



**MINISTRY OF ECONOMY AND TRANSPORT  
HUNGARY**

**Report of the Hungarian National Contact Point to the OECD IC**

**Budapest**

**May 15, 2006**

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### **A/ Institutional Arrangements**

#### **Address of the Hungarian National Contact Point:**

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### **Composition of the Hungarian National Contact Point (HNCP)**

The organizational structure is bilateral, the HNCP is an interdepartmental government body with permanent members. If needs arise the number of members can be temporarily increased by ministries affected in harmony with the nature of problem emerged.

#### **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 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 Guidelines. Among the tasks of the Deputy State Secretariat keeping close touch with the bilateral Chambers of Commerce and Industries, investors' associations, organizations and the bodies established for reconciliation of interests is one of the most important issues.

### **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 HNCP changed since MoET Internet site got new face and it was restructured. The new locations are as follows:

#### Guidelines

<http://www.gkm.gov.hu/feladataink/kulgazd/oecd/iranyelvek/iranyelvekoecd.html>

#### HNCP

<http://www.gkm.gov.hu/feladataink/kulgazd/oecd/kapcsolattarto.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 (see below).

- Brief press release (summary) of Hungarian language on the Guidelines <http://www.gkm.gov.hu/feladataink/kulgazd/oecd/osszefoglaloOECD.html>
- The Guidelines in Hungarian language (full text of the original English version)
- Procedural guide of Hungarian language on the Hungarian NCP (explains what and how to do in the case of enquiry)

During the June 2005-2006 cycle special training or seminar on the Guidelines or related issues were not organized. However decision on an special e-mail action was made by the Deputy State Secretary that via Investment and Trade Promotion Agency-Hungary three basic instruments (OECD Guidelines, EU Criminal Law Convention on Corruption and ILO Tripartite Declaration) should be sent to the large enterprises settled down in Hungary in order to draw the high ranking company leaders' attention to the recommendations, provisions, ethical obligations stemming from the three basic instruments. Reason of this was that negative impact of globalization appeared in Hungary as well as and problems were arisen mainly in the field of employment, environment and exercising the right to organize. Action is under way.

### **C/ Implementation in Specific Instance**

On April 20, 2006 HNCP received a request. A Hungarian lawyer submitted the request to the HNCP on behalf of his client (Hungarian citizen) who worked for a one hundred percent owned foreign company manufacturing car parts in Hungary. According to the lawyer's views the foreign owned company infringed Article 4. b) of Chapter IV (Employment and Industrial Relations) of the Guidelines. But the case (a particular operation in the technological process) that caused health injury took place between March 12 and 16, 2002 and after the period mentioned employee himself did not carry out similar activity. On April 2003 the company reported technological modifications publicly and a press release on small –scale downsizing related to the scale of products (manufacturing of one product was ended and it was transferred to India) was published. The company gave employee notice to quit on July 2004 referring to restructuring the production. After the notice the employee took legal proceeding of labor against the company and reported the company the County Public Prosecutor Office on March 2005. In the latter case an inquiry has been set up. Up till now the investigation has not been ended.

In order to clarify the turbulent situation and to know the reasons of the long delays between actions carried out by the employee additional information and proofs were asked for the HNCP from the lawyer on May 8, 2006. The case is going to be specific instance and parallel proceedings if the lawyer's written statements are sound.

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