

**OPEN-ENDED INTERGOVERNMENTAL WORKING GROUP ON THE
PREVENTION OF CORRUPTION
THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED
BY Hungary
Article 8, Paragraph 5
Asset and Interest Disclosure Systems
Hungary (ninth session)**

I. Asset declarations

1. Measures taken by Hungary

The rules of asset declaration regarding all public officials in Hungary are stipulated by the Act 152 of 2007 (Vnyt.) on certain obligations related to asset declaration.

The aim of the asset declaration is the supervision of enrichment of officials working in the public sector. Accordingly, the assets and financial interests existing on the day of the declaration and all incomes that have occurred in the five years prior to the day of the declaration have to be declared. The notification of conflict of interests between activities in- and outside the public service fall under the scope of the conflict of interest procedure which has been detailed above.

Public officials obliged to declare their assets:
those

- official service members of law enforcement agencies, including the National Tax and Customs Office,
- professional and contracted soldiers of the Hungarian Armed Forces,
- public employees,
- civilian public, governmental and state officials,
- members of the Public Prosecution Service,
- professionals with justice service status, and
- employees of the Hungarian National Bank.

who either individually or as a member of a body are entitled to propose or make decisions or supervise public administration and misdemeanour procedures, in a public procurement process and also who dispose or supervise the disposing of public funding, especially state (municipal) subventions.

Besides the above, government political consultants and professional leaders, officials with civilian public and governmental legal relation who fall under national security clearance, public prosecutors, notaries and bailiffs are all obliged to declare their assets in any case.

All obliged officials have to submit an assets declaration prior to the appointment to the job that requests it, within 15 days after the termination of such jobs and with different frequency depending on the type of job or position.

Annual assets declaration has to be submitted by state secretaries, deputy state secretaries and those who fulfil one of the above mentioned jobs at the State, local authorities, budgetary organisations and companies with majority ownership by the State or municipalities, furthermore, those who fulfil one of the above mentioned jobs in any procurement procedures managed by a public foundation established by the Parliament, the Government or a municipality.

Biannually assets declaration has to be submitted by those – not mentioned in the previous paragraph – who dispose of or supervise the disposal of state (municipal) subventions.

All other requested officials have to declare their assets in every 5 years.

The assets declarations can be submitted either in paper or in electronic format. The declaration is submitted to the employer of the public official or bailiff, the county chamber of notaries, the owner of the state (municipality) owned company, the manager of the state subvention fund and the President of the Hungarian Central Bank, who are called “persons responsible for guarding” in the Vnyt.

A guidance note, which is the annex of the declaration template and human resources units of different state organisations provide assistance in relation to the correct declaration of the assets.

The assets declaration of those relatives, who live in the same household with the obliged person have to be submitted with the same frequency as those of the obliged person.

The fulfilment of the obligation to submit the assets declaration is checked by the person responsible for guarding. If it is noticed, that the obliged person failed to declare their assets, they are warned in a written form to comply with their obligations. If they still fail to fulfil their obligation to disclose after the written call, their service contract is terminated.

The asset declarations of public officials are not public.

The verification of the content of the declaration is also the responsibility of the person responsible for guarding either upon own initiative or upon notification by a third party. In the latter case, the obliged person goes under a hearing during the process. The so called enrichment verification procedure is delivered by the National Tax and Customs Authority by way of estimation. The aim of the estimation is to establish the amount of income needed to cover the way of life and assets delivered and owned by the concerned public official. The concerned official can also verify the difference of the tax based income on a credible way.

2. Challenges and development needs

Currently, a complex research is in process in cooperation of the Ministry of Interior and the National Protective Service which aims, among other concerns, the exploration of the possible ways of strengthening the employers’ rights in relation to asset declarations. Although the

concrete development needs can only be notified after the completion of the research, it is already visible, that the automatization of the content-verification of the asset declarations in high-risk jobs, that include automated cross-checks in different databases, might be useful in disclosing illicit enrichments.

3. Technical assistance

Similarly to conflict of interest, information sharing and knowledge transfer in the form of professional meetings and presentations within the framework of capacity building would be highly appreciated.