



**MINISTRY OF ECONOMY AND TRANSPORT  
HUNGARY**

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

**Budapest**

**May 14, 2007**

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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 State Secretary for Economic Development of MoET.

### **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 and other relevant information 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>

- Procedural guide of Hungarian language on the Hungarian NCP (explains what and how to do in the case of enquiry)

In 2006-2007 special training or seminars on the Guidelines or related issues were not organised.

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

On April 20, 2006 HNCP received a request. A Hungarian lawyer (dr. Csaba Kiss, expert on environmental affairs, a member of staff of Environmental Management and Law Association<sup>1</sup>) submitted the request to the HNCP on behalf of his client (Mr. Imre Horgosi-Hungarian citizen) who worked for a one hundred percent owned foreign company (Visteon Hungary Ltd. located at Székesfehérvár) 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 Municipal Police on March 10, 2005; the Municipal Public Prosecutor Office on September 20, 2005, and later on the Fejér County Public Prosecutor Office. In the latter case an inquiry has been set up.

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. At the same time HNCP contacted the company as well as. The case did not turn into a specific instance since all examinations carried out by Hungarian authorities in succession and initiated by the worker were concluded and the Hungarian official organizations (including authorities and trade union) could not find any irregularity in operation of the company. HNCP itself collected information on activity of the company, i.e. how the particular operation that caused health injury was carried out by the worker, what sort of individual personal protective equipments (chemical gloves, chemical workers goggles, apron, respiratory protective mask) were used, how these equipments were applied, what health and safety regulation were valid in the workshop in order to avoid any injury. On the basis of additional and collected information /Material Safety Data Sheets, reports, minutes, records, standard test methods (ASTM F739 and EN 374) of protective chemical gloves/ HNCP pointed out that the company kept the written regulation but the medium level managers did not follow the ethical obligations and they were not cautious proportionally to risks stemming from the operation and they did not make any serious and

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<sup>1</sup> EMLA is a non-governmental organisation. It has over 80 members which are drawn from Hungary's top environmental professionals including lawyers, scientists, managers, economists, professors, and journalists. The NGO has a handful of international members. Among its founding/organisational partners are George Andrew Kellner Fund, Regional Environmental Center, EMLA-NJ Foundation, Rockefeller Brothers Fund, United Nations Environment Program etc and individuals.

expected attempt to decrease the risks. Managers on the spot could have the chance to apply so-called quick test of gloves before start of the operation. But the quick test as a mean to cut the risks was unknown in the company and the health and safety regulations in force did not involve it. Quick test was not built in the Hungarian rules as compulsory mean. Moreover quick test of chemical protective gloves can be carried out in different ways which can produce different results depending upon the circumstances and samples of gloves (since gloves are mass products). The quick test can not give 100% safety but it can reduce the risk significantly.

After analyzing the case HNCP proposed some measures to the company leaders in order to modify the safety regulation worked out for operation done in workshop (i.e. to introduce the so-called quick test of protective chemical gloves), to improve the training for workers exposed to dangers, and to decrease the risks coming from operation; storing, handling and application of hazardous materials.

From the viewpoint of the judgment of the case it is remarkable that the worker was not on the official sick-list (injury was mild skin irritation and the worker was treated as outpatient) and the case was legally outdated when it was reported to HNCP. The worker did not claim damages from the company though the company drew his attention to this. In fact the worker worked on March 7, 8 and 12, 2002 respectively in contrary to the request submitted by the lawyer and the operation needed roughly 3x10-15 minutes not all days. However these facts came to light during the investigation and not at the beginning. Reasonable result of detailed investigation was due to the readiness of the company for cooperation providing all necessary information and documents to judge the case properly and precisely. This way gave opportunity for a sort of control of written documents submitted by the lawyer and his client and HNCP could draw a comparison between documents handed over to HNCP by two sides.

Closing the case HNCP elaborated a Statement which was signed by the representative of the company and the Head of Department of MoET who is responsible for the operation of the HNCP. The worker was not satisfied with the results of investigations carried out by Hungarian State Organs, Trade Union and HNCP respectively. His target was to achieve a moral victory against a multinational enterprise settled down in Hungary and to condemn the company practice as it was openly declared at different sites on the Internet fora by him. Therefore he did not sign the Statement.

Statement (see Annex) was published.

**May 14, 2007**

## ANNEX

### Hungarian NCP Statement

#### on Mr. Imre Horgosi vs Visteon Hungary Ltd case

On April 20, 2006 dr. Csaba Kiss lawyer, environmental attorney submitted a request to the OECD HNCP on behalf of his client, Mr. Imre Horgosi who was a former worker of Visteon Hungary Ltd.

In the letter sent to the HNCP the lawyer stated that ... “ in the limited company the employees’ rights, neither health and safety, environmental regulations (related to hazardous materials) nor labour rules do not prevail”. According to the lawyer’s views the Visteon Hungary Ltd Company infringed Article 4. b) of Chapter IV (Employment and Industrial Relations) of the Guidelines, i.e. “ the enterprise should take adequate steps to ensure occupational health and safety in their operations.”

In accordance with his request in March 2002 his client had to carry out cleaning and washing faulty parts related to compressor manufacturing technology using organic solvent during testing the production line but this operation was not a part of the official technological procedure. Since the protective gloves which were applied in the first phase did not resist the effect of the organic solvent the workers’ hands suffered mild skin irritation which was treated by adequate crème. The worker was treated by medical specialist, but injury did not entitle to sick pay.

The HNCP asked two sides to prove their statements and to cooperate in order to learn the entire case. On the basis of submitted documents the HNCP found that statement of the lawyer is not true, namely “in the limited company the employees’ rights, neither health and safety, environmental regulations (related to hazardous materials) nor labour rules do not prevail”.

However the HNCP stated that though the middle level company leaders took into consideration one part of regulations during testing the production line but they did not apply them by the most careful and prudent way as they could do in order to keep all of the regulations in force and to cut and to screen the risks stemming from the unofficial operation beyond the technological procedure and to prevent development of dangerous situation. But after the first signalisation of deficiency the company terminated them within a short time (two weeks) and the official examinations and supervisions carried out by the Hungarian organs in succession could not find any irregularity in operation.

Selection of the chemical protective gloves needs reasonable experience and special knowledge. The middle level company leaders worked on the basis of insufficient knowledge and information what they had at that time. Material Safety Data Sheet of the organic solvent (Solutin C6) did not contain the type of gloves has to be applied. Therefore during the operation they applied three pairs of gloves in succession which were known by them and the gloves were previously used against organic solvent detecting damaging despite that the second pair of gloves was qualified as improved protective and the third pair of gloves should have resisted to caustic effect of solvent throughout 30 minutes at least.

The target of leaders on the spot was not to carry out “experiments on human beings” but the fulfilment of duty by use of protective equipments that they qualified as adequate and they applied in other operations successfully. On the basis of the proofs the examination could not reveal wilful endangering.

Responsibility of leaders comes up in respect with the fact that after the cognition of first gloves’ damages and signalisation given by the workers they did not stop the unofficial operation beyond the technological procedure and they did not look for the adequate type of protective equipment, i.e. they should have used the appropriate mean. They could have checked the permeability of material of gloves without direct human participation (it was not necessary to put hands of human being into the gloves) by so-called quick test in harmony with the Guide for selection of chemical protective gloves which is a general recommendation known in EU and harmonised by competent Hungarian authorities in Hungary and after a consultation with the representative of glove manufacturer firm.

During the operational time the worker did not suffer such an injury which could justify drop-out of working time and pay sick. Worker was not enforced to do similar activity during all time spent in company.

Worker suffered mild injury which was thorough no fault of his (own). Worker did not claim damages from the company though the company drew his attention to this. According to the Hungarian rules in force labour claims become outdated over three year period, i. e. the case had lapsed.

Considering all facts and acts HNCP declares the case legally closed and draws all sides’ attention to the needs that the probable risks in the case of applying technologies or aid material not known in full circle and deeply and all factors having harmful effect on environment and health have to be taken into consideration in the most prudent way and the interested sides have to take measures with respect to them and with special regard to the content of 25/2000. (IX.30.) EüM-SZCsM joint ministerial decree. The leaders on the spot are not only responsible for keeping the rules but they have to meet the ethical obligations which are not binding and which are not written in laws, e. g. which are in the Chapter IV and V (and the paragraphs 27, 34, 35 and 40 of the Commentary) of the Guidelines for Multinational Enterprises or which were formulated in Ethics and Integrity Policy of Visteon mother company (US).

HNCP proposes that Visteon Hungary Ltd should work up the consequences of the case and on the basis of experiences obtained should form safety regulation applied within the company workshops with special regard to the selection, application and maintenance of protective equipments used against hazardous chemical materials. Company leaders should devote great care to teaching knowledge related to hazardous materials in order to eliminate all risks endangering life and health.

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Budapest

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