









ASSESSMENT OF HUNGARY'S COMPLIANCE WITH CONDITIONS TO ACCESS EUROPEAN UNION FUNDS

Summary table

27 November 2024

I. Assessment of compliance with milestones under the Recovery and Resilience Plan and with conditionality measures¹

| No.² | Description of milestone | Qualitative/quantitative indicator | Indicative timeline for completion | Evaluation of compliance | Main deficiencies regarding the implementation | | | |
|------|--|--|--|--------------------------|---|--|--|--|
| | C9.R1: Establishment of an Integrity Authority to reinforce the prevention, detection and correction of fraud, conflicts of interest and corruption as well as other llegalities and irregularities concerning the implementation of Union support | | | | | | | |
| 160 | Setting up of an Integrity Authority* | Start of activity of the Integrity Authority | Q4 2022 | partially | Challenges remain regarding the verification of asset declarations and the powers of the Integrity Authority in case of projects initially envisaged for Union support which were subsequently withdrawn from Union support. The Integrity Authority lacks, in multiple areas, the adequate legal mandate to carry out its statutory tasks. | | | |

¹ "Super milestones", the implementation of which is a precondition for any payment from the Recovery and Resilience Facility, are indicated in the table with bold. Beyond the super milestones, the table includes "ordinary" milestones from the RRP's component "Governance and Public Administration" relevant from a rule of law and anti-corruption perspective that were due to have been complied with by the end of the third quarter of 2024 at the latest. Milestones related to conditionality measures are marked with an asterisk (*).

² The numbering of the milestones in this table is the numbering used by the <u>Annex</u> to the Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Hungary.

| 161 | Report on the Integrity Risk Assessment Exercise | Publication of the report | Q1 2023 | yes | |
|----------|--|--|--------------|---------------------|--|
| 162 | Start of application of the powers and competences on the verification of asset declarations by the Integrity Authority | Start of application of powers and competences for the verification of asset declarations by the Integrity Authority | Q1 2023 | no | The Integrity Authority is not in a position to carry out this task. The amended law only provides for the investigative part of the verification of asset declarations to be carried out by the Integrity Authority, leaving the asset declaration procedure itself – which may result in dismissal from office – to other bodies and failing to define the exact powers of the Integrity Authority vis-á-vis asset declarations. An even more serious practical problem is that the Integrity Authority has not been given access to the databases it would need to carry out verification. This shortcoming is also pointed out by the Integrity Authority in its report. |
| 163 | The annual Integrity Report for the year 2022 is made publicly available | Publication of the first annual Integrity Report, for the year 2022 | Q2 2023 | yes | |
| 164 | The Government examines the first annual Integrity Report of the Integrity Authority and provides its responses in writing | Publication of the Government's response on the first annual Integrity Report and its detailed explanation on how it intends to address each of the findings therein | Q3 2023 | partially | The Government's response was published in early October 2023. The Government only agreed and committed to take action on only 12 (25%) out of the 47 recommendations. In 2024, the Government has agreed to take action on 23% of the Integrity Authority's recommendations. |
| 165 | Review of the asset declaration system by the Integrity Authority | Publication of a report on the results of the Integrity Authority's review of the asset declaration system | Q4 2023 | yes | The Integrity Authority has prepared an ad hoc report on asset declarations in December 2023, however, the Government has not disclosed its position on the recommendation. |
| C9.R2: E | stablishment of an Anti-Corruption Tasl | Force to monitor and review the | measures tak | en in Hungary to pi | revent, detect, prosecute und sanction corruption |
| 166 | Establishment of an Anti- Corruption Task Force* | The Anti-Corruption Task Force shall be established and hold its first meeting | Q4 2022 | partially | While the Anti-Corruption Task Force (ACTF) was created in December 2022, inadequate legal provisions, insufficient support (funding, substitution options), and a lack of governmental |

| | | | | | proactivity and cooperation rendered the ACTF largely inactive beyond its annual report. |
|--------------------|--|---|----------------|-----------------------|---|
| 167 | The annual analysis of the Anti- Corruption Task Force for the year 2022 is publicly available | Publication of the first annual report of the Anti-Corruption Task Force for the year 2022 | Q1 2023 | partially | The first report, rushed and hampered by data limitations, prematurely assessed 2022 anticorruption measures. It also omitted the planned evaluation of the National Anti-Corruption Strategy, a deficiency later addressed in a separate May 2023 report. The ACTF report primarily reflected government-backed proposals, neglecting those from non-governmental actors. |
| 168 | The Government examines the first report of the Task Force | Publication of the Government's response on the first report of the Task Force | Q2 2023 | yes | Despite timely review, the Government only accepted pre-approved proposals, rejecting those from non-governmental actors. Similar problems arose with the 2023 report. |
| C9.R3: In review") | troduction of a specific procedure in the | e case of special crimes related to | the exercise c | of public authority o | r the management of public property ("judicial |
| 169 | Introduction of a specific procedure in the case of special crimes related to the exercise of public authority or the management of public property* | Provision in the amendment of Act XC of 2017 on the Code of Criminal Procedure indicating entry into force and start of application | Q4 2022 | partially | The judicial review procedure suffers from several key flaws: judicial rulings are not binding on prosecutors; it includes an unnecessary court step; its retroactive applicability is unclear; it has a low success rate; and procedural hurdles hinder accessibility. These flaws combine to create a system that is not only inefficient but also potentially undermines the intended goal of facilitating prosecutions for high-level corruption. |
| 170 | Review of the specific procedure in the case of special crimes related to the exercise of public authority or the management of public property* | The Government adopts its report on the review of the functioning of the special procedure | Q4 2023 | no | The National Anti-Corruption Strategy (NACS) action plan stipulated government presentation of a draft law (following Commission consultation and public consultation) by May or June 2024. Although a draft report is allegedly finished, as of 27 November 2024, the government has not made a final decision, nor has it initiated public consultation or released additional information on the report's status or any subsequent actions. |

| 171 | Entry into force of legislative amendments extending the personal and material scope of asset declarations, while ensuring frequent disclosure* | Provision in the legislative amendments indicating their entry into force and start of application | Q4 2022 | partially | The legislation did not succeed to extend the material scope of asset declarations. The legislation in its current form is a step backwards from the system that has been in place for years: it is not required anymore to declare all real estates, and instead of submitting exact amounts of their income, declarants can use an income scale. The scope of reporting on the assets and incomes the declarants indirectly hold or indirectly benefit from still remains unclear. |
|-----|---|---|---------|-----------|---|
| 172 | Setting up of a new system for the electronic submission of asset declarations in digital format and a public database for asset declarations* | Full functionality, start of operation and complete scope of asset declarations made available in a new electronic asset declaration system | Q1 2023 | no | In March 2023, the Government tabled Bill T/3131 on "the modification of rules related to asset declarations in order to reach an agreement with the European Commission", which was intended to settle the commitments to create a searchable database of asset declarations. The text and even the title of the bill was completely eliminated last minute after the parliamentary debate in order to replace it by the provisions of the justice reform. The issue of the asset declaration database was thus left in the dust. The searchability of MPs' asset declarations was essentially addressed by cramming all (!) the asset declarations of MPs into one single searchable pdf file (which is around 2,000 pages), which is not a database. |
| 173 | Introduction of effective administrative and criminal sanctions concerning the serious violations of asset declaration obligations* | Start of application of the new sanctions regime concerning serious violations of asset declaration obligations | Q3 2023 | no | The Integrity Authority's report on asset declaration system shortcomings, proposing solutions, remains unaddressed. While the NACS action plan includes relevant measures, all remain in the preparatory stage, despite deadlines passed in April, May, and November 2024. |

| 174 | Entry into force of an act ensuring effective oversight on how public interest asset management foundations performing public interest activity and legal persons established or maintained by them make use of Union support* | Provision in the legislative act indicating the entry into force | Q4 2022 | partially | A November 2024 amendment to Act IX of 2021 restricts board terms for EU-funded higher education foundations, introduces conflict of interest rules (excluding some high-ranking officials), and mandates asset declarations. However, the state retains no control over foundations' assets, oversight remains weak (State Audit Office checks are limited), and co-optation persists. The amendment inadequately addresses concerns about conflicts of interest (e.g., ministerial involvement in foundations), lacks clear eligibility criteria, and does not apply to all public interest asset management foundations, failing to meet conditionality mechanism requirements. Furthermore, while subject to the Freedom of Information Act, these foundations are not included in the public contract data repository, limiting transparency enforcement. |
|----------|--|---|---------|-----------|--|
| C9.R6: E | nhancing the transparency of public spe | ending | | | |
| 175 | Entry into force of a legislative act ensuring enhanced transparency of public spending* | Entry into force of a legislative act ensuring enhanced transparency of public spending | Q4 2022 | partially | The Central Public Data Information Registry is accessible from 2023. Public interest asset management foundations and public companies are still excluded from the scope of Registry, even though many budget subsidies are administered through such entities. |
| 176 | The central register set up under the remedial measures in the conditionality procedure is fully operational and the full set of information required is available in it | Relevant public authorities have uploaded all required data in the central register and the central register is available to the public | Q1 2023 | partially | Data in the Central Public Data Information Registry is only made available in separate files per body every two months and cannot be automatically processed. It is not possible to search for beneficiaries or contractors of budgetary bodies without the prior giving the name of the contracting body. Institutions do not have a unique identifier to prevent incorrect transmission of data (e.g. typed name). Entities in the database cannot be listed without searching for a name, they do not have |

| | | | | | their own linkable page with all the contracts they are a party to. |
|----------|--|--|-----------------|-----------|---|
| C9.R7: D | Development and implementation of a Na | ational Anti-corruption strategy a | and action plan | n | |
| 177 | Strengthening the anti-corruption framework in Hungary by implementing concrete actions under the National Anti-Corruption Strategy and a related Action plan covering the period 2020-2022* | Implementation of specific actions under the National Anti-Corruption Strategy and related Action plan covering 2020-2022 by the Government | Q1 2023 | partially | The implementation of the 2020–2022 anti- corruption strategy remains unclear due to a lack of public assessment and incomplete integration into the February 2024 NACS. |
| 178 | Strengthening the anti-corruption framework in Hungary by putting in place a new National Anti-Corruption Strategy and a related Action plan* | Adoption and start of implementation of the new National Anti-Corruption Strategy and related Action plan by the Government | Q2 2023 | partially | The belated February 2024 NACS, developed with limited transparency and stakeholder input, outlines over 50 measures but lacks concrete details. Many actions depend on external actors, weakening government accountability. While proposing improvements to transparency, asset declarations, and whistleblower protection, these remain vague and lack substantial reform. Public procurement and economic competition measures are similarly underwhelming, focusing on minor issues rather than systemic reform. Although a monitoring committee exists, implementation is stalled, with frequent missed deadlines and a lack of final governmental decisions. |
| C9.R8: U | Jpgrading the cooperation systems of the | e prosecution service to tackle co | rruption pract | ices | |
| 180 | Setting up of a new IT system for the handling of sensitive documents of the prosecution service | The new IT system for the handling of sensitive documents, in line with the descriptions of the system, is fully functional and operational and the prosecution service has started using it | Q2 2024 | no | Despite a May 2023 RRF call, the Prosecutor General's Office's IT reform remains stalled, with no publicly available information, despite a 2025 deadline. While IT upgrades are helpful, they will not address the underlying issues of unchecked prosecutorial discretion and lack of internal controls identified by GRECO, hindering high-level corruption investigations. |
| C9.R9: A | Awareness-raising for the eradication of g | | are sector | | |

| 182 | Launch of an awareness-raising campaign on the acceptability of gratuity payments in healthcare | The contract with the contractor implementing the public awareness-raising campaign is signed and the campaign has started | Q4 2022 | yes | The campaign finished in the summer of 2024. |
|-----------------|---|--|---------|-----|--|
| 183 | Interim assessment of the first results of the awareness-raising campaign on the acceptability of gratuity payments in healthcare | Finalisation of an interim assessment of the first results of the awareness- raising campaign | Q3 2023 | yes | The results of the campaign have been assessed by two studies conducted by the government-close think tank Századvég. |
| C9.R10: R | educing the share of single-bid public | procurement procedures | • | | |
| 185 (Target) | The share of tender procedures with single bids for procurements financed from Union support shall not exceed 15%* | | Q1 2023 | yes | |
| 186 (Target) | The share of tender procedures with single bids for procurements financed from national resources shall not exceed 32%* | | Q1 2023 | yes | |
| 187 (Target) | The share of tender procedures with single bids for procurements financed from Union support shall not exceed 15%* | | Q1 2024 | yes | The 15% target was reached by the end of 2022. However, the improvement in the proportion of single-bid tenders is not sufficient to restore competition. This condition can be easily circumvented by collusion between bidders and the tailoring of tenders. Moreover, in the highly concentrated domestic public procurement market, some pro-government players have cemented themselves in an immovable leading position, far above their competitors, which is not offset by the measures recently introduced. |
| 188 (Target) | The share of tender procedures with single bids for procurements financed from national resources shall not exceed 24%* | | Q1 2024 | no | The target on domestically funded single-bid tenders was not met, as the proportion of procedures without competitive bids fell only to 29% instead of the targeted 24% in 2023. |

| 195 | Setting up of a monitoring and reporting tool ("single-bid reporting tool") to monitor and report on public procurements closed with single-bids financed from Union support or from national resources in accordance with the Single Market Scoreboard methodology* | The monitoring and reporting tool is fully functional and operational and its functionalities are verified to be in accordance with the methodology of the Single Market Scoreboard | Q3 2022 | yes | |
|-----------|--|---|---------------|-----------|---|
| 196 | First report based on the "single- bid reporting tool" is made available | The first report based on information from the single reporting tool is made publicly available | Q1 2023 | yes | Another report on the time period between 2019–2023 was published in February 2024, however there is no public information available whether the audit was made by EUTAF. |
| C9.R11: [| Development of the Electronic Public Pro | ocurement System (EPS) to incre | ase transpare | ncy | |
| 197 | The EPS functions allowing the structured search and bulk export of contract award notice data are available to the public* | The EPS upgraded with the new functionalities is fully operational and accessible by the public. | Q3 2022 | partially | The aggregated publication highlighted shortcomings in the quality of public procurement data. The lacking or incorrect publication of public procurement data makes it difficult to compare data. Economic operators in the database are not always identifiable by a unique identifier, as tax identifiers are often missing. The further use of the downloaded data may require data cleaning or possible verification, cross checking with individual notices. Some central public procurement bodies publish data only outside the EPS, in their own systems, others publish data for the contract period in a completely irregular way. This makes the system fragmented and the data difficult to compare. |
| 198 | The EPS functions allowing the structured search and bulk export of all data related to subcontractors is available to the public* | The EPS upgraded with the new functionality allowing the bulk export of all information related to subcontractors is fully | Q4 2022 | partially | Information on subcontractors is incomplete, as their inclusion was not compulsory for a long time (till November 2022) in the contract award notices. However, the reporting of subcontractors is still very incomplete after this date. |

| | | operational and accessible by the public. | | | |
|---------|---|--|---------|-----------|---|
| 199 | The EPS functions allowing the structured search and bulk export of contract award notice data from 1 January 2014 are available to the public* | All data related to contract award notices from 1 January 2014 are made available for search and bulk export in the EPS system | Q1 2023 | partially | Data prior to 2018 are incomplete as several variables, such as subcontractors and tax numbers, were not required for a long time, making it difficult to use the data further. Only information relating to the winning bidder is available in the data set, while data on non-winning bidders is missing, although according to court rulings, accessibility of non-winning bids ought to be granted. In case of EUfunded projects, Grant ID number is not available. |
| C9.R12: | Performance measurement framework | for public procurements | T | | |
| 200 | Setting up of a performance measurement framework of public procurements* | Adoption of a Government Decision on the setting up of a performance measurement framework assessing the efficiency and cost effectiveness of public procurements and the reasons for limited competition in the sectors most affected by low level of competition | Q3 2022 | yes | |
| 201 | Entry into operation of a performance measurement framework of public procurements* | Entry into operation of a performance measurement framework assessing the efficiency and cost effectiveness of public procurements and the reasons for limited competition in the sectors most affected by low level of competition | Q4 2022 | yes | |
| 202 | First annual analysis carried out under the performance | Publication of the first annual analysis assessing the | Q1 2023 | yes | Despite efforts to improve methodology and data, the framework's analysis lacks a problem-oriented |

| | measurement framework of public procurements* | efficiency and cost- effectiveness of public procurements and the reasons for limited competition in the sectors most affected by the low level of competition for the year 2022 | | | approach, neglecting key areas like public procurement market concentration (despite OECD and ACTF recommendations). The rushed February publication deadline limited comment time, leading to a delayed, more critical ACTF opinion highlighting problematic high single-tenderer framework agreements. This insufficient analysis risks hindering expected public procurement reforms. |
|-----------|--|---|-------------|----------------------|---|
| C9.R13: A | Action plan for increasing the level of co | mpetition in public procurement | | | |
| 203 | Adoption of an action plan to increase the level of competition in public procurement* | Publication of the action plan adopted by the government | Q1 2023 | yes | The action plan adopted by the Government to increase competition in public procurement has relatively limited ambition. Among other things, it provides for improvements to the search engine of the EPS, registration for the EPS notifications and the publication of various guides, with only two major novel elements: full anonymous access to public procurement documents in the EPS and a reduction in appeal fees. |
| 204 | Revision of the action plan to increase the level of competition in public procurements following its first annual review* | First annual revision of the action plan is adopted and made publicly available | Q1 2024 | yes | While many actions are underway, the ambition is limited, often reiterating prior proposals and neglecting recommendations from the Integrity Authority and ACTF. Key concerns remain regarding high-risk procurements (e.g., §115 contracts and framework agreements), where proposed actions are insufficient, particularly for centrally-procured, non-EU funded projects. |
| C9.R14: 7 | | on procurement for micro-, small | and medium- | sized enterprises to | facilitate their participation in public procurement |
| 205 | Launch of a training scheme for facilitating the participation of micro-, small and medium-sized enterprises in public procurement procedures* | Launch of the scheme | Q2 2023 | yes | |

| 206 | Number of micro-, small and medium-sized enterprises having received training on public procurement practices * | Unit of measure: number Baseline: o Goal: 1,000 | Q1 2024 | yes | According to the latest available information, the training scheme was provided for 1,300 participants until the autumn of 2023. |
|---------|--|--|----------------|--|---|
| 209 | Setting up a support scheme for compensating the costs associated with participating in public procurements of micro-, small and medium-sized enterprises* | Launch of the scheme | Q1 2023 | partially | Flawed validity criteria in the lump sum support program allow applicants to claim funds without submitting valid bids, due to a "reverse evaluation" process that prioritizes ranking bids over initial validity checks. K-Monitor's analysis indicates that over half of awarded grants lacked full validity evaluation, leading to significant misuse. This includes inflated bidding, grants to applicants with misaligned business activities (e.g., procurement consultants winning diverse contracts), and exploitation by interconnected companies. Preliminary estimates suggest at least 30% of program funds have been misallocated, undermining fair competition and genuine SME participation. |
| 210 | Carrying out of a mid-term evaluation on the added value and effectiveness of the support scheme | The final evaluation report for the mid-term evaluation is made publicly available | Q3 2024 | no | No mid-term evaluation is publicly available. |
| C9.R15: | Strengthening the role and powers of th | e National Judicial Council to cou | nterbalance tl | ne powers of the Pr | esident of the National Office for the Judiciary |
| 213 | Entry into force of legislative amendments to strengthen the role of the National Judicial Council while safeguarding its independence | Provision in the legislative amendments indicating their entry into force | Q1 2023 | yes (as per the Commission's assessment) | (i) The judicial package adopted in May 2023 fails to ensure via transitional rules the effective exercise of the powers of the National Judicial Council (NJC) to give a motivated binding opinion on regulations. The law should ensure the effective exercise of this power by providing, among the transitional provisions, for a maximum initial period during which the NJC, endowed with new powers, should be able to review the regulations in question and exercise its right to consent. (ii) Legal provisions continue to allow the President of the National |

| Cq.R16: S | trengthening judicial independence of | the Supreme Court (Kúria) | | | Office for the Judiciary to grant the position of presiding judge without an application procedure after the termination of the secondment of judges, allowing them to obtain a judicial leadership position circumventing the normal application system. (iii) There are concerns regarding the functioning of the new NJC, including (a) the limitation of the members' right to have items put on the agenda of the NJC's sessions and to have a say in certain decisions and actions taken by the president; and (b) the signing of an agreement with the Ministry of Justice considered to be a violation of judicial independence by several judges protesting against the NJC's action. |
|-----------|---|--|---------|--|---|
| 214 | Entry into force of amendments to strengthen judicial independence of the Supreme Court | Adopted and effective amendments to the rules on the election of the Kúria President, the case allocation scheme, and the functioning of the Kúria | Q1 2023 | yes (as per the Commission's assessment) | (i) The judicial package adopted in May 2023, while formally states that the Kúria President cannot be re-elected, does not change the current rules that allow a one-third minority of the Parliament to keep the Kúria President in office (as the Kúria President remains in office as long as their successor is not elected by a two-third majority). The new rules further narrow the pool of potential candidates for the President's position by modifications not required by the milestone. (ii) The judicial package fails to provide concrete guarantees of cases being assigned to judges without human intervention because it does not specify the objective criteria based on which the automatic assignment should be carried out (e.g., the order of arrival as an objective criterion). There are no objective criteria for the establishment of the chamber proceeding in the case (which is not per se the same as the bench hearing the case according to the judicial package), which makes it possible to manipulate the final composition of the bench hearing the case. Based |

| | | | | on an analysis of the log files published on the Kúria's website and the actual operation of the case allocation system at the Kúria in 2024, the transparency of the allocation of cases at the Kúria still is not sufficiently guaranteed. (iii) The judicial package cements the composition of the uniformity complaint chamber without providing adequate guarantees for its autonomy and professionalism in decision-making. | |
|--|--|--|--|---|--|
| Removing obstacles to references for pr | eliminary rulings to the Court of . | Justice of the E | European Union | | |
| Entry into force of legislative amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union | Provision in the legislative amendments indicating their entry into force | Q1 2023 | yes (as per the Commission's assessment) | (i) The judicial package adopted in May 2023 abolished the procedural obstacles preventing judges from making a preliminary reference, but fails to address the substantive obstacle leaving effective and applicable the binding precedential decision Bt.III.838/2019/11. of the Kúria, which declares that a preliminary reference shall be deemed unlawful "if the request to initiate the preliminary ruling procedure does not concern the interpretation or validity of European Community norms". (ii) According to an interpretation publicly endorsed by the Kúria, judges must observe and comply with uniformity decisions that contradict newly handed down CJEU judgments until a new uniformity decision is delivered by the Kúria on the matter, and they are not allowed to put aside the uniformity decision contradicting the EU acquis on their own accord. | |
| C9.R18: Reform regarding the review of final judgments by the Constitutional Court | | | | | |
| Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions before the Constitutional Court | Provision in the legislative amendments indicating their entry into force | Q1 2023 | yes (as per the Commission's assessment) | | |
| | Entry into force of legislative amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union Reform regarding the review of final jude Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions | Entry into force of legislative amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union Reform regarding the review of final judgments by the Constitutional Co Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions Provision in the legislative amendments by the Constitutional Co Provision in the legislative amendments indicating their entry into force | Entry into force of legislative amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union Reform regarding the review of final judgments by the Constitutional Court Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions Provision in the legislative amendments indicating their entry into force Provision in the legislative amendments by the Constitutional Court Provision in the legislative amendments in the legislative amendments indicating their entry into force Q1 2023 | amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union Reform regarding the review of final judgments by the Constitutional Court Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions amendments indicating their entry into force amendments indicating their entry into force The Commission's assessment amendments or remove the possibility for public authorities to challenge final decisions amendments indicating their entry into force The Commission's assessment amendments indicating their entry into force Q1 2023 (as per the Commission's assessment) | |

| 217 | Legal mandate for the implementation, audit and control of the recovery and resilience plan* | Entry into force of the Government Decree on the roles and responsibilities of bodies involved in the implementation, audit and control of the Hungarian recovery and resilience plan | Q3 2022 | yes | |
|---------|---|---|----------------|---------------------|---|
| 218 | Amendment of the legal provisions relating to the implementation, monitoring, control and audit of the European Structural and Investment Funds and the funds under Regulation (EU) 2021/1060 in Hungary* | Provision in the Government Decrees on the implementation, monitoring, control and audit of the European Structural and Investment Funds and the funds under Regulation (EU) 2021/1060 in Hungary indicating entry into force | Q3 2022 | yes | |
| 219 | Adoption and start of application of guidelines to ensure the effective the prevention, detection and correction of conflict of interest for the staff of all bodies involved in the implementation, control and audit of Union support in Hungary* | Start of application of detailed guidelines on conflict of interest | Q4 2022 | partially | No guidance has been published on conflicts of interest in the institutional system for the allocation of EU funds, except for the Commission's own guidance. This lack of clear, practical guidance and training on conflicts of interest was also pointed out by the Integrity Authority in its 2022 and 2023 annual reports. |
| C9.R20: | An effective anti-fraud and anti-corrupt | ion strategy for the implementati | ion, audit and | control of Union su | pport |
| 220 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support by drawing up and implementing an effective anti-fraud and anti-corruption strategy for Union support* | Entry into force of an anti- fraud and anti-corruption strategy for Union support | Q3 2022 | yes | |

| 221 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support by drawing up and implementing an effective action plan related to the anti-fraud and anti-corruption strategy for Union support* | Entry into force of an action plan related to the anti- fraud and anti-corruption strategy for Union support | Q4 2022 | yes | |
|---------|--|--|----------------|----------------------|--|
| C9.R21: | full and effective use of the Arachne sys | tem for all Union support | | | |
| 222 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support through appropriate arrangements ensuring the effective use of the Arachne risk-scoring tool* | Start applying procedures ensuring the systematic use of the Arachne risk-scoring tool to effectively prevent and detect fraud, corruption, conflict of interest and other irregularities | Q3 2022 | yes | Note that in 2024, the Government Decree regarding the implementation of the RRP was revised to clarify the regulations for regular uploads to Arachne. The Integrity Authority, in its most recent annual report, recommended the upload of supplementary data to Arachne. The Government did not accept this proposal. |
| 223 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support by confirming the adequacy of the procedures on the systematic and effective use of the Arachne risk-scoring tool* | Unqualified final audit report of EUTAF confirming the adequacy of procedures on the systematic and effective use of the Arachne risk-scoring tool and the completeness of data uploaded to Arachne | Q4 2022 | partially | The EUTAF has conducted an audit on the effective use of Arachne in 2023 and 2024, however the findings of this audit are not publicly available. |
| C9.R22: | Establishment of a Directorate of Intern | al Audit and Integrity to reinforce | the control of | conflicts of interes | t when implementing Union support |
| 224 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support through the setting up and full functioning of a new Directorate | A new Directorate of Internal Audit and Integrity (DIAI) set up in the ministry responsible for the implementation of Union support, is fully staffed, its rules of procedures and internal processes are in | Q4 2022 | yes | |

| | of Internal Audit and Integrity (DIAI)* | place and it is fully operational | | | |
|---------|--|---|----------------|---------------------|---|
| C9.R23: | Ensuring the capacity for the EUTAF to e | effectively carry out its tasks | | | |
| 225 | Ensuring effective prevention, detection and correction of fraud and corruption in the implementation of Union support through appropriate capacity for EUTAF* | Entry into force of legislative amendments to provide the necessary financial and human resources to the EUTAF | Q4 2022 | yes | No evidence suggests the EUTAF's new legal standing has improved its oversight of EU funds in Hungary, with no observable improvement in its performance. |
| C9.R24 | Strengthening cooperation with OLAF t | o reinforce the detection of fraud | related to the | e implementation o | f Union support |
| 226 | Designation of a national authority in charge with assisting OLAF with its on-the-spot checks in Hungary and the introduction of the possibility to levy financial sanctions on non-cooperating economic actors* | Entry into force of a legislative amendment designating the competent authority and of a legislative amendment introducing the possibility to levy dissuasive financial sanctions on noncooperating economic actors | Q4 2022 | yes | |
| C9.R25: | Effective implementation, control and a | udit of the Recovery and Resilien | ce Plan and th | e protection of the | financial interests of the Union |
| 227 | Monitoring system for the implementation of the Hungarian recovery and resilience plan | Audit report confirming the functionalities and operation of the repository system for the recovery and resilience plan | Q4 2022 | yes | |
| 228 | Ensuring effective audit of the implementation of the Hungarian recovery and resilience plan | Entry into force of an audit strategy by EUTAF for the recovery and resilience plan | Q4 2022 | yes | The latest audit strategy is available on the website of the EUTAF. Although the new strategy specifies in full the audits that EUTAF has and will conduct in 2023 and 2024, the findings of these audits are not publicly available. |
| C9.R26: | Improving transparency and access to p | ublic information | | | |
| 229 | Entry into force of a legislative act ensuring legal predictability in | Provision in the legislative act indicating the entry into force | Q4 2022 | partially | Fast-track rules can in many cases be burdensome for the data requester. It is permitted for the |

| | access to public information cases in court | | | | defendant to present its defence orally at the first hearing, therefore, the data requester cannot prepare effectively and has to develop their arguments right at the hearing. No steps have been taken to ensure equality of arms, in lack of which the defendant may change the legal basis of its defence before the court, which poses even more burdensome challenges on the data requester acting as plaintiff. There is still no rule on the time limit for the Constitutional Court to rule on FOI cases upon a constitutional complaint. No rule has been adopted to ensure compliance with Decision 7/2020. (V. 13.) of the Constitutional Court to provide judicial remedy against companies receiving public funds. |
|-----|--|--|---------|-----------|--|
| 230 | Entry into force of legislative amendments ensuring increased transparency of public information | Provisions in the legislative amendments indicating their entry into force | Q4 2022 | partially | No law has been adopted to ensure that any information made available upon an access to information request shall be made available simultaneously in the central register. |
| 231 | Report of the Government Control Office on access to public information (1) | Publication of the report of the Government Control Office on the compliance of public bodies with their respective obligations regarding access to public information | Q4 2022 | no | No steps have been taken by the end of 2022. Most supposedly, this measure was meant to be addressed to the National Authority for Data Protection and Freedom of Information and not to the Government Control Office, whose jurisdiction does not cover access to information cases. |
| 232 | Report of the Government Control Office on access to public information (2) | Publication of the report of the Government Control Office on the compliance of public bodies with their respective obligations regarding access to public information | Q2 2024 | partially | The omnibus bill Act CI of 2023 in December 2023 amending the Freedom of Information Act provided that the National Authority for Data Protection and Freedom of Information is called upon to report on access to information, instead of the Government Control Office. The data that the monitored bodies' report should indicate for the Authority is more general as prescribed by the milestone. In addition, the law foresees only one Authority report in a year |

| | | | | | by contrast with the milestone requiring two reporting periods within one year. The basic content of the Authority's report is not governed by the law. |
|-----------------|--|--|---------------------|-----------------------|---|
| C9.R27: In | nproving the quality of law-making and | d effective involvement of stakeh | olders and soc | ial partners in decis | sion-making |
| 234 | Entry into force of a legislative act laying down the framework for effectively involving all relevant stakeholders in the implementation of the Hungarian recovery and resilience plan | Provision in the legislative act indicating entry into force | Q ₃ 2022 | yes | |
| 235 | Entry into force of amendments to the relevant legislative acts to enhance the use of public consultations and impact assessments in the law-making process | Provisions in the legislative amendments indicating their entry into force | Q4 2022 | partially | (i) The range of statutory exceptions when draft laws do not have to or must not be subject to public consultation remains wide. (ii) No legislative or budgetary steps have been taken to develop the capacity of the Office of the Parliament to help MPs and parliamentary committees to prepare impact assessments and conduct stakeholder consultations for the bills proposed by them; and this does not happen in practice either. |
| 236 | Start of application of a new methodology for the preparation of impact assessments of legislative proposals | Adoption and start of application of a new methodology | Q4 2023 | no | As of 31 October 2024, the new methodology for the preparation of impact assessments of legislative proposals has not been adopted yet. The quality of impact assessments is still often inadequate. |
| 237 (Target) | Strengthening the effective application of rules concerning obligatory public consultation of legislative acts and the systematic publication of preliminary impact assessment summaries (1) | Unit of measure: % Baseline: o Goal: 90 | Q1 2023 | partially | (i) The targets are formally achieved as per the reports of the Government Control Office, but the efficiency of the review carried out by the Government Control Office cannot be meaningfully assessed due to the lack of public information about its methodology. (ii) The impact of the amended |
| 238 (Target) | Strengthening the effective application of rules concerning obligatory public consultation of legislative acts and the systematic | Unit of measure: % Baseline: o Goal: 90 | Q1 2024 | partially | public consultation rules remains limited, and the practice of public consultations remains deeply flawed. Several significant laws were not published for public consultation; the obligation of public consultation is sometimes circumvented. Ministries |

| | publication of preliminary impact assessment summaries (2) | | | | almost never provide a longer consultation period than the statutory minimum of eight days, irrespective of the length and complexity of the draft law. The way in which draft laws are published only formally meets the legal requirements. The overwhelming majority of opinions submitted are rejected by the Government, without providing any real reasoning. (iii) The Government has taken steps towards eliminating existing forms of social consultation in other areas, such as public hearings by local governments and administrative authorities. |
|-----|--|---|---------|----|---|
| 241 | Setting up of a data platform and data modelling system | A data platform connecting data bases and a data modelling tool are set up in line with the description of the system and the data platform, the system and the data platform are fully functional and operational and the public administration has started using them | Q2 2024 | no | Despite a January 2023 priority call (with a now-extended February 2025 deadline), publicly available implementation details are lacking beyond minor training and consultancy contracts. |

II. Assessment of compliance with the horizontal enabling condition on the effective application and implementation of the Charter of Fundamental Rights

| Required measure as inferred from the respective Commission implementing decision(s) | Evaluation of compliance | Main deficiencies regarding the implementation |
|--|--|---|
| Independence of the judiciary ³ | | |
| Entry into force of legislative amendments to strengthen the role of the National Judicial Council while safeguarding its independence | yes (as per the Commission's assessment) | See above under Milestone 213. |
| Entry into force of amendments to strengthen judicial independence of the Supreme Court [the Kúria] | yes (as per the Commission's assessment) | See above under Milestone 214. |
| Entry into force of legislative amendments to remove obstacles to references for preliminary rulings to the Court of Justice of the European Union | yes (as per the Commission's assessment) | See above under Milestone 215. |
| Entry into force of legislative amendments to remove the possibility for public authorities to challenge final decisions before the Constitutional Court | yes (as per the Commission's assessment) | See above under Milestone 216. |
| Academic freedom and public interest asset management found | lations | |
| Entry into force of legislative amendments providing adequate safeguards for the independence and democratic accountability of the Boards of Trustees managing higher education institutions. Changes in the composition and functioning of Boards of Trustees should ensure their independence of the executive branch and university autonomy. | no | A November 2024 amendment to Act IX of 2021 restricts board terms for EUfunded higher education foundations, introduces conflict of interest rules (but excludes certain high-ranking officials), and mandates asset declarations. The amendment does not even claim to address the deficiencies related to academic freedom as assessed by the Commission. |

³ In the case of judicial independence, the measures required by the Commission's implementing decisions are fully identical with Milestones 213–216 under the Recovery and Resilience Plan.

| Right to asylum and the principle of non-refoulement | | | | | |
|--|-----------|--|--|--|--|
| Repealing the pre-procedure system introduced in Hungary in 2020 that must be completed in a Hungarian embassy in a third country before a third-country national who is present on Hungarian territory, including at its border, can make an application for international protection | no | The pre-procedure system has been prolonged since then twice. On 28 November 2024, the Government issued a decree under the state of danger, prolonging the embassy system indefinitely. | | | |
| Implementation of the CJEU's judgment in Case C-808/18 regarding the rules and practices in the transit zones at the Serbian-Hungarian border | no | The judgment in Case C-808/18 has not been implemented to date. In June 2024, the CJEU imposed unprecedentedly large financial penalties because of "the exceptional seriousness of the infringements at issue and Hungary's failure to cooperate in good faith in order to bring them to an end". The government launched a national campaign at the end of October 2024, running until the end of December 2024, which also features the issue with the aim to build political support for continued non-implementation. | | | |
| Implementation of the CJEU's judgment in Case C-821/19 regarding legislation criminalising the organisation of activities carried out to assist the initiation of applications for international protection in Hungary | partially | The original content of the impugned criminal provision was replaced by a different one, but the CJEU's and the European Commission's key concern of deterring the provision of legal assistance to asylum-seekers remain. The relevant implementing decision was issued by the European Commission following the adoption of the above-mentioned changes, also indicating that these are not assessed to adequately implement the judgment in Case C-821/19. | | | |
| Rights of LGBTQI+ persons | | | | | |
| Repealing provisions of Act LXXIX of 2021 that prohibit or limit access to content that "propagates" or portrays the so-called "divergence from self-identity corresponding to sex at birth, sex change or homosexuality" | no | Provisions of Act LXXIX of 2021 that prohibit or limit access to content that "propagates" or portrays the so-called "divergence from self-identity corresponding to sex at birth, sex change or homosexuality" has not been repealed and no legislative changes have been introduced that would target the related concerns. | | | |