

Chapter 4

Fighting corruption in Hungary

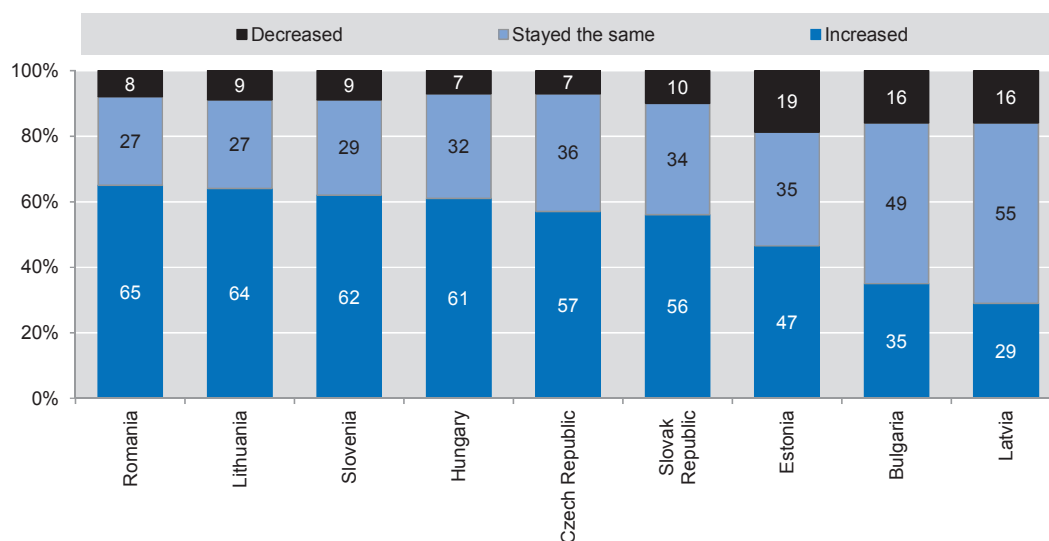
This chapter provides an assessment of Hungary's anti-corruption efforts. It first describes the social, economic and policy context of these efforts. It then examines the ongoing anti-corruption measures, looking at measures that address systemic, organisational and personnel risks. It finally assesses the sustainability of anti-corruption efforts.

The societal, economic and policy context

The broader socio-economic context

Perceptions of corruption are wide-spread among Hungarian citizens, with a majority of them thinking that the situation has worsened in the last years (Figure 4.1). Hungarians' disillusionment with public institutions is among one of the highest in Central and Eastern Europe (Transparency International, 2013). Such corruption perceptions are accompanied by low trust in government, albeit the proportion of those who tend to trust the government have increased lately in Hungary (TNS Opinion and Social, 2013; OECD, 2013b).

Figure 4.1. Perceived change in the level of corruption in selected Central and Eastern European countries (2013)



Source: Transparency International (2013), *Global Corruption Barometer 2013*, Transparency International, Berlin.

While corruption perception indicators should be treated with caution, low trust and high corruption perceptions have wide-ranging ramifications both for setting policy goals and policy implementation. Effective public consultation or whistleblower reporting and protection systems, for example, significantly depend on the willingness of citizens to participate.

Beyond popular perceptions, low economic growth and the need for increasing public sector productivity despite decreasing budgets represent crucial contextual factors. These factors determine the resources available for fostering integrity and fighting corruption (e.g. anti-corruption is also a priority at the EU level that increasingly funds integrity efforts in member countries) as well as the emphasis falling on decreasing waste in public spending.

Government policy

At least partially in response to the above societal and economic challenges, the Hungarian government has set out an ambitious programme for modernising the public sector: the Magyary Zoltán Public Administration Development Programme (Ministry of

Public Administration and Justice, 2012). This programme targets the entire public administration and sets out to improve the effectiveness and efficiency of the Hungarian state as a whole. The Corruption Prevention Programme adopted in spring 2012 forms an integral part of the policy package aimed at reforming the Hungarian public administration (Government of Hungary, 2012).

The two-thirds majority held by the current Hungarian government in the parliament made it possible to implement wide-ranging and thorough reforms across the whole spectrum of government activities in the last three years. Many of these reforms have ramifications for anti-corruption policies and their effects:

- centralising most domains of public service delivery, from education to welfare,
- reorganising the machinery of state by strengthening the territorial government organisations and creating a number of new regulatory agencies at the national level, such as the National Media and Info-communications Authority, and
- changing human resources management, such as rules for advertising posts and replacing a large portion of civil servants even at middle level management positions (OECD, 2011).

On the one hand, these changes create the opportunities for fighting corruption, such as stronger co-ordination of anti-corruption policies and more decisive policy implementation. On the other hand, they raise challenges, such as increased corruption risks due to institutional instability and transitory costs of organisational restructuring.

Overarching policy challenges

In Hungary, similar to many OECD countries, designing and effectively implementing sustainable public integrity reform packages is a challenge. This crucially hinges upon achieving a cultural change in the public administration, effective policy implementation and the capacity to embed integrity in day-to-day government activities (OECD, 2009a). Given the low level of trust in the Hungarian public administration as well as within the society at large, implementing anti-corruption reforms is particularly challenging. This also contributes to the challenge of designing and delivering reform in an inclusive and citizen-oriented manner, as stakeholder input is crucial both for getting policies right and for implementing them.

Assessing ongoing anti-corruption measures

Initiatives aimed at addressing systemic risks

Systemic corruption risks are challenging to manage, not the least because multiple forms and types of risks are intertwined (OECD, 2009a). This section reviews systemic corruption risks in Hungary and government initiatives aiming at mitigating them on four levels: law making, organisations, key positions, and personnel.

Managing corruption risks in law making

Corruption in law making is one of the biggest threats to integrity due to its wide-ranging ramifications throughout the whole society and the corresponding vested interests of many groups (Kaufmann and Vicente, 2011; Transparency International, 2012). One of the most effective tools to establish trust in government and to address

corruption risks is to make law making more open and to rely extensively on stakeholder consultation (OECD, 2013a).

The Hungarian government updated the 1988 Law on Law Making in 2010 to strengthen public consultation. The law requests that draft bills, government decrees and ministerial decrees are consulted both inside and outside the government (Act CXXXI of 2010 on social participation in the drafting of legislation, 2010). Consultation involves, among others, the publication of the draft text and the accompanying impact assessment on the government's homepage,¹ leaving sufficient time for anyone to comment. The government body responsible for the draft is obliged to provide written feedback on received opinions on the government's homepage.

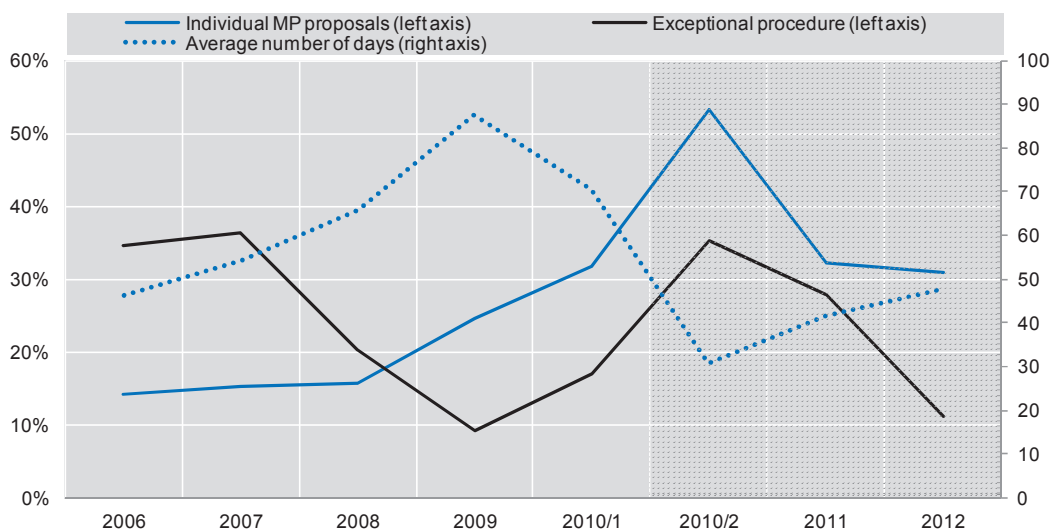
The consistent implementation of the new act is a considerable step towards greater transparency, inclusion and integrity in law making; nevertheless, some challenges remain:

- First, according to interviews with stakeholders and screening the relevant homepages, it seems that most, if not all, relevant draft laws are published on the government's homepage; however, publication of draft government and ministerial decrees is highly uneven across ministries, with some failing to publish draft decrees completely.
- Second, in a typical case, about 7-14 days are provided for submitting opinions, which may be too short for a number of stakeholders for formulating their input appropriately, a view supported by stakeholder interviews.
- Third, the Hungarian system for regulatory impact assessments prescribes the preparation of an impact assessment for every draft law which has to be published for public consultation together with the draft text. However, available research suggests that impact assessments are only rarely published on the government's webpage with the most politically impact assessments almost always missing (Lianos and Fazekas, 2013). Finally, a summary of comments submitted and the feedback on them by the responsible government body are frequently not published on the government's homepage.

One of the strengths of the updated Law on Social Participation in the drafting of legislation is that it covers most draft bills and decrees with only a few exceptions. Nevertheless, the actual practice of the Hungarian parliament shows that parliamentary discussion of laws is getting shorter, using exceptional expedited procedures and motions of individual members of parliament. Currently, exceptions constitute a large portion of law-making activities in Hungary (Figure 4.2). While the need for flexibility and timeliness in law making are highly relevant goals, extensive use of exceptions limit the positive effects of transparency and consultation regulations.

The Hungarian government has replaced the previous legislation with a new government decree on the reception of persons from outside the state administration, representing private interests (i.e. lobbyists) (Government of Hungary, 2013a). The new regulation makes the monitoring and control of corruption risks in receiving lobbyists the primary responsibility of heads of public organisations. While there seems to be consensus among key stakeholders that the previous legislation has not reached its aims, the relatively recent nature of the new regulation makes its effectiveness difficult to assess.

Figure 4.2. Source of proposed laws, type of procedure, average length of parliamentary discussion per law,* Hungarian parliament (2006-12)



Note: *Number of days between the introduction of the law to the parliament and the final vote on the law.

Source: own calculations using data from www.parliament.hu.

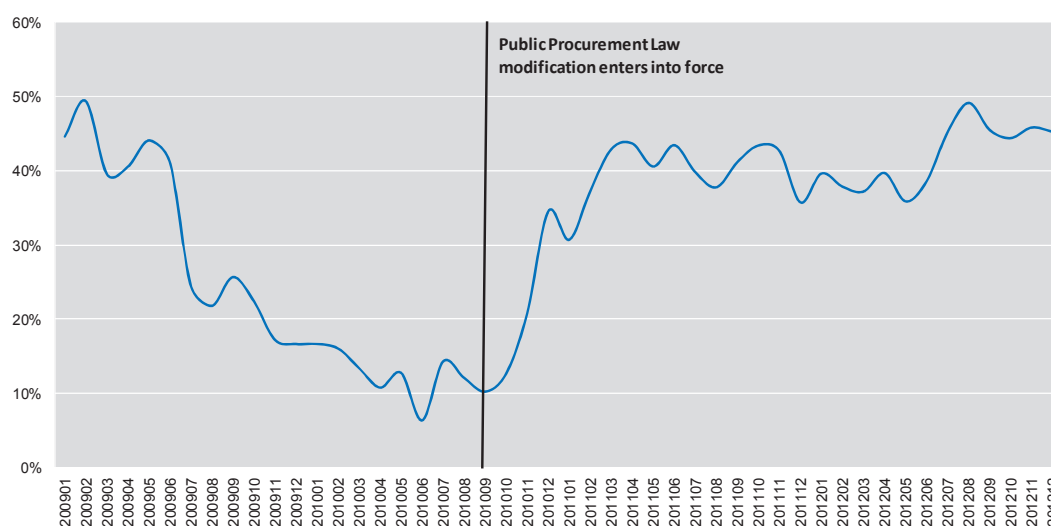
The Hungarian government has been working on updating its regulatory impact assessment system, which also incorporates the development of a “corruption risks assessment sheet”, but it has not yet reached a final decision on the new system (Government of Hungary, 2012; 2013b). The assessment of corruption risks posed by draft bills would concentrate on four main types of risks and risk-mitigating actions: *i*) the establishment of new rights to make public decisions and to allocate public funds and whether this discretion is bound by rules; *ii*) the creation and publication of public information; *iii*) the establishment of clear accountability relationships; and *iv*) whether the development and discussion of the draft followed the prescribed procedures.

Experience from a range of OECD countries suggests that regulatory impact assessment can be a powerful tool for enhancing the quality of regulation and further openness (OECD, 2009b). This crucially depends on whether the impact analysis becomes a genuine part of law making, effectively influencing public decisions. Furthermore, in spite of its importance, very few OECD countries conduct analysis of corruption risks within their regulatory impact assessment. This makes the Hungarian proposal for explicitly incorporating corruption risk assessment in the country’s regulatory impact assessments an innovation which can strengthen corruption resistance through identifying and preventing risks of corruption if implemented adequately.

The Hungarian government joined the Open Government Partnership in 2012 and concluded an action plan in February 2013, detailing its commitments as part of this partnership (Government of Hungary, 2013b). While this action plan reinforces a number of anti-corruption measures already planned or ongoing, it also introduces new commitments bearing consequences to government decision making: *i*) improving the transparency and accessibility of budget data; *ii*) enhancing the quality and accessibility of public procurement data; and *iii*) further advances the public availability of information on the decisions and contracts regarding the use of public assets and funds.

While the implementation of some of these actions is still pending, taken together they represent a significant step forward. As a result of these actions, government transparency could be improved. However, the Hungarian government has also initiated changes to the Freedom of Information Law, which has the potential to limit access to information (2013. évi XCI törvény az információs önrendelkezési jogról és az információszabadságról szóló 2011. évi CXII. törvény módosításáról, 2013). Furthermore, changes to the Public Procurement Law made less transparent procedure types more easily available to issuers of tenders (2010. évi LXXXVIII törvény a közbeszerzésekről szóló 2003. évi CXXIX. törvény módosításáról, 2010) which drastically decreased the proportion of procedures with a call for tenders published in the Hungarian *Public Procurement Bulletin* (Figure 4.3).

Figure 4.3. **Proportion of contracts awarded without a prior publication of a call for tender in the Hungarian Public Procurement Bulletin (2009-12)**



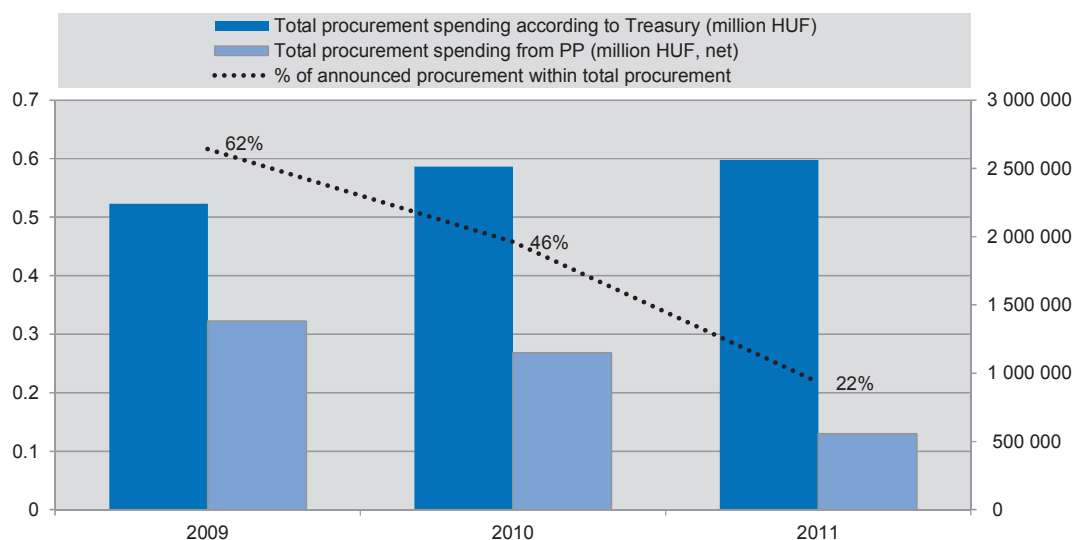
Source: own calculations using data from Fazekas, M., I.J. Tóth and L.P. King (2013), “Corruption manual for beginners: Inventory of elementary ‘corruption techniques’ in public procurement using the case of Hungary”, CRC-WP/2013:01, Corruption Research Centre, Budapest.

Moreover, the proportion of public procurement spending announced in the Hungarian *Public Procurement Bulletin* (which also publishes all the Hungarian announcements in the *Official Journal of the European Union*) within total procurement spending has also decreased since 2010 (Figure 4.4). Decreasing transparency in public procurement constitutes a considerable risk to integrity across OECD countries (OECD, 2009c).

Managing corruption risks in public organisations

While looking at integrity at the national level is crucial for fighting corruption, it is at the level of organisations and their daily routines where anti-corruption policies should focus to reach a high degree of implementation and to deliver effective solutions (OECD, 2009a). If it does not become part of public organisations’ everyday processes, no integrity framework is likely to have an impact.

Figure 4.4. Public procurement spending announced in the Public Procurement Bulletin and total public procurement spending (2009-11)



Notes: For details of calculating total procurement spending from the Treasury annual budget accounts see: Audet (2002) and European Commission (2011). The ratio reported is only an estimation as spending as announced in public procurement refers to the total lifetime of the contract while Treasury accounts contain only the spending accrued in a given year. Further reason for imprecision of the ratio is that the set of institutions submitting accounts to the Treasury and those subject to the Public Procurement Law are somewhat different.

Source: Fazekas, M., I.J. Tóth and L.P. King (2013), “Anatomy of grand corruption: A composite corruption risk index based on objective data”, CRC-WP/2013:02, Corruption Research Centre, Budapest.

The Hungarian government introduced a new integrity management system with organisational integrity advisors as one of its cornerstones in February 2013 (Government of Hungary, 2013a). This integrity framework clearly places the final responsibility for integrity management on the leaders of public organisations. It requests the preparation of corruption risk assessments, corruption prevention action plans and the monitoring of progress towards stated goals. It handles whistleblower reports as an integral part of the framework and foresees the creation of clear procedural rules for managing reports and the involved personnel. Integrity advisors are expected to be responsible for crucial aspects of the integrity management system, such as surveying integrity risks, developing integrity training plans and investigating reports on corruption. They directly report and are subordinated to the head of their public organisation.

Despite being relatively recent, the new system of integrity management has already shown considerable progress and promising signs of thorough implementation. First, integrity advisor candidates have gone through a rigorous selection process, which most likely contributed to the strong motivation and skills of personnel. Second, would-be integrity advisors have to complete a part-time degree² which endows them with skills and knowledge crucial in their new role. According to student surveys, this degree serves its purpose well. In addition, the knowledge generated by students and instructors could provide valuable input into the implementation and further development of the integrity management system. Third, creating a network of integrity advisors, which is crucial for sharing experience and lessons learnt, has already started, albeit much remains to be done (for more on setting up a network and sustainability of integrity work see Chapter 3).

Fourth, even though the system for managing whistleblower reports is only taking shape, some integrity advisors have already received reports, which potentially suggests that a robust and transparent system could gain the trust of civil servants. Finally, lower and middle-level management has been supportive of the integrity work which is signalled, for example, by their participation in integrity workshops. OECD countries' experiences show that without earnest leadership support, the chances of successful integrity reform are low (OECD, 2005).

In spite of considerable achievements, some challenges remain:

- First, the integrity management system is taking shape at an overall good pace, but there are considerable differences across public organisations, with some forerunners and laggards. This creates the opportunity of peer learning, but also the need to support those lagging behind.
- Second, integrity and corruption risk surveys have started in a number of public organisations, but the supporting methodological manual (Ministry of Public Administration and Justice, 2013a) has only recently been published, and there appears to be a strong need for further methodological support as reported by interviewees of the OECD. Such a methodological manual could improve individual organisational surveys and support a comparable approach across organisations.
- Finally, it remains to be seen how risk assessments will be translated into action plans and how progress will be monitored.

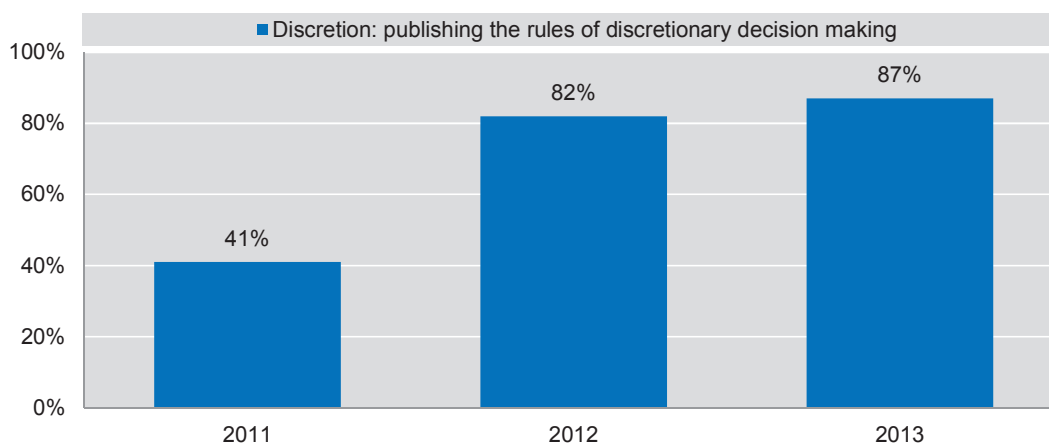
The ongoing and gradually expanding integrity project of the State Audit Office of Hungary has focused on integrity risks and mitigating actions on the organisational level.³ The Audit Office has used a national survey of public organisations to map risks across the whole country on an annual basis. The survey builds on Dutch methodology which has been used in many countries (National Integrity Office, 2013). It considers three main components of integrity:

- Initial risks which emanate from the legal standing and tasks of the organisation, such as providing public services.
- Risk-increasing factors which result from everyday organisational functioning and structure, such as recruitment practices.
- Lack of controls which encompasses the system of control mechanisms, such as based on a code of conduct (Szente, 2011). The survey focuses on organisational experiences, events and actions taken rather than perceptions or attitudes.

Throughout its three waves, the integrity survey has managed to introduce a new approach and terminology to the Hungarian public administration which is widely acknowledged by all levels of public management and by the broader public. Its methodological approach has become a reference point for most of the integrity initiatives of the last years. On a more practical level, the response rate of the survey has increased, from about one seventh to one fourth between 2011 and 2013. This probably also reflects the government's efforts to improve the response rate in line with its Open Government Partnership commitments (Government of Hungary, 2013b). Nevertheless, the response rate could be further increased and the survey scope extended, for example by including state-owned enterprises, which may represent considerable corruption risks. While its integrity approach is most likely to yield mid- to long-term benefits, there are some promising signs of improving organisational performance according to the survey. For

example, making discretionary decision making more rule-bound by publishing decision-making rules has spread among public organisations between 2011-13 (Figure 4.5). New initiatives of the project, such as institutional benchmarking, point at further potential for peer learning and feedback from risk assessment to institutional design.

Figure 4.5. **Proportion of institutions publishing the rules of discretionary decision making, as reported in the integrity survey of the State Audit Office of Hungary (2010/11-2012/13)**



Note: Only those institutions are considered which exercise discretionary decision-making powers.

Source: State Audit Office of Hungary.

Managing corruption risks in key positions

Integrity risks do not emerge at random, rather they tend to be higher in some key positions as experience from OECD countries shows (Benner, 2008; OECD, 2009a). Such high-risk positions typically involve dealing with finance, permits or allocation of public resources. Examples cover public procurement officials or public officials processing building permit applications. Controlling corruption in high-risk positions is one of the most cost-effective ways of improving public sector integrity.

A public sector employee survey was launched in 2013 with the primary aim of mapping public sector occupations and assigning them to occupational groups (Ministry of Public Administration and Justice, 2012). This work will provide the basis for designing policies for occupational mobility and training. This survey also provided an excellent low-cost opportunity to map the corruption risks of public sector occupations. Recognising this opportunity, an integrity module has become part of the survey. The included integrity-related questions explore:

- risks associated with the tasks and rights of the employee, such as decision-making powers over how to use public resources or frequency of oral communication with external clients, and
- controls presented by organisational rules and checks, such as the degree of discretion in decision making.

In light of the growing importance of government staff surveys and the increasing attention paid to integrity issues, incorporating integrity questions into the government's staff survey is of great merit. If the assessment of occupational corruption risks can be

linked to organisational risk assessment done by the State Audit Office of Hungary, the utility of the survey could be further enhanced. The integrity-related questions of the survey map risks of and rule-based constraints on corruption, while controls and checks by superiors and external actors or direct questions about how the integrity framework works feature less prominently. Further staff surveys could prove to be beneficial in general, for example by tracking staff morale or changes in occupational structure; but also in particular for integrity management, for example by measuring the impact and performance of the integrity framework (e.g. types and level of observed misconduct, confidence in and use of integrity tools and measures in public organisations).

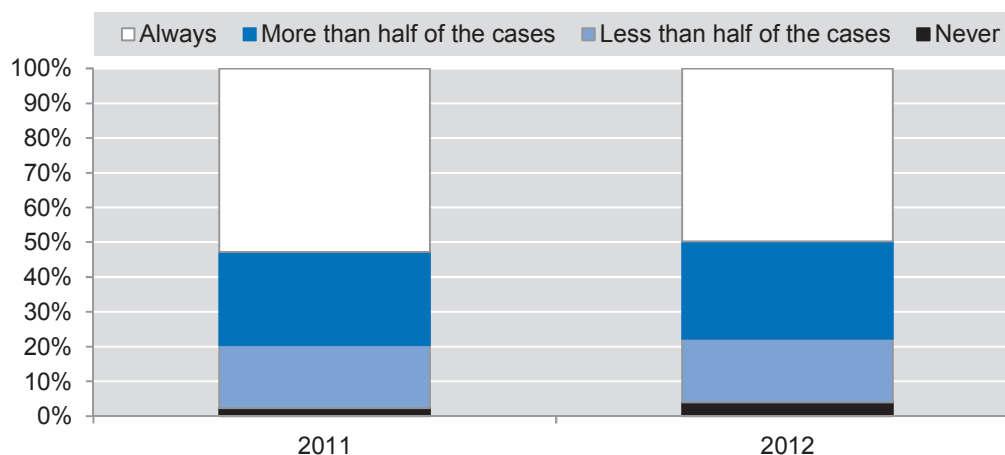
Managing corruption risks in public service personnel

The quality of human resources is one of the most crucial determinants of public sector performance. First, among many factors impacting on corruption, merit-based recruitment and promotion of civil servants (i.e. professionalisation) and protection of civil servants from excessive political control (e.g. career stability) feature as key in preventing corruption, even though there is some academic debate on the exact mechanisms (Dahlström et al., 2012; Rauch and Evans, 2000). Second, a code of ethics is one of the most widely used instruments for managing integrity in the public sector (OECD, 2009a).

The Hungarian government has introduced a range of reforms in the domain of human resources management which can be reviewed here only selectively. It aims at enhancing the professionalisation of civil service by creating a National University of Public Service⁴ and promoting a new career profile for civil servants based on vocational qualities and ethics (Ministry of Public Administration and Justice, 2012). The government has also lowered the requirements for publishing job advertisements for public sector jobs (Figure 4.6), used the national civil service jobs page less frequently, and made easier the firing of civil servants.

Figure 4.6. **Regularity of publishing a job advertisement before hiring a new employee (2011-12)**

Unweighted, N₂₀₁₁=1001, N₂₀₁₂=1095



Source: <http://integritas.asz.hu/index.php?lang=en>.

Enhanced efforts at professionalising the civil service and putting more emphasis on integrity are of great importance and, if implemented thoroughly, represent positive steps to building public trust in government. However, considerably decreasing the transparency of public sector hiring and weakening civil servants' job protection may weaken the professional independence of the state bureaucracy. These are set against the background of a high degree of politicisation of the bureaucracy both in Hungary and the rest of the region for more than 20 years (Meyer-Sahling and Veen, 2012). While increased flexibility and managerial discretion can enhance public sector performance, they must be balanced by transparency and accountability (Dahlström and Lapuente, 2012).

In June 2013, the first comprehensive code of ethics for the civil service was approved: the Code of Professional Ethics of the Hungarian Government Officials' Corps (Hungarian Government Officials' Corps, 2013). This was preceded by the creation of the Hungarian Government Officials' Corps (henceforth MKK)⁵ in July 2012, which is a self-governing chamber of government officials. The MKK was the main responsible body for the development of the code of ethics. It carried out a thorough consultation of the text with all relevant stakeholders. The consultation procedure resulted in multiple changes to the original version in line with the comments received. Implementation of the code also envisages its regular review, first after one year of implementation, then every three years thereafter. A large number of civil servants have received training on the code of ethics and the ethical dilemmas underlying it. In spite of being relatively recent, some disciplinary procedures have already commenced.

The Code of Professional Ethics of the Hungarian Government Officials' Corps represents a significant leap to foster integrity in the public administration. The thorough consultation process leading up to the final approval of the code will likely contribute to its implementation and long-term sustainability through co-opting key stakeholders (OECD, 2012a). Planned revisions at regular intervals will contribute to the code of ethics remaining relevant amidst changing circumstances, which is in line with good practice in OECD countries (e.g. recent update of codes in Canada and the United Kingdom). Its dissemination through workshops centred on ethical dilemmas is considered to be an effective way of embedding an integrity culture in the public service especially as public sector managers also participated (OECD, 2012a).

Specific initiatives aimed at addressing corruption risks

There have been a number of measures initiated by the Hungarian government which target corruption risks while not falling under the four broad levels discussed above. Among these initiatives, two deserve detailed discussion due to their potential effectiveness in fighting corruption: *i*) the new law on whistleblowers; and *ii*) additional resources devoted to anti-corruption prosecution.

Across OECD countries, whistleblower reports are a key source of information for prosecution and disciplinary procedures (OECD, 2012a). However, whistleblowers face the risk of retaliation at the workplace as a result of their allegations of colleagues or superiors. By implication, whistleblower protection is essential if the reporting system is to function effectively (OECD, 2012b).

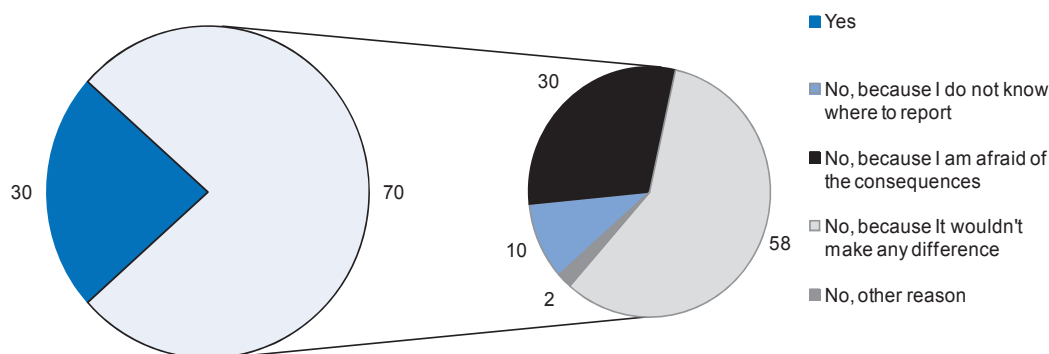
In October 2013, the Hungarian parliament passed a new law on the Protection of Whistleblowers (2013. évi CLXV törvény a panaszokról és közérdekű bejelentésekről, 2013). This new act replaced the previous legislation, which did not determine an implementing agency and was therefore not implemented. The 2013 Law on

Whistleblower Protection considers public and private whistleblowers within the same framework and creates two reporting channels: a centralised and protected electronic channel at the Office of the Commissioner for Fundamental Rights⁶ and an institutional channel operated by integrity advisors in the public sector or their equivalents in the private sector.

While the new legislation is very recent offering little room for a thorough assessment, some preliminary observations can be made on the preparation and set-up of the regulatory and institutional framework. The law was prepared in a transparent manner, extensively consulting with the relevant internal and external stakeholders. This view was reinforced, for example, by the participating NGOs interviewed by the OECD. Furthermore, the institutional structure and the nature of protection for whistleblowers were designed after consulting international examples (OECD, 2012a). As integrity is not only a characteristic of the public sector, but of the broader society, it is a positive development that the Hungarian whistleblower protection framework considers public and private reports and whistleblowers within the same framework. This also creates the possibility for peer learning across public and private organisations.

One of the key challenges to such anti-corruption efforts, as already mentioned in the introduction, is the lack of trust in the state and its capacity to prosecute corruption (Figure 4.8).

Figure 4.7. Constraints to whistleblowing in Hungary



Note: Distribution of respondents to the question: “Would you report an incident of corruption, if not why not?”, Hungary, 2013, % of total (left-hand pie chart) and % of those who wouldn't report corruption (right-hand pie chart).

Source: Transparency International (2013), *Global Corruption Barometer 2013*, Transparency International, Berlin.

In light of weak trust in public organisations, vesting the management and development of the national reporting channel in the Office of the Commissioner for Fundamental Rights appears to contribute to the trust in the new system. In spite of a low willingness to report corruption, some integrity advisors have already received reports and Transparency International Hungary also regularly receives notifications of corruption cases (about three to four per week). These suggest that if trust is established in the system and its effectiveness is demonstrated, whistleblower reports could become an effective support for fighting corruption. A national campaign calling people's attention to whistleblower protection and reporting channels could contribute to such a goal; however, such a campaign is planned, but not yet implemented by the Hungarian government.

The Hungarian government created a new Department of Anti-corruption Cases within the Central Prosecution Office in April 2011 (Ministry of Public Administration and Justice, 2013b). Since its creation, it has received additional funding for extending its staff and prosecution activities in line with government plans (Government of Hungary, 2012). Between April 2011 and April 2013, it looked into 231 cases where a high-level public employee was involved and commenced investigations in 71 cases; however, the relatively short length of its operation does not allow for a detailed assessment.

Sustainability of the Hungarian integrity management framework

While governments and government policies come and go, building a functioning integrity framework and integrity culture require sustained efforts if they are to have an impact. Maintaining interest in and active work on integrity over a longer period is a key challenge in many OECD countries (OECD, 2009a). Linking anti-corruption actors and their efforts to each other, assuring consistency across instruments and monitoring progress have proven to be a key to long-term success.

In order to advise the Hungarian government on how it can create a lasting legacy contributing to the fight against corruption, this section explores the issues around sustainability of the new integrity management framework. The focal points of discussion are:

- sustainability achieved through linking actors and policies within the executive, across branches of government, and between the state and society,
- sustainability relying on consistency across instruments, and
- sustainability supported by monitoring and feedback.

Sustainability through internal and external levers

Within the executive branch

Becoming part of everyday government practice is probably the most important factor in the sustainability of the Hungarian integrity management framework. Several of its aspects already point at new elements of an integrity culture in policy making and implementation.

First, the leadership of the Ministry of Public Administration and Justice in integrity reform has already contributed and is expected to contribute in the future to fostering the integrity management framework. Second, integrity assessment is on its way to becoming a core part of regulatory impact assessment conducted for every new law proposed by the government. If assessing corruption risks does not become a “tick the box” exercise, it has the potential to keep integrity high on governments’ agendas. Third, the networking of integrity advisors and other integrity actors have already started, recognising how crucial it is to create a network whose members can support and learn from each other. Finally, a wide and diverse training effort is ongoing, reaching low-, middle-, as well as high-level civil servants (currently a total of 4 000 government staff, or 5% of the public service). Nevertheless, training may come to an end once dedicated EU funding is spent. An integrity course is planned to be embedded in regular university degrees across the country and an integrity advisor degree will be on offer at the National University of Public Service. These would facilitate the sustainability of at least some training efforts. The delivered training courses not only created an impetus for culture change, they also

accumulated considerable knowledge on integrity challenges and implementing integrity policies in the Hungarian public sector. This knowledge could support the fight against corruption if adequately preserved and utilised, for example through the Centre for Excellence in Integrity.

Across branches of government

The long-term sustainability of the Hungarian integrity management framework can be further strengthened if it is embedded in government activities across different branches. Among the various institutions relevant in this respect, two stand out: the State Audit Office of Hungary and the courts.

First, the State Audit Office of Hungary has already played a crucial role in initiating the risk mapping as a critical factor for building an integrity culture and raising awareness of integrity issues in the public sector. Its continued efforts are conducive to long-term sustainability, in particular its regular integrity surveys across the whole public sector, the planned creation of an integrity forum and integrity benchmarking for interested organisations. Institutional change will likely be facilitated by allowing organisations to compare their performance to that of their peers using the Integrity Survey of the State Audit Office. Second, while courts and law enforcement bodies are not regulated by the integrity decree published in February 2013 (Government of Hungary, 2013a), their involvement in and contribution to integrity management is of high importance. Experience from OECD countries suggests that an effective integrity framework focuses on major risks while promoting consistency through a comprehensive approach and operates across the whole spectrum of government activities (OECD, 2009a).

Across the economy and society

Integrity frameworks are best considered as open systems which should function in co-ordination with their wider societal environment (OECD, 2009a). Consequentially, the broader environment may also contribute to sustainability by, for example, facilitating learning or providing a broad support base.

First, integrity challenges and measures for solutions are often similar in public and private organisations, giving rise to the opportunity for peer learning. The comprehensive framework of the new Law on Whistleblower Protection further facilitates such learning. Second, as much of corruption happens at the intersection between the public and private sectors (e.g. public procurement and contracting), linking and co-ordinating anti-corruption efforts could lead to higher effectiveness and long-term sustainability.

Sustainability through synergies and enhancing consistency

The effectiveness and sustainability of any integrity management framework depend as much on the individual instruments as on their consistency and how they can mutually support each other (OECD, 2009a). In this context, consistency must be established not only between individual instruments, but with the wider policy, governance and management environment as well as the societal context.

First, an awareness-raising campaign supporting the introduction of the integrity management system, for example, could contribute to better knowledge and understanding then effectiveness and sustainability of the whole reform package. The Hungarian government plans to carry out a campaign aimed at sensitising the public to dilemmas of public trust, albeit implementation remains uncertain. Second, integrity

advisors located in each public organisation could become the focal points of co-ordination efforts. Their work could feed into as well as benefit from the national integrity survey and they can locate the local whistleblower reporting frameworks within the broader organisational and national integrity frameworks.

Sustainability through robust evidence

Even a perfectly designed and implemented integrity management framework needs regular updating to reflect the evolution of context and conditions, hence the perennial need for regular monitoring and feeding findings to institutional design (OECD, 2009a). However, establishing a robust monitoring system is challenging in many countries due to the covert nature of corruption and many other actions deviating from integrity.

The new integrity management framework needs a robust methodological basis and staff training in methods in order to deliver monitoring results consistent enough to track progress over time. The creation of a think tank through the Centre of Excellence for Integrity could also contribute to improving the evidence base in the long term. Moreover, in a low-trust environment, monitoring and data will only be trusted if data generation and presentation are transparent and inclusive.

Notes

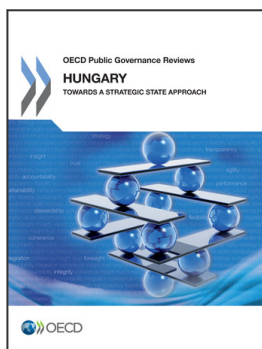
1. www.kormany.hu.
2. For an overview of the course see: http://vtki.uni-nke.hu/arop-programok/arop-1_1_21/a-projekt-tartalma [in Hungarian].
3. For further information see the project's homepage: <http://integritas.asz.hu/index.php?lang=en>.
4. For more information see: <http://en.uni-nke.hu/nups>.
5. For more information see: www.mkk.org.hu [in Hungarian].
6. For more information see: www.ajbh.hu/en/web/ajbh-en.

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