The persons protected shall comprise: a) all women in prescribed classes of employees, which classes constitute not less than 50 per cent of all employees, and, for maternity medical benefit, also the wives of men in these classes; or b) all women in prescribed classes of the economically active population, which classes constitute not less than 20 per cent of all residents, and, for maternity medical benefit, also the wives of men in these classes.	Section (6) of the Tbj. Chapter V of the Ebtv.	Compliance cannot be established
<b>Article 49</b> It gives a list of the health services due to the insured.	Chapter II of the Ebtv.	Compliant
<b>Article 50</b> In respect of suspension of earnings resulting from pregnancy and from confinement and their consequences, the benefit shall be a periodical payment calculated in such a manner as to comply either with the requirements of Article 65 or with the requirements of Article 66. The amount of the periodical payment may vary in the course of the contingency, subject to the average rate thereof complying with these requirements.	Sections (40) and (42)/A of the Ebtv. As from 1 January 2020, foster parents can also apply for child care fee in respect of foster children aged below 2 placed in their family, according to the general rules.	Compliance is doubtful in the case of the child care fee.
<b>Article 52</b> The benefit specified in Articles 49 and 50 shall be granted throughout the contingency, except that the periodical payment may be limited to 12 weeks, unless a longer period of abstention from work is required or authorised by national laws or regulations, in which event it may not be limited to a period less than such longer period.	Chapters II and VI of the Ebtv.	Compliant
<b>Common provisions</b>		
<b>Article 68</b>	According to our interpretation this	Compliance cannot be established

<p>A benefit to which a person protected would otherwise be entitled in compliance with any of Parts II to X of this Code may be suspended to such extent as may be prescribed: as long as the person concerned is maintained at public expense, or at the expense of a social security institution or service, subject to a portion of the benefit being granted to the dependants of the beneficiary;</p>	<p>article is about that if the affected person is unable to receive the benefit (e.g.: a detainee), then the benefit is suspended, and a part of it must be paid to the person dependent on him/her. No such provision exists in Hungarian law.</p>	
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**ii. Old-age, disability, family and survivor's benefits**

Article in the ECSS	Hungarian legislation	Remark
<b>Part V – Old-age benefit</b>		
<p><b>Article 25</b> Each Contracting Party for which this part of the Code is in force shall secure to the persons protected the provision of old-age benefit in accordance with the following articles of this part.</p> <p><b>Article 26</b> 1. The contingency covered shall be survival beyond a prescribed age.</p>	<p>Section (1) of the Tny.:  Section (32)/B of the Szocvtv.</p>	Compliant
<p><b>Article 26</b> 2. The prescribed age shall be not more than 65 years or than such higher age that the number of residents having attained that age is not less than 10 per cent of the number of residents under that age but over 15 years of age.</p>	Section (18) of the Tny.:	Compliant
<p><b>Article 26</b> 3. National laws or regulations may provide that the benefit of a person otherwise entitled to it may be suspended if such person is engaged in any predefined gainful activity or that the benefit, if contributory, may be reduced, where the earnings of the beneficiary exceed a predefined amount and, if non-contributory, may be reduced where the earnings of the beneficiary or the amount they receive after other financial means or the two taken together exceed a predefined amount.</p>	<p>Section (83)/C of the Tny.  Section (32)/B-C of the Szocvtv.</p>	Compliant

<p><b>Article 27</b> The persons protected shall comprise:</p> <ul style="list-style-type: none"> <li>a) prescribed classes of employees, constituting not less than 50 per cent of all employees; or</li> <li>b) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents; or</li> <li>c) all residents whose financial means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67.</li> </ul>	<p>Section (6) of the Tbj.  Section (3) of the Szocvtv.</p>	<p>Compliant. The old-age pension is a complementary element of the social security system for the elderly, the scheme of which can be assimilated to Article 27(c).</p>
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<p><b>Article 28</b> The benefit shall be a periodical payment calculated as follows:</p> <ul style="list-style-type: none"> <li>a) where classes of employees or classes of the economically active population are protected, in such a manner as to comply either with the requirements of Article 65 or with the requirements of Article 66;</li> <li>b) where all residents whose means during the contingency do not exceed prescribed limits are protected, in such a manner as to comply with the requirements of Article 67.</li> </ul>	<p>Section (20) of the Tny.  Szocvtv. The amount of the old-age pension is set by government decree. The maximum amount of the benefit in 2024 is 55,170 HUF for a single person of 75 years of age or older. The maximum benefit for a standard recipient as defined in Part XI ( with a retired spouse or partner) is 34,755 HUF, and 40,870 HUF for a single person under 75 years of age. The beneficiary can only receive less than the statutory amount of the benefit if they or their spouse/partner have an income. Eligibility for an old-age pension is not subject to a prior period of insurance.</p>	<p>Clear compliance cannot be established and therefore further examination of compliance with the Article is required.  Hungarian legislation does not comply with the Code as regards the amount of the old-age pension.</p>
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<p><b>Article 29</b></p> <p>1. The benefit specified in Article 28 shall, in a contingency covered, be secured at least:</p> <p>a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period which may be 30 years of contribution or employment, or 20 years of residence; or</p> <p>b) where, in principle, all economically active persons are protected, to a person protected who has completed a prescribed qualifying period of contribution and in respect of whom while he was of working age, the prescribed yearly average number of contributions has been paid.</p> <p>2. Where the benefit referred to in paragraph 1 of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be secured at least:</p> <p>a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period of 15 years of contribution or employment; or</p> <p>b) where, in principle, all economically active persons are protected, to a person protected who has completed a prescribed qualifying period of contribution and in respect of whom, while he was of working age, half the yearly average number of contributions prescribed in accordance with paragraph 1 b) of this article has been paid.</p>	<p>Section (18 ) of the Tny.</p>	<p>Clear compliance cannot be established and therefore further examination of compliance with the Article is required.</p>
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<p>3. The requirements of paragraph 1 of this article shall be deemed to be satisfied where a benefit calculated in conformity with the requirements of Part XI but at a percentage of ten points lower than shown in the Schedule appended to that part for the standard beneficiary concerned is secured at least to a person protected who has completed, in accordance with prescribed rules, ten years of contribution or employment, or five years of residence.</p> <p>4. A proportional reduction of the percentage indicated in the Schedule appended to Part XI may be effected where the qualifying period for the benefit corresponding to the reduced percentage exceeds ten years of contribution or employment but is less than 30 years of contribution or employment; if such qualifying period exceeds 15 years, a reduced benefit shall be payable in conformity with paragraph 2 of this article.</p> <p>5. Where the benefit referred to in paragraphs 1, 3 or 4 of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be payable under prescribed conditions to a person protected who, by reason only of their advanced age when the provisions concerned in the application of this part come into force, has not satisfied the conditions prescribed in accordance with paragraph 2 of this article, unless a benefit in conformity with the provisions of paragraphs 1, 3 or 4 of this</p>		
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<p>article is secured to such person at an age higher than the normal age.</p>		
<p><b>Article 9</b>  1. The benefit specified in Article 28 shall, in a contingency covered, be secured at least:  a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period which may be 30 years of contribution or employment, or 20 years of residence; or  b) where, in principle, all economically active persons are protected, to a person protected who has completed a prescribed qualifying period of contribution and in respect of whom while he was of working age, the prescribed yearly average number of contributions has been paid.</p> <p>2. Where the benefit referred to in paragraph 1 of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be secured at least:  a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period of 15 years of contribution or employment; or  b) where, in principle, all economically active persons are protected, to a person protected who has completed a prescribed qualifying period of contribution and in respect of whom, while he was of working age, half the yearly average number of contributions prescribed in accordance with</p>	<p>Section (3) of the Szocvtv.</p>	<p>Compliant</p>

<p>paragraph 1 c) of this article has been paid.</p> <p>3. The requirements of paragraph 1 of this article shall be deemed to be satisfied where a benefit calculated in conformity with the requirements of Part XI but at a percentage of ten points lower than shown in the Schedule appended to that part for the standard beneficiary concerned is secured at least to a person protected who has completed, in accordance with prescribed rules, ten years of contribution or employment, or five years of residence.</p> <p>4. A proportional reduction of the percentage indicated in the Schedule appended to Part XI may be effected where the qualifying period for the benefit corresponding to the reduced percentage exceeds ten years of contribution or employment but is less than 30 years of contribution or employment; if such qualifying period exceeds 15 years, a reduced benefit shall be payable in conformity with paragraph 2 of this article.</p> <p>5. Where the benefit referred to in Sections (1),(3) or (4) of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be payable under prescribed conditions to a person protected who, by reason only of his advanced age when the provisions concerned in the application of this part come into force, has not satisfied the conditions prescribed in accordance with Section (2) of this article, unless</p>		
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a benefit in conformity with the provisions of Sections (1),(3) or (4) of this article is secured to such person at an age higher than the normal age.		
<b>Article 30</b> The benefits specified in Articles 28 and 29 shall be granted throughout the contingency.	Section (32/B) of the Szocvtv.	Compliant
<b>PART VII – Family benefits</b>		
<b>Article 39</b> Each Contracting Party for which this part of the Code is in force shall secure to the persons protected the provision of family benefit in accordance with the following articles of this Chapter.	Section (6) of the Cst. Section (19) of the Cst. Section (23) of the Cst. Section (29) of the Cst. Sections (40)-(42/H)) of the Ebtv.	Compliant
<b>Article 40</b> The contingency covered shall be responsibility for the maintenance of children as prescribed.		
<b>Article 41</b> The persons protected shall comprise, as regards the periodical payments specified in Article 42: a) prescribed classes of employees, constituting not less than 50 per cent of all employees; or b) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents.	Section (2) of the Cst.	Compliant
<b>Article 42</b> The family benefit shall be: a) a periodical payment granted to any person protected having completed the prescribed qualifying period; or b) the provision to or in respect of children of food, clothing, housing, holidays or domestic help; or	Cst. Sections (40)-(42/H) of the Ebtv.	Compliant The Hungarian family support system contains all the benefits described in point a) and b).

<p>c) a combination of the benefits provided for in sub-paragraphs a and b of this article.</p>		
<p><b>Article 43</b> The benefit specified in Article 42 shall be secured at least to a person protected who, within a prescribed period, has completed a qualifying period which may be one month of contribution or employment, or six months of residence, as may be prescribed.</p>	<p>Eligibility for family allowance, child care allowance, child raising support is not subject to prior period of insurance, the benefits are to be provided universally for all persons raising a child, provided that they are covered by the Cst..</p> <p>Third-country nationals not entitled to free movement and residence, not holding an EU Blue Car or a single permit can become entitled to family benefits exclusively after obtaining the right of permanent residence.</p> <p>A national residence card for permanent residence certifies the right of permanent residence in Hungary. As a general rule, three years of uninterrupted residence must be demonstrated in order to obtain a residence permit.</p> <p>By way of exception, obtaining the right of permanent residence is not conditional upon the three-year period of residence, if the application was submitted with a view to family reunification, or if the applicant (or their direct ascendant) used to be a Hungarian citizen.</p> <p>By way of derogation from the foregoing, women residing legally in Hungary are entitled to maternity benefit provided that during their pregnancy they attended prenatal care in Hungary on at least four occasions, or once in the case of a premature delivery.</p>	<p>Compliance cannot be established.</p> <p>Third-country nationals not entitled to free movement and residence, not holding an EU Blue Car or a single permit can become entitled to family benefits exclusively after obtaining the right of residence.</p> <p>As a general rule, three years of uninterrupted residence must be demonstrated in order to obtain a residence permit.</p>
<p><b>Article 44</b> The total value of the benefits granted in accordance with Article 42 to the persons protected shall be such as to represent 1.5 per cent of the wage of an ordinary adult male labourer as determined in accordance with the rules laid down in Article 66, multiplied</p>		<p>Compliant</p>

by the total number of children of all residents.		
<b>Article 45</b> Where the benefit consists of a periodical payment, it shall be granted throughout the contingency.	Cst.	Compliant
<b>PART IX – Invalidity benefit</b>		
<b>Article 53</b> Each Contracting Party for whom this part of the Code is in force shall secure to the persons protected the provision of invalidity benefit in accordance with the following articles of this part.	Section (2) of the Mmtv. Section (11) of the Cst.  Sections (22)-(23) of Act XXVI of 1998 on the Rights and Equal Opportunities of Persons with Disabilities 8hereinafter referred to by the Hungarian Abbreviation (Fot.)	Compliant
<b>Article 54</b> The contingency covered shall include inability to engage in any gainful activity, to an extent prescribed, which inability is likely to be permanent or persists after the exhaustion of sickness benefit.	Section (1) of Decree No. 83/1987. (XII. 27.) MT of the Council of Ministers on the invalidity allowance	
<b>Article 55</b> The persons protected shall comprise: a) prescribed classes of employees, constituting not less than 50 per cent of all employees; or b) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents; or c) all residents whose means during the contingency do not exceed limits prescribed in such a way as to comply with the requirements of Article 67.		Further examination is needed to ensure that the three-year period of residence required to obtain the right of establishment is in line with the ESCB requirements.
<b>Article 56</b> 1. The benefit shall be a periodical payment calculated as follows: a) where classes of employees or classes of the economically active population are protected, in such a manner as to comply either with the requirements of	The amount of the invalidity benefit – depending on health condition – is 40–70% of the average monthly income, in relation to which the Mmtv. sets a minimum amount (30–55% of the basic amount) and a maximum amount (45–150% of the basic amount). [Section 12 (1) of the Mmtv.] The lowest amount that can be determined has increased by	Compliance cannot be established in respect of the benefit.

<p>Article 65 or with the requirements of Article 66;  b) where all residents whose financial means during the contingency do not exceed prescribed limits are protected, in such a manner as to comply with the requirements of Article 67.</p>	<p>more than 40% from 28,805 HUF in 2017 to 41,300 HUF in 2024.</p> <p>The monthly amount of the rehabilitation cash benefit – depending on the form of rehabilitation – is 35% or 45% of the average monthly income, in relation to which the Mmtv. sets a minimum amount (30–40% of the basic amount) and a maximum amount (40–50% of the basic amount). [Section 9 (1) of the Mmtv.]</p> <p>In respect of Article 56 point 2:  The monthly amount of the disability allowance – from 1 January 2024, depending on the condition of the entitled person – is 35,214 HUF or 43,342 HUF. The increased amount of the family allowance is 23,300 HUF per child, and it is 25,900 HUF if the child is raised by a single parent, and 20,300 HUF in the case of adult children. From 1 January 2024 the amount of the invalidity allowance is 58,830 HUF.  Additional benefits may be linked to the disability allowance, the family allowance of an increased amount and the invalidity allowance.</p>	
<p><b>Article 57</b>  1. The benefit specified in Article 56 shall, in a contingency covered, be secured at least:  a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period which may be 15 years of contribution or employment, or 10 years of residence; or  b) where, in principle, all economically active persons are protected, to a person protected who has completed a qualifying period of three years of contribution and in respect of whom, while he was of working age, the prescribed yearly</p>	<p>Section (2) of the Mmtv.</p>	<p>Compliant</p>

<p>average number of contributions has been paid.</p> <p>2. Where the benefit referred to in paragraph 1 of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be secured at least:</p> <p>a) to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period of five years of contribution or employment; or</p> <p>b) where, in principle, all economically active persons are protected, to a person protected who has completed a qualifying period of three years of contribution and in respect of whom, while he was of working age, half the yearly average number of contributions prescribed in accordance with paragraph 1.b of this article has been paid.</p> <p>3. The requirements of paragraph 1 of this article shall be deemed to be satisfied where a benefit calculated in conformity with the requirements of Part XI but at a percentage of ten points lower than shown in the Schedule appended to that part for the standard beneficiary concerned is secured at least to a person protected who has completed, in accordance with prescribed rules, five years of contribution, employment or residence.</p> <p>4. A proportional reduction of the percentage indicated in the Schedule appended to Part XI may be effected where the qualifying period for the</p>		
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<p>pension corresponding to the reduced percentage exceeds five years of contribution or employment but is less than 15 years of contribution or employment; a reduced benefit shall be payable in conformity with paragraph 2 of this article.</p>		
<p><b>Article 58</b> The benefit specified in Articles 56 and 57 shall be granted throughout the contingency or until an old-age benefit becomes payable.</p>	<p>Sections (6) – (13) of the Mmtv.</p>	<p>Compliant</p>
<p><b>PART X – Survivors’ benefit</b></p>		
<p><b>Article 9</b> Each Contracting Party for whom this part of the Code is in force shall secure to the persons protected the provision of survivors’ benefit in accordance with the following articles of this part.</p>	<p>See the comments under Article 60.</p>	<p>Compliant</p>
<p><b>Article 60</b> 1. The contingency covered shall include the loss of support suffered by the widow or child as the result of the death of the breadwinner; in the case of a widow, the right to benefit may be made conditional on her being presumed, in accordance with national laws or regulations, to be incapable of self-support.  2. National laws or regulations may provide that the benefit of a person otherwise entitled to it may be suspended if such person is engaged in any prescribed gainful activity or that the benefit, if contributory, may be reduced where the earnings of the beneficiary exceed a prescribed amount, and, if non-contributory, may be reduced where the earnings of the beneficiary or his other</p>	<p>Section (45) of the Tny. Section (54) of the Tny.</p>	<p>Compliant</p>



<p>means or the two taken together exceed a prescribed amount.</p>		
<p><b>Article 61</b>  The persons protected shall comprise:  a) the wives and the children of breadwinners in prescribed classes of employees, which classes constitute not less than 50 per cent of all employees; or  b) the wives and the children of breadwinners in prescribed classes of the economically active population, which classes constitute not less than 20 per cent of all residents; or  c) all resident widows and resident children who have lost their breadwinner and whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67.</p>	<p>Section (5) of the Tbj.</p>	<p>Compliant</p>
<p><b>Article 62</b>  The benefit shall be a periodical payment calculated as follows:  a) where the wives and children of breadwinners in categories of employees or categories of the economically active population are protected, in such manner as to comply either with the requirements of Article 65 or with the requirements of Article 66;  b) where all resident widows and resident children whose means during the contingency do not exceed prescribed limits are protected, in such a manner as to comply with the requirements of Article 67.</p>	<p>Section (50) of the Tny.</p>	<p>Compliant</p>
<p><b>Article 63</b>  1. The benefit specified in Article 62 shall, in a contingency covered, be secured at least:  a) to a person protected whose breadwinner has completed, in</p>	<p>Section (46) of the Tny.</p>	<p>Compliant</p>

<p>accordance with prescribed rules, a qualifying period which may be 15 years of contribution or employment, or 10 years of residence; or</p> <p>b) where, in principle, the wives and children of all economically active persons are protected, to a person protected whose breadwinner has completed a qualifying period of three years of contribution and in respect of whose breadwinner, while they were of working age, the prescribed yearly average number of contributions has been paid.</p> <p>2. Where the benefit referred to in paragraph 1 of this article is conditional upon a minimum period of contribution or employment, a reduced benefit shall be secured at least:</p> <p>a) to a person protected whose breadwinner has completed, in accordance with prescribed rules, a qualifying period of five years of contribution or employment; or</p> <p>b) where, in principle, the wives and children of all economically active persons are protected, to a person protected whose breadwinner has completed a qualifying period of three years of contribution and in respect of whose breadwinner, while they were of working age, half the yearly average number of contributions prescribed in accordance with paragraph 1 b) of this article have been paid.</p> <p>3. The requirements of paragraph 1 of this article shall be deemed to be satisfied where a benefit calculated in conformity with the requirements of Part XI but at a</p>		
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<p>percentage of ten points lower than shown in the Schedule appended to that part for the standard beneficiary concerned is secured at least to a person protected whose breadwinner has completed, in accordance with prescribed rules, five years of contribution, employment or residence.</p> <p>4. A proportional reduction of the percentage indicated in the Schedule appended to Part XI may be effected where the qualifying period for the pension corresponding to the reduced percentage exceeds five years of contribution or employment but is less than 15 years of contribution or employment; a reduced benefit shall be payable in conformity with paragraph 2 of this article.</p> <p>5. In order that a childless widow presumed to be incapable of self-support may be entitled to a survivor's benefit, a minimum duration of the marriage may be required.</p>		
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- **Pension insurance**

In Hungary in December 2023, 2.4 million people, that is, one in four people, received pensions and other benefits. The number of beneficiaries decreased very slightly from 2,431,345 (in December 2022) to 2,421,187 (in December 2023) in one year. In 2023, total expenditure on pensions and other benefits amounted to 6,386 billion HUF. The average age at retirement was 63.7 years and the average initial benefit was 241,421 HUF.

In January 2024, 82% of beneficiaries were in receipt of old-age pensions, 10% of beneficiaries were in receipt of disability and rehabilitation benefits, 4% of beneficiaries were in receipt of a survivor's pension and 4% were in receipt of other benefits.

The average old-age pension per capita in January 2024 was 211,647 HUF, and 230,940 HUF including widow's pensions and other benefits, up by 11.2% and 10.9% respectively compared to the average of 190,345 HUF and 208,168 HUF in January 2023.

In December 2023, the average monthly amount of the old-age pension was 217,634 HUF, in 2022 it was 164,102 HUF, which corresponded to 49.3% of the average net monthly salary (332,487 HUF was the average monthly net salary in 2022). This average benefit amount includes widows' pensions paid in addition to the old-age pension. Hungary's indicators (aggregate replacement rate, relative pension ratio) have developed favourably in relation to the income of working-age people.

In 2023, 5,758.7 billion HUF of the Pension Insurance Fund was spent on pensions, of which 4,779.0 billion HUF on old-age pensions (old-age pensions paid at full age, reduced pensions for women based on 40 years of service) and 540.5 billion HUF on survivors' pensions (widows' and parental pensions, orphans' allowance, accident-related survivor's benefit). The remaining amount was made up of the thirteenth month's pension and the fairness payments.

In January 2024, there were 9,584,000 people living in Hungary, the proportion of people aged 65 and over was 20.7% (1,983,400 people), and the main benefits for people over retirement age (old-age and widow's pensioners, old-age disability benefits 1,850,278 people) almost covered the nearly 2 million elderly people at the top of the population age pyramid. Women accounted for 62% of the total population served, of which 64% were old-age pensioners, which was close to the gender composition of the population aged 65 and over (61.6%).

### ***3. Coverage of social security benefits, obligation to pay contributions***

Benefits are covered by the contributions paid by the insured person and the social contribution tax paid by the providers. The employer pays one-third of the sickness benefit paid for the duration of the insured person's incapacity for work due to sickness and for the duration of his hospitalisation (clinical care) by way of a contribution.

The rate of contributions is determined by Sections 25 (1), (2) and (3) of the Tbj. This means that the pension contribution rate is 10%, the social security contribution rate is 18.5%, and the monthly health service contribution is 11,300 HUF in 2024, and 380 HUF per day. The amount of the health service contribution changes every year, and the National Tax and Customs Administration publishes the amount for the year in question on its website by 31 October of the year before the year in question.

### ***4. Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred by the Hungarian abbreviation "NAV Szj. tv.")***

The NAV Szj. tv. contains the following rules relating to social security rights.

Pursuant to point (e) of Section 66 of the Act, the employment status shall be terminated on the date of reaching the retirement age if the employee has reached the retirement age under the social security rules and has completed the full period of service required for the retirement pension, unless the employer, at the request of the employee and on the basis of official interest, maintains the employment status.

Pursuant to Section 86(3), the period of unpaid leave may be included in the period of service and the actual period of service in accordance with social security rules.

Pursuant to Paragraph (1) of Section 118 of the NAV Szj. tv., the employer shall grant to the official sick leave of fifteen working days per calendar year for the period of incapacity for work due to illness. According to paragraph 2, sick leave shall not be granted for the duration of incapacity for work due to an accident at work or occupational disease under social security rules, or for the duration of incapacity for work due to pregnancy. Under paragraph (6), 70% of the absence allowance is paid for the period of sick leave.

Pursuant to Paragraph (1) of Section 119 of the NAV Szj. tv., medical leave is granted to a tax inspector if they are unable to work due to illness, surgery or injury caused by an accident, or if further work would result in a deterioration of their health, and if rest or recuperation is required to restore their fitness for duty. According to paragraph (2), medical leave is granted until the recovery of health or until the onset of permanent disability, but for a maximum of one year.

Paragraph (4) states that where medical leave is justified by an accident, injury or illness not related to service obligations, it shall be granted for thirty calendar days per year, or for the period of absence, at the rate of the allowance specified in paragraph (6), and from the thirty-first calendar day onwards, at the rate of 90% of the allowance specified in paragraph (6).

Subject to paragraph (5), a leave of absence allowance shall be paid for the period of medical leave granted to a finance officer on account of an accident, injury or illness on official duty, except as provided in paragraph (6).

Paragraph (6) states that for the period of medical leave, the amount of the compensatory allowance for absence plus the average of the amount of the night allowance paid in the last four calendar quarters, calculated *pro rata temporis* over the period of absence, shall be paid to persons on duty for a period of several months. If the length of service of a customs officer is less than four calendar quarters, the average of the total amount of the night allowance paid for the last calendar months of the calendar quarters or, in the absence of a quarter, the total amount of the night allowance paid for the last calendar months of the calendar quarters during the period of absence, calculated *pro rata temporis*, shall be taken into account when determining the allowance.

Pursuant to paragraph (7), a customs officer whose salary has been withheld for the period of suspension from their position shall be entitled to benefits under the Tbj. and Ebtv, in the event of incapacity for work pursuant to paragraph (1). The period shall be included in the one-year period referred to in paragraph 2.

Pursuant to Paragraph (1) of Section 176 of the NAV Szj. tv., in order to compensate for the loss of income previously earned, a customs officer and an official who performs an on-the-spot procedural act due to their job or a former employee of the NAV are entitled to a health impairment supplement or health impairment allowance (hereinafter jointly referred to as health impairment benefit) if

- a) they are unable to perform their job because of their state of health, and
- b) the incapacity is due to a work-related accident or disease and the accident or disease actually occurred in the course of work, and
- c) the work-relatedness of the accident or illness has been established in accordance with the provisions of Act XCIII of 1993 on Labour Safety, in the case of a civil servant, and in accordance with Section 235 (2) and (3) in the case of a customs officer, and

- d) they are not entitled to a service emolument in their own right under Act CLXVII of 2011 on the Termination of Early Retirement Pensions, on Early Benefit and on Service Emoluments Act
- e) the grounds for exclusion set out in paragraphs (2) and (3) and paragraph (6) of Section 177 do not apply, and
- f) they are reemployed pursuant to paragraphs (1) to (5) of Section 177 or exempted from the obligation of continued employment pursuant to Section 178.

An invalidity benefit may not be awarded under paragraph (2) to a person who has deliberately or by serious negligence contributed to the occurrence or development of their incapacity for work (hereinafter referred to as "contribution").

Under points (a) and (b) of Section 210 of the Act, when calculating the amount of compensation, any premiums on the income foregone which, under social security rules, do not constitute a basis for premiums as compensation for income (supplementary income), or the value of the benefits payable under state health and social security schemes, must be deducted.

Pursuant to point (c) of paragraph (2) of Section 218, the purpose of data management in the basic personal register is to ensure the establishment and payment of social security, social and welfare benefits to which a close relative is entitled.

Section 236 (1) of the NAV Szj. tv. states that The Tny., Tbj, and the provisions of Act LXXXII of 1997 on Private Pensions and Private Pension Funds and shall apply to the social security benefits of the customs officer and their dependants, with the derogation provided for in this Act.

Pursuant to paragraph (2), a customs officer shall be entitled to an accident allowance under the Ebtv. as a result of an accident, injury or illness arising from a service-related obligation.

Pursuant to paragraph (3), a customs officer shall not be entitled to benefits under the Ebtv. if they have claimed benefits under this Act on the basis of the same legal fact.

## **ARTICLE 18 – THE RIGHT TO ENGAGE IN A GAINFUL OCCUPATION IN THE TERRITORY OF OTHER CONTRACTING PARTIES**

With a view to ensuring the effective exercise of the right to engage in gainful occupation in the territory of other Parties, the Parties undertake:

1. to apply existing regulations in a spirit of liberality;
  2. to simplify existing formalities and to reduce or abolish chancery dues and other charges payable by foreign workers or their employers;
  3. to liberalize, individually or collectively, regulations governing the employment of foreign workers;
- and recognize:
4. the right of their nationals to leave the country to engage in gainful occupation in the territories of the other Parties.

On 1 March 2021, Act CXXXV of 2020 on Services and Subsidies to Promote Employment and on the Supervision of Employment (which simultaneously repealed Act LXXV of 1996 on Labour Inspection) entered into force, and on 11 March 2021 Government Decree No. 115/2021 (III.10.) on the activities of the employment supervisory authority entered into force.

The new rules on supervision of employment also impose strict penalties, including a lump-sum labour fine, for employing a third-country national without a work permit.

The rules on the pursuit of gainful activities on the territory of Hungary as regards third-country nationals in terms of immigration authorities are set out in the following legal sources:

- Act XC of 2023 on the General Rules for the Entry and Residence of Third-Country Nationals (herein after referred to by the Hungarian abbreviation “Btátv”),
- Government Decree 445/2013. (XI. 28.) on the authorization of employment of third-country nationals in Hungary in procedures other than the single application procedure, on the exemptions of such authorization obligation, on the involvement of the metropolitan and county government offices as opinion makers in single application procedures, and on the notification of employment of third-country nationals’ authorization free employment in Hungary and salary reimbursement.

The rules applicable to persons enjoying the right of free movement and residence are set out in the following legal sources:

- Act I of 2007 on the Entry and Residence of Persons with the Right of Free Movement and Residence
- the Government Decree 113/2007 (V.24) on the Implementation of Act I of 2007 on the Entry and Residence of Persons with the Right of Free Movement and Residence.

The preamble of the Btátv. contains the following definitions:

*“The law makes it clear that guest workers can only be employed in Hungary under the strictest of rules. By implementing stricter rules on working in Hungary, we are creating another legal safeguard to protect Hungary from mass immigration. A foreigner can only do work in Hungary if no Hungarian worker is willing to carry out the work. Therefore, for each vacancy, it must be first verified whether there is a Hungarian job seeker, if there is, they must be employed, if not, guest workers can be employed. The number of guest workers allowed to*

*come to Hungary is limited to the number of vacancies. Guest workers can only stay in Hungary for a limited period, after which they must leave the country.*

*Residence in Hungary is not a fundamental right for a citizen of a foreign state! A foreigner may reside in Hungary only for a purpose, under a title, for a period of time and under conditions approved by the Hungarian state. A third-country national may reside or work permanently on the territory of Hungary with the permission of the Hungarian state only if the third-country national's stay in Hungary serves the interests of the Hungarian society and their employment in Hungary does not place any Hungarian citizen in an unfavourable position.”*

Section 17 (1) of the Btátv. specifies the conditions under which a third-country national is entitled to a permanent stay in the territory of Hungary, that is, a stay exceeding ninety days within any period of one hundred and eighty days. In addition, it should be emphasised that Section 17 (2) of the Btátv. provides the possibility for the immigration authority to authorise entry and residence in the absence of the conditions set out in Section 17 (1), but this may only be authorised by way of a residence permit issued in the national interest only in exceptional circumstances.

Third-country national may reside permanently in Hungary

- a) as self-employed guests for business purposes,
- b) for work purposes as a guest worker
  - ba) with a residence permit for seasonal employment,
  - bb) with a work residence permit issued for the purpose of carrying out an investment project,
  - bc) with a residence permit for employment purposes,
  - bd) with a residence permit as a guest worker,
- c) as a highly qualified person for employment purposes, or as a person with skills in a field of particular importance to the country
  - ca) with Hungarian Card
  - cb) with EU Blue Card
  - cc) as an intra-corporate transferee
  - cd) if a company is being relocated to Hungary with Company Card
- d) with a National Card for the purpose of employment linked to citizenship or for other purposes defined in this Act, on the basis of an individual residence permit issued if the conditions set out in the Btátv. are met.

According to Section 21(1) of the Btátv., a residence permit for the purpose of self-employed guestwork may be granted to a third-country national whose purpose of residence is to

- a) to engage in an activity which is permitted by law to be carried out independently for remuneration, or
- b) to engage - save where Paragraph a) applies - in any gainful activity in the capacity of executive officer of a for-profit business association, cooperative or some other legal entity.

According to Section 23 (1) of the Btátv., a residence permit for the purpose of seasonal work may be granted to a guest worker whose purpose of residence is to perform seasonal work as defined by law.

Pursuant to Section 24 (1) of the Btátv., a residence permit issued for the purpose of work for carrying out an investment project may be granted to a guest worker who



- a) the purpose of which is to carry out, on the basis of an employment status, actual work for or under the direction of another person for consideration in order to carry out an investment,
- b) their employer has entered into an agreement or contract with the Minister for Foreign Economic Affairs, acting on behalf of the Government, or has accepted their offer of support for the realisation of this investment, and
- c) their employer has a statutory prior group work permit (an official promise to employ a specific number of guest workers for a specific period of time in order to carry out a project).

Under Sections 28(1) to (2) the Btátv., a residence permit for employment purposes may be granted to a guest worker who, on the basis of their employment status, performs actual work for or under the direction of another person for consideration. The Minister responsible for employment policy may specify in a communication the occupations for which a residence permit for employment purposes cannot be issued. A residence permit for employment purposes may also be granted to a guest worker who is employed in Hungary on the basis of an employment status established with an employer established in a third country in order to fulfil an agreement with a domestic employer.

Pursuant to Section 30 (1) of the Btátv, a guest worker residence permit may be issued to a guest worker

- a) whose purpose of residence is to carry out, on the basis of an employment status, actual work for or under the direction of another person for consideration in the territory of Hungary,
- b) whose employer is a registered preferential employer or a registered certified temporary-work agency,
- c) who is a national of a third country as defined by a decree of the Minister responsible for the employment of third-country nationals in Hungary, issued with the approval of the Defence Council, and
- d) whose employment is in an occupation which is not excluded by the Minister responsible for employment policy in their communication.

Pursuant to paragraphs (1) - (4) of Section 36 of the Btátv., the Hungarian Card is a residence permit which entitles its holder with higher professional qualifications to reside in the territory of Hungary and at the same time to work in a position requiring higher professional qualifications. Tertiary vocational qualification means a higher education qualification attesting to higher education and professional qualifications. A Hungarian Card can be issued to a third-country national

- a) who is staying for the purpose of performing actual work for or under the direction of another person for remuneration on the basis of an employment status, or
- b) who performs work as the owner or executive officer of a for-profit business association, cooperative or some other legal entity, in addition to the activity actually carried out in that capacity.

The Hungarian Card may also be issued to third-country nationals with higher professional qualifications who are employed in Hungary on the basis of an employment status established with an employer established in a third country in order to fulfil an agreement with a domestic employer.

According to Section 37 (1) to (2) of the Btátv., the EU Blue Card is a residence permit which entitles its holder with a high level of qualification to reside in the territory of a Member State and at the same time to work under the conditions specified in this Act requiring a high level of qualification. An EU Blue Card is issued to third-country nationals

- a) who meets the conditions set out in points a) and d), h) and i) of Section 17 (1),
- b) who has the higher professional qualifications required for the job, or a relevant higher professional qualification for a specified period of time,
- c) who, in order to obtain the right of residence, has not provided the determining authority with false information or false facts, has not misled the determining authority as to the purpose of his/her stay, or the purpose of his/her stay does not deviate from the authorised purpose,
- d) who is not disqualified pursuant to Section (3),
- e) whose employment is supported by law and is in the interest of domestic employment policy,
- f) who is insured or has applied to be insured for the full range of health benefits for all periods during which they are not insured by reason of their employment status, and
- g) who has declared a real domestic address as their Hungarian accommodation.

Pursuant to Section 38 of the Btátv., a third-country national holding a residence permit issued by a Member State of the European Union for the purpose of highly qualified employment shall be granted an EU Blue Card if

- a) have resided legally for at least twelve months in the Member State issuing the EU Blue Card or for six months in the second Member State, and
- b) meets the criteria set out in Section 37 (2).

According to Section 40 (1)-(2) of the Btátv., an intra-corporate transferee is a third-country national who is resident outside the territory of the Member States of the European Union at the time of submitting the application for a residence permit for an intra-corporate transferee and who has been transferred within the company. Intra-corporate transferee is the temporary posting for employment or training purposes of third-country nationals residing outside the territory of the Member States of the European Union who are on a temporary posting from an undertaking established outside the territory of the Member States of the European Union at the time of application for a residence permit for an intra-corporate transferee, to which the third-country national is bound by a work contract prior to and for the duration of the transfer to an organisation established in the same undertaking or group of undertakings established in that Member State or, where appropriate, between host organisations established in one or more second Member States.

According to Section 41 (1) to (2) of the Btátv., an intra-corporate transferee permit is a residence permit entitling its holder to reside and work in the territory of the first Member State and, where applicable, the second Member State under the conditions laid down by law. A residence permit for intra-corporate transferees is issued to third-country nationals who

- a) proves that the host organisation and the undertaking established in the third country belong to the same corporation or group of corporations,
- b) meets the criteria set out in points (a) and (d), (h) and (i) of Section 17 (1), and does not have any of the grounds for exclusion set out in Section (3) or grounds for refusal to issue a residence permit for the purpose of intra-corporate transfer,
- c) proves that the intra-corporate transfer was immediately preceded by at least three months' continuous service in the same corporation or group of corporations in the case of a legally defined managerial, professional or trainee employee,

- d) proves that Hungary has the longest period of intra-corporate transfer among the EU Member States,
- e) have the professional qualifications and experience required in the host organisation to which they will be seconded as a senior member of staff or expert, or has the necessary university degree as a trainee,
- f) their employment is supported by law and in the interest of domestic employment policy,
- g) is or has applied to be insured for the full range of health benefits for any period during which they are not insured by reason of their employment status,
- h) have sufficient resources for themselves and their family members for the whole duration of their stay so that their stay does not impose an unreasonable burden on the social assistance system of Hungary, and
- i) has declared a real domestic address as your accommodation in Hungary.

A third-country national who holds a residence permit issued by a Member State of the European Union for the purpose of intra-corporate transfer on the basis of Section 42 of the Btátv. shall be granted a residence permit (long-term mobility permit) for the purpose of intra-corporate transfer if they meet the conditions set out in Section 17 (1) (a) and (d) and Section 41 (2) (a) and (b) and (f) to (i).

Pursuant to Section 48 (1)-(2) of the Btátv., the issuance of the Corporate Card is subject to the condition that the third-country national is a manager or employee of a legal entity that is an employer as defined in the Government Decree or an entrepreneur who has concluded a settlement agreement with the employer. A Corporate Card can be issued to a third-country national whose purpose is to

- a) act as a director or officer of a company, cooperative or other legal entity established for profit,
- b) carry out actual work beyond the scope of the activity defined in point (a), or
- c) actually perform work for remuneration for or under the direction of another person on the basis of their employment status.

According to Section 50 of the Btátv., Serbian and Ukrainian citizens may be issued with a National Card if the purpose of their stay is to perform actual work for or under the direction of another person, including temporary employment, on the basis of their employment status for remuneration.

Pursuant to Sections 242 (1) to (3) of the Btátv., the residence permit shall be issued or extended - except in the cases provided for in Section (4) - in the framework of a single application procedure if the third-country national

- a) a residence permit for seasonal work,
- b) has a work residence permit issued for the purpose of carrying out an investment project,
- c) has a residence permit for employment purposes,
- d) has a guest worker residence permit,
- e) has a National Card
- f) has a Hungarian Card
- g) has an EU Blue Card
- h) has an intra-establishment transfer residence permit,
- i) has a residence permit for research purposes,
- j) has a short-term researcher mobility certificate,
- k) has a long-term researcher mobility permit,

- l) has the Corporate Card issued accordingly to points b) and c) of Section 48 (2), and
- m) submits an application for a residence permit issued in the national interest pursuant to Section 67(2).

The residence permit shall also be issued or extended under a single application procedure if the third-country national intends to establish an employment relationship in accordance with the legal title to work as defined in this Act and

- a) has a residence permit issued to ensure family reunification,
- b) has the Corporate Card issued accordingly to points b) and c) of Section 48 (2),
- c) has a residence permit issued for humanitarian purposes pursuant to Section 70(1)(a), (e) and (f), or
- d) has a residence permit issued in the national interest.

According to Hungarian legislation, a worker from a third country who holds a residence permit issued on the basis of the consolidated application procedure defined in the Act on the General Rules for the Entry and Residence of Third-Country Nationals and who has been employed in Hungary for at least six months, is entitled to the same rights and obligations as a Hungarian citizen with regard to registration as a jobseeker and the benefits provided to jobseekers under this Act and its implementing rules [Section (1)-(3) of Act IV of 1991 on Job Assistance and Unemployment Benefits]

**Persons enjoying refugee or protected status who have been granted international protection have the rights of Hungarian citizens in the field of employment.**

Like Hungarian citizens, they are free to work in Hungary and are entitled to active employment policy measures under the same conditions (see Section 2(2) of Act IV of 1991 on Job Assistance and Unemployment Benefits).

## ARTICLE 19 – THE RIGHT OF MIGRANT WORKERS AND THEIR FAMILIES TO PROTECTION AND ASSISTANCE

With a view to ensuring the effective exercise of the right of migrant workers and their families to protection and assistance in the territory of any other Party, the Parties undertake:

1. to maintain or to satisfy themselves that there are maintained adequate and free services to assist such workers, particularly in obtaining accurate information, and to take all appropriate steps, so far as national laws and regulations permit, against misleading propaganda relating to emigration and immigration;
2. to adopt appropriate measures within their own jurisdiction to facilitate the departure, journey and reception of such workers and their families, and to provide, within their own jurisdiction, appropriate services for health, medical attention and good hygienic conditions during the journey;
3. to promote co-operation, as appropriate, between social services, public and private, in emigration and immigration countries;
4. to secure for such workers lawfully within their territories, insofar as such matters are regulated by law or regulations or are subject to the control of administrative authorities, treatment not less favourable than that of their own nationals in respect of the following matters:
  - a. remuneration and other employment and working conditions;
  - b. membership of trade unions and enjoyment of the benefits of collective bargaining;
  - c. accommodation;
5. to secure for such workers lawfully within their territories treatment not less favourable than that of their own nationals with regard to employment taxes, dues or contributions payable in respect of employed persons;
6. to facilitate as far as possible the reunion of the family of a foreign worker permitted to establish himself in the territory;
7. to secure for such workers lawfully within their territories treatment not less favourable than that of their own nationals in respect of legal proceedings relating to matters referred to in this article;
8. to secure that such workers lawfully residing within their territories are not expelled unless they endanger national security or offend against public interest or morality;
9. to permit, within legal limits, the transfer of such parts of the earnings and savings of such workers as they may desire;
10. to extend the protection and assistance provided for in this article to self-employed migrants insofar as such measures apply;
11. to promote and facilitate the teaching of the national language of the receiving state or, if there are several, one of these languages, to migrant workers and members of their families;
12. to promote and facilitate, as far as practicable, the teaching of the migrant worker's mother tongue to the children of the migrant worker.

### *1. Support for people fleeing the war between Russia and Ukraine*

In view of the migration situation in the context of the Russian-Ukrainian conflict, it was necessary to adapt the legislation on the rights, assistance and obligations of applicants and asylum seekers to the situation quickly and expediently. In order to reduce the humanitarian burden, priority was given to easing and later completely abolishing authorisation procedures that had slowed down access to the world of work for them. Accordingly, the possibility to work is currently available to all asylum seekers and beneficiaries of asylum in any occupation without further authorisation.

Pursuant to Section 7 of the Government Decree No. 86/2022. (III. 7.) on rules applicable in state of danger and related to persons recognized as eligible for temporary protection, and on derogations from the rules of Act CVI of 2011 on public employment and on the amendment of acts related to public employment and of other acts, a person who is an asylum seeker or who applies for recognition as an asylum seeker may be a public employee as defined in Act CVI of 2011 on public employment and on the amendment of acts related to public employment.

On the subject of support for asylum seekers fleeing the war between Russia and Ukraine, the following can be said about the protection and assistance of asylum seekers and their families who are eligible for employment.

As long as the asylum seeker in question is not able to find a job in the labour market and thus become self-sufficient, the state provides them with regular subsistence support. In the case of adults, this is calculated according to the rules for employment substitution allowances, that is, 22,800 HUF/person/month. The allowance for minors is equal to the family allowance, which is 13,700 HUF/person/month. If someone cannot find a job on their own, they can get a job as a client of the competent employment organisation through the public employment programme [see Section (7) of the Government Decree No. 86/2022. (III. 7.) and Sections (2) and (4) of the Government Decree No. 106/2022 (III.12.) on certain rules relating to the employment and benefits of persons recognised as beneficiaries of temporary protection in the event of a humanitarian disaster in a neighbouring country during a state of emergency, and on the modification of Government Decree No. 301/2007 (XI.9.) on the implementation of the Act LXXX of 2007 on Asylum].

If the asylum seeker provides for the care of a minor, they are entitled to use the services of the nursery, kindergarten nurturing and care as well as the services of the "Sure Start Children's Centres" under the same conditions as Hungarian citizens, pursuant to Section 3 of Government Decree No.106/2022 (III.12.).

Pursuant to Section 3/A of Government Decree 106/2022 (III.12.), if an asylum seeker, a person applying for recognition as an asylum seeker or a Hungarian citizen permanently residing in Ukraine and arriving from Ukraine on or after 24 February 2022 (hereinafter jointly referred to as "the applicant") takes care of a child or pupil, in accordance with the Act XXXI of 1997 on the Protection of Children and the Administration of Guardianship (hereinafter referred to by the Hungarian abbreviation "Gyvt."), the child or pupil shall be provided with free meals provided by institutions and free meals during school holidays care on the basis of their application for a period of 6 months from the date of application without examination of the eligibility criteria set out in Sections 21/B and 21/C of the Act.

After this period, the child or pupil cared for by the applicant is entitled to free meals provided by an institution in accordance with the Gyvt, without examination of the eligibility criteria set out in Section 21/B of the Gyvt, if the monthly income per person in the family caring for the child does not exceed 130% of the amount of the mandatory minimum wage less personal income tax and social security contributions.

The applicant shall declare the existence of this condition at the same time as submitting an application for free meals provided by an institutions on behalf of their child as provided for by law.

After war had started, the Government decided that the tasks of accommodation and care of applicants and asylum seekers would be carried out by the protection committees of the government offices. According to Government Decree No. 104/2022 (III.12.), after the war had started, all persons fleeing from Ukraine were provided with comprehensive accommodation for an unlimited period, after which accommodation providers were allowed to receive a subsidy. On 15 September 2023, in line with the practice in the countries of the region, our comprehensive asylum accommodation scheme in Hungary was modified first, then unlike in the past, the Government did not subsidise accommodation for asylum seekers, but for the employers who employ them (the so-called “Housing allowance of employed beneficiaries of temporary protection” as provided for in Subchapter 1/A of Government Decree No. 104/2022). The previous system was also maintained for newly arrived asylum seekers, who could benefit from full state-funded accommodation until the last day of the month following their recognition as asylum seekers. Persons belonging to the vulnerable group (minors under 18 years of age, their parent living in the same household, persons over 65 years of age, pregnant women and disabled persons and their carer) continued to benefit from full state-funded accommodation until the end of the emergency.

The National Directorate-General for Aliens Policing and the Hungarian Charity Service of the Order of Malta provided accommodation for persons excluded from the scope of support by the Government Decree (the not employed or those not belonging to a vulnerable group).

The most recent amendment of Government Decree 104/2022 (12.III.) of 28 June 2024 kept in force Housing allowance of employed beneficiaries of temporary protection for all people fleeing Ukraine (regardless of their permanent residence in Ukraine). At the same time, and in line with the principles of Ukraine's system of support for people fleeing the war remaining in Ukraine, it modified the full state-funded accommodation allowance for persons eligible to work from non-war-affected areas of Ukraine from 21 August 2024, while maintaining exceptions.

As of 21 August, the accommodation and care of persons still entitled to full state-funded accommodation has been taken over by the Hungarian Maltese Charity Service (except for accommodation provided by municipalities), which has considerable experience in the field of social inclusion programmes.

With regard to the right of children and young persons to protection, it is important to note that in the course of immigration proceedings against unaccompanied minors, the hearing of the minor becomes necessary and, with the exception of the most important questions concerning the whereabouts of the accompanying person and the identity of the minor, can only be conducted in the presence of a guardian.

During the procedure, the unaccompanied minor is placed in a child protection institution as an immediate measure with temporary effect by the immigration authority. According to Section 108(2) of the Act XC of 2023 on the General Rules for the Entry and Residence of Third-Country Nationals (herein after referred to by the Hungarian abbreviation “Btátv”), an unaccompanied minor may be expelled only if family reunification or state or other institutional care is adequately provided in their State of origin or other receiving State. As a rule of guarantee, under Section 131 (3) of the Btátv, custody cannot be ordered against unaccompanied minors who are not yet 16 years of age.

In relation to the residence of family members in Hungary and the guarantee of family cohabitation, the provisions laid down in Sections 71(1) and (8) of the Btátv. 71. which states that a residence permit for the purpose of ensuring family reunification may be issued to third-country nationals who are holders of a residence permit, immigration, settlement, temporary settlement, national settlement or EC settlement permit, temporary residence card, national residence card or EU residence card, or they are a person holding a residence card, permanent residence card or long-term residence card as defined Act I of 2007 on the Entry and Residence of Persons with the Right of Free Movement and Residence, or a family member of a Hungarian citizen (hereinafter jointly referred to as "sponsor").

A residence permit for the purpose of family reunification may also be issued to a family member of a recognised refugee and to the parent or, in the absence of a parent or guardian, of an unaccompanied minor recognised as a refugee. A residence permit for the purpose of family reunification may be granted to the sponsor or their spouse, or to the recognised refugee's dependent parent, brother or sister, or to a relative in the immediate family, if they are unable to care for themselves because of their state of health. The spouse of a recognised refugee may be granted a residence permit for the purpose of family cohabitation if the marriage was contracted before the recognised refugee entered Hungary. In Section 71 (2) of the Btávt, an itemised list specifies who qualifies as a family member.

According to Section 71 (4) of the Btátv., a third-country national may not be granted a residence permit for the purpose of family reunification if the sponsor

- a) does not have a residence permit for self-employed visitors for at least one year,
- b) has a residence permit for seasonal work,
- c) has a work residence permit issued for the purpose of carrying out an investment project,
- d) has a residence permit for employment purposes
- e) has a guest worker residence permit,
- f) has a White Card
- g) has a residence permit for study (including job hunting and starting a business), training purposes,
- h) has a residence permit for the purpose of a traineeship, or
- i) has a residence permit for the purpose of carrying out voluntary activities

It is of particular importance that according to the provisions of the current legislation on foreigners, a third-country national who stays in Hungary for a period exceeding the duration of their legal stay because their departure is prevented by a personal or unavoidable reason related to their humanitarian or gainful activity, which is not due to their own fault, or who is a victim of human trafficking, must be provided with a certificate of temporary residence, upon the proposal of the victim support authority, for the duration of the time of reflection [ points c) and e) of Section 20(1)of the Btátv.]. The period of validity of the temporary residence permit for third-country nationals who are victims of trafficking in human beings is one month, which cannot be extended or must be withdrawn if the circumstances that justified its issue no longer exist. The temporary residence certificate entitles the holder to stay only on the territory of Hungary, it does not allow leaving and returning to Hungary, it expires when the third-country national leaves Hungary and must be handed in by the third-country national when departing.

## ***2. Access to education and training for refugees from Ukraine***

Pursuant to Act CXC of 2011 on National Public Education (hereinafter referred to by the Hungarian abbreviation "Nkt."), similarly to Hungarian citizens, children are entitled to



participate in the education and nurturing in public education institutions from the date of submission of the application for recognition, and they are subject to compulsory schooling from the date of submission of the application for recognition. At the time of the mass immigration crisis, the education of children applying for recognition under the Nkt. was provided in transit zones until the closure of the transit zones in 2020. Thereafter, and still today, children of compulsory school age receive education and training in public education establishments.

Due to the war in Ukraine, the following measures have been taken to support access to education for children and pupils who have fled Ukraine:

If persons belonging to categories defined in Section (1) of Government Decree No. 86/2022. (III. 7.) on rules applicable in state of danger and related to persons recognized as eligible for temporary protection, and on derogations from the rules of Act CVI of 2011 on public employment and on the amendment of acts related to public employment and of other acts have applied for recognition as asylum seekers in Hungary, then, pursuant to Section 92 (4) of the Nkt., they may receive pre-school education, dormitory care, specialised pedagogical services and - if they have reached the compulsory school age according to Hungarian law - education at school until the end of their compulsory education and until the completion of studies begun before the age of 18, under the same conditions as Hungarian citizens.

Government Decree No. 299/2022 (VIII.9.) on the financing needed for education and vocational training institutions to educate and develop pupils entitled to temporary protection and Government decision No. 1179/2022 (III.3) on providing funds for the education, nurturing and training of pupils of compulsory school age who are entitled to temporary protection, from 1 September 2022 Government Decree No. 1387/2022 (VIII. 9.) and from 1 January 2024 Government Decree No.1542/2023 (XII. 12.) ensure that on the basis of the average monthly number of pupils, the school is entitled to a specific amount of 130,000 HUF/month, which is granted to the maintainer if the pupil has received five hours of individual coaching per week in addition to the basic care in the given month.

For the performance of this task, public and non-public maintainers received 2,190.4 million HUF in 2022 and 2,241.6 million HUF in 2023. The amount of aid paid in the first quarter of 2024 was nearly 610.0 million HUF.

To overcome language barriers, a textbook and workbook for grades 3-8 entitled "Hungarian for beginners" has been published and is available online in full on the website of the Educational Authority's textbook catalogue.

The Educational Authority collects data on the participation of children and pupils who are refugees from Ukraine in kindergarten and school on the basis of regular data provided by public education institutions in the Public Education Information System.

According to the data released in April 2022, the public education system cares for 422 children in kindergartens, including 147 children of Hungarian citizenship, and cares for 1,319 pupils in schools, including 547 pupils of Hungarian citizenship.

Based on the December 2023 data release, the distribution of children and pupils with active status in public education institutions and of Ukrainian citizenship, whose first pupil status in Hungary was established after 24 February 2022, is as follows:

- Total number of children in kindergartens of Ukrainian citizenship, whose first legal status in Hungary was established after 24.02.2022: 1,031.
- Total number of pupils of Ukrainian citizenship whose first legal status in Hungary was established after 24.02.2022: 4,484.

### ***3. Support for refugees and persons enjoying protected status***

Persons with refugee or protected status are entitled to the rights of Hungarian citizens in the fields of employment, education and social affairs.

They do not need a work permit to work in Hungary, are free to work in Hungary like Hungarian citizens and are entitled to active employment policy measures under the same conditions.

Pursuant to the Act CXC of 2011 on National Public Education, children are entitled to receive education and training in public education institutions from the date of submission of the application for recognition, as is the case for Hungarian citizens, and are subject to compulsory education from the date of submission of the application for recognition.

Refugees and persons enjoying international protection are entitled to the same social benefits and assistance under the same conditions as Hungarian citizens in case of social need.

## ARTICLE 23 – THE RIGHT OF ELDERLY PERSONS TO SOCIAL PROTECTION

With a view to ensuring the effective exercise of the right of elderly persons to social protection, the Parties undertake to adopt or encourage, either directly or in co-operation with public or private organisations, appropriate measures designed in particular:

- to enable elderly persons to remain full members of society for as long as possible, by means of:
  - a. adequate resources enabling them to lead a decent life and play an active part in public, social and cultural life;
  - b. provision of information about services and facilities available for elderly persons and their opportunities to make use of them;
- to enable elderly persons to choose their life-style freely and to lead independent lives in their familiar surroundings for as long as they wish and are able, by means of:
  - a. provision of housing suited to their needs and their state of health or of adequate support for adapting their housing;
  - b. the health care and the services necessitated by their state;
- to guarantee elderly persons living in institutions appropriate support, while respecting their privacy, and participation in decisions concerning living conditions in the institution.

### The protection of the rights of elderly persons in Hungary

With regard to income guarantees in old age in Hungary, the dominant element is the social security pension system and the old-age allowance which is an income-tested benefit in the case of low level of income in old age or of insufficient or no old-age pensions.

- a) An essential element of income security in old age is a pension obtained through social security contributions and/or
- b) means-tested complementary/supplementary old-age allowance (a category of living allowances). As of 1 January 2023, a person who has reached the pensionable age and whose per capita monthly income calculated on the basis of his/her own income and that of his/her spouse or partner living with him/her does not exceed HUF 32,785, HUF 38,555 for a single person, and HUF 52,045 for a single person aged 75 or over, may apply for the pension. From 1 January 2024, a person who has reached the pensionable age and whose per capita monthly income calculated on the basis of his/her own income and that of his/her spouse or partner living with him/her does not exceed HUF 34,755, HUF 40,870 for a single person and HUF 55,170 for a single person aged 75 or over, may apply for the allowance. The old-age allowance supplements the income of an elderly person to the above level. The allowance is financed by the state budget and their proportion is very low compared to old-age pensioners, which indicates an almost 100% pension coverage of the elderly.

Besides, cash and in-kind benefits to supplement benefits remain important, including:

- other means-tested benefits (related to specific needs) in cash (municipal support provided under municipal authority) and in kind (public health care), and
- benefits in kind and other services and discounts up to free of charge (travel benefits: the possibility of free domestic travel for people over 65), and

- various types of institutional care (social services at rates taking into account the means-tested elements), social catering, domestic help, home assistance with alarm system, day care for the elderly, specialised institutional social care.

On 1 January 2024, 1,997,785 persons received an old-age pension, with an average monthly amount of HUF 211,647 (excluding complementary benefits), of which 724,210 were men and 1,273,575 women. The average value of old-age pensions by gender is respectively HUF 254,079 and HUF 217,782 per month (this figure includes retirement pensions "reclassified" from invalidity pensions and women's preferential pensions).

Personal care for the socially deprived is provided by the state and local authorities. Personal care includes basic social services and specialised care, which are detailed in Sections 56 and 57 of Act III of 1993 on Social Administration and Social Services (hereinafter: Szocvtv).

For older people living in their own homes, support for independent living is provided by the following basic social services: village and farm caretaker services, social meals, domestic help, home assistance with alarm system, family care and day care for older people, day care facilities for people with dementia. Specialised care is provided by residential homes providing temporary or long-term accommodation. The basic condition for access to benefits, excluding village and farm caretaker services and family care, is social need, which is interpreted more broadly by the social welfare act than for cash benefits.

Complementary social benefits are mainly delivered through local authorities, but church and non-state actors also play a role in the operation of services. They are financed by a subsidy from the central budget and a grant from the provider (local government, church, NGO). Health care and travel subsidies for the elderly are social transfers financed from the central budget. The protection of the interests of eligible persons is regulated by Sections 97 to 99/A of the Szocvtv., and Sections 94/E to 94/K provide for the rights of persons in social institutions providing personal care.

- **Old-age pensions**

*Old-age (own right) pension*

From 2022, the retirement age is 65 years.

*Survivors' benefits*

Survivors' pensions also make a significant contribution to improving the income position of older people. These include widow(er)'s pension, orphan's allowance, and parental pension, as well as accident-related survival benefit.

According to Act LXXXI of 1997 on Social Security Pension Benefits (hereinafter referred to as the Act), a widow's pension is granted to a person whose deceased spouse had completed the required period of service or died as an old-age pensioner. A widow's pension is also granted to a partner who has lived with his/her partner for one year without interruption and had a child until the death of the partner, or who has lived with the partner for ten years without interruption.

A surviving spouse or partner is entitled to a widow's pension for one year (temporary widow's pension), which is 60% of the deceased's pension. A widow who is entitled to an orphan's

pension and has a child under one and a half years old is entitled to a temporary widow's pension until the orphan reaches 18 months of age. In the case of a disabled or chronically ill child, the temporary widow's pension is payable until the child's third birthday (under the same conditions).

After the termination of the temporary widow's pension, a widow's pension is payable to a person who has reached the retirement age, who has a reduced working capacity, or takes care of a disabled or permanently ill child entitled to an orphan's pension by right of the deceased or at least two children entitled to an orphan's pension. If a widow or widower of pensionable age or with reduced working capacity does not have a pension or benefit in her/his own right, if the other conditions are met, she/he is entitled to 60% of the deceased's pension as a widow(er)'s pension, or 30% otherwise. In January 2023, 103,345 persons, in December 2023, 98,972 persons and in January 2024, 99,029 persons received a widow(er)'s pension, an orphan's allowance or a parental pension.

The pension minimum set by government decree (HUF 28,500) was previously used mainly as a benchmark for determining a number of benefits and allowances. From 2023, this role has been taken over by the Social Reference Base. In practice, it is very rare for a pension benefit to be set at the same level as the old-age pension minimum. Low pensions are granted when a person has worked in Hungary for a very short period of time, or sometimes also receives a so-called pension fraction from abroad. For those whose old-age pension and minimum wage contributions were determined in 2023, the old-age pension will be close to HUF 65 000 per month after fifteen years of service, close to HUF 82 000 after twenty years of service and more than HUF 120 000 after forty years of service. For 2024, these amounts are: more than 73 000 HUF after 15 years of service, more than 92 000 HUF after 20 years of service and more than 137 000 HUF after 40 years of service.

Between 2010 and 2022, the risk of poverty for older people was significantly lower than the EU average (by 6-10 percentage points) and also significantly lower than the national average, which was around 12% over the decade. Despite the higher value of the indicator in the last 4 years, the income poverty figures remain favourable both in international comparison and in national terms.

**Income poverty of pensioners**  
**Comparison of the data of Hungary and the European averages**

<b>Year</b>	<b>EU average</b>	<b>HU</b>	<b>Men</b>	<b>Women</b>
<b>2010</b>	15,3	4,1	2,8	4,8
<b>2011</b>	15,1	4,9	4,1	5,4
<b>2012.</b>	14,2	6,3	5,4	6,8
<b>2013</b>	13,3	4,6	3,3	5,4
<b>2014</b>	13,2	4,5	3,8	4,9
<b>2015</b>	13,7	4,6	4,1	4,8
<b>2016</b>	14,3	6,8	5,9	7,3
<b>2017</b>	14,7	9,1	7,9	9,7
<b>2018</b>	15,5	9,8	7,4	11,3
<b>2019</b>	16,1	11,1	7,8	13,1
<b>2020</b>	17,1	15,0	15,3	14,7
<b>2021</b>	16,8	15,4	12,8	17,1
<b>2022</b>	17,3	13,4	11,5	14,6

Source: Eurostat ([https://ec.europa.eu/eurostat/databrowser/view/ilc\\_pnp1/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ilc_pnp1/default/table?lang=en))

The data on the aggregate replacement rate also underpin that the situation in Hungary has evolved more favourably than the EU average: the figure for Hungary is generally by 6–10 percentage points higher than the EU27 average, and in some years it evolved 6–8 percentage points higher, while in other cases, between 2007–2009 the Hungarian indicator was higher by 9–12 percentage points than the EU average. It signifies that the relative position of Hungarian pensions has evolved materially more favourably as compared to the wages during the period under analysis and it is characteristic both with respect to men and women. It should be noted that the values in the table compare gross pensions to gross earnings, and as a result the real Hungarian value is significantly higher than the one in the table. As a consequence, it is recommended to present the net replacement rate.

#### Aggregate replacement rate<sup>1</sup>

Year	EU 27	HU
2010	0,53	0,60
2011	0,54	0,60
2012	0,54	0,58
2013	0,56	0,62
2014	0,57	0,62
2015	0,58	0,65
2016	0,58	0,67
2017	0,59	0,64
2018	0,58	0,59
2019	0,57	0,55
2020	0,56	0,53
2021	0,58	0,54
2022	0,58	0,53

Source: Eurostat

([https://ec.europa.eu/eurostat/databrowser/view/ilc\\_pnp3\\_custom\\_9287411/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ilc_pnp3_custom_9287411/default/table?lang=en))

A similar picture emerges from the relative median income data for people aged 65 and over. Median incomes for older people are roughly equivalent to those of working age and 5-7 percentage points higher than the EU average.

#### Relative median income<sup>2</sup> of people above the age of 65

Year	EU average	HU
2015	0,94	1,01
2016	0,93	1,01
2017	0,92	0,98
2018	0,91	0,97
2019	0,90	0,90

<sup>1</sup> The aggregate replacement ratio or rate compares the pensions of people aged 65-74 to the wages of the age cohort of 50-59, i.e. it compares pension incomes that can be considered characteristic to wages that can be considered characteristic. This is a cleaned indicator, which provides a more precise picture about the pension levels in a given country as compared to the ratio of average pension/average wages, by eliminating the extremities (lower pensions in a more advanced age, characteristically lower wages of fresh-outs).

<sup>2</sup> The relative median income of those above the age of 65 compares the equivalised median income of people older than 65 with the equivalised median income of people younger than 65.

<b>2020</b>	0,89	0,87
<b>2021</b>	0,91	0,87
<b>2022</b>	0,90	0,96

Source: Eurostat

([https://ec.europa.eu/eurostat/databrowser/view/ilc\\_pnp2\\_custom\\_9287974/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ilc_pnp2_custom_9287974/default/table?lang=en))

- **Social welfare services that provide personal care and can be used by elderly people**

The responsibility of providing care for elderly people lies with the family and the State alike. The right to social security is supported by the State by means of cash benefits and benefits in kind, as well as the establishment and continuous improvement of services providing personal care and contributing to the operating costs thereof.

The main rules concerning the operation of the social care system are laid down in the Szocvtv., which classifies the services into two basic categories:

- basic social services and
- specialised services.

### ***Basic social services***

By organising the basic services, the local government of the settlement provides assistance to persons in a social difficulty to continue their independent life in their home or living environment, as well as to solve their problems arising from their health, mental condition or other reasons. In this way, excessive use of specialised services (of social institutions) can be decreased and rationalised.

#### Village- and farm-caretaker service

In small villages, settlement and farm areas the village- and farm-caretaker is the pillar of the community, a "one-person institution" who assists a settlement in providing the basic social services for its residents and performing a part of its communal tasks. In settlements experiencing depopulation and sparsely populated farm areas, more and more tasks fall on the village- and farm-caretakers, their work highly contributes to small settlements reaching defining role in society. With their help, the residents of small villages and farm areas can receive social, medical, employment, public educational etc. benefits and services.

The limit of the population was increased to 800 residents from 1 January 2020, and to 1,000 residents from 1 January 2022. Farm-caretaker services can be maintained in districts and other downtown areas with population of at least 70 and at most 700 residents.

#### Catering

Catering – provision of hot meal once a day – must be ensured by each local government as a basic social service for persons in need, who cannot have access to it in any other way. The local government should define the rules of entitlement in a municipal order, with the full-range consideration of the local needs. The indigence can be determined based on the requester's age, health status, sickness, disability or homelessness. The meals can be provided from the municipality's own kitchen or by paid-for catering that the beneficiary may either consume on the spot, take it away or may ask the delivery of the meal to his/her home.

### Home assistance

Home assistance is a social service shall be ensured by the local government of all settlements for persons in social difficulty who need assistance for maintaining their independent life. This service can be used after analysis of the requester's care needs, which is aimed at establishing that in the context of home assistance which of the services requester is eligible for.

The service includes cooperation in maintaining good hygienic conditions of the beneficiary and his/her living environment, fulfilment of household, care and nursing tasks and provision of assistance in preventing and eliminating emergency situations. The number of persons received such care was 91,337 in 2022 (Source: Central Statistical Office).

### Home assistance with alarm system

Ensuring the alarm system-based home assistance is the responsibility of the State, which is a service provided 24 hours a day to people in need due to their health condition and social situation, who live in their home and can properly use the emergency apparatus, in order to prevent crises while maintaining their independent life. The point of the service is that the recipients get a device capable of signalling and two-way communication from the service provider, with which he/she can ask for help in case of emergency or nausea. The service is operated under a continuous stand-by scheme; in case of an emergency call a skilled care professional will provide assistance for the person in need in eliminating the crisis situation within 30 minutes from the call. The service may be used upon examination of the social need. Persons considered to be in social need are:

- persons above the age of 65 and living alone,
- severely disabled persons or psychiatric patients living alone, or
- persons older than 65 or severely disabled persons or psychiatric patients living in a two-person household, if their health condition justifies continuous provision of the service.

### Types of day care provided by institutions

Day care for elderly people, as a social basic care, shall be provided by the local government of every municipality with more than 3,000 inhabitants for persons in need who request help with the maintenance of their independent life. As part of this service, services adequate for the needs of the target group of elderly people shall be provided, such as: daytime stay at an institution, satisfying hygienic needs, social relationship building and maintenance, social or mental aid.

The target group of the daytime care of persons with dementia are old people who are living with their families, but degrade spiritually and physically. The institution provides a stay during the day, with the possibility of using social services and individual therapy programmes. The purpose of the professional activities carried out here is to maintain and improve the abilities and skills of the patients with dementia and strengthen their sense of belonging to the community.

### ***Specialized services***

Where it is no longer possible to care for elderly people in the framework of the basic services due to their age, health condition or social situation, they must be given specialized care corresponding to their condition and status. Specialized care means residential placement in institutions. Two major groups of residential care can be distinguished, namely institutions that provide long-term and transitional residential placement. The emphasis is on the long-term



residential placement, as nearly 90 percent of the beneficiaries are taken care for in these institutions. Specialized care for the elderly involves nurseries for the elderly on a transitional basis and homes for the elderly on the long-term basis, which provide accommodation and a full range care for the residents.

#### Care home of old-age persons

The local government of each municipality with more than 30,000 inhabitants shall provide a care home for elderly people. This service provides residential care for the beneficiaries for a determined time period, practically ensuring continuous care and nursing with a full range of services in 24 hours a day. The aim and purpose of the institution is to render elderly people capable again to lead an independent life in their homes, and to temporarily relieve their family of the burden of caring for their relative.

#### Home for the elderly

Providing care in old-age homes is the obligation of the State, respectively the local governments of the capital city and of cities with county rights. An old-age home provides long-term placement for an undetermined time period for elderly people whose care and nursing needs can no longer be satisfied in their homes. Services provided by the institution: provision of meals at least three times a day, accommodation, provision of mental care, personalised care and nursing, animation and habilitation or rehabilitation services, and health care as needed.

Prior to benefiting from this service, the requester's care needs have to be assessed – similarly to home assistance – and only if specified care needs other circumstances stipulated by law (health or social status) exist can the eligibility be established.

On 31 December 2022, 59,390 places were available in care homes of old-age persons and in the homes for the elderly (source: Central Statistical Office 2022 OSAP data collection) and 30,524 persons were enrolled on the waiting list on 31 December 2022 (source: Waiting report December 2022).

#### **– Measures taken by the Government**

Those who are not eligible for a pension on their own right or its amount is less than a specified income level, might be entitled to old-age allowance, if after having reached the retirement age his/her income per capita calculated in aggregate with that of his/her spouse does not attain the income threshold determined in the Szocvt. As of 1 January 2024, those persons who have reached the retirement age relevant to him/her, the monthly income per capita calculated on the basis of his/her own income and that of his/her spouse or cohabiting partner does not exceed 34,755 HUF, or 40,870 HUF in the case of single persons, or 55,170 HUF in the case of single persons above the age of 75 may apply for the establishment of the abovementioned allowance. The old-age allowance supplements the income of an elderly person up to the above-mentioned level.

The benefit amount, or income threshold, increases from 2018 in line with the pension increase. With this step, the level of this benefit has practically moved away from the unchanged old-age pension minimum and its amount has become inflation-linked. The benefit is financed by the state budget. The number of persons entitled to an old-age pension is very low during this period (only around 6-8,000 persons), indicating that, with the previous nearly full social security coverage, practically almost 100% of the elderly population is receiving a pension. Access to benefits and administration are laid down in Sections 32/B and 32/C of the Szocvt.

Type of old-age allowance	Income threshold and maximum amount of benefit (HUF)				
	2020	2021	2022	2023	2024
non single	26,350	27,145	28,505	32,785	<b>34,755</b>
single and younger than 75	30,995	31,925	33,525	38,555	<b>40,870</b>
single and older than 75	41,840	43,100	45,255	52,045	<b>55,170</b>

### The Careful Watch Programme

The Careful Watch Programme (Gondosóra program) is set out in Hungary's Recovery and Resilience Plan in 2021. Based on the programme, a new type of digital welfare services system has been developed to provide services to Hungarian citizens over 65 years of age residing in Hungary. Regarding the content of the programme, a 24-hour-a-day, 7-days-a-week alerting dispatch service based on digital technology has been developed.

The programme runs between July 2021 and 31 December 2025, with a running period until 31 December 2026.

#### Programme content and objectives:

The mission of the service, which is based on a national signalling system, is to enable older people living in their own homes to use a simple tool to contact dispatchers and, through the dispatch service, their pre-designated contact person (family member, neighbour, friend, acquaintance, etc.) who can provide direct and rapid support and solutions to their problems. The preparedness of the professionals who receive the alert ensures that the person requesting help receives the appropriate assistance, whether it is a family member, a health professional or a person or organisation with other responsibilities. All alerts are responded to, there is never no response or inadequate action.

With the help of the programme, the emergency, problem or difficulty is immediately identified and the appropriate person or organisation (emergency services, ambulance, etc.) is notified to solve the problem.

Families and communities are provided with a digital solution that can help them to provide care even when family members and acquaintances are physically far away from each other, or when the elderly person is unable to call for help or avert the danger using traditional means (e.g. telephone) due to the emergency situation.

The daily lives of older people in the Careful Watch Programme are made much safer by the fact that help is just "a push of a button away". The dispatchers who receive signals from 0-24 hours are trained in social as well as health issues, and in many cases, communication with the dispatchers has already a reassuring effect.

More than 635,000 people have registered for the programme so far, and more than 710,000 G-sensor and push-button alerts have been received by the dispatch centre. The Careful Watch has provided assistance in more than 16,000 serious cases and helped solve everyday problems in nearly 300,000 cases. The trained staff of the 24-hour dispatching service have spent more than

15,000 hours conversing through the device in the process of providing help. On average, the dispatch service receives 3,000 Careful Watch alerts per day.

The support provided by the Caregiver Hour programme makes it possible to use personal care services, such as domestic help or care in a home for the elderly, at a later stage of the elderly person's life, because the elimination of dangers arising in the course of daily living becomes faster and more efficient, and the elderly person lives his or her daily life safely in his or her own familiar environment. It is also important to note that the currently overburdened care system can be supported by the services provided by the programme.

### **Changes in residential care for the elderly:**

#### New type of home for the elderly - a self-care based retirement home

The amendment to the Szocvtv., effective from 1 January 2020, has created the possibility of establishing a new type of institution, and has created the legal basis for self-care-based retirement homes, with the option for the maintainer to choose this new form of care only for newly established institutions. Nursing homes with an operating licence on 31 December 2019 cannot be transformed into self-care based institutions.

The new type of care offers a solution and long-term care for older people who want to meet their care needs now or in later life by paying for services. The amendment allows for the strengthening of the self-care of a person without care needs, while at the same time certain guarantee provisions built into the law protect elderly beneficiaries.

The new rules aim to create a new form of institution where services can be provided on a cost-of-service basis without a care needs assessment. For such institutions, the rules on means-testing and fee-setting will not apply, but the professional rules for old people's homes will apply. For this type of institution, 100% of the places can be filled in this way.

It is necessary to set out the service fee in the agreement to be concluded when the institutional relationship is established, listing the elements of the service in detail. In addition to the service charge, the maintainer may also request a one-off contribution at the time of move-in. The rule protecting the elderly person is that, in the event of an increase in the service charge, the annual increase may not exceed twice the average of the 12-month average rate of inflation in the previous calendar year, as published by the Central Statistical Office, and that the institutional relationship may not be terminated in the event of deterioration of the person's condition.

No public subsidies provided for in the act on central budget is available for the care of people in this new type of care home.

In the event of liquidation or bankruptcy proceedings affecting the maintainer, the compensation of the beneficiaries takes precedence over other claims.

#### Development of specialised care centres:

A specialised care centre is a special type of home for the elderly where the social services also provide specialised care. They provide care for elderly people who, because of their illness, need specialised care but do not require acute inpatient hospital care or permanent medical supervision. The aim of the restructuring of the specialised care system was to ensure that people in need of care receive the best quality service adapted to their needs. Instead of hospital wards, long-term care will be provided in specialised care centres. The difference compared to

hospital care is that a social care facility will provide a full range of care - physical, mental and health care - for residents, as well as a home-like atmosphere, according to their personal needs.

In a specialised care centre, the recipient moves in for a long-term period, taking his/her personal belongings and clothes with him/her, which is why the minimum requirements for the size of the living room are larger than the floor area per patient in hospitals. The night and day periods are clearly separated in terms of location and activities: during the day, the user can take part in an organised programme or activity in the community room in his own clothes, depending on his/her condition.

Mental health care in the specialised care centre also emphasises that the recipient should not spend their everyday life lying in bed, if their condition allows, but should be offered individual and group development and physical activities to maintain physical and psychological activity.

The specialised care centre therefore has the same health capacity as healthcare facilities, but a higher social service capacity, because the provider must also provide all the service elements of elderly care to the beneficiary.

## **ARTICLE 24 – THE RIGHT TO PROTECTION WHEN EMPLOYMENT IS TERMINATED**

In order to ensure efficient exercise of the right of workers to protection, at the time employment is terminated, Parties agree to recognize:

- a) the right of workers that the employment cannot be terminated without a valid reason, which is related to their ability, behaviour, or to the operational needs of the business, service or facility;
- b) the right of workers to compensation or adequate assistance, at the time employment is terminated without a valid reason.

To this end, the Parties shall ensure that workers whose employment has been terminated without valid reason, have the right to appeal to an impartial body.

- ***Persons falling under the scope of Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as: Mt.)***

The Act LXXIV of 2022 Amending Certain Acts on employment (hereinafter referred to by the Hungarian abbreviation as: Módtv) amended several provisions of the Mt. with effect from 1 January 2023 in order to transpose Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU (hereinafter: Directive 2019/1158). Among these amendments, the following provisions are particularly noteworthy:

### Dismissal prohibitions

With regard to Directive 2019/1158, Section 120 of the Módtv. extended the scope of the prohibitions on dismissal contained in Section 65 (3) of the Mt. to include paternity leave, parental leave and the carer's working time allowance under Section 55 (1) (I) of the Mt. to the scope of the prohibitions on dismissal under Section 55 (1) (I) of the Mt.

*„Mt. Section 65 (3) The employer may not terminate the employment relationship by notice of termination*

- a) *pregnancy,*
- b) *maternity leave,*
- c) *paternity leave,*
- d) *parental leave,*
- e) *unpaid leave taken to care for a child (Sections 128, 130),*
- f) *actual voluntary military service in the reserve,*
- g) *statutory treatment of a woman in connection with a human reproductive procedure, but not more than six months from the commencement of such treatment; and*
- h) *during the period of exemption under Section 55(1) (I).”*

### Reasons for dismissal

Directive 2019/1158 provides for protection in the event of dismissal for requesting or taking paternity, parental or carer's leave under the Directive or for exercising the right to request flexible working arrangements, and in the event of any preparations to dismiss workers. In view of this, Section 119 of the Módtv. introduced the obligation to state reasons in cases where the employer is not obliged to state reasons in the event of dismissal (e.g. during the probationary

period, in the case of employees who are considered to be retired or in the case of employees in managerial positions).

Accordingly, Section 119 of the Módtv. added the following paragraphs (3) and (4) to Section 64 of the Mt.:

*„Section 64 (3) of the Mt. Even in the absence of an obligation to state reasons, the employer shall, upon the employee's request, state the reasons for its declaration of termination of employment in accordance with (2) if the employee claims that the termination of employment is*

- a) *the reduction of working time pursuant to Section 55 (1) (l),*
- b) *paternity leave,*
- c) *parental leave,*
- d) *the taking of unpaid leave to care for a child under Section 128, or*
- e) *on account of an application under Section 61 (2) and (4).*

*(4) The employee may request in writing the reasons for the declaration of rights pursuant to paragraph (3) within fifteen days of its notification. The employer shall communicate the reasons in writing within fifteen days of receipt of the request.”*

#### Burden of proof

In order to comply with Directive 2019/1158, Section 107 of the Módtv. has added a new paragraph to Section 7 of the Mt. to ensure protection against unfavourable treatment or adverse consequences. With regard to the Directive, in order to ensure the effective implementation of the principles of equal treatment and equal opportunities, employees must be afforded adequate judicial protection against adverse treatment or adverse consequences resulting from a complaint or procedure relating to the rights provided for in the Directive. Such protection should be provided against any adverse treatment arising from any complaint or any legal or administrative procedure notified to the employer in an attempt to exercise the rights conferred by the Directives or to enforce compliance with the Directives.

As a result of the amendment, the following paragraph (3) has been added to Section 7 of the Mt.:

*„Section 7 (3) of the Mt. In the case of an employment claim based on an infringement of the prohibition of abuse of rights*

- a) *the person asserting the claim proves the facts, circumstances and prejudice on the basis of which the prohibition was infringed, and*
- b) *the person exercising the right proves that there is no causal link between the fact, the circumstance and the detriment proved by the asserting party.”*

The amendment thus clarified the rules on enforcement of claims related to the prohibition of abuse of the right under Section 7 (1) of the Mt. The purpose of this prohibition in the Mt. is to ensure protection against the abuse of rights, which may include protection against unfavourable treatment or adverse consequences under the Directive. In view of this, the amendment introduced the provision on the burden of proof as described above.

### Cases of reinstatement of employment

In order to comply with Directive 2019/1158, Section 122 of the Módtv. extended the cases of restoration of employment by adding a case to Section 83 (1) of the Mt., namely if the termination of employment was in conflict with the prohibition of abuse of rights.

Accordingly, „(1) *On the employee's claim, the court shall restore the employment relationship if*

- a) *the termination of the employment relationship was **contrary to***
    - aa) *the requirement of equal treatment,*
    - ab) the prohibition of abuse of rights,**
    - ac) *Section 65 (3), or*
    - ad) *Section 273 (1),*
  - b) *the employee was an employee representative at the time of termination of employment;*  
*or*
  - c) *the employee has successfully challenged the termination of the employment relationship by mutual agreement or his own declaration to that effect."*
- ***Persons falling under the scope of the Act CCV of 2012 on the Legal Status of Military Personnel (hereinafter referred to by the Hungarian abbreviation as: the Hjt.) - in force until 30 June 2024***

Termination of service by dispensation shall be compulsory only for the following reasons:

- if the member of the military personnel is unfit for military service on grounds of health, psychological condition or national security,
  - if the member of the military personnel has acquired entitlement to benefits for persons with reduced capacity for work, provided that he makes a written request to that effect,
  - if the member of the military personnel cannot be transferred to or retained on a reserve status, unless Hjt. provides otherwise for the termination of his service,
  - if the member of the military personnel cannot be granted temporary assignment for more than one year or not at all,
  - if the female military personnel applies for entitlement to an old-age pension on the basis of 40 years of service.
  - The exemption must be justified. In the event of unlawful termination of service, the interested party may pursue his claim before the courts. This may include a request for continued employment in the original service. The Hungarian Defence Forces shall be required to prove that the dismissal is real and justified. [Section 62, 63, 189 of the Hjt.]
- ***Persons falling under the scope of the Act CXIV of 2018 on the Legal Status of Defence Employees***

The provisions of the Mt. shall apply to defence employees.

- ***Persons falling under the scope of Act C of 2020 on Healthcare Service Relationship (hereinafter referred to by the Hungarian abbreviation as: Eszjtv.)***

The relevant provisions of the Mt. shall apply to the termination and expiry of the employment relationship, the legal consequences of unlawful termination of the employment relationship and the enforcement of labour law claims, given that the Mt. shall apply to matters not covered by the Eszjtv.

The healthcare employment relationship may be terminated with immediate effect if the worker does not comply with the request for prior authorisation:

- in the case of further employment, other gainful activity, activity for remuneration, except for scientific, teaching, artistic, lectorial, editorial, intellectual activity protected by law, employment as a foster parent
- the worker, in the headquarters or premises of the health care provider employing them, when carrying out health care activities not covered by their employment as a health care worker,
- in the case of scientific, teaching, artistic, lectorial, editorial or intellectual activities protected by law, or in the case of employment as a foster parent, if the duration of the work is partly equal to the working time of the person covered by the health service.

The senior manager or manager shall continue to be employed in the position held before the manager's term of office was revoked. If the senior manager or manager did not have a job before the managerial mandate, the employer must offer them a job corresponding to their qualifications. If the senior manager or manager is not satisfied with the opportunity offered, their employment relationship shall be terminated with severance pay.

- ***Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)***

In all cases, the NAV Szj. tv. specifically defines the grounds on the basis of which the employer may unilaterally terminate the employment relationship of the employee or for which reasons the employment relationship shall be terminated.

Pursuant to Section 66 (1) of the NAV Szj. tv., the employment relationship is terminated:

- a) upon expiry of the fixed term of appointment,
- b) the death of the employee,
- c) by force of this Act in the cases specified in this Act,
- d) on the completion of his 70th year of age,
- e) on the date of reaching retirement age, if the employee has reached retirement age under the social security rules and has completed the period of service required for full retirement pension, unless, at the request of the employee and in the interest of the service, the employer maintains the employment relationship,
- f) in the context of criminal proceedings, by the imposition of a disqualification from performing the duties required for the performance of his duties or a ban on engaging in public office.

The law shall have the force of termination of the employment relationship in the following cases:

- a) if the employee has not removed the conflict of interest within thirty days of the notice, his/her employment relationship shall be terminated [Section 92 (1)],
- b) if the employee, despite being required to do so by the employer, does not, through no fault of his own, commence the training required under paragraphs (2) and (3) of Section 95 within the prescribed period, or does not complete the training or take the examination within the prescribed period through no fault of his own, his employment relationship shall be terminated [Section 95(4)],
- c) in the case of a supplementary allowance for loss of earnings due to sickness, determined in accordance with Section 177 (4)(a), the employment relationship of the



employee shall be terminated by operation of law instead of the exemption provided for in Section 70 (2)(c) [Section 177 (5)],

- d) in the case of the award of a disability allowance, the employment relationship of the employed person shall be terminated by operation of law instead of the exemption provided for in Section 70 (2)(c) [Section 178 (3)].

Pursuant to Section 32 (4) of the NAV Szj. tv., if an employee becomes a person subject to national security control during the period of his employment relationship, and

- a) does not consent to the national security control, or
- b) a national security risk has been identified during the national security control and the continuation of the employment relationship has not been approved by a person authorised by law to do so, the employer may, at his discretion, offer the employee another employment relationship which is not subject to national security screening. If the employer does not offer another post or if the employee does not accept the post offered, the employment relationship shall be terminated immediately.

Pursuant to Section 35 (5) of the NAV Szj. tv., if the employer finds that the lifestyle of the customs officer is not acceptable, he shall take measures to terminate the employment relationship in accordance with this Act.

In the cases provided for in Section 67 of the NAV Szj tv., the employment relationship may be terminated:

- a) by mutual agreement of the parties,
- b) by resignation,
- c) by dispensation,
- d) with immediate effect during the probationary period,
- e) by transfer to the bodies subject to Act CXCIX of 2011 on Civil Servants the government service relationship and the civil service relationship, the professional service relationship, the law enforcement administrative service relationship, the civil servant relationship, or to the Hungarian Defence Forces (change of status),
- f) removal from office with disciplinary sanction.

Among the cases of termination of employment specified in Section 67 of the NAV Szj. tv., the possibility of termination with immediate effect during the probationary period and with immediate effect may be based on the unilateral decision of the employer.

Section 70 (1) to (2) of the NAV Szj. tv., specifies in detail the grounds when the employment relationship may or must be terminated by dismissal, as follows:

Under Section 70 (1) employment relationship may be terminated by dismissal if

- a) on the basis of a decision of the Government or the Minister, or on the basis of a decision of the President of the NAV, the number of employees of the NAV body must be reduced;
- b) the activity of the NAV in which the employee was employed has ceased;
- c) as a result of a reorganisation, the employee's job title ceases to exist or the job title of a customs officer is changed to that of an official and the employee has not accepted the other job offered to him which corresponds to his qualifications and training;
- d) the employee is considered to be retired [unless the employment relationship has been terminated pursuant to Section 66 (1)(e)].

Pursuant to Section 70 (2), service relationship shall be terminated by dismissal if

- a) the employee is unworthy of his office;

- b) the performance of the employee is of an "unacceptable" grade;
- c) he becomes unfit to perform his duties
  - ca) on the basis of the employee's state of health, with the exception of the category of persons defined in Section 176,
  - cb) the official on the basis of the examination pursuant to Section 36 (2) (exceptional medical or psychological fitness/suitability examination),
  - cc) on the basis of the psychological or physical condition of the customs officer;
- d) in the case of a change of appointment as provided for in Section 47 (9) or in the case provided for in Section 142 (2), upon request by the employee;
- e) in accordance with Section 18 (2a) of the Act LXXXI of 1997 on Social Security Pension Benefits (hereinafter referred to by the Hungarian abbreviation as: Tny) in the case of an application by an employee who has fulfilled the condition set out in Section 18 (2a) of the Tny at the end of the period of suspension;
- f) in the case provided for in Section 32 (4)<sup>3</sup> and Section 35 (5)<sup>4</sup>;
- g) the reason for the exclusion from employment relationship comes to the knowledge of the person exercising the employer's powers;
- h) after the termination of the secondment or assignment pursuant to Sections 54, 57 to 60, the employee cannot be offered a job corresponding to his qualification or training pursuant to Section 56 (2) or does not accept a lower job offered to him/her pursuant to Section 56 (3).

Section 70 (7) of the NAV Szj. tv. clearly stipulates that the person exercising the employer's authority is obliged to justify the dismissal. This must clearly show and the employing NAV body must prove that the reason for the dismissal is real and reasonable.

The NAV Szj. also expressly prohibits the dismissal of an employee by the employer (dismissal protection) in certain periods as follows:

According to Section 75 (1), the employer may not terminate the employment relationship by dismissal during

- a) pregnancy,
- b) maternity leave,
- c) unpaid leave taken to care for a child, or, even without taking unpaid leave, up to the age of three years,
- d) unpaid leave to care for a grandchild,
- e) incapacity for work to care for a sick child,
- f) actual voluntary military service in the military reserve; and
- g) statutory treatment of a woman in connection with a human reproductive procedure, up to a maximum of six months from the date on which the treatment began,
- h) unpaid leave for the spouse's or partner's service abroad,
- i) suspension of employment relationship,

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<sup>3</sup> If an employee becomes a person subject to national security control during the period of his employment relationship, and

(a) does not consent to the national security check, or

(b) a national security risk has been identified in the course of the national security control and the continued employment has not been approved by a person authorised by law to do so,

the employer may, at his discretion, offer the employee another position which is not subject to a national security control. If the employer does not offer another position or if the employee does not accept the position offered, the employment relationship shall be terminated immediately.

<sup>4</sup> If the person exercising the employer's authority finds that the lifestyle of the customs officer is not acceptable, he shall take measures to terminate the employment in accordance with this Act.

- j) absence as defined in Section 85 (1)(m)<sup>5</sup> and (p)<sup>6</sup>,
- k) paternity and parental leave.

However, the employment relationship of an employee may not be terminated by dismissal in the case provided for in Section 62(4) of the NAV Szj. tv., nor during the period of employment as an expert in development programmes financed by the European Union or international organisations, or as a national expert employed by European Union institutions and international organisations.

Pursuant to Section 215 (1) of the NAV Szj. tv., the employee may, unless otherwise provided by this Act, directly apply to the courts within the limitation period for the enforcement of claims arising from the employment relationship, except in the cases specified in paragraphs (3) and (4). Pursuant to paragraph 3 (a), the action may be brought before the court within thirty days of the date of notification of the act of the employer complained of in cases relating to termination of service relationship.

Legal consequences of unlawful termination of employment relationship:

*“Section 216 (1) If the court finds that the employer has unlawfully terminated the employment relationship of an employee, the employee may request to be reinstated in his original position if*

- a) *the termination is contrary to the prohibition on abuse of rights under Section 6 or to the protection against dismissal under Section 75, or the employer is in breach of other provisions on dismissal restrictions under Section 62 (4) or 71 (2), or*
- b) *the employer has terminated the employment relationship of the elected trade union official in a manner contrary to Section 229 (1), or*
- c) *the employment relationship of the employee was terminated as a result of the imposition of a disciplinary sanction involving the loss of office and the disciplinary proceedings should have been terminated pursuant to Section 194, or the disciplinary sanction involving the loss of office is not proportionate to the seriousness of the disciplinary offence committed, or*
- d) *the termination of employment was contrary to the requirement of equal treatment; or*
- e) *the employee has successfully challenged the termination by mutual agreement or his own declaration to that effect.*

*(2) Upon the request of the employer, the court shall refrain from reinstating the employee to his original position, provided that the further employment of the person concerned cannot be expected from the NAV. This shall be deemed to be the case in particular if*

- a) *the employee has ceased to be employed,*
- b) *the job has been filled,*
- c) *the employing NAV body is in the process of reducing its staff at the time the judgment becomes final,*
- d) *there is no vacancy in the employing NAV body.*

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<sup>5</sup> During the period of preparation for the statutory adoption, for the purpose of meeting the adoptable child in person, up to ten working days per year.

<sup>6</sup> For the purpose of providing personal care to a relative who needs care for serious health reasons or to a person living in the same household as the employed person, up to five working days per year.

*(3) If the dismissal is unlawful because a shorter period of dismissal than provided for in this Act has been fixed, this shall not invalidate the dismissal, but in such a case the period of service shall continue until the last day of the regular dismissal.*

*(4) In the case referred to in paragraph (1), the employee shall also be compensated for salary and other benefits foregone and for damages arising from the unlawful termination of the employment relationship. No compensation shall be payable in respect of that part of the salary or other benefits or of the damage which was or could have been recovered from other sources with due diligence. In particular, failure to cooperate with the public employment service in order to establish an employment relationship, refusal to accept a suitable job offered by the public employment service in accordance with the conditions laid down in the Act on the promotion of employment, or failure to actively seek employment, shall be considered as a failure to exercise due diligence. The court shall determine the consequence of the failure to exercise due diligence in terms of compensation for the loss of salary or other benefits or for the damage suffered by the person concerned, on the basis of a consideration of all the circumstances of the case.*

*(5) In the event of unlawful termination of employment as referred to in paragraph 1, where the employee does not request reinstatement in his original position or where the court refuses to reinstate him in his original position, the employment relationship shall be terminated on the date on which the decision establishing the unlawfulness becomes final. In that case, in addition to the provisions of paragraph 4, the court shall order the NAV to pay the employee an amount corresponding to at least two months' salary but not more than twelve months' salary, taking into account all the circumstances of the case, in particular the seriousness of the infringement and its consequences.*

*(6) If the employment relationship has not been terminated unlawfully in the manner provided for in paragraph (1), the service relationship shall, with the exception of paragraph (3), be terminated on the date of the declaration of termination, but the person concerned shall be paid a fixed compensation equal to at least two months' salary and up to a maximum of twenty-four months' salary, taking into account all the circumstances of the case, in particular the seriousness of the infringement and its consequences.*

*(7) In assessing the amount of compensation, the court shall take into account the extent to which the employee has complied with the obligation laid down in paragraph (4) (compensation).”*

## **ARTICLE 25 – THE RIGHT OF WORKERS TO THE PROTECTION OF THEIR CLAIMS IN THE EVENT OF THE INSOLVENCY OF THEIR EMPLOYER**

With a view to ensuring the effective exercise of the right of workers to the protection of their claims in the event of the insolvency of their employer, the Parties undertake to provide that workers' claims arising from contracts of employment or employment relationships be guaranteed by a guarantee institution or by any other effective form of protection.

Act LXVI of 1994 on the Wage Guarantee Fund ('hereinafter referred to by the Hungarian abbreviation "Btv.") has been amended several times after 2018, in particular:

### Eligibility and purpose of the aid:

Pursuant Section 1(1) of the Btv., under the wage guarantee procedure:

- a) from the outstanding wage debts of an entity in liquidation or compulsory winding-up proceedings against the employee,
- b) any unpaid loan fees from the borrower in liquidation to the lender for the loaned employee,
- c) from the unpaid service charge to an entity in liquidation for a school cooperative, a cooperative for persons with young children at home, a public interest pension cooperative (pension cooperative)

the amount specified in the Btv. may be advanced.

Pursuant to Paragraph (1a) of Section 1 of the Act, in the framework of the wage guarantee procedure, the debtor who is subject to debt settlement proceedings under Act CV of 2015 on the Debt Settlement of Natural Persons (hereinafter referred to by the Hungarian abbreviation "Are."), Section 5(19) of the Are, may be granted advance financial support for the payment of their wage debts as repayable state aid for the purpose of wage guarantee.

Thus, according to the (amended) Btv., it is now possible under the wage guarantee procedure for an entity in liquidation to advance the amount determined by the Btv. from the unpaid service fee to a school cooperative, a cooperative for persons with young children at home, a public interest pension cooperative (pension cooperative). It is also possible for natural persons in debt settlement proceedings under the Are for self-employed persons listed in point 19 of Section (5) of the Are. to advance financial support for the payment of their wage arrears for the purpose of a wage guarantee.

The aid is also intended to cover wage arrears arising from employment terminated before the start of the liquidation or compulsory winding-up proceedings.

### The definition of "wage arrears":

Pursuant to Section 1 (2) (d) of the Btv, wage arrears:

- any wages owed to an entity in liquidation or compulsory liquidation as an employer under Act XLIX of 1991 on Bankruptcy and Liquidation Proceedings (hereinafter referred to by the Hungarian abbreviation "Cstv."), including wages owed for sick leave and wages owed in connection with the termination of employment which are liquidation costs pursuant to 57(3) of the Cstv. on the termination of employment,

- under the Mt. debtor self-employed person - as an employer - as listed in Section 5(19) of the Act are subject to debt settlement procedures, severance pay and fees payable for the period of sick leave.

Receipt and repayment of aid:

According to Section 3(1) of the Btv, the application for aid shall be submitted to the public employment service by the liquidator or an authorised representative in electronic form, as published on the official website of the Minister responsible for employment policy. The public employment service designated by the Government is competent to carry out the procedure for examining the application for aid. The time limit for the administration of the wage guarantee procedure is 10 days [Section 4(2)-(3) of the Btv,]

If the public employment body has granted a wage guarantee subsidy to a business organisation in liquidation/administration, or to an individual entrepreneur in debt settlement proceedings, the repayment of the subsidy is due on the day following the date on which the decision on the subsidy becomes final [Section 9 (1) of the Btv.]. Unlawfully claimed or incorrectly used aid must be repaid in an amount equal to twice the base rate of the central bank in force at the time of the application for aid [Section 8 (1) of the Btv.].

## ARTICLE 26 – THE RIGHT TO HUMAN DIGNITY AT WORK

With a view to ensuring the effective exercise of the right of all workers to protection of their dignity at work, the Parties undertake, in consultation with employers' and workers' organisations:

1. to promote awareness, information and prevention of sexual harassment in the workplace or in relation to work and to take all appropriate measures to protect workers from such conduct;
2. to promote awareness, information and prevention of recurrent reprehensible or distinctly negative and offensive actions directed against individual workers in the workplace or in relation to work and to take all appropriate measures to protect workers from such conduct.

- *Persons falling under the scope of Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as: Mt.)*

### Changes in the legislation on the protection of personality rights

Section 9 of the Mt. has been amended, which lays down specific provisions on the protection of personality rights in the employment relationship and also applies to the protection of human dignity.

Section 100 (1) of Act XXXIV of 2019 on the amendments necessary for the implementation of the European Union reform on data protection (hereinafter referred to by the Hungarian abbreviation as: Módtv.) amended Section 9 (2) of the Mt. with effect from 26 April 2019 as follows:

*„ (2) The personality right of workers may be restricted if deemed strictly necessary for reasons directly related to the intended purpose of the employment relationship and if proportionate for achieving its objective. The means and conditions for any restriction of personality rights, the expected duration and of the circumstances justifying its necessity and proportionality shall be communicated to the workers affected in writing in advance. ”*

Accordingly, compared to the previous legislation, the employer's obligation to provide information has been extended to include information on the circumstances justifying the necessity and proportionality of the restriction. This means that the information must also cover the circumstances justifying the necessity and proportionality of the restriction. Furthermore, a new requirement is that the information must be provided in writing. In this way, the amendment has established stricter conditions for the restriction of the employee's personality rights in the employment contract.

The purpose of the amendment was to ensure the necessary legal coherence for the implementation of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). In this context, the amendment of Section 9 (2) of the Mt. was aimed at making the restriction of rights in relation to the protection of personality rights more transparent for the employee and justifiable for the employer. The test of limitation of rights under Section 9 (2) of the Mt. applies to each individual restriction of personality rights and therefore also applies to the protection of human dignity.

Pursuant to Section 9 (1) of the Mt, *"the protection of the employee's and the employer's personal rights shall be governed by Sections 2:42-54 of Act V of 2013 on the Civil Code (hereinafter referred to by the Hungarian abbreviation as: Ptk.), unless otherwise provided in this Act, in a way that the rules on liability for damages of this Act shall apply in the application of Sections 2:52 (2) and (3) and 2:53 of the Ptk."* Consequently, Section 2:42 (2) of the Ptk. also applies to the employment relationship, according to which *"Everyone shall respect human dignity and the personality rights derived from it. Personality rights are protected by this Act."*

Thus, in the case of a restriction of the right to human dignity, the employer must inform the employee in writing in advance of the means, conditions and expected duration of the restriction of the right to dignity, as well as of the circumstances justifying its necessity and proportionality.

#### Change in legislation concerning the protection of human dignity

In addition, the change in the legal regulation concerning the protection of human dignity is that Section 100 (5) of the Módtv. has redefined the provisions of the former Section 11 of the Mt. in Section 11/A of the Mt. In this context, it repealed the requirement in the second and third sentences of former Section 11 (1) of the Mt. that *"the control of the employer and the means and methods used in the course of such control may not be in violation of human dignity. The employee's private life may not be controlled."* This deregulatory amendment was justified, according to the Ministerial Explanatory Memorandum to the Act T/4479, on the grounds that the protection of human dignity and privacy follows from the civil law rules on personality rights. Accordingly, *"human dignity shall be protected not only during controls, but also in all aspects of the employment relationship.* The obligation to protect human dignity also derives from the fact that Section 9 of the Mt. provides for the application of the provisions of the Civil Code on the protection of personal rights (...) and from the Fundamental Law and the Civil Code, which also impose an obligation on the employer that the private life may not be controlled."

Following the amendment, Section 11/A (1) of the Mt. regulates the employer's right to control, as follows, *"In this context, the employer may use technical means, of which the employee shall be informed in writing in advance."* Thus, in the exercise of the employer's right of control, also in the control of employees by technical means, it is necessary to take into account the requirement to respect human dignity, pursuant to Section 9 (1) of the Mt. and Section 2:42 (2) of the Ptk.

#### Change in the legislation regarding the prohibition of abuse of rights

Another legislative change is that a new amendment to the Mt. entered into force on 1 January 2023. In this context, the rules on enforcement of claim in case of abuse of rights have been clarified in order to transpose Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU.

Section 107 of Act LXXIV of 2022 amending certain acts on employment inserted the following provision in Section 7 of the Mt.:

*„(3) In the case of an employment claim based on a violation of the prohibition of abuse of rights*



- a) *the party alleging an abuse of rights shall prove the facts and circumstances underpinning the violation as well as the adverse consequence suffered;*
- b) *the defending party shall prove that there is no causal link between the facts and circumstances as well as the adverse consequence suffered.*

The amendment thus clarified the rules for the enforcement of claims related to the prohibition of abuse of the right contained in Section 7 (1) of the Mt. The purpose of this prohibition in the Mt is to ensure protection against the improper exercise of rights.

The amendment aims to comply with the provisions on ensuring protection against unfavourable treatment or adverse consequences in Directive 2019/1152/EU on transparent and predictable working conditions in the European Union and Directive 2019/1158/EU on work-life balance for parents and carers and repealing Council Directive 2010/18/EU. Both Directives provide for protection against unfavourable treatment or detrimental consequences. With regard to the Directives, in order to ensure the effective implementation of the principles of equal treatment and equal opportunities, workers should be afforded adequate judicial protection against any unfavourable treatment or detrimental consequences resulting from a complaint or action relating to the rights provided for in the Directives. Such protection should be provided against any detrimental treatment resulting from any complaint or legal or administrative procedure notified to the employer in an attempt to exercise the rights conferred by the Directives or to enforce compliance with the Directives. The Directives thus introduce a new requirement for Member States, as the previous Directives (Directive 91/533/EEC on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship and Directive 2010/18/EU repealing Directive 96/34/EC on the implementation of the revised Framework Agreement on parental leave concluded by BUSINESSEUROPE, UEAPME, CEEP and ETUC) did not contain such a provision.

In order to comply with these, the amendment clarified the rules for the enforcement of claims relating to the prohibition of abuse of rights on the sharing of the burden of proof. In relation to Section 7 (3) of the Mt., the Statutory Explanatory Memorandum is noteworthy, according to which „the concepts of fact, circumstance and detriment are not defined by law, but can be interpreted on the basis of the general principles of interpretation of the law. The fact or circumstance upon which a violation of the prohibition is based may include anything that may give rise to a violation of the prohibition or encompasses the behaviour of the practitioner that gives rise to the violation of the prohibition.” The amendment thus clarified „the burden of proof to be proved by the person asserting or exercising the right in an employment tribunal in the case of an employment claim based on an abuse of rights. This will accelerate the procedure and provide the parties and the court with a clear framework as to what the interest of proof may be.”

In addition, in order to comply with Directive 2019/1158/EU, Section 122 of Act LXXIV of 2022 amending certain laws on employment extended the cases of restoration of employment relations in Section 83 (1) of the Labour Code by a new case, namely if the termination of the employment relationship was in violation of the prohibition of abuse of rights.

Pursuant to this,

- ”(1) On the employee's application the court shall reinstate the employment relationship if.*
- a) *the termination of the employment relationship*
  - aa) *the requirement of equal treatment,*

*ab) the prohibition of abuse of rights,*

*ac) subsection 65 (3), or*

*ad) section 273(1),*

*b) the employee was an employee representative at the time of termination of employment;  
or*

*c) the employee has successfully challenged the termination of the employment relationship by mutual agreement or his own declaration to that effect.”*

As a result of the amendment introduced in relation to the abuse of rights concerning Section 7 of the Mt., in the future, in addition to the formal unlawfulness of the legal declaration to terminate the employment relationship, it must also be examined whether the employer's exercise of rights also constituted an abuse of rights.

- ***Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)***

Section 4 of the NAV Szj. tv. lays down the professional ethical principles applicable to the employees, in particular loyalty and commitment, preference for national interests, fair and equitable administration of justice, dignity and fairness, freedom from prejudice, impartiality, responsibility and professionalism, cooperation, proportionality of measures and protection.

Section 6 (2) of the NAV Szj. tv. lays down the principle that the abuse of rights is prohibited. For the purposes of this Act, abuse of rights is in particular if it is intended or leads to impair the legitimate interests of others, restrict their opportunities to enforce their interests, persecute them or suppress their expression of opinion.

Section 84 (2) of the NAV Szj. tv. states that technical controls and the means and methods used in the course of such controls may not result in an infringement of human dignity. No electronic monitoring system may be used in a place where the monitoring could violate human dignity. The person exercising the employer's right shall ensure that no unauthorised person has access to the data recorded during the monitoring carried out by technical means.

## **ARTICLE 27 – THE RIGHT OF WORKERS WITH FAMILY RESPONSIBILITIES TO EQUAL OPPORTUNITIES AND EQUAL TREATMENT**

With a view to ensuring the exercise of the right to equality of opportunity and treatment for men and women workers with family responsibilities and between such workers and other workers, the Parties undertake:

1. to take appropriate measures:
  - a) to enable workers with family responsibilities to enter and remain in employment, as well as to re-enter employment after an absence due to those responsibilities, including measures in the field of vocational guidance and training;
  - b) to take account of their needs in terms of conditions of employment and social security;
  - c) to develop or promote services, public or private, in particular child day-care services and other childcare arrangements;
2. to provide a possibility for either parent to obtain, during a period after maternity leave, parental leave to take care of a child, the duration and conditions of which should be determined by national legislation, collective agreements or practice;
3. to ensure that family responsibilities shall not, as such, constitute a valid reason for termination of employment.

- ***Persons falling under the scope of Act XXXIII of 1992 on the Legal Status of Public Servants***

As from 1 January 2023, the father shall be entitled to ten working days' leave (hereinafter 'paternity leave'), to be granted at the time of his request, in no more than two instalments, at the latest by the end of the second month following the birth of his child or, in the case of adoption of a child, the finalisation of the decision authorising the adoption. A public servant shall also be entitled to paternity leave if his child is stillborn or dies (Section 57/A).

- ***Persons falling under the scope of Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as: Mt.)***

As of 1 January 2020, the employer is obliged, at the employee's request, to modify the employment contract to part-time work covering the half of the full-time daily working time, until the child reaches the age of 4 instead of 3, or age of 6 years instead of 5 for employees with three or more children.

In order to transpose into Hungarian law Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU, amendments to the Directive entered into force on 1 January 2023, with transitional provisions retroactive to 2 August 2022. The amendments to the Mt. were enacted by Act LXXIV of 2022 amending certain employment-related acts, with the following content:

### *Carer's leave*

From 1 January 2023, the rule entered into force that employees are exempted from the requirement of availability and work duty to provide personal care for a relative who needs care for serious health reasons or for a person living in the same household as the employee for a maximum of five working days per year (carer's working time allowance) [Section 55 (1) 1) of the Mt.] The carer's working time allowance shall be granted at the time requested by the

employee, in no more than two instalments [Section 55 (3) of the Mt.]. No remuneration shall be paid for the duration of the carer's working time allowance [Section 146 of the Mt.].

#### Paternity leave

As from 1 January 2023, the father is entitled to ten working days of paternity leave in the event of the birth of a child, at the latest until the end of the second month following the birth, or in the case of adoption following the finalisation of the decision authorising the adoption. The worker is also entitled to paternity leave if the child is stillborn or dies. [Section 118 (4) of the Mt.]. For the first five working days of paternity leave, the employee shall be entitled to 100 % of the absentee pay (payments for periods of absence), and for the six to ten working days of paternity leave, the employee shall be entitled to 40 % of the absentee pay (payments for periods of absence) [Section 146 (4) of the Mt.].

Section 4 of Government Decree No. 535/2022 (XII. 21.) on the use of paternity leave and the reimbursement of related costs (hereinafter: Decree) provides that the amount of the absentee pay (payments for periods of absence), and the employer's public charge payable for the first five working days of paternity leave shall be reimbursed to the employer from the central budget. The employer may apply for the compensatory allowance and the public charge payable to the worker on the form provided for that purpose four times a year, by 31 March, 30 June, 30 September and 31 December.

A transitional provision ensured that an employee is entitled to take paternity leave under Section 118 (4) of the Mt. for a child born or adopted between 2 August 2022 and 31 December 2022 within two months from 1 January 2023, if before 1 January 2023

- a) he has not taken extra leave under section 118 (4) of the Mt., or
- b) he has taken extra leave pursuant to Section 118 (4) of the Mt. for the duration of the working days corresponding to the difference between the extra leave and the paternity leave pursuant to Act LXXIV of 2022 amending certain acts on employment (hereinafter: the Módtv.) [Section 19/F (6 of Act LXXXVI of 2012 on transitional provisions and amendments to the Act I of 2012 on the Labour Code)].

#### Parental leave

Under the new regulation, a worker is entitled to 44 working days of parental leave up to the age of three of the child. To be eligible, the employment relationship must have lasted for one year [Section 118/A of the Mt.]. The employer shall grant parental leave at the time requested by the employee [Section 122 (4a) of the Mt.]. The employer may postpone the granting of parental leave for a maximum of 60 days in the case of an exceptionally important economic interest or for a reasons directly and seriously affecting the operation of the employer's business, the reasons for which shall be communicated to the employee in writing; parental leave once begun may not be interrupted [Section 123 (5) of the Mt.].

For the duration of the parental leave, the employee shall be entitled to 10% of the absentee pay (payments for periods of absence), which shall be reduced by the amount of the child benefit, graduate child benefit and child-care allowance paid to the employee for this period [Section 146 (5) of the Mt., Section 42/A (1) of Act LXXXIII of 1997 on the benefits of compulsory health insurance (hereinafter referred to by the Hungarian abbreviation as: Ebtv.), Section 42/E (1) of Act LXXXIV of 1998 on Family Support].

A transitional provision ensured that if the employee's child reaches the age of three between 2 August 2022 and 30 June 2023, the employer may grant parental leave – at the time requested by the employee - no later than 30 June 2023 [Section 19/F (7) of Act LXXXVI of 2012 on transitional provisions and amendments related to the entry into force of Act I of 2012 on the Labour Code].

#### Flexible working conditions

In order to ensure flexible working conditions, the childcare worker may request a change of place of work and working hours, teleworking or part-time work until the child reaches the age of eight, except during the first six months of employment. The worker shall state the reasons for the request in writing and indicate the date of the change. The employer shall give a written response to the employee's request within fifteen days. If the request is rejected, the employer must state the reasons for its refusal. In the event of an unlawful refusal of the request or failure to make a declaration, the court shall replace the employer's statement of consent [Section 61 (4) to (6) of the Mt.].

#### Abuse of rights

From 1 January 2023, the principle of reversed burden of proof will apply in the case of abuse of rights, as in the case of violation of the requirement of equal treatment, In the case of an employment claim based on a violation of the prohibition of abuse of rights, the claimant will prove the fact, circumstance and detriment on which the violation of the prohibition is based, while the party exercising the right will prove that there is no causal link between the fact, circumstance and detriment proved by the claimant. The fact or circumstance serving as the basis for the violation of the prohibition may include everything that may that may substantiate the violation of the prohibition and may also include the conduct of the right holder that led to the violation of the prohibition [Section 7 (3) of the Mt.] Furthermore, as of January 1, 2023, the Labor Code § 83 (1) has been amended, which stipulates that at the employee's request, the court shall reinstate the employment relationship if its termination violated the prohibition of abuse of rights [Section 83 (1) a) ab) of the Mt.].

The legal provisions described above also apply to public servants [Act XXXIII of 1992 on the Legal Status of Public Servants].

In the context of the above, the detailed rules on equal treatment was supplemented by Act CXXV of 2003 on equal treatment and the promotion of equal opportunities, which as follows:

*Section 21 „Violation of the principle of equal treatment shall be taken to occur in particular where an employer discriminates, either directly or indirectly, against an employee, in particular in the course of determining or applying any of the following provisions:*

- j) in relation to applying for, and using parental leave for the purpose of facilitating the reconciliation of parental and professional responsibilities of employees and increasing the time available for caring for children*
- k) in relation to applying for claiming carer's allowance.”*

- ***Persons falling under the scope of the Act CCV of 2012 on the Legal Status of Military Personnel (hereinafter referred to by the Hungarian abbreviation as: the Hjt.) - in force until 30 June 2024***

With their consent, a member of the armed forces may be transferred to another location from the time of the determination of pregnancy until their child reaches the age of 3, if they are raising their minor child alone, or if they are caring for a close relative or partner who requires long-term care [Section 49 (4) of the Hjt.].

Service relationships cannot be terminated with notice during the following periods and for 30 days thereafter:

- a) during the period of caring for a sick child or the unpaid leave granted for the purpose of caring for a close relative or partner at home,
- b) during the pregnancy,
- c) 3 months after childbirth, as well as during maternity leave and unpaid leave taken for child care, and up to the age of 3 of the child without taking unpaid leave,
- d) during the treatment related to human reproductive procedures for female members of the armed forces, but no longer than 6 months from the start of such treatment,
- e) in the case of mandatory foster care prior to adoption, for the member of the armed forces intending to adopt – the spouse who takes on a larger role in the child's upbringing in case of spouses intending to adopt jointly - for 6 months from the placement in mandatory foster care, or if the child is removed from foster care before the 6 months are completed, for the duration of the mandatory foster care,
- f) during the period which childcare allowances are paid,
- g) during the parental leave,
- h) during the paternity leave.

[Section 67 (1) of the Hjt.].

A member of the armed forces may be offered a non-military post only if the time required to reach the new place of employment from the place of residence by public transport, does not exceed one and a half hours each way, or one hour in the case of a person with a child under ten years of age, unless the member of staff concerned agrees to travel longer by means of a declaration. [Section 68/B (2) of the Hjt.]

A female member of the armed forces may be employed, with her consent, in a standby position or in a continuous on-call duty service from the time the pregnancy is established until her child reaches the age of 3, and a member raising her child alone until the child is 3 years old. [Section 95 (5) of the Hjt.]

A female member of the armed forces cannot be assigned to night duty from the determination of her pregnancy until her child is 1 year old. Night duty is defined as service performed between the hours of 10 pm. and 6 am. [96 (5) of the Hjt]

A female member of the armed forces shall not be required to work overtime from the determination of her pregnancy until her child reaches the age of 3, nor shall a member raising a child alone be required to do so until the child is 3 years old. In this case, the member may not be assigned to guard, on-call duty, or standby service lasting 12 hours or more. The member's consent is required for assignment if he/she is raising a child under the age of 6 alone and unable to look after the child on his own. [Section 103 (3), 106 (2) of the Hjt.]

At the written request of a member of armed forces, the employer shall authorise part-time service up to the age of eight years for a child, or fourteen years for a disabled child, or – in the case of a member of the armed forces raising three or more children - until the age of eight for a child or eighteen years for a disabled child, if the member of staff's duties can be performed

during part-time service. Part-time service shall not be authorised in the leadership positions defined by ministerial decree. Part-time work shall not be authorised if it would impose a significantly greater workload on the employer exercising the power to organise work. Requests for part-time work of less than 20 hours per week may be rejected without an examination of the merits. The employer shall give a justified written decision rejecting the request. If a member of staff cannot be assigned to a post during part-time working hours, the employer shall offer him another appropriate position which can be filled during part-time working hours. If the employer is unable to offer a position other than the original one, the reasons shall be given in writing. [Section 99 of the Hjt.]

A member of armed forces shall be exempted from his/her obligation to perform his/her duties for the duration of the examination in connection with a special procedure for human reproduction, for 1 hour twice a day for breastfeeding mothers during the first 6 months of breastfeeding, for 2 hours twice a day for breastfeeding twins, for 1 hour a day until the end of the 9th month, for 2 hours a day for breastfeeding twins, if he/she is not on medical leave, and for a maximum of 10 working days a year during the period of preparation for an adoption, for the purpose of meeting the child to be adopted. [Section 108 of the Hjt.]

A member of armed forces shall be entitled to 2 working days' additional leave for one child under 16 years of age, 4 working days for two children and a total of 7 working days for more than two children. The additional leave shall be increased by 2 working days per disabled child. For the purposes of entitlement to additional leave, the child is taken into account for the first time in the year of birth and for the last time in the year in which he or she reaches the age of 16. [Section 109 (5)-(6) of the Mt.]

A member of armed forces shall be entitled to forty-four working days' parental leave until the child reaches the age of three. To be entitled to parental leave, the staff member must have been in service for at least one year. [Section 109/A of the Hjt.]

The father shall be entitled to ten working days' paternity leave, to be granted at the latest at the end of the second month following the birth of his child or, in the case of adoption, at the latest at the end of the second month following the date on which the decision authorising the adoption becomes final, to be taken in accordance with his request and in no more than two parts. A member of armed forces shall also be entitled to paternity leave where his child is stillborn or dies. [Section 114 of the Hjt.]

The mother and, in certain cases, the father shall be entitled to maternity (paternity) leave for a period not exceeding 24 weeks, of which they shall be required to take at least two weeks. [Section 115 of the Hjt.]

A member of armed forces shall be entitled to unpaid leave to care for his child until the child reaches the age of 3 years, to be granted at the time he/she requests. In addition, a member of armed forces shall be entitled to unpaid leave for the personal care of his/her child until the child reaches the age of 10 years during the period for which childcare allowance is paid. A member of armed forces shall be entitled to unpaid leave for the duration of the childcare allowance provided for in Section 42/G of Act LXXXIII of 1997 on the benefits of compulsory health insurance. [Section 116, 117 (1), (4) of the Hjt.]

A member of armed forces shall be entitled to medical leave for childcare up to the age of 12 of the child in the event of illness of his/her child [Section 120 of the Hjt.].

- ***Persons falling under the scope of Act XLII of 2015 on the Service Status of Professional Members of Law Enforcement Agencies (hereinafter referred to by the Hungarian abbreviation as: the Hszt.)***

According to the rules of the Hszt. which entered into force on 1 February 2023, the system of additional leave for grandparents (five working days, seven working days for twins) and additional leave for first marriage (five working days) was introduced for members of the professional staff, and from 1 January 2023, the paternity leave for the birth of a child was amended to ten working days.

The amendment to the Hszt. entitles a member of the professional staff with at least one year's service to forty-four working days' parental leave up to the child reaches the age of three. During the parental leave, the member of the professional staff shall be paid a remuneration equivalent to 10% of the absentee pay (payments for periods of absence), reduced by the amount of the childcare allowance paid to the member of the professional staff for this period pursuant to Section 42/A(1) or 42/E(1) of Act LXXXIII of 1997 on the benefits of compulsory health insurance, or the childcare allowance pursuant to Section 20 (1) of Act LXXXIV of 1998 on Family Support.

With effect from 1 January 2024, pursuant to Section 148 (1)(c)(ca) of the Hszt, a single-parent professional staff member of the police service who is caring for a child aged over one but under three years shall be entitled to 168 calendar days' medical leave per year.

Pursuant to Section 152 (2) of the Hszt., 50% of the leave shall be granted consecutively, 25%, but not less than ten days, and the additional leave pursuant to Section 144 (1) and (2) shall be granted at the time and for the period indicated by the member of the professional staff, in such a way that the ability of the law enforcement service to function is not jeopardised. The law enforcement agency shall give the member of its staff 30 days' notice of the date on which the leave is to commence.

- ***Persons falling under the scope of Act CXIV of 2018 on the Legal Status of Defence Employees (hereinafter referred to by the Hungarian abbreviation as: Haj.tv.)***

With effect from 1 January 2023, Section 55 of the Haj.tv. introduced ten working days of paternity leave instead of the previously existing five (seven in the case of twins) working days of paternity leave for fathers in case of the birth of a child, and extended the scope of the entitlement to the adoptive father. The paternity leave is granted until the end of the second month following the birth of the child or the finalisation of the decision authorising the adoption [pursuant to the amendment of Section 59 (1) of the Haj.tv. also beyond the year of the due date]. It] The paternity leave shall be granted in no more than two instalments, and at the time requested by the father. The postponement of the leave granted in accordance with the provisions of 59 (3) of the Haj.tv. shall not apply to paternity leave.

A transitional provision has been introduced in Section 99/F (1) of the Haj.tv. regarding the entitlement to paternity leave. This means that fathers whose child was born or adopted between 2 August 2022 and 31 December 2022 are also entitled to the increased paternity leave granted under the new rules. In this case, the paternity leave may be taken during the first two months after the amendment enters into force, but the number of days that may be taken shall be reduced by the number of days already taken from the paternity leave under Section 55 of the Haj.tv. in



force until 31 December 2022. In all other respects, the provisions of the Mt. shall apply to defence employees.

- ***Persons falling under the scope of Act CXXV of 2018 on Government Administration (hereinafter referred to by the Hungarian abbreviation as: Kit.)***

From 1 January 2023, the following benefits will be granted to parents with family responsibilities under Section 155 of the Kit.

*„(1) A government official, for a child under the age of eighteen shall be entitled to*

- a) for one child, four,*
- b) for two children, eight,*
- c) for more than two children, a total of fourteen*

*additional working day's leave.*

*(2) If the child of the Government official is disabled, the additional leave under paragraph (1) shall be increased by two working days for each disabled child.*

*(3) For the purpose of entitlement to additional leave, the child shall be taken into account first in the year of his birth and last in the year in which he reaches the age of eighteen years.*

*(4) The father shall be entitled to eight working days' additional leave in the case of the birth of a child, or ten working days in the case of the birth of twins, no later than the end of the second month following the birth, which shall be granted at the time corresponding to his request. Leave shall also be granted in the case of stillbirth or death.*

*(4a) The father shall be entitled to eight working days of additional leave in the case of adoption of a child, or ten working days in the case of adoption of twins, no later than the end of the second month following the finalisation of the decision authorising the adoption.*

*(5) In the case of the birth of a grandchild, five working days' additional leave may be taken by the grandparent until the end of the second month following the birth of the child, which shall be granted at the time corresponding to the date of his request.”*

- ***Persons falling under the scope of Act C of 2020 on the Employment Status of Health Workers (hereinafter referred to by the Hungarian abbreviation as: Eszjtv.)***

For matters not covered by the Eszjtv, the Mt is applicable., and health sector is regulated by Act LXXXIV of 2003 on Certain Aspects of Performing Healthcare Activities (hereinafter referred to by the Hungarian abbreviation as: Eütev.) Pursuant to the Eütev.:

*„Section 5 (5) The combined duration of all health care activities that a health care worker may perform in a calendar week under the legal relationships listed in Chapter III of this Act – with the exception of § 12/B (1) and § 12/F (4) – shall not exceed 60 hours per week on a 6-month average, nor shall the combined duration of health care activities in a calendar day exceed 12 hours, even if the health care activities are performed simultaneously under several or more types of legal relationships. In determining the combined duration of healthcare activity in different legal relationships, only the duration of the actual healthcare activity performed within the on-call duty should be taken into account.*

*(6) A healthcare worker who carries out healthcare activity under more than one or more types of employment relationship shall certify in a declaration to the healthcare provider under each of his/her employment relationships that his/her healthcare activity does not exceed the limit referred to in paragraph (5)."*

*„Section 12/B (1) An employed health care worker may undertake additional work (hereinafter referred to as "voluntary additional work") in addition to the 48 hours per week, calculated as an average of the working time frame, which may be ordered by the employer, the amount of which may not exceed 12 hours per week as an average of the working time frame, or 24 hours per week if the additional work is exclusively for the provision of medical care.*

*(2) The health care worker may not be forced to undertake additional work, his legitimate interests may not be impaired in this context, and his ability to assert his interests may not be restricted. No discrimination shall be made between health workers in connection with the undertaking of voluntary additional work.*

*(5) Unless otherwise agreed by the parties, an agreement on voluntary additional work may be terminated with effect from the last day of the month following the date of notification of termination*

*a) in the case of an agreement for an indefinite period, by either party without giving reasons,*

*b) in the case of an agreement for a fixed term, by either party without notice*

*ba) by the member of the healthcare worker concerned if, for reasons arising or coming to light after the conclusion of the agreement, the performance of the agreement would, by reason of his personal, family or other circumstances, be disproportionately prejudicial to him (...)*

*(8) Restrict or prohibit a health care worker from working more than 48 hours per week*

*a) taking into account a change in the health condition of the healthcare worker, in particular in his or her workload or other personal circumstances affecting his or her ability to work; or*

*b) on the grounds relating to the safety of the healthcare workers concerned, by the State health administration body exercising professional supervision over the employer, either on its own initiative or on the initiative of the healthcare worker, the employer, the health insurance body or the body keeping the operational records.*

*(9) A decision pursuant to paragraph (8) shall be valid for a limited period of time, but not longer than six months. The decision shall be subject to an extraordinary review by the body of first instance at the request of the client healthcare worker at any time during its period of effect/ validity, but no more than twice. The decision shall not be declared enforceable without possibility of appeal."*

*„Section 12/G (1) An uninterrupted rest period of at least eleven hours shall be provided between the end of the health care activity and the next health care activity commencing according to the work schedule, which may be reduced to an uninterrupted rest period of at least eight hours for health care providers operating without interruption, by agreement between the parties. In the case of medical on-call service, this rest period shall be granted immediately after the end of the medical on-call service."*

*„Section 14/E (1) Notwithstanding the provisions of Section 122 (2) of the Mt., the employer shall grant to the employed health worker seven working days of leave, except for the first three months of the employment relationship, at the time requested by the employee. The employee must notify his request at least fifteen days before the beginning of the leave.*

*Furthermore, pursuant to the Eszjtv., a person in a health care employment relationship may not be assigned*

- *from the time of the determination of her pregnancy until the child reaches age of 3,*
- *if she has a large family*
- *until the child reaches age of 16, in case of a single parent,*
- *if the rehabilitation expert has diagnosed at least 50% impairment of health*
- *within six months before the date of the vocational examination*
- *if he is entitled to an old-age pension and does not consent to the secondment.”*

- ***Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)***

Pursuant to Section 47 (5) of the NAV Szj. tv. in paragraph (2) c) and e) to g) the appointment of an employee may be amended by the employer without the consent of the person concerned if the daily travel time between the new place of work and the place of residence by public transport does not exceed three hours or two hours in the case of an employee with a child under the age of ten, unless the travel time to the new place of work is shorter than the travel time to the previous place of work. Where the place of employment cannot be reached by public transport, the appointment of the employee may be amended by the employer without the consent of the person concerned, provided that the daily travel time by car between the new place of employment and the place of residence does not exceed two hours or, in the case of an employee with child under the age of ten, one and a half hours, unless the journey time to the new place of employment is shorter than the journey time to the previous place of employment.

Pursuant to Section 48 (1) of the NAV SZj. tv., a woman shall be temporarily transferred to a job appropriate to her health condition from the time of the determination of her pregnancy until the age of one of her child or the working conditions of her existing job shall be adjusted accordingly, if she cannot be employed in her job on the basis of a medical opinion on her fitness for work.

Pursuant to Section 49 (5) of the NAV Szj tv. the employer exercising the employer's authority shall employ the employee on a part-time work stipulated on the basis of an application pursuant to paragraph (1)

- a) until the time specified in the application, but
- b) until the child reaches the age of four years or, in the case of an employee with three or more children, until the child reaches the age of six years.

Thereafter, the working time of the employee shall be determined according to the rate prior to the submission of the application.

Pursuant to Section 49/A (1) of the NAV Szj. tv. the employee's child up to the age of eight and the employee providing care may apply for part-time employment. The employee must justify his/her request in writing and indicate the date of the amendment.

(2) The employer shall respond in writing to a request under paragraph (1) within fifteen days. If the request is refused, the employer shall state the reasons for the refusal. In the event of an unlawful refusal or failure to make a statement, the court shall replace the employer's statement of consent.

In the event of a court's refusal to grant or withdraw a request for a declaration of invalidity, the party concerned shall be entitled to withdraw the request. Section 50 (5) (a) and (b) of the NAV Szj. tv. states that if it would entail working at another location, no transfer or posting may be made without the consent of the employee from the time the employee becomes pregnant until the age of three years or in the case of an employee who is the single parent of a minor child. Section 73 contains the following:

*„(1) The period of suspension shall be two months.*

*(2) The period of suspension in relation to the period laid down in paragraph (1) shall be*

- a) thirty days in the case of an employed person who has at least one child in his household,*
- b) for an employed person with three or more children in the household, 60 days shall be extended if the employed person requests it within four working days of the date of notification of the request.*

*c)*

*(3) Both parents in employment of the child shall be entitled to the benefit provided for in paragraph (2), if the employed person and the child live in the same household.”*

Pursuant to Section 67/A of the NAV Szj. tv., the employer has a special obligation to state reasons in the following cases:

*„Section 67/A (1) The employer shall, at the employee's request, give reasons for its declaration of termination of employment even in the absence of an obligation to state reasons, if the employee claims that the termination of employment was due to his/her request or use of the right of*

- a) part-time work granted under Section 49/A,*
- b) a reduction in working time under Section 85 (1)(p), or*
- c) paternity leave under Section 122 or parental leave under Section 122/A.*

*(2) The employee may request in writing the reasons for the declaration under paragraph (1) within fifteen days of its notification. The employer shall communicate the reasons within fifteen days of receipt of the request.”*

Pursuant to Section 75 (1) of the NAV Szj. tv., the employee is entitled to exemption protection in the following cases:

*„The employer may not terminate the employment by dismissal during the period of,*

- a) pregnancy,*
- b) maternity leave,*
- c) unpaid leave to care for a child or, even without taking unpaid leave, until the child reaches the age of three,*
- d) unpaid leave to care for a grandchild,*
- e) incapacity for work to care for a sick child,*
- f) actual voluntary military service in the military reserve, or*

- g) statutory treatment of a woman in connection with a human reproductive procedure, up to a maximum of six months after the commencement of such treatment,
- h) unpaid leave for the purpose of serving abroad for the spouse or partner,
- i) suspension of service,
- j) absence from work as defined in points (m)<sup>7</sup> and (p)<sup>8</sup> of Section 85 (1)
- k) paternity and parental leave.

Pursuant to Section 85 (1) (m) of the NAV Szj. tv., the employee shall be exempted from his/her obligation of availability or work during the period of preparation for the adoption of a child in accordance with the law - for the purpose of meeting the adoptable child in person - for a maximum of ten working days per year.

Pursuant to Section 86 (3) of the NAV Szj. tv., the period of unpaid leave taken for childcare purposes during the period of employment shall be included in the actual length of service and the period of employment.

Pursuant to Section 100 (6) of the NAV Szj. tv on the Social Security Act, a woman may not be assigned to night work or 24-hour duty from the time she becomes pregnant until the age of one of the child, and an employee who is raising a child alone until the age of ten if the child cannot be cared for by another person.

Pursuant to Section 109 (2) (d) and (g) of the NAV Szj. tv. leave entitlement time shall be considered:

- the first six months of unpaid leave taken to care for a child (Section 123,124 (1) (a))
- the period of treatment in a health care establishment in connection with a human reproductive procedure as provided for by law,
- the entire duration of the medical examination relating to pregnancy,
- the period of absence justified on grounds of special personal, family or unforeseeable circumstances.

In addition, the period of leave granted to a breastfeeding mother shall be one hour twice a day for the first six months of breastfeeding and one hour a day thereafter until the end of the ninth month, in the case of twins, taking into account the number of twins, shall be considered as leave within the meaning of paragraph (3).

Pursuant to Section 111 of the NAV Szj. tv., the employee is entitled to additional leave for children:

*„Section 111 (1) The employee shall be entitled to an additional leave for child*

- a) *two working days for one child,*
- b) *four working days for two children,*
- c) *a total of seven working days for more than two children*
- d) *shall be entitled to an additional period of leave.*

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<sup>7</sup> Up to ten working days per year during the period of preparation for the statutory adoption, for the purpose of meeting the adoptable child in person.

<sup>8</sup> Up to five working days per year for the purpose of providing personal care for a relative who needs care for serious health reasons or for a person living in the same household as the employed person.

*(2) The additional leave under paragraph (1) shall be increased by two working days per disabled child.*

*(3) For the purpose of entitlement to additional leave, the child shall be taken into account for the first time in the year of his birth and for the last time in the year in which he reaches the age of 16."*

The Act makes no distinction between men and women in determining the possibility of taking the additional leave, which is available to members of either sex.

Pursuant to Section 114 (3) of the NAV Szj. tv., if an employee is unable to take leave without pay in the year in which it is due because of sick leave, medical leave, maternity leave, or leave to care for a child or grandchild or a relative, he or she may take leave within 30 days of the end of the period of incapacity, even after the year in which it is due.

Pursuant to paragraph (8), the employee is entitled to their paid leave, which is due to be taken after the unpaid leave for child care purposes, to be granted continuously, starting from the day after the expiration of the unpaid leave and for the duration of the unpaid leave.

Pursuant to paragraph (9), considering the employee's legitimate interests, the leave may be granted with a later starting date than what is specified in paragraph (8), provided that the employee begins taking the leave within sixty days from the expiration of the unpaid leave.

Pursuant to Section 117 (4) of the NAV Szj. tv., if the employee has not received the leave without pay for the first six months of the leave taken to care for a child or grandchild or to care for a relative, it may be exchanged for cash by agreement of the parties after the end of the leave without pay taken to care for a child or grandchild or to care for a relative.

Pursuant to Section 120 of the NAV Act, the customs officer is entitled to medical leave for childcare purposes as follows:

*"(1) Medical leave for childcare purposes shall be granted to*

- a) *a mother who is a customs officer, if she is breastfeeding a child under one year of age who is in hospital,*
- b) *a parent who is a customs officer caring for a sick child up to the child reaches age of one year,*
- c) *the parent who is a customs officer,*
  - ca) *if caring for a child over one year old but under three years old, for a period of eighty-four calendar days per year and per child,*
  - cb) *if caring for a child over three years old but under six years old, for a period of forty-two calendar days per year and per child, or, in case of a single parent, for a period of eighty-four calendar days per year and per child,*
  - cc) *if caring for a child aged over six but under twelve years for fourteen calendar days per child per year, or twenty-eight calendar days in case of a single parent,*
- d) *a parent who is a customs officer, for the duration of the stay in an in-patient specialised care institution for the treatment of a child in an in-patient specialised care institution*
  - da) *until the child is one year old,*
  - db) *in the case of a child over one year old, but under three years of age, to the extent specified in point (c)(ca),*

- dc) for a child over three years old, but under six years of age, to the extent specified in point (c)(cb),
- dd) in the case of a child over six years of age but under 12 years of age, to the extent specified in point (c)(cc).

*(2) In addition to the provisions of paragraph (1), medical leave may be granted to the customs officer parent on a reasonable basis in respect of the child's illness, by applying Section 50 (3) of the Act LXXXIII of 1997 on the benefits of compulsory health insurance (hereinafter referred to by the Hungarian abbreviation as: Ebtv.)*

- a) *if he or she is caring for a sick child aged twelve or over but under eighteen years at home, or*
- b) *for the duration of the hospitalisation of his child aged 12 or over but under 18 years of age, if he is staying with his child in an in-patient care institution."*

*The Act therefore does not distinguish between men and women in determining the possibility of taking medical leave, which can be taken by either sex.*

*Section 121 of the NAV Act provides for maternity leave for women:*

*"Section 121 (1) A mother shall be entitled to twenty-four weeks' maternity leave in a continuous period, of which she shall be obliged to take two weeks.*

*(2) Maternity leave shall also be granted to a woman who has fostered a child with a view to adoption.*

*(3) Unless otherwise agreed, maternity leave shall be granted in such a way that a maximum of four weeks is taken before the expected date of childbirth.*

*(4) The unused part of the maternity leave may be taken, if the child is being cared for in an institution for the care of premature infants, until one year after the child's discharge/dismissal from the institution.*

*(5) The period of maternity leave shall be regarded as time spent at work, except in the case of entitlement specifically linked to work.*

*(6) Maternity leave shall terminate*

- a) *in the case of stillbirth, after the sixth week following the birth of the child,*
- b) *if the child dies, on the fifteenth day after the death,*
- c) *where the child has been placed, temporarily or permanently, in accordance with special legislation, in a residential institution or in a residential social institution for more than 30 days, on the following day on which the child was placed,*

*in a way that the period of maternity leave may not be less than six weeks after the birth in the cases referred to in points (b) to (c)."*

*Section 122 of the NAV Szj. tv. provides leave for fathers in the event of the birth of a child (paternity leave):*

*"Section 122 (1) The father shall be entitled to ten working days of leave (hereinafter referred to as paternity leave) in the event of the birth of a child, at the latest by the end of the second*

*month following the birth of the child or, in the event of the adoption of a child, at the latest by the end of the second month following the finalisation of the decision authorising the adoption, which shall be granted at the time of his request, in no more than two instalments. The worker shall also be entitled to paternity leave where the child is stillborn or dies.*

*(2) An employed person shall be entitled to an absentee pay for the first five working days of paternity leave, and for the first seven working days in the case of the birth of a twins, and forty per cent of the absentee pay from the sixth to the tenth working day, in the case of the birth of twins, from the eighth to the tenth working day.*

*(3) Section 113 (6) shall not apply in respect of paternity leave."*

Section 122/A of the NAV Szj. tv. regulates the additional leave granted to parents (parental leave):

*"Section 122/A (1) An employed person shall be entitled to forty-four working days of parental leave up to the age of three for their child.*

*(2) Parental leave may be taken only after one year of employment relationship.*

*(3) Parental leave shall be granted by the employer at the time requested by the employee. In the case provided for in Section 113 (6), the employer may postpone the granting of parental leave for a period not exceeding 60 days, and shall inform the employee in writing of the reasons for postponing the granting of parental leave and the date on which it is proposed. The employer may not interrupt parental leave which has already begun in the case provided for in Section 113 (6).*

*(4) For the duration of parental leave, the employee shall be entitled to ten per cent of the absentee pay, which shall be reduced by the amount of the childcare benefit paid to the employee for this period pursuant to Section 42/A (1) (e) or Section 42/E (1) (e) of Act LXXXIII of 1997 on the benefits of compulsory health insurance, or the amount of the childcare benefit pursuant to Section 20 (1) (e) of Act LXXXIV of 1998 on Family Support."*

The Act makes no distinction between men and women when it comes to the possibility of taking parental leave, which can be taken by members of either sex.

According to Section 123 of the NAV Szj. tv., leave without pay is also granted for the care of a child, as follows:

*" Section 123 (1) An employed person shall be entitled to leave without pay for the purpose of caring for a child until the child reaches the age of three, which shall be granted at the time corresponding to the time of his request.*

*(2) An employed person shall not be entitled to unpaid leave under paragraph (1) or under Section 124 (1)(a) in the case referred to in Section 121 (6)(c) as long as the child is temporarily placed with another person or elsewhere, or is in temporary or permanent care, or is in a residential social institution for more than thirty days.*

*(3) An employed person shall be entitled to unpaid leave to care for his grandchild during the period for which the childcare benefit is paid."*



Pursuant to Section 124 (1) a) of the NAV Szj. tv, an employee is entitled to unpaid leave for the personal care of his/her child - in addition to the leave provided for in Section 123 - upon request, until the child reaches the age of ten during the period of the payment of childcare benefits.

The Act makes no distinction between men and women in determining the possibility of taking unpaid leave, which may be taken by members of either sex.

According to Section 133 (1) of the NAV Szj. tv., the entire period of unpaid leave taken by the spouse of a worker performing military service, reserve military service, civilian service, or for the care of a child under the age of 14 or for the permanent foreign service, shall be taken into account for the purposes of classification in salary grade.

Pursuant to Section 177 (1) of the NAV Szj. tv., if the conditions set out in Sections 176 (1) a) to d) of the Act are met, the NAV is obliged to examine whether the employee can be offered a job that is suitable for his/her health condition. If there is no suitable vacant position at the employing NAV body, the employee may - with the consent of the head of the body - be offered another position at another NAV body that is suitable for his/her condition and qualifications.

(2) The employee may be offered a job where the time required to reach the new place of work from the place of residence does not exceed one and a half hours per direction using public transport, or one hour per direction for an employee with a child under ten years of age, unless the employee agrees to a longer journey time by means of a declaration.

Paragraph 215 (1a) of the NAV Szj. tv. reverses the burden of proof in the following cases:

*"Section 215 (1a) If the employee claims before the court, supported by reasons/justification, that his or her employment relationship was actually*

- a) part-time work within the meaning of Section 49/A,*
- b) a reduction in working time under Section 85 (1)(p), or*
- c) paternity leave under Section 122 or parental leave under Section 122/A*

*the employer must prove that the employment relationship was not terminated for that reason."*

- ***Services and benefits for women and men with family responsibilities***

#### *Measures concerning day-care for children*

Promoting work-life balance is a central pillar of Hungarian family policy, which requires support for parents who want to place their children in nursery care, mainly because of their employment, full-time education or participation in labour market participation programmes. The complex development of nursery provision is ongoing and will continue in the 2021-2027 development period to achieve a responsive network of nurseries to meet parental needs. EU (TSDOP, CCHOP, TSDOP Plus, RRP) and national (national nursery development programme, programme for non-state providers) capacity building tenders have been opened not only for municipal but also for civil society/church providers, thus contributing to the expansion of the provision. These have resulted in 55,370 places available in 2022 compared to 47,169 in 2018 and 60,262 in 2023, according to the Central Statistical Office.

The quality of nursery care is also served by the increasing amount of public funding/subsidies granted to the operators for running the nursery from year to year, taking into account, among other things, the annual changes in the minimum wage. In addition to the increasing public

funding (wage subsidies and operating subsidies) for nursery facilities (nursery, mini nursery), the central budget also contributes to the operation of service-type care (family nursery, workplace nursery) in the form of a normative subsidy. The specific amount of the normative state support for family nurseries and workplace nurseries has more than quadrupled by 2023 compared to 2019, thanks to a gradual increase.

In parallel to improving the number of places, the government supports parents who pay a fee for the nursery care of their child: from 2019 until March 2023, it has provided non-reimbursable support from EDIOP and domestic sources for parents with young children returning to the labour market. For family nurseries, workplace nurseries, non-municipal nurseries/mini-nurseries and daytime childminding, a maximum monthly subsidy of HUF 40 000 per child was available nationwide. Under the scheme, parents could claim this subsidy for around 10 000 children, amounting to more than HUF 2.6 billion. The new scheme will allow a wider range of beneficiaries, with higher amounts and more favourable and differentiated conditions, in particular for those living in the least developed regions. The aim is to ensure that all parents of young children in nursery care, irrespective of the maintainer, are eligible when they return to the labour market.

The Government has made significant progress in ensuring adequate financial recognition for nursery workers: thanks to the multi-stage and differentiated measures (introduction of the differentiated special education allowance, the professional sectoral allowance and the substitute allowance, increase in the nursery allowance and the professional sectoral allowance), which will continue from 2019, the average wage of nursery professionals will more than triple by 2023 compared to 2010.

During the first wave of COVID-19, the Hungarian Government supported families by providing day care on-call and by temporarily introducing childcare at the workplace, and during the subsequent waves of the epidemic by providing continuous day care for children under the age of 3. The policy measures also took into account the situation of nursery workers during the pandemic emergency. This was also reflected in the promotion of the uptake of the coronavirus vaccine (priority in the vaccination schedule).

#### Childcare allowance (GYED) extra

The new regulations introduced from 1 January 2014 are contained in Act LXXXIII of 1997 on the benefits of compulsory health insurance (hereinafter referred to by the Hungarian abbreviation as: Ebtv.) and in Act LXXXIV of 1998 on Family Support (hereinafter referred to by the Hungarian abbreviation as: Cst.).

- Allowed working while receiving childcare allowance (GYED) [Section 42/C (1)] and while receiving childcare assistance (GYES) [21 (1) Cst.]. In 2023, the number of persons working while receiving childcare allowance (GYED) was 41,514 and the number of persons working while receiving childcare assistance (GYES) was 28,662.
- The package of measures also supports families with children born with a small age difference [benefits that can be paid concurrently for children of different ages – Section 39 (1), Section 42/C (1), Section 25 and 27 of the Ebtv.]. 50, 699 persons received more than one benefit at the same time in 2023.
- It is also possible to claim childcare allowance (GYED) after two semesters of higher education student status [student GYED – Section 42/E of the Ebtv.]. 1,236 persons received student GYED in 2023.

### Foster parent childcare allowance (GYED)

To help children under 2 years of age in specialised childcare to be placed with a foster parent and to maintain the profession of foster parent, foster parents can claim childcare allowance (GYED) for children under 2 years of age who are being raised and cared for in their own household, on the basis of a decision by the child welfare agency. Technically, this is an extension of the general rules of childcare allowance (GYED) to the specific situation of foster parents. The measure entered into force on 1 January 2020.

### Childcare sick pay

As of 1 July 2023, Childcare sick pay [Section 46 (1)( c) of the Ebtv.] for children aged one year or over but under three years is granted to a single parent for 168 days (the previous legislation set the duration of entitlement to childcare sick pay at 84 days). Childcare sick pay is paid to the insured parent until the child reaches the age of 12.

### Measures to promote the employment of mothers with young children

In 2019, the Hungarian State Treasury started to implement the national labour market programme “Supporting people raising young children to return to the labour market” (hereinafter: the Programme), from national and EU funds with the direct goal to reintegrate parents to the labour market who left it on account of nurturing their young children. In case the child’s nursery placement is not possible at the given locality or capital district due to a shortage of available places, the parent will receive up to HUF 40,000 per child through the Programme if the child gets placed in a family/workplace nursery or non-governmental nursery/mini nursery, or the child gets placed at a daytime childminding and the parent becomes employed. Over the years a total of 10,315 parents have received this aid; 4,994 people in the Central Hungary statistical region from the national funds, while 5,321 people in the other statistical regions from EU funds.

### Home help services

The Home Help Service aims to relieve the burden on family members living with a disabled family member, reduce their isolation and help them remain active in the labour market. The service involves the provision of home care and/or accompaniment for the disabled family member. Accordingly, the primary target group of the service is the family itself and the secondary target group is the disabled family member. The service has two well-defined functions: personal assistance and home care, to a degree and for a duration adapted to the needs of the family member; it increases the social activity of the families caring for the disabled family member, thus reducing their social isolation and increasing their labour market activity.

The service is available 24 hours a day, 7 days a week. Methodological support for the service is provided by the Kézenfogva Foundation (Hand in Hand Foundation), which provides a process protocol, an annual audit, training and further training for staff providing the service, the pairing and recording of requests and capacities received from families in the IT Management System, and the production of reports, statistics and analyses. The total budget for this service this year is 114 million HUF, with a total of 221 families in 10 counties, for approximately 32,399 hours.

## **ARTICLE 28 – THE RIGHT OF WORKER’S REPRESENTATIVES TO PROTECTION IN THE UNDERTAKING AND FACILITIES TO BE ACCORDED TO THEM**

With a view to ensuring the effective exercise of the right of workers’ representatives to carry out their functions, the Parties undertake to ensure that in the undertaking:

- a) they enjoy effective protection against acts prejudicial to them, including dismissal, based on their status or activities as workers’ representatives within the undertaking;
- b) they are afforded such facilities as may be appropriate in order to enable them to carry out their functions promptly and efficiently, account being taken of the industrial relations system of the country and the needs, size and capabilities of the undertaking concerned.

- ***Persons falling under the scope of Act C of 2020 on Healthcare Service Relationship (hereinafter referred to by the Hungarian abbreviation as: Eszjtv.)***

Section 15 of the Eszjtv. provides for a system of reconciliation of interests:

A Health Service Interest Conciliation Forum (hereinafter referred to as "ESZÉF") was established for the purpose of reconciling the interests of persons in the health service, settling disputes by negotiation and reaching appropriate agreements, taking into account the principle of the safe provision of health care, with the participation of the Government, the national sectoral interest representation organisations and the national employee interest representation organisations of persons employed in the health service:

- In the ESZÉF, the Government negotiates with representatives of national trade union federations and national municipal interest representation organisations, as defined in the statutes.
- ESZÉF is responsible for matters relating to the living and working conditions and terms and conditions of employment of persons employed in the health sector in the health service.
- The opinion of the ESZÉF shall be requested on matters within its competence relating to the management of staff and staff allowances.
- The ESZÉF shall have the right to request information or make proposals on other matters within its competence.

A collective contract cannot be concluded with a health care provider covered by the Eszjtv. The right to strike may be exercised in a state-owned health service under specific rules agreed between the Government and the trade unions concerned.

Notwithstanding Act XXIX of 1991 on the voluntary payment of union membership fees by workers the public health service provider may not deduct or transfer trade union or other representative organisation dues from the salaries of persons in the health service.

The rules for workplace interest reconciliation outside of sectoral interest reconciliation are laid down in Act I of 2012 on the Labour Code (hereinafter referred to by the Hungarian abbreviation as: Mt.).

- ***Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)***

The NAV Act prohibits the abuse of rights at a principled level:

"Section 6 (1) The rights and obligations related to the employment relationship shall be exercised and fulfilled in accordance with their purpose.

(2) The abuse of rights is prohibited. For the purposes of this Act, abuse of rights shall be deemed to be abuse of rights in particular if it is intended to impair the legitimate interests of others, to restrict their opportunities to assert their interests, to harass them or to stifle their expression of opinion, or if it leads to such abuse.

(3) Employees shall comply with the law in the exercise of their profession.

(4) The adverse consequences of the abuse of rights shall be remedied."

Pursuant to Section 78 (1) (j) of the NAV Szj. tv., the employing NAV body shall ensure that the employee has the opportunity to exercise his/her rights in connection with his/her interest representation activities within the framework of this Act.

According to Section 89 (9) of the NAV Szj. tv., holding a position in the Hungarian Faculty of Government Officials, the NAV Section of the Hungarian Law Enforcement Faculty or an employee representative body does not constitute a conflict of interest.

The NAV Szj. tv. contains the following rules on reconciliation of interests:

*"Section 223 [Representation of interests]*

*(1) In order to protect the social and economic interests of employees and to maintain their wages, this Act shall regulate the relations between trade unions and the NAV and their interest representation organisations. In this context, it shall ensure freedom of association, the participation of employees in the shaping of working conditions, and shall define the procedure for the prevention and resolution of labour disputes.*

*(2) Employees and the NAV shall have the right, under the conditions laid down by the Act, to form an interest representation organisation together with others, without any discrimination, in order to promote and protect their economic and social interests, and to join or to remain outside the organisation of their choice, subject only to the rules of that organisation.*

*(3) Interest representative organisations shall be entitled to form or join associations, including international associations.*

*(4) Employees shall have the right to form a trade union at the NAV. A trade union may operate bodies at the NAV and may involve its members in the operation of such bodies.*

*(5) The rights granted to a trade union under this Act shall be vested in the local trade union represented at the NAV.*

*(6) The NAV and the trade union shall inform each other in writing of the person entitled to represent the trade union and the person of the officer.*

*Section 224 [Information, consultation]*

*(1) For the purposes of this Chapter*

- a) *information: the provision of information relating to employment relations or the employment relationship in a way which enables the person concerned to know, examine and formulate and defend an opinion on the matter,*
- b) *consultation: an exchange of views and dialogue between the NAV and the trade union, conducted in such a way as to ensure that the parties are adequately represented, that there is a direct, personal exchange of views and that there is a substantive discussion, with a view to reaching an agreement, in accordance with the objective stated in the initiative.*

*(2) The NAV shall not be obliged to provide information or conduct consultations if this could result in the disclosure of facts, information, solutions or data that would jeopardise the interests or operation of the public service or the legitimate interests or operation of the NAV.*

*(3) A person acting on behalf of or in the interest of a trade union shall not disclose to the public in any manner whatsoever any fact, information, solution or data which he has brought to the attention of the NAV by expressly making reference to confidentiality or to treatment as classified data in order to protect the legitimate interests or operation of the NAV or the interests or operation of the civil service, nor shall he use it in any manner whatsoever in any activity other than the pursuit of the purposes set out in this Act.*

*(4) A person acting on behalf of or in the interest of a trade union shall not disclose information coming to his knowledge in the course of his duties except without jeopardising the legitimate interests or functioning of the NAV or the interests or functioning of the public service or without violating the personality rights.*

*Section 225 [Prohibition of discrimination]*

- (1) The NAV may not require an employee to declare his/her trade union membership.*
- (2) The employment of an employee may not be made conditional on his/her membership of a trade union or on his/her terminating his/her previous trade union membership or on his/her undertaking to join a trade union designated by the NAV.*
- (3) It shall be prohibited to terminate the employment of an employee or otherwise discriminate against an employee on the grounds of his membership of a trade union or his trade union activities.*
- (4) No entitlement or benefit shall be made dependent on membership of or absence from a trade union.*

*Section 226 [Trade union membership fee]*

*Notwithstanding Act XXIX of 1991 on the Voluntary Payment of Dues to Employees' Interest Groups, the employer may not deduct or transfer trade union or other interest group membership fees from the salary of the employee.*

*Section 227 [Central reconciliation of interests]*

*The Civil Service Interest Reconciliation Forum regulated by Act CXXV of 2018 on Government Administration (hereinafter referred to by the Hungarian abbreviation as: Kit.) and the National Civil Service Interest Reconciliation Council regulated by Act XXXIII of 1992 on the Legal Status of Public Servants (hereinafter referred to by the Hungarian abbreviation as: Kjt.) shall also be the interest reconciliation forum for NAV employees.*

*Section 228 [Reconciliation of interests of employees at the workplace]*

*(1) The reconciliation of interests of employees at the workplace shall be used to settle service issues at the workplace. The chairman of the NAV and an elected official of the trade union shall participate in the workplace employee representation. The negotiating parties may also involve experts in the conciliation of disputed issues.*

*(2) The chairman of the NAV shall be obliged to seek the opinion of the trade union on the regulations concerning the work, working and rest time, remuneration and benefits of employees which are referred to the competence of the NAV.*

*(3) In addition to the provisions of paragraph (2), the trade union shall be entitled to communicate its opinion to the NAV on employer measures or decisions or drafts thereof affecting a group of employees, and to initiate consultations in this connection.*

*(4) The trade union may request information from the NAV concerning the economic and social interests of the employees in connection with their employment, in particular:*

- a) to obtain drafts, statistical data on staff numbers and salaries, calculations, analyses and guidelines in the fields listed in paragraph (2),*
- b) the implementation of the legislation of the service,*
- c) compliance with local agreements,*
- d) at least every six months, on the situation of part-time and fixed-term employment.*

*(5) The trade union may make proposals:*

- a) to the NAV on measures affecting employees,*
- b) a uniform interpretation of local regulations affecting employees, and*
- c) local regulations affecting employees.*

*(6) The trade union shall have the right to inform employees on matters relating to labour relations or employment.*

*(7) The NAV, in consultation with the trade union, shall ensure the possibility for the trade union to publish information on its activities at the NAV.*

*(8) The trade union shall have the right to represent the employees in relation to the NAV or its representative organisation with regard to their material, social and living and working conditions and their rights and obligations.*

*(9) A trade union shall have the right to represent its members by power of attorney, before courts, authorities and other bodies in matters concerning their employment and for the protection of their economic and social interests.*

*Section 229 [Right of defence]*

*(1) The consent of the immediate superior trade union body shall be required for the reassignment or transfer of an employee holding an elected office in a trade union and designated by the trade union for a period of up to fifteen working days, for a change of his place of work, and for the termination of his employment by the NAV by dismissal [except dismissal as defined in Section 70 (2)], and for an employer's measure of temporary*

*employment other than the instrument of appointment, which does not require the consent of the employee.*

*(2) In applying paragraph (1), the trade union shall be entitled to designate not more than one employee per NAV body.*

*(3) The trade union shall be entitled to designate another employee in place of an employee entitled to protection under paragraph (1) if the employee's employment or position was terminated.*

*(4) The trade union shall communicate its position on the employer's measure under paragraph (1) in writing within eight days of receipt of the written information from the NAV. If the union disagrees with the proposed action, the notification shall state the reasons for the disagreement. The reasons shall be justified if the implementation of the proposed measure would result in discrimination on grounds of the trade union's involvement in the trade union's representative activities. If the trade union fails to communicate its opinion to the NAV within the above deadline, it will be deemed to agree with the proposed measure.*

*(5) The trade union shall simultaneously inform the NAV about the body entitled to exercise the right of consent pursuant to paragraph (1), indicating the member entitled to protection.*

#### *Section 230 [Time off work, right of entry]*

*(1) For the performance of his duties, an employee of the NAV who holds an elected office in a trade union of which he is a member and who is designated by the trade union in accordance with section 229 (2) shall be entitled to a time of work equal to ten per cent of his monthly working time in accordance with his position. In addition, he shall be exempt from the obligation to work for the duration of the consultation. The time off work may not be combined. At least ten days' notice must be given before the time off work is taken up. If, for reasons beyond the employee's control, the reason for claiming the time off work comes to his knowledge later, he must notify his intention to claim the time off work as soon as he becomes aware of it. The NAV may refuse to grant the time off work only in particularly justified cases.*

*(2) An absentee pay shall be granted for the duration of the time off work. The time off work may not be redeemed in payment.*

*(3) A person who is not in an employment relationship and who is acting on behalf of a trade union, if the trade union has a member in an employment relationship with the NAV, may enter the territory of the NAV. When entering and staying at the workplace, the person representing the trade union must comply with the rules governing the operation of the NAV".*

*Pursuant to Section 216 (1) (b) of the NAV Szj. tv., if the court finds that the employer has unlawfully terminated the employment of an employee, the employee may request to be reinstated in his/her original position if the employer has terminated the employment of the elected trade union official in a way that is contrary to Section 229 (1)<sup>9</sup>.*

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<sup>9</sup> The consent of the immediate superior trade union body is required for the reassignment or transfer of an employee who holds an elected office in a trade union and is designated by the trade union for a period of up to fifteen working days, for a change of his place of work, and for the termination of his employment by the NAV with notice of dismissal [except for the notice of dismissal provided for in Section 70 (2)], as well as for an



## **ARTICLE 29 – THE RIGHT TO INFORMATION AND CONSULTATION IN COLLECTIVE REDUNDANCY PROCEDURES**

With a view to ensuring the effective exercise of the right of workers to be informed and consulted in situations of collective redundancies, the Parties undertake to ensure that employers shall inform and consult workers' representatives, in good time prior to such collective redundancies, on ways and means of avoiding collective redundancies or limiting their occurrence and mitigating their consequences, for example by recourse to accompanying social measures aimed, in particular, at aid for the redeployment or retraining of the workers concerned.

- ***Persons falling under the scope of Act C of 2020 on Healthcare Service Relationship (hereinafter referred to by the Hungarian abbreviation as: Eszjtv.)***

The provisions of Act I of 2012 on the Labour Code shall apply in relation to the Eszjtv.

- ***Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)***

The provisions of the NAV Szj. tv. on the reduction of staff are as follows:

*„Section 70 (1) The employment relationship may be terminated by dismissal if*

- a) *on the basis of a decision of the Government, the Minister, or on the basis of a decision of the President of the NAV, the number of employees in the NAV body must be reduced;*
- b) *the activity of the NAV in which the employee was employed has ceased.*

*(7) The person exercising the employer's rights shall state the reasons for the dismissal. The reasons for the dismissal must clearly state the reason for the dismissal and the employing NAV body must prove that the reason for the dismissal is real and reasonable.”*

*„Section 72 [Duty to inform]*

*(1) The NAV shall inform the state employment body in writing of the personal data, last position, qualifications and salary of the employees affected by the dismissal at the latest when the dismissal is communicated.*

*(2) The obligation to inform under paragraph (1) shall be subject to the condition that the dismissal takes place for the reason specified in Section 70 (1) (a) to (c) and that the number of employees affected by the dismissal is*

- a) *at least ten employees in the case of more than twenty and less than one hundred employees;*
- b) *at least 10% of the workforce, if more than 100 but less than 300 employees are employed;*
- c) *at least thirty persons if there are three hundred or more employees.*

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employer's measure concerning temporary employment other than the instrument of appointment, which does not require the consent of the employee.

*(3) For the purposes of the application of the provisions of paragraph (2), the number of persons employed shall be added to the number of persons in employment.”*

## **ARTICLE 30 – THE RIGHT TO PROTECTION AGAINST POVERTY AND SOCIAL EXCLUSION**

With a view to ensuring the effective exercise of the right to protection against poverty and social exclusion, the Parties undertake:

- a) to take measures within the framework of an overall and co-ordinated approach to promote the effective access of persons who live or risk living in a situation of social exclusion or poverty, as well as their families, to, in particular, employment, housing, training, education, culture and social and medical assistance;
- b) to review these measures with a view to their adaptation if necessary.

### ***1. Action against poverty and social exclusion in Hungary***

The Government of Hungary adopted the Hungarian National Social Inclusion Strategy (hereinafter: MNTFS 2030) in 2021 in order to implement the EU Framework Strategy for Roma Inclusion 2030. The MNTFS 2030 is Hungary's most comprehensive strategic document for the fight against poverty and the inclusion of the Roma population, which adopts a complex, multi-sectoral "life course" approach. Investing in people is at the heart of the government's activities to meet the social challenges of the 21st century.

Practically every indicator that affects Hungary's fight against poverty and social exclusion has been improving since 2012. The rate of people exposed to the risk of poverty and social exclusion has decreased by 9 percentage points between 2015 and 2022 (data can only be compared back to 2015) (2015: 28.6%, 2022: 19.6%). The proportion of people living in income poverty, in severe material and social deprivation and in low work intensity households have all fallen. The proportion of people living in severe material and social deprivation has fallen by 10.2 percentage points and the proportion of people living in very low work intensity households by 3.9 percentage points over 6 years. The results of the measures have emerged and stabilised in a measurable and verifiable way, demonstrating that they have reached the target groups identified.

National measures taken so far:

- Standards in early childhood development have considerably improved, along with the number of services and those who have access to them, by 2024, already 177 nationally-run Sure Start Children's Centres are regularly visited by approximately 2 400 children;
- They enable schooling for every child, just like their access to quality education, tertiary education or vocational training and allows them to participate in programmes, which prevents them from dropping out from school and helps them continue their education. These are supported by 180 after-school clubs (tanoda) helping 5 500 students to compensate for their disadvantages, scholarship programmes supporting more than 10 000 students in primary, secondary and tertiary education, a programme for the education and personal development of 1 800 young girls, and 11 Roma colleges for advanced studies for more than 300 Roma students in higher education.

### ***2. Measures against poverty and social exclusion***

#### *Children's welfare*

Integrated regional children's chance programmes are aimed at stopping the spread of poverty, from generation to generation, among disadvantaged families, through a number of preventive

interventions. The complex programme, which is built on local strategy, has the following key areas, with the family and children welfare centre being in focus: the regional harmonisation of services, prevention in healthcare, the launch of early childhood services, community, recreation and sports programmes, programmes to promote the children's inclusion at school, the operation of youth information points, the support of career guidance, etc. The programme, which is running in 31 districts, is built on predecessor projects of the period 2007–2013, putting even more emphasis on the services' adjustment to local child welfare schemes. As regards the current programmes, growth in the number of children who have attained the mandatory age for going to school and who go on higher education has been set as a primary goal to achieve.

Sure Start Children's Centres are always attended by small children together with their parents. The parent – in the presence of his/her child – learns what should be done to ensure the healthy development of his/her child, and is assisted in strengthening the competences necessary to lead an independent life. Such centres create the best environment for the child's motoric, speech and cognitive development, enabling the parent him/herself to acquire the necessary skills for the development of a healthy personality, through dealing with the child.

Current data on child catering during school holidays:

- The provision of child catering free of charge during the school holidays for disadvantaged and multiply disadvantaged children has become a compulsory municipal duty, which was provided to around 100 000 children during the summer holidays of 2020-2023.
- From 1 January 2016, instead of the previously voluntary provision of summer child catering through a tender system, the provision of child catering during the school holidays became a mandatory municipal task. Within this framework, at the request of the parents or legal representatives of disadvantaged and multiply disadvantaged children in receipt of regular child protection benefits, hot midday meals must be provided free of charge during the autumn, winter and spring holidays, in addition to at least 43 working days of the summer holidays, and on all working days during the corresponding closing periods of kindergartens and nurseries, also for children who do not have a legal status in an institution (typically a nursery). During the summer holidays, which are the most frequently used, child catering was provided for around 111 000 children in 2 222 municipalities in 2019, around 100 000 children in 2 223 municipalities in 2020, around 98 000 children in 2 199 municipalities in 2021, around 97 000 children in 2 147 municipalities in 2022 and around 95 000 children in 2 076 municipalities in 2023. The municipalities were eligible for central budget support of between HUF 2.8 and 3 billion per year.

### Programs

- a) After-school clubs (tanoda): aimed at helping children with multiple disadvantages, including Roma pupils, to succeed in school and reduce early school leaving, and to reintegrate young people who have dropped out early back into the school system. The majority of the after-school clubs were established with EU funding, but from 2019 the Hungarian Government continues to operate them from national funds, initially providing HUF 2.5 billion from the Hungarian budget.

In 2024, 180 after-school clubs receive national operational support, and more than 5 500 pupils benefit from compensatory services.

- b) Preventing Roma girls from dropping out of school without qualifications (Bari Shej programme): aims to reduce school drop-outs among disadvantaged Roma girls and increase their chances of further education through personal mentoring. Under the programme, applicant organisations (churches, NGOs) can support the learning and personal development of Roma girls aged 10-18 in primary or secondary school. In the 2015/2016 school year, the programme was funded from national sources under the PILOT programme, and from the 2017/2018 school year it is funded by EU funds. Over a period of 24 months, 89 winning organisations have implemented their activities. The programme has involved 1 800 young girls facing disadvantages. The programme allows for the implementation of focused, preventive interventions targeting Roma girls in key areas. EU funding will allow the programme to continue.
- c) Programmes to support the school careers of disadvantaged young people, including Roma young people, have been continued and expanded to strengthen the successful progression of disadvantaged young people. The 'Útravaló' Scholarship Programme has been in operation since 2005, providing personal mentoring and scholarships for disadvantaged, particularly Roma, students. Students are admitted to the programme primarily on the basis of social eligibility and need, but the scholarship is merit-based and dependent on their academic performance at the end of the previous year.
- d) The sub-programmes of the Útravaló Scholarship Programme:

<b>Road to the Secondary School</b>	Preparing students for further study in secondary schools that offer upper secondary school leaving examinations.	Primary school students in grades 7 and 8.
<b>Road to the Graduation</b>	Scholarship and mentoring support for students to successfully complete secondary school.	Students attending an institution providing secondary school leaving certificate.
<b>Road to the Vocation</b>	Supporting students with learning difficulties to gain a vocational qualification.	Students attending institutions providing vocational training.
<b>Road to the Diplome</b>	Scholarships and training fees to support studies in higher education.	Students in higher education.

More than 10 000 students participate in the scholarship programme each academic year. At least 50% of the beneficiaries are of Roma origin.

- e) The "Kindergarten Creating Opportunities" programme, which is a continuation of the kindergarten development programme, aims to promote equal opportunities in kindergarten education. In this context, the project contributes to making the public education system more suitable for the effective education of disadvantaged children, supporting their integration in pre-school and their later success at school. A particular focus will be on strengthening kindergartens for disadvantaged children, including Roma children, to ensure that they are equipped to provide high quality teaching in the compulsory pre-school education from the age of 3. The flagship project provided services to 570 kindergartens and 20 100 children in the period 2016-2020. The project supported the employment of 65 mother-tongue (or Roma) nannies. EU funding is expected to enable the continuation of the programme.
- f) Expanding Roma colleges for advanced studies: the Christian Network of Roma College for Advanced Studies was launched in 2011 to train Roma intellectuals to build a common future. In 2011, the programme launched 11 Roma Colleges in 9

municipalities, with the participation of more than 300 students per academic year. The Roma Colleges are continuously supported by the central budget.

- g) The programme "Improving access to digital spaces and digital literacy of disadvantaged groups", implemented in the framework of the Swiss-Hungarian cooperation, aims to increase the digital literacy of disadvantaged groups, including Roma, which will contribute to improving the employability of the adult working age population, to promoting adult learning for social inclusion and to improving access to job opportunities in a technological environment requiring the use of information and communication technologies. The cooperation will enable 100 social inclusion services to implement the project.

### Employment

- Between 2010 and 2014, Hungary supported the development of individual competences and basic skills (reading and writing) of people in need through two programmes ("Actively for Work" and "Actively for Knowledge"), reaching nearly 34 000 people and with a budget of HUF 11 billion. 47% of those involved identified themselves as Roma.

Building on the experience of the previous project, the programme continued in the 2014-2020 funding period. Its aim is to improve the situation and employability of people who are disadvantaged in the labour market, mainly those with low or no educational qualifications, through training to support them in completing primary school, improving their basic skills and competences, providing work experience, reducing functional illiteracy and providing a basis for vocational training.

Under the programme, 31,613 people have benefited from a total budget of HUF 6.9 billion, and 20,444 people have received training and livelihood support during their training. In addition, 4 810 people participated in work-testing placements. The programme has placed particular emphasis on the organisation and provision of services to help people remain in training and work experience. The programme is scheduled to continue in the 2021-2027 planning cycle.

- Employment embedded trainings ("Women's opportunities" programme) are targeted at employment and the learning of a profession among Roma women. In the framework of the first programme, which ended in 2015, as many as 1,012 Roma women obtained vocational qualification in the following fields: kindergarten nurse, kindergarten minder or educator, child and youth supervisor, social worker and nurse, social assistant. From 2016 on, another 1,200 people are expected to receive employment-embedded training through EU funding. The immediate employment of the people involved makes it possible to quickly integrate them into the employer's institution, and from the first moment helps them get familiar with the colleagues and the environment where they are going to work full-time after completing the training. Their supported employment of 24 months will be followed by a compulsory further employment of 12 months. The programme is scheduled to continue in the 2021-2027 planning cycle.
- The main objective of the Family Farms Programme - Social Land Programme is to make rural life more liveable and to improve the village image through tidy and well-kept family farms. It also provides an opportunity for community action for the benefit of the village as a whole, thereby gaining the trust and support of its residents. On the one hand, the programme provides temporary employment for the participants, and on

the other hand, the employees learn to produce in an organised framework and to cooperate effectively in order to achieve local community goals. Families will gain hands-on experience in growing and keeping livestock within a set time frame, and will have direct access to seeds, seedlings, livestock, hand tools, and learn the basics of kitchen gardening and livestock keeping in their own gardens and gates with the help of a local expert. From 2023 onwards, the programme will offer the opportunity to purchase the tools needed to apply methods to lay the foundations for an organic approach to farming. Each year, municipalities, Roma municipalities, NGOs and church organisations across the country that are committed to revitalising rural life, preserving and enhancing local farming culture and community activism join the programme. Between 2011 and 2023, the Family Farms Programme - Social Land Programme increased the social and labour market integration opportunities of more than 50 000 disadvantaged families by providing HUF 2,745,545,972 in domestic funding. Funds are available in the act on the central budget of 2024 to continue the programme.

#### Measures aim to suppress racism and negative discrimination

The Hungarian Government pays special attention to the suppression of racism and xenophobia. The currently effective anti-discrimination act is in line with EU legislations, and contains consistent, comprehensive and detailed provisions and regulations against discrimination. Apart from the general provisions, the act also provides for the enforcement of equal treatment in various fields. The law prohibits both direct and indirect negative discrimination. In Hungary, until 2020 the Equal Treatment Authority was the autonomous state body responsible for monitoring the implementation of equal treatment. From 2021, the Commissioner for Fundamental Rights took over its tasks. It provides redress for complainants who have suffered discrimination. The Authority and its successor support the identification and prevention of discrimination through the application of the law, as well as through professional information and publications.

The MNTFS 2030 sets out the principle of inclusion as one of its fundamental principles, i.e. it defines the strengthening of social and national cohesion and solidarity, and the reduction of segregation and discrimination as a horizontal objective of the policy of inclusion. The strategy's action plan contains several measures in the fields of Roma identity, community building, awareness-raising and empowerment. The measures include training to strengthen the identity and empowerment of the people concerned, promoting education and presentation of ethnic culture, ensuring equal access to public services, reducing discrimination and crimes specifically against Roma, non-stereotypical media portrayal of disadvantaged people and victim support. On the other hand, it also articulates the importance of inclusive communication and activities to strengthen the cohesiveness of communities in order to increase inclusion from the majority society.

#### Programmes and achievements

- On 1 April 2013, Article XV(4) of the Fundamental Law was complemented with the term 'social inclusion', as described below. "By means of separate measures, Hungary shall promote the achievement of equal opportunity and social inclusion."
- The Hungarian National Curriculum was the first in Europe to introduce the value of Roma history and culture.
- With due regard to MNTFS objectives, Act CLXXIX of 2011 on the Rights of Nationalities determines the obligatory and optional public tasks local nationality

governments shall or may voluntarily take. An important change is that the act involves a more emphasised role of nationality governments (which represent the local community and have co-decision rights) in the preparation, adoption and implementation of programmes that support social inclusion and equal opportunities (in the areas of social, youth and cultural administration and public employment, as well as settlement management and urban planning). The Act enables the partnership of nationality governments, the establishment of business organisations and the takeover of tasks (e.g. settlement related duties) from municipalities or local governments.

- Each year between 2012 and 2021, a budget of HUF 50 million (HUF 112 million in 2021) was allocated from national resources to an annual tender that was targeted at the organisation of Roma cultural events and the accessibility of cultural contents and products. The tender made it possible that Roma culture related programmes be held in smaller settlements too, with regard to the fact that the majority of the tenderers come from local Roma nationality governments. Tenderers that were not nationality governments could only take part in the tender if they cooperated with local Roma minority self-governments. The programme addressed around 25,000–50,000 people every year – either indirectly or directly.
- The establishment of the Roma Nationality Multifunctional Education and Cultural Centre and its network entailed the following infrastructural investments:
  - a creative digital information and creative centre in Pécs, under the central guidance of Gandhi Nonprofit Ltd.
  - a training and creative house in Alsószentmárton
  - a Nationality House in Komló
  - an exhibition area, recreational centre, crafts and arts area in Nagynyárád
  - a Multifunctional Education and Cultural Centre in Ózd
  - through the Diocese of Hajdúdorog: Knowledge House in Kántorjánosi, House of Traditions in Hodász, House of Arts in Tuzsér, House of Nationalities in Máriapócs
  - Kisvárdá: Nationality Roma Cultural Integration Centre
- EFOP-1.3.4-16 programme "Common assets – diverse society", which was initially co-financed by the EU, again focuses on the preservation of the nationalities' and ethnicities' identity, the strengthening of a dialogue between cultures and the cooperation between social groups of different identity. The programme had a budget of 1.88 billion HUF to reach the following milestones:
  - Nurture and develop Roma languages (Romani and Boyash).
  - Preserve Roma traditions, enable their modern reinterpretation and transfer to younger age-groups.
  - Learn about the cultural heritage, feasts, history and past of the Roma nationality (music, fine arts, dance, cinematic art, applied arts and many more).
  - Promote the mutual acceptance of people coming from different cultures.
- Symphony programme: The Symphony programme, which was implemented in academic year 2014/2015 from a budget of 3 billion HUF, is a pedagogic scheme for the complex support of disadvantaged children in primary education (mostly of Roma origin), in particular in the form of music learning and orchestra sessions. The programme was executed by the Hungarian Charity Service of the Order of Malta, together with the Symphony Foundation, in eight public education institutions and



member institutions in Northern Hungary and Southern Transdanubia. Altogether 650 children took part in the programme. The Hungarian Charity Service of the Order of Malta keeps going on with the programme's implementation in the schools it operates, from its own sources.

- In the framework of the programme for settlements that are catching up (hereinafter: FeTe programme) of the Hungarian Charity Service of the Order of Malta, eight organisations started their work in 31 settlements in 2019, in 2023 it is already carried out in 178 locations with the cooperation of 29 implementing organisations, and with the annual phased expansion it will reach the number of 300 in 2025.
- In 2020, the "There is a melody in everyone's heart!" tender was launched for the first time with a budget of HUF 500 million, followed by a budget of HUF 90 million in 2022 and 2023. The aim of the competition is to help young people improve their performance at school and prevent early school leaving through music. The music programme has contributed to the preservation of local traditions in many places, and the competition has helped to support talented young people and promote their development. The professional background and methodology of the programme is provided by the Maltese Symphony Programme implemented by the Hungarian Charity Service of the Order of Malta. The aim of the programme is to involve target group young people aged 6-16 in community music learning, which can help to reduce early school leaving, develop new social contacts, shape attitudes and bridge the social gap. Funds to continue the programme are provided by the act of 2024 on the central budget.
- The main objective of the project EFOP-1.2.12-17-2017-00006, Camp Connects - Elizabeth Camps, is to develop a camping programme with a countrywide impact, which contributes to the social inclusion of people living in segregated environments and to the development of their social competences through experiential activities. The immediate target group of the project is pupils in grades 1-11 in public education institutions in less developed regions (including migrant, minority and Roma pupils), with a special focus on pupils with regular child protection benefits, disadvantaged or multiply disadvantaged pupils and pupils with disabilities. Since its inception in 2012, more than 1 million people have participated in the various Elizabeth Camps. From October 2023, the programme will be run entirely from national funds.
- "Cigánykerék" Roma values festival: The "Cigánykerék" Roma values festival intends to bring different nationalities closer together through the understanding of their culture. The festival programme has been designed to introduce the interested parties to the diversity and values of the Hungarian Roma culture. Since 2013, it is annually held on 8 April, enabling the visitors to get an insight into everyday Roma life, and by promoting cultural understanding the various programmes strive to bring the different nationalities closer together.
- 371 STARS – In memory of the Day of Courage and the Roma Youth: Since 2015, an annual memorial ceremonial programme is organised in the National Theatre by the Roma Production Office, with the support of the social inclusion department on the Day of Courage and the Roma Youth. Commemorations are held in several European countries of the resistance, on 16 May 1944, of the Roma Lager in Auschwitz-Birkenau.

- Gandhi High School, Dormitory and Primary Art School: It is the first Romani institution both in Hungary and in Europe, which provides a school-leaving exam. The institution was founded in 1994 by the Gandhi Foundation. It is exceptional even in the sense that both languages of the Hungarian Roma community, namely Boyash and Lovari are taught here. Most students are socially disadvantaged. The underlying purpose of the institution's formation was that its visitors learn about Roma values (such as language, culture, ethnology, traditions, etc.) in a way that their identity forms an integral part thereof, and that they become able to strengthen and represent Roma interests and the community's social engagement. From 1 September 2021, the Fáy András Technical School, Secondary School, Vocational School, Technical Secondary School, Elementary Art School and Boarding School of Bányterenyé was transferred to the Gandhi Secondary School Non-Profit Public Benefit Ltd, to promote the successful educational advancement of disadvantaged Roma pupils by developing the "Gandhi model" of the Pécs-based Gandhi High School as Europe's second Roma nationality school. The aim of Gandhi NKft. is to achieve near self-sustainability of the institution, for which the introduction and long-term application of the "Gandhi model", which is also successfully operating in Gandhi High School, is essential. The "**Gandhi model**" is essentially based on the cooperation of the Roma/Gypsy National High School, the operation of the boarding school, the art school and the Arany János Boarding School Programme as four units.
- The NeRok was set up and is run with EU and Hungarian national funding. The Creative Digital Information and Creation Centre includes a demonstration and training room using three-dimensional technology (Leonardo 3D), a language lab for 28 people, and a video and sound studio. NeRok provides training and advanced training for teachers and social workers in the field of social inclusion and acceptance of cultural differences, in addition to national cultural programmes, especially for Roma.
- The national budget continues to support Roma NGOs, Roma cultural initiatives and children's camps, and training for the development of Roma language teaching through the annual **Roma Nationality Competitions**. Since 2019, the number of winning organisations has been increasing every year. In the last five years (2019-2023), support has been provided for the operation of 1,297 Roma NGOs, for the organization of 1,297 Roma cultural programmes and events, for the realization of 1,455 children's camps and for the training of 23 Roma teachers of national minority languages.

### 3. *Measure-specific evaluations and statistics*

Although poverty is a complex phenomenon determined by a number of social factors, including social and cultural disadvantages, socialisation deficits, educational, vocational and labour market deficits, the most direct way to measure its extent, which also allows international comparisons, is through studies of income and material conditions and social exclusion, which capture the multidimensional nature of poverty. In this field, the SILC (Statistics on Income and Living Conditions) of the European Union's statistical system is the widely used data source that provides reliable, cross-country comparable data on poverty, adapted to current civilisational expectations, going back to 2002.

The European Commission has used this data to set its 2030 poverty reduction target. The EU target is to reduce the number of people at risk of poverty or social exclusion by a further 15 million. Under the related Hungarian commitment, Hungary aims to reduce the proportion of

families with children living in material and social deprivation by around 10 percentage points by 2030, which corresponds to a reduction of around 290,000 people at risk of poverty or social exclusion. The three indicators used by Eurostat to set the EU and Member States' targets are the number of people living in relative income poverty, the number of people living in households with very low work intensity and the number of people living in severe material and social deprivation. The composite indicator considers all those who fall into any of these categories as being at risk of poverty or social exclusion.

The relative scale of each of the dimensions of poverty until 2017 differed from most countries in the European Union. While in Hungary, material and social deprivation accounted for the largest share, in most countries it is the dimension of income poverty that represents the majority. Since 2017, material and social deprivation has already affected fewer people in Hungary than income poverty. The poverty gap, i.e. how the median income of those living in relative income poverty relates to the poverty line, shows the depth of the risk of poverty or social exclusion. The value of this indicator was broadly the same in 2015 and 2021, at 20.7% and 22.2% respectively, well below the EU average (28.2% and 25.7%). The number of people at risk of poverty for all three categories of poverty risk has fallen from 243,000 in 2015 to 141,000 in 2022.

Among different types of households with children, single-parent households remained the most at risk of poverty or exclusion, but while two-thirds were affected in 2015, the share fell to 36.9% in 2022. The gap between households with and without children has continued to narrow, with the presence of children in the family becoming less of a differentiator of households' living standards. Two-parent households with three or more children are also at a reduced risk of poverty or exclusion: 30.1% in 2022, which is a significant improvement from the 44% rate in 2015.

#### ***4. Relevant measures in the field of public education***

Hungary's medium-term strategy against early school leaving without qualifications planned interventions to strengthen the effectiveness of education until the end of 2020, and therefore started its evaluation in 2021. The evaluation was completed in June 2022 under the title "Evaluation of EU-funded education programmes to reduce early school leaving without qualifications". The evaluation concludes that the data from the early warning and educational support system, which helps to predict early school leaving, show that the proportion of early school leavers at risk of dropping out decreased between 2017 and 2021, but that interventions need to be continued and further developed. Another significant finding is that there is also an improvement in pupils' knowledge: in the EFOP 3.1.5-16 priority programme to prevent and reduce early school leaving, the results of the national competency test in mathematics improved significantly compared to pupils in schools in similar situations not participating in the programme. Another result is that the proportion of pupils in the participating institutions who do not want to continue their education at secondary level has decreased.

The interventions to combat early school leaving without qualifications appear from 2021 onwards as an integral part of the Public Education Strategy 2021-2030 for the European Union, adopted by the Government in Government Decision 1551/2020 (VIII.25.). An amendment to the strategy and a roadmap were adopted in 2023 (Government Decision 1499/2023 (XI. 16.)), which sets out a number of measures to strengthen access to high quality and inclusive education, and to prevent and monitor early school leaving.

The main objectives of both strategies were to improve educational performance and qualifications, with a particular focus on supporting disadvantaged groups of pupils to succeed in school. The main measures included the development of pre-school education as a priority. In order to lay the foundations for successful progress at school, to reinforce progress and to raise educational attainment, compulsory kindergarten attendance for children from the age of 3 was introduced from September 2015, whereas before, kindergarten attendance was compulsory from the age of 5. In our country, 95.8% of children aged 4 to 6 participate in early childhood education and care, slightly above the European Union average (95.1%) and meeting the benchmark of the Education and Training 2020 framework (95%). The EU strategic target for the period 2021-2030 relates to the participation rate in kindergarten for children from the age of 3 to the pre-school age: this rate is 93.4% in Hungary and 92.5% on average in the EU27 (Eurostat, 2023).

To implement the measure, improvements to accommodation facilities were needed. Infrastructural improvements, investments in capacity expansion and in energetic modernisation, as well as the acquisition of quality and safe equipment, all support the achievement of professional efficiency in kindergarten education and the complex personal development of the children. As a result of these measures, the number of places in kindergartens has increased steadily since 2010, so that there is no national shortage of places. Since 2010, the infrastructure of 1885 kindergarten institutions has been upgraded and modernised. In 2010, the total capacity of kindergartens was 370,136 places, which has been increased to 17,413 places by 2023, resulting in 387,549 available places.

The Government has provided a funding of HUF 319.5 billion from national and European Union sources for the capacity and infrastructure development of kindergartens.

#### Operating support for kindergartens

In the 2019 budget, the Government increased the operating subsidy for kindergartens from HUF 81,700/person/year to HUF 97,400/person/year, for a total amount of HUF 4 billion. From 2022, the operating subsidy for kindergartens was increased to 110,000 HUF/person/year, in 2023 to 130,000 HUF/person/year and in 2024 to 137 000 HUF/person/year.

#### **Statistical data for kindergartens**

<b>Data for kindergartens</b>	<b>2010/2011</b>	<b>2022/2023</b>	<b>Change</b>
Number of children in kindergarten	338,162	<b>322,505</b>	- 15,657
Number of kindergarten teachers	30,359	<b>30,624</b>	+ 265
Number of children in kindergarten per 1 kindergarten teacher	11.14	<b>10.53</b>	-0.61
Number of places of employment	4358	<b>4593</b>	+ 235
Number of available places	370,136	<b>387,549</b>	+ 17,413

Another important measure related to the strategic goals is the operation of the early warning and pedagogical support system for the prevention of early school leaving [Government Decree 229/2012 (VIII. 28.)]. The Early Warning System identifies and provides personalised support to pupils at risk of dropping out and to schools with a high percentage of pupils at risk of dropping out. The system encourages schools to develop a comprehensive development plan to improve performance and to use pedagogical approaches based on pupils' needs, with the aim

of strengthening a supportive school environment that takes into account individual characteristics. Based on the data and experience gained so far, the introduction of the indicator system has led to greater attention being paid to supporting pupils at risk of dropping out, and institutions are themselves looking for more effective forms of support. According to the data on the operation of the system, the percentage of pupils at risk of dropping out was 7.46% in June 2019, 6.8% in 2020, 6.29% in 2021, 4.82% in 2022 and 4.05% in 2023 (Source: Education Office, 2023).

Another indicator of the effectiveness of the prevention of early school leaving is the evolution of the completion of upper secondary education, which is also an indicator of educational effectiveness as opposed to the compulsory school leaving age. In addition to the share of early school leavers with no upper secondary education, an important indicator is that the share of 20-24 year olds with at least upper secondary education in the national population was 83.7% in 2022, in line with the EU27 average (83.6%) (Source: Eurostat, 2023).

In order to promote the success at school of disadvantaged and multiply disadvantaged groups of pupils and to prevent drop-outs, fundamental programmes and guidelines for creating opportunities were published in 2023. The programmes constitute a set of institutional development tools that support educational institutions and their maintainers through modern methods to promote student progress, pedagogical activities to help alleviate disadvantages resulting from socio-economic situations, tools for student community development, and strengthening the relationship between the family and the kindergarten or school and their maintainers. Among the published programmes is the Complex Basic Programme for Inclusive Education, which was developed and disseminated under the EFOP-3.1.2-16-2016-00001 flagship project. During its lifetime, it was implemented in more than 700 schools. It involves more than 10 000 teachers and 130 000 pupils. The programme has helped teachers significantly to develop their methodology, to co-operate with pupils of different abilities and to deal with learning and behavioural problems.

The learning support methodology (teaching-learning strategy) of the Complex Basic Programme (hereinafter: KAP) contributes to a large extent to the achievement of the following objectives of the Action Plan of the Public Education Strategy 2021-2030:

- The concept of the KAP includes the improvement of social inclusion, talent management and access to quality education for disadvantaged and vulnerable groups of learners, and the improvement of learning outcomes for children who are underachieving for any given reason.
- Through its sub-programmes, it develops the commitment to patriotic education, family life and health education, as set out in the National Core Curriculum, which was renewed in 2020.
- Through its complex pedagogical and methodological approach, it creates a balance between the transfer of knowledge, the development of skills or abilities and the shaping of behaviour (Experiential School/Élménysuli).
- Mainly in the Complex lessons, as well as in the sub-programme content, the integration of subjects, the processing of topics requiring the integration of knowledge from several subjects appears.
- The methodology of the KAP supports the realisation of thematic days, thematic weeks and projects organised according to active learning principles, which deal with phenomena and reinforce the importance of a modern learning environment.

The advantages of the KAP:

The Content elements of the CAP 5 sub-programme contribute to the development of reading comprehension, STEM skills, health education, physical activity, environmental education and digital literacy, which are reflected in areas requiring non-formal learning methods, such as in the afternoons and during class breaks. The training portfolio of the KAP has been expanded through the development of training in bullying and cyberbullying prevention and detection.

Act LII of 2023 on the New Career of Teachers introduced the salary component for creating opportunities from September 2023. The aim of this salary incentive is to recognise the additional educational performance of teachers and other educational assistants, which creates opportunities and compensates for the disadvantages of children and pupils who need extra help due to disadvantages resulting from their socio-economic situation. Those who carry out such pedagogical activities (see the publication of the above-mentioned pedagogical programmes and guidelines for creating opportunities) and/or work in beneficiary, catch-up municipalities are entitled to a higher salary, increased by 20% of the basic salary without supplementary allowances.

In order to ensure access to quality education and to compensate for disadvantages due to socio-economic background, free meals are provided for disadvantaged children: in the 2021/2022 school year, 75.1% of children in kindergarten received free meals. Free or reduced-price meals are also provided at school, with 51.4% of primary and 51.4% of secondary school pupils benefiting from them. In addition, from the 2020/2021 school year, all pupils in primary and secondary education - around 1.2 million - will receive free textbooks. Currently, more than 350 000 digital devices for personal use (e.g. desktop computers, laptops, tablets) are available in public education institutions. The majority of these devices were already available to teachers and pupils before the COVID-19 epidemic and were thus available to them when the digital work schedule was introduced outside the classroom, reducing the disadvantage especially for disadvantaged pupils that might have occurred in the absence of access to these devices (Source: KIR-STAT 2021). According to OECD data, 78% of pupils in disadvantaged schools have access to a computer with internet access for homework, almost the same as the OECD average of 79%. The project RRF-1.2.1-2021-2021-00001 "Ensuring conditions for equal access to digital education for pupils and teachers" is being implemented under the Hungarian Recovery and Resilience Plan. Within this framework, 453 000 notebooks have been distributed to teachers, pupils and IT rooms in institutions between 2022 and spring 2024. The focus on reducing segregation risks also serves to improve social cohesion. To ensure this, the project beneficiary, the Klebelsberg Centre, has prepared a strategy for the distribution of notebooks to pupils, based on a needs-based principle. The strategy specifies, among others, that disadvantaged pupils and pupils without notebooks should have the highest priority for the provision of the devices.

The Arany János Programmes, which currently run in 34 locations, in cooperation with secondary schools and boarding schools, are one of the most significant and longest-standing programmes for creating opportunities throughout the country. The aim of the programmes is to promote the success of pupils at school, to support the progress of socially disadvantaged and needy groups of pupils in secondary education and to support talent development through a complex system of educational, social, health and cultural tools. As of September 2023, the Arany János Programmes have been complemented by study grants, further supporting the progress of about 2,500 pupils participating in the programme.

In the 2022/2023 school year, the system for measuring competences in schools has changed. From now on, not only parents of pupils in grades 6, 8 and 10, but also parents of all pupils in

grades 4-11 will be able to fill in the so-called background questionnaire as part of the digital national assessment. Completion is voluntary. The aim of the background questionnaire is to enable the analysis of the relationship between the socio-cultural background of pupils and their measured performance both at national and school level. The Education Office, which is implementing the national digital survey, publishes the list of schools with above-average results.

In order to prevent and prevent segregation, the district boundaries for primary school enrolment are reviewed every year, and if necessary, the school district centres maintaining the schools change the district boundaries (Section 50 of Act CXC of 2011 on National Public Education). Anti-Segregation Working Groups operate in all school district centres responsible for the maintenance of state schools [Government decree 134/2016 on Organisations Participating as Maintainers in Public Education and on the Klebelsberg Centre, Section 2/C]. Anti-Segregation Working Groups operate in all school district centres responsible for the maintenance of state schools [Government Decree No. 134/2016 (VI. 10.) on the bodies involved in the maintenance of state public education and the Klebelsberg Centre, § 2/C]. The permanent, typical tasks of the antisegregation working groups: Regular and continuous data collection to prevent and avoid segregation, proposal of changes to school district boundaries, updating of data taking into account professional criteria (proportion of disadvantaged and multiply disadvantaged pupils, their distribution between and within schools; monitoring the proportion of pupils with difficulties of integration, learning and behaviour, and of pupils with special educational needs, etc.), formulation of proposals to the maintaining authority.

In 2023, section 24 of the Decree No. 20/2012 (VIII. 31.) of the Ministry of Human Resources (EMMI) on the operation of educational institutions and the naming of public educational institutions providing on the district boundaries for primary school enrolment was completed. The amendment serves the purpose of a more precise delimitation of the district boundaries to ensure an even distribution of disadvantaged pupils. The amendment provides that, in addition to the breakdown of the number of disadvantaged children by institution and by member establishment, the distribution of the number of children by place of residence and by place of stay should be reviewed, so that it is clearer where these children live and, in the light of this, the boundaries can be drawn more accurately so that their enrolment is not concentrated in one school or place of activity.

In the context of supporting the success of vulnerable groups of pupils at school, special attention is paid to the education of children and pupils with special educational needs. The educational work of parents and teachers, as well as the tasks of educational institutions, are supported by specialised educational services through the following activities:

- special educational counselling, early development and care;
- expert committee activities;
- educational counselling;
- speech and language therapy;
- further education and career guidance;
- conductive pedagogical care,
- physiotherapy;
- school and kindergarten psychological care;
- special care for exceptionally gifted children and pupils.

The current steady improvement in the provision of specialised educational services is the result of professional development, standardised professional protocols, a unified institutional

structure and an increase in the number of posts. The number of persons covered by specialised teaching services has increased from 538,000 in 2022 to 591,000 in 2023.

72% of children and pupils with special educational needs (including vocational education institutions) receive care in an inclusive setting, 80% of public education institutions receive children and pupils with special educational needs (of which only 4% are special education institutions and 3% are partially special education institutions). Travelling networks of special education teachers and travelling networks of tutors play a significant role in inclusive education. Projects to further develop the system: the project "Strengthening the role of public education in creating opportunities" covers three target groups: institutions for the developmental education of children with severe and multiple disabilities, specialised pedagogical services and mobile networks of specialised teachers and mobile conductors. "Strengthening the supportive role of public education" aims to improve the infrastructures of specialised teaching services and specialised development education establishments.

*Population education indicators based on the 2022 population census*

In October 2022, one third of the adult population had a school leaving certificate and a further 22% had a degree. The share of those with no more than primary education fell to 23%, and the share of those with a vocational qualification without a school leaving certificate (21%) was little changed compared to 2011 (Source: Central Statistical Office).



## ARTICLE 31 – THE RIGHT TO HOUSING

With a view to ensuring the effective exercise of the right to housing, the Parties undertake to take measures designed:

1. to promote access to housing of an adequate standard;
2. to prevent and reduce homelessness with a view to its gradual elimination;
3. to make the price of housing accessible to those without adequate resources.

### 1. *Measures to promote housing*

The first concrete government measures to integrate people living in segregated areas and predominantly Roma settlements started in 2005. The Decade of Roma Inclusion Programme Strategic Plan 2005-2015 also aims to eradicate segregated housing. Since then, each year more and more municipalities have been given the opportunity to join the programmes through grants. The main aim of the programmes is to eliminate housing crises and create primary housing conditions. However, community development, improved health and social care, employment and training also play a role in addressing the complex issue of housing, as only full achievement of social inclusion can prevent the re-emergence of poverty. In addition to targeted programmes to provide good quality, energy-efficient housing for disadvantaged groups, the Government reintroduced the social assistance scheme and the subsidy allowance in 2011.

#### Hungarian National Social Inclusion Strategy (hereafter: MNTFS)

Housing is a priority element of the MNTFS 2030 and its related three-year action plans. The MNTFS tackles housing poverty in a complex way, by combining housing with employment, community development, health interventions and improving access to community services.

#### Housing-focused projects/programmes

Using data from the 2011 population census, the first national database and map of segregated areas has been produced. It is being updated based on the 2022 census data. Based on the 2011 data, there are 1 384 settlements or backward settlements embedded in the settlement fabric, mainly inhabited by Roma, in 709 municipalities across the country. The eradication of segregated settlements requires local action, depending on the type, size, geographical location and other aspects of the settlement.

Since the change of regime, the first concrete government action to promote the social integration of people living in settlements and segregated areas was taken in 2005. Since then, every year, new municipalities have been given the opportunity to join the scheme through new calls for proposals.

Between 2005 and 2009, a total of 342 families moved into new housing in integrated housing, and 644 homes were upgraded and renovated. 501 people participated in vocational training and 338 people found employment.

The Complex Settlements Programme (TÁMOP-5.3.6-11/1, budget: HUF 7.89 billion), implemented between 2011-2015, aimed to support the social inclusion and integration of people living in disadvantaged, deprived and segregated conditions through the provision of a

range of social services (including social, community, education, training, health and labour market services).

The complex programme for people living in settlements was launched on 13 February 2012 for the 2007-2013 programming period. The programme targets Roma and non-Roma people and families with multiple disadvantages, living in segregated or similar housing, with low or outdated skills and who typically struggle both socially and financially in their daily livelihoods. At the same time, the programme has helped the whole community by providing services that support the inclusion of disadvantaged people and their integration into the daily life of the local community.

The programme consisted of social, community-building, education, health, training and employment components and helped to improve the housing conditions of people living in segregated housing.

Within the activities funded by the programme, complex interventions have been designed to build on each other, so that those involved in their implementation seek to incorporate further development opportunities into the catch-up programme and achieve synergetic effects in the target area.

Between 2012 and 2015/16, the scheme implemented a programme in 67 segregated areas in 55 municipalities (EU funding of HUF 7.89 billion) and 8 municipalities were also in the process of housing investments. 112 dwellings were renovated or built. Housing conditions have improved for around 500 members of 132 families.

In the 2014-2020 EU programming period, development continued with a complex housing programme planned for 114 segregated areas and more than 30 000 people.

The number of new social rented housing units created under the EFOP 2.4.1 programme was 281. Number of social rented housing units renovated 370 units. The total number of social housing units created is planned to be 620. The number of persons affected by relocation is planned to be 3122. The number of families affected by relocation is 639. Average number of movers per settlement (persons)/housing 5,34.

The Star Service Point is a service house (e.g. laundry, bathing facilities) in the segregated area, which also provides mentoring with a presence approach.

The number of newly built Star Service Points created is 35. Number of star points created through renovation 66. The total number of star service points created is planned to be 96. Number of new build star houses created 10. Number of star service houses created through renovation 61. Total number of star service houses created 69 planned. During the EFOP 1.6.2 programme, the beneficiaries undertook to prepare 9 907 individual development plans, including, where relevant, Family Development Plans.

## ***2. Measures to reduce homelessness***

*RSZTOP - Operational Programme for Persons in Need* (hereinafter referred to as RSZTOP)  
3.1.1-16-2016-00001 - Provision of benefits granted in kind to people living in public areas.

Under the RSZTOP, HUF 4 billion is available to provide an average of 4,000 homeless people with one hot meal per working day, starting from the beginning of January 2017 and planned

until the end of 2020. This has ensured that homeless people have access to sufficient, good quality, nutritious and vitamin-rich food. The RSZTOP was implemented nationally by the Public Foundation for the Homeless. The hot meals were typically provided through institutions that cater for the homeless.

Under the RSZTOP 3.1.1 project, homeless people had access to a hot meal until 6 October 2023, following several extensions.

Project final outcome indicators:

<b>Relevant period</b>	<b>Number of working days</b>	<b>Number of food packages distributed</b>		<b>Number of beneficiaries of meals (average number per working day)</b>	<b>Quantitative indicator of food aid distributed (average, per working day) tonnes</b>
<b>2017.01.02-2023.10.06</b>	<b>1708</b>	<b>6 942 936</b>		<b>4 065</b>	<b>2,9</b>

In December 2022, the Human Resources Development Operational Programme Plus (HRDOP Plus) for human development for the EU's 2021-2027 development cycle was adopted. The objectives of HRDOP Plus promote the social and economic inclusion and improve the living conditions of people and communities at risk of poverty and social exclusion. EFOP Plus provides opportunities to improve the lives of the most vulnerable people by ensuring access to adequate food, nutrition and basic material goods. One of the objectives of the support for vulnerable people is the regular provision of hot meals for homeless people.

The call for proposals was included in the Government Decision No. 1308/2023 (20 July) laying down the annual development envelope for the EROP Plus (EROP Plus 5.2.1-23 "*Provision of food assistance to homeless persons*") with a budget of HUF 8.5 billion.

The project period is planned to run from 12 March 2024 to 31 December 2028. During this period, more than 10 000 homeless people will have access to a regular hot meal once a day free of charge. The project will have a national scope, with 4,000-4,200 people receiving ready meals on the working days covered by the distribution.

In the project, besides the food service, the target group can also benefit from accompanying measures to provide needs-based activities and services that promote social inclusion and improve health and quality of life.

The meal service started on 25 March 2024.

*The EFOP-1.1.4-16 - VEKOP 7.1.5-16 - "Housing first"*

The Human Resources Development Operational Programme (HROP), building on the experience of the national (Back from the streets programme) and EU (TÁMOP 5.3.3 programmes) programmes, will implement the Housing First programme, which will help homeless people to move into independent housing and will be supported by a multidisciplinary team to help them rehabilitate.

The planned budget available for this support is:

- Convergence regions: HUF 1.72 billion,
- Central Hungary region (from VEKOP funds): HUF 0.3 billion.

Eligible amount:

- Convergence regions: HUF 30-310 million,
- Central Hungary region: HUF 30-100 million.

The primary objective of the Housing First project is to help homeless people to move out of their crisis situation:

- With the aim of significantly reducing (or eliminating) the time spent in institutional care,
- while at the same time making the cost of care more efficient.

A total of 17 "Housing First" projects have been implemented in Hungary under the EFOP-1.1.4-16 - VEKOP-7.1.5-16 "Housing First" standard tendering procedure in all 7 regions, including 11 counties and Budapest. This means that in all regions of the country, homeless people have been able to organise and secure independent housing for themselves, in addition to the national funding provided under this programme. The technical indicators (number of overnight stays, number of persons involved, EFOP -1.1.4-16, proportion of persons under 25) were met in all cases and in several cases exceeded. They were able to provide professional content for the other services assigned to the proposals. The implementation of the Standard projects was planned to involve around 348 applicants in the programme, with a total of more than €2 billion of resources. In total, 451 people were involved by 30 June 2023, of whom 239 remained in independent (private market rented, municipal rented, workers' hostels) housing six months after the end of the programme.

- **Basic services**

Street social work

Street social work services are responsible for finding, caring for and assisting homeless people into institutional care. Their main task is to avert emergency situations of need and to alleviate the individual's mistrust of the care system.

- As of 1 September 2020, 6 new street social work services have been included in the support system (in Mosonmagyaróvár, Vác, Kaposvár, Zalaegerszeg, Győr and Keszthely).
- From November 2021, three new services have been included (Kalocsa, Salgótarján and Esztergom).
- From June 2023, one additional service will provide street social work to people in need in Balassagyarmat.
- From 1 June 2023, a total of 96 services will be operational nationwide.

Day shelter for the homeless

The Homeless Day Shelter provides a place for homeless people to stay during the day, socialise and relax. The day shelters provide a place for everyone to take a bath, wash their own clothes in the washing machines and, in many places, have separate dryers. There is also the possibility for everyone to heat up their own food and eat it in a civilised way, but the day centres also try to provide additional meals for their visitors, especially in winter, mostly from subsidised sources: from greasy bread to tinned hot meals, and often fruit and vegetables as vitamin supplements. The staff at the day shelter can help with various formalities, such as obtaining basic documents, accessing social security and organising access to services. The shelters also

try to offer a variety of activities and programmes to meet the needs of the people who come to them, often with the help of volunteers or through subsidies obtained through tenders.

The opening hours of the day shelter and the night shelter have been aligned so that people can access either service 24 hours a day.

From 1 January 2020, 18 day-care facilities in Budapest and 67 in rural areas will be available 10 hours a day, 7 days a week, as designated by the Minister Responsible for Care Policy. The Government will provide the necessary additional resources.

- **Specialised care**

*Institution providing temporary accommodation*

Night shelter is a service enabling homeless persons who are able to provide for themselves and to respect the rules of community coexistence to rest overnight and to stay overnight in a crisis situation. The shelter also offers the possibility to receive information about the social services and to receive help with pending or incipient social cases. The services of the night shelter are free of charge and are provided on the basis of an oral request. In the context of the EU project RSZTOP-3.1.1-16-2016-00001, it is also possible to provide hot meals once a day in some of the institutions.

As of 15 October 2018, the opening hours have been changed from 18.00 in the evening to 8.00 in the morning, in order to allow the beneficiaries to go to the day shelter immediately after closing time in the morning and return to the night shelter at closing time, avoiding the need to stay in public areas.

The temporary shelter for homeless people provides accommodation for homeless people who are able to become self-sufficient through the use of living accommodation and social work. The temporary shelter provides overnight accommodation, cleaning, food preparation and, if necessary, meals. It ensures the safe keeping of personal belongings. Thanks to a change in Act III of 1993 on Social Administration and Social Services, which came into force on 1 January 2017, the temporary accommodation can provide a housing service for homeless people who do not need intensive social assistance. Homeless people in need of social assistance must continue to be provided with social work in addition to housing services. The social workers working in the shelter provide mainly individual case management, group sessions as needed, conflict management, social case management and assistance to the shelter residents. The shelter is open 24 hours a day. The EU project RSZTOP-3.1.1-16-2016-00001 provides the possibility to provide hot meals once a day in some of the institutions. The temporary shelters are entitled to charge a fee.

The operator of the day shelter, night shelter and temporary accommodation may provide temporary accommodation during the winter period for homeless persons who are staying in public areas or in places unfit for habitation, in order to avoid immediate danger to their lives. The increase in the number of places may be carried out in the building of an existing establishment, by increasing the number of places authorised, or in a separate building or place owned, rented or provided with a right of use which is not used for the annual institutional care and which is intended to be used during the winter period. An increase in the number of places for a given period may be carried out provided that it does not disrupt the supply of places for persons who were in use before that period. The increase in the number of places in the temporary accommodation may not exceed 30% of the number of places provided for in the establishment's operating licence. As regards material conditions, the periodic increase in the

number of places in the establishment must be in accordance with the material requirements of the licensee, with a minimum of 3m<sup>2</sup> per person and at least one shower and one toilet for every 25 persons.

The conditions of access to temporary accommodation are the same as those for the establishment to be extended, except that the access conditions for temporary accommodation resulting from the extension, which is essentially intended to prevent a risk to life, are adapted to the needs and the emergency and can be managed more flexibly.

*Institutions providing permanent accommodation*

*A rehabilitation institution* provides accommodation for a homeless person of working age who is able to work but whose health, psychological and social condition is irreversibly damaged and who is eligible for social care and who voluntarily agrees to participate in a rehabilitation assistance programme. The aim is to develop or restore the ability of residents to lead an independent life.

*In a home for the homeless*, care shall be provided for a homeless person whose care cannot be provided in a temporary accommodation or rehabilitation institution and who, because of his age or state of health, requires long-term care. In this case, persons who are unable to care for themselves or can only do so with constant assistance must be provided with at least three meals a day, clothing and textiles as necessary, mental health care, health care as defined by special legislation and housing, i.e. all their needs.

- **The Regional Dispatching Services**

The Minister responsible for social policy designates the regional dispatching services (*7 in total, 6 in the Convergence regions and 1 in the Central Hungary region until revoked*). The dispatching services are responsible for receiving reports from the general public and other organisations (National Ambulance Service, Police, Civil Protection, Public Space Inspectorate, etc.). The dispatching services play an essential role in coordinating the homeless care system, helping the care pathways, especially during the crisis period and during the "code red" measure introduced in 2017, when their tasks are complemented by their coordinating role, managing specialised street care services and the crisis van, coordinating the care system institutions, indirect management of the care recipients and providing data and information to the public.

Section 104/B of Decree No. 1/2000 (I. 7.) of the SzCsM - concerning the regional dispatching services (hereinafter: dispatching services) - on the professional tasks of social institutions providing personal care and the conditions of their operation was amended with effect from 1 January 2022, which assigned the organisation and management of the crisis car service, previously operated at county level with tender funding, to the competence of the dispatching services. Furthermore, additional tasks have been defined for the dispatching services of the Convergence regions in order to ensure that citizens in critical situations, living in housing conditions that endanger their physical integrity and health, can be assisted even when other service providers with a duty of care are not available in the area and/or at the time in question.

- **Child welfare primary care**

The transitional homes for families with children in crisis situations of homelessness are part of the basic child welfare services. The primary objective of the family transition home is to

help children to exercise their right not to be separated from their parents or family because of financial difficulties. The temporary home offers the possibility of a child and parent being placed together. It takes in parents and their children who are homeless or in need of protection because of life management problems or other social and family crises, mothers in crisis, pregnant women, mothers and their children who are in crisis, or mothers and their children who are leaving the maternity unit.

The possibility of creating external accommodation for family transition homes: support for families in crisis with children who are homeless is provided by family transition homes, which are part of the primary child welfare services. An important tool for reintegrating families is the provision of external accommodation for families who already require lower intensity support for independent living. External accommodation is also a place where families live independently for a limited period in a building separate from the family transition home, and where staff support them, inter alia, in achieving independent housing. The family transition homes are one of the most important means of keeping children in the family and keeping the family together. It provides the child with the care he or she needs, and the parent or expectant mother in a social crisis with the possibility of living in the home. The temporary home offers the possibility of co-housing the child and parent. Following the amendment of Act XXXI of 1997 on the Protection of Children and the Administration of Guardianship, it has been possible to create an external accommodation place since 1 January 2018.

The Government Decision 1228/2022 (IV. 14) on the Action Plan for the implementation of the National Strategy for Combating Trafficking in Human Beings 2021-2023, to be implemented in the period 2022-2023, underlines in point II.3.10 the need to increase the capacity of assistance services responding to forms of exploitation, in particular the capacity of family transition homes, by providing access to external accommodation. Infrastructural improvements must be created with domestic funding by 31 December 2023, with the number of newly created places as an indicator.

Increasing the available capacity of family transition homes: in implementing the action plan of the national strategy for 2020-2021 adopted by Government Decision 1046/2020 (18.II.), it was necessary to create at least 5 external accommodation places for 5-5 persons by 31 December 2021, for an amount of HUF 250 million. Measure II.1.10, under the responsibility of the Child Welfare Department, provided for the expansion of the capacity of assistance services responding to forms of exploitation, in particular the temporary homes for families. In 2021, the Ministry of Human Resources provided a further HUF 30 million to the Hungarian Protestant Aid Organisation to achieve this goal, which was used to create an external accommodation (flat) for 3 families. In addition, the Ministry of Human Resources provided a further HUF 35 million for the maintenance of temporary homes for families who are experienced in helping and rescuing victims of human trafficking. Out of a total of HUF 285 million, 109 new external places were created in 22 apartments on the basis of the applications submitted, helping families living in temporary family shelters to reintegrate into society, support their independent living and reduce the risk of „returning” to institutionalisation.

Further expanding the available capacity of family transition homes: this included support for the construction of external accommodation in family transition homes, thus helping to ensure the efficient operation of the service, the integration of families, the exit of families from care and access to the service for victims of trafficking. For the years 2022 and 2023, the Budget Law has provided for a budget of HUF 250 million as a built-in resource. On the basis of the approval and decision of the State Secretary for Care Policy, HUF 250 million has been

allocated to the Slachta Margit National Institute for Social Policy for the construction of external accommodation for families in temporary homes, to carry out the tendering procedure and, following the decision, to manage the subsidies. The beneficiaries of the 2023 tenders are expected to develop external accommodation in 10 flats linked to family transition homes to assist families in need.

### ***3. Measures to support adequate and affordable housing***

- **CSOK Plus:** from 1 January 2024, a subsidised loan scheme available throughout the country for couples planning to have (additional) children, to buy their first home together, to move to another, higher-value home or to extend an existing home. The loan, which carries an interest rate of up to 3%, is available to couples who are expecting a child where the wife is under 41 (or until the end of 2025 if the wife is over 41 but at least 12 weeks pregnant). Depending on the total number of existing and expected children, a loan of HUF 15-30-50 million is available, with additional discounts after the arrival of the expected children: a 1 year payment break for the first child and a HUF 10-10 million debt relief per child for the second and subsequent children. Couples planning to have a child in the preferred small villages can also apply for the Rural CSOK (but not the Rural CSOK loan) in addition to CSOK Plus.
- **Rural CSOK:** This is a home construction subsidy for up to 5,000 people in preferred small villages, farms and estate centres, which can be used for the purchase of a second-hand home and its simultaneous extension, modernisation or modernisation and/or extension of an existing home, as well as for the construction or purchase of a new family home. In the case of construction and purchase (+ extension/modernisation), they can receive HUF 1 million for one child, HUF 4 million for two children and HUF 15 million for three or more children. And for the extension and/or modernisation of an existing dwelling, grants of HUF 600,000 for one child, HUF 2 million for two children and HUF 7.5 million for three or more children are available.
- **Rural CSOK loan.** The amount is HUF 10 million for two children and HUF 15 million for 3 or more children.
- **VAT reimbursement subsidies in the preferred small villages:** families with children can apply for a tax reimbursement subsidy of up to HUF 5 million on the VAT content of 27% of the VAT on the purchase of a second-hand house, the modernisation/extension of an existing house, the modernisation/extension of an existing house and the construction of a new house, and 5% of the VAT content of a new house in the preferred small villages with a population of less than 5,000, as well as in farms and estate centres.
- **Tax exemption:** for new or second-hand residential property purchased with the Rural CSOK and/or CSOK Plus, families are exempted from paying the 4% reversionary property transfer tax. Under the Rural CSOK scheme, the exemption from the duty is independent of the purchase price, while under the CSOK Plus scheme, the purchase of a first home in common is eligible up to HUF 80 million, while moving to a property of higher value or an extension is eligible up to HUF 150 million, so the duty exemption also applies to this.



- **Mortgage debt relief:** non-refundable state aid is available for the birth or adoption of a second or additional child to reduce the mortgage debt on the property or the debt under a finance lease contract for the property. Families with a second child can reduce their mortgage debt by HUF 1 million, while for the third child the amount of the loan remission increases to HUF 4 million and for each additional child families can reduce their mortgage debt by HUF 1 million.
- **Reduction of notary fees:** from 1 January 2021, the notary fees for notarial procedures when applying for interest-subsidised housing loans (e.g. CSOK Plus or Rural CSOK Loan) for families with or expecting children will be significantly reduced, so that the combined cost of notarisation and recording in a public deed will not exceed HUF 20 000 even in the maximum case.
- **Home Renovation Programme:**  
Following the introduction of the family-focused programmes (CSOK Plus, Baby Grant, Rural CSOK), the focus is on addressing the housing gap with adequate quality and affordability. The Home Renovation Programme, which is now being launched, aims to reduce household energy use and overheads through the renovation of family houses by assisting around 20,000 households. In parallel with the Home Renovation Programme, part of the funding for the programme will be used to help **families in specific disadvantaged situations**.
- **Special property purchase concept and rental housing programme:**  
A new concept currently being developed to address the housing problems of the poorer sections of society.
- **Keeping the 5% VAT rate in force:**  
A measure to support the shortage of new housing construction and sales.
- **Many municipalities provide housing subsidies** (heating allowance/ rental subsidy/ utility allowance) for low-income households. There is also a focus on the construction of municipal apartment buildings (e.g. a 35-apartment apartment building in District 13 was delivered in 2023 and a 67-apartment apartment building will be delivered soon).

#### 4. *Housing assistance for jobseekers in case of employment*

Under the labour market programme, jobseekers who start a new employment relationship and whose place of work is in a different municipality at least 60 km from their place of residence may apply for housing assistance. The subsidy is granted for a period of six months and may amount to the rent of the house, up to a maximum of 70% of the minimum wage. Between 2012 and October 2023, around 16,500 people participated in the Housing Allowance scheme, receiving a total of more than €107 million in aid.

#### 5. *Persons falling under the Act CXXX of 2020 on the Legal Status of the Staff of the National Tax and Customs Administration (hereinafter referred to by the Hungarian abbreviation as: NAV Szj. tv.)*

Pursuant to Section 170 (1) a) - c) of the NAV Szj. tv., employees may be granted reimbursable or non-reimbursable social, welfare, cultural and health benefits. Such benefits may include in particular: housing allowance, housing construction and purchase allowance, social assistance.

Pursuant to paragraph (2), the amount, conditions, assessment and accounting procedures, as well as the rules for reimbursement of such allowances shall be laid down by the President of the NAV in employment regulations.

*"Section 171 [Subsidy for the acquisition of private housing]*

*(1) A subsidy may be granted to an employed person for a loan from a credit institution for the acquisition of a private housing in the way determined by the Government.*

*(2) An employee may apply to a credit institution specified in the Act on Credit Institutions and Financial Enterprises for a Ft-based housing loan contract for the construction or purchase of a private dwelling without providing own funds, if he/she meets the conditions specified by Government decree.*

*Section 172 [Deposit guarantee for the construction or purchase of a house]*

*(1) If the amount of a loan with a state interest subsidy applied for by an employed person from a credit institution for the construction or purchase of a house exceeds the maximum rate of the collateral value of such housing property determined by the credit institution, the State shall provide a guarantee for the difference. The employee may obtain the State guarantee through a credit institution which has entered into a contract with the State to this effect.*

*a) (2) The State may, in the case referred to in paragraph (1), provide a guarantee in favour of an employee who:*

*b) has an employment relationship of indefinite duration,*

*c) has completed at least three years' administrative service or has completed more than three years' service,*

*d) is not serving a period of suspension or resignation or is not in the process of being terminated,*

*e) is not the subject of disciplinary proceedings,*

*f) is not the subject of a criminal prosecution, other than a private prosecution or a criminal substitute prosecution; and*

*g) he has paid the credit institution the part of the loan guaranteed in accordance with paragraph 1 or the spouse or partner living in the same household is not, at the time of application, obliged to repay the housing loan guaranteed by the State.*

*(3) The details of the guarantee shall be laid down by Government decree.<sup>10</sup>"*

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<sup>10</sup> Government Decree No 672/2020 (XII. 28.) on certain personnel issues concerning the staff of the National Tax and Customs Administration

**ADDITIONAL PROTOCOL TO THE EUROPEAN SOCIAL CHARTER**  
**PROVIDING FOR A SYSTEM OF COLLECTIVE COMPLAINTS**

An Additional Protocol on the Collective Complaint Procedure has been made to serve the more efficient enforcement of the provisions of the Modified European Social Charter (hereinafter: Charter). The collective complaint procedure is aimed at the consolidation of the Charter's enforcement scheme and the approximation of the European protection schemes of human rights (civil political rights and socio economic rights). The Additional Protocol on the Collective Right of Complaint was signed by Hungary on 7 October 2004, however, the country has not yet ratified it.

The national practice included in the Additional Protocol required to conduct the collective complaint procedure developed in the last report period as follows:

The Government, in cooperation with social partners and with financing from the European Social Fund, has continued to implement projects aimed at "Support to services for legal employment."

Within the framework of project GINOP-5.3.3.-15<sup>11</sup>, Legal Points were established to provide labor market participants with credible and up-to-date information on labor rights and employment issues. On the other hand, it gave room to the formation of the Labour Counselling and Dispute Resolution Service for the settlement of collective labour rights disputes (hereinafter: Service).

The project GINOP-5.3.3.-18, which extended the results of GINOP-5.3.3.-15, operated the Service from 1 July 2019 to 27 January 2022, during which time it carried out tasks related to the collective complaint procedure.

During this new project period, the Service continued to be organized on a territorial basis. Its goal remains to effectively contribute to the resolution of collective labor disputes. One of the advantages of this system is that, compared to judicial proceedings, the Service's procedures were faster, more direct, and cost-free for the parties involved.

Between 1 July 2019 and 27 January 2022, the Service handled 115 collective labour related interest disputes nationwide. Compared to the previous period (2016-2019), the number of cases decreased slightly, with the impact of COVID-19-related lockdowns and restrictions playing a significant role in this reduction.

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<sup>11</sup> <https://www.palyazat.gov.hu/doc/4504>