



**MINISTRY OF ECONOMY AND TRANSPORT
HUNGARY**

Report of the Hungarian National Contact Point to the OECD IC

Budapest

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A/ Institutional Arrangements

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Composition of the Hungarian National Contact Point (HNCP)

In the first quarter of 2005 composition of the Hungarian National Contact Point changed. Ministry of Foreign Affairs was restructured and its tasks were modified. Current organisational structure is bilateral, the HNCP is an interdepartmental government body with permanent members. Deputy State Secretariat of the Ministry of Foreign affairs which was responsible for affairs of international organisations (among others for the OECD) and foreign economy was directed to the Ministry of Economy and Transport. Within the MoET new Deputy State Secretariat was formed which absorbed this unit and its tasks. Number of permanent members of HNCP was decreased to two.

Recent permanent members of HNCP

Ministry of Economy and Transport (MoET)
Ministry of Finance (MoF)

From the beginning of foundation of HNCP MoET and its legal predecessors worked as a Secretariat for the HNCP and a permanent member of HNCP at the same time. HNCP made decision on the basis of consensus. The HNCP built contacts with numerous organisations of the civil society but there was no way to meet the representatives of these organisations regularly and in a planned way. Keeping meetings and contacting persons in charge depended upon emerging issues. Representatives of trade union and employers' associations were informed regularly on developments and information coming from IC mainly by e-mail. Beside HNCP numerous problem solving organisations are acting on country and regional level therefore cases occurred were arranged on the spot without the need of central governmental involvement. Mainly labour affairs emerged since some companies downsized their activities or they had production and sales difficulties which created labour issues. Some labour intensive companies having mass production moved out and they finished their production in Hungary therefore jobs were not kept. Partly the FDI inflow and the governmental investment promotion measures compensated the unfavourable situation.

B/ Information and Promotion

The main information source on the Guidelines is the home page of MoET and the HNCP itself in the MoET. The address of Internet site has changed and the address can be searched in a more easily way. The new location is within the MoET (MoET=gkm) and under the chapter of International Relations (=nemzetkozikapcsolatok), i.e. the address got a better and more advantageous position.

(Web: http://www.gkm.gov.hu/balmenu/gkm/nemzetkozikapcsolatok/oeed_nkp.html)

The text of the Guidelines together with all relevant information (e.g. Commentaries, Declaration, etc) was translated to Hungarian language. The most important and essential documents are on the Internet Homepage. They are as follows:

- Brief press release of Hungarian language on the Guidelines (the address of OECD site was built in the text (in this way anyone can link to the proper OECD site [<http://www.oecd.org/dataoecd/56/36/1922428.pdf>] and study the English version of the Guidelines and all the information related to the topic at the same time)
- Procedural guide of Hungarian language on the Hungarian NCP (explains what and how to do in the case of enquiry)
- The Guidelines in Hungarian language (full text of the original English version)

In its activity HNCP put the weight on the struggle against bribery and corruption in 2004 and in the first half of 2005. This was partly a direct consequence of the “glass pocket” program launched by the government much earlier. Despite all the efforts done in this field it was experienced that people (who worked for government organisations) had no solid and reliable knowledge on how and what to do under specific conditions of a potential bribery and corruption case (active and passive bribery of domestic and foreign public officials) given. Therefore HNCP initiated to launch a training course for the staff of Investment and Trade Promotion Agency – Hungary (ITDAH) and put the essential information and documents (*Criminal Law Convention on Corruption, Explanation and recommendation on OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*) on the Internet sites of ITDAH and MoET at the same time.

For the time being they are available as follows:

- at ITDAH site

<http://193.202.83.133:8080/itdh/static/uploaded/document/Convention%20on%20Corruption.pdf>

- at MoET site

http://intranet.gkm.gov.hu/balmenu/befektetesek/gazdasagfejlesztes/korrupcio_ellen.html

Note: HNCP recommended starting a training course on combating bribery for ministerial staff already in 2003. Due to partly this the Department of Human Resources of MoET organised the proposed course in the summer of 2003. A great number of persons whose scope of duties related to international affairs and investments participated in this course.

C/ Implementation

After the structural changes of the MoET and the MoFA the HNCP Secretariat can work under new conditions. The main supervisor and the person in charge of HNCP is the Deputy State Secretary who is responsible for International Investments and Foreign Economy and the activity and work of the Investment Promotion Agency (Investment and Trade Development Agency – Hungary). The Hungarian delegate to the IC is a member of the HNCP Secretariat Staff and an advisor for OECD IC affairs within the Deputy State Secretariat. Under the umbrella of Deputy State Secretariat information flow is provided among all of the parties who have interests in the field of foreign direct investments and the Guideline. Among the tasks of the Deputy State Secretariat keeping close touch with the bilateral Chambers of Commerce and Industries (Am-Cham, German-Hungarian Chamber of Commerce and Industry etc), investors' associations, organisations (Joint Venture Association, Investors' Council, Council for Competitiveness) and the bodies established for reconciliation of interests is one of the most important issues.

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