

Hungary Report

Sustainable Governance Indicators 2024

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Executive Summary

Under the recent Orbán governments (2010 – 2024), Hungary shifted from a fully-fledged democracy to an electoral autocracy. Democratic institutions have been undermined by the ruling party, and state capture has turned them into instruments of the political will of those in power. The political system has been centralized by the enforcement of state control over the territorial bodies of self-government, intermediate institutions and the judicial system. Overall, the system of checks and balances is dysfunctional, leading to severe consequences for the quality of democracy, the rule of law and the openness of society.

The government's control over the state media system ensures that political discourse, fueled by superficially religious-conservative but in reality nationalistic, homophobic and patriarchal narratives, induces othering within an artificially created us-and-them dichotomy. The cleavages between center and periphery and urban and rural areas are deepening. Increasingly, party competition in elections runs along the dividing line between highly educated, cosmopolitan, younger and mobile urban segments of society on one side and rural, less educated, older and nationalistic groups on the other. Prime Minister Viktor Orbán and his Fidesz party have mastered the exploitation of these differences in their communication strategies, and have adapted the electoral system to this rift through gerrymandering. Unsurprisingly, in the 2022 parliamentary elections, Fidesz won most constituencies outside Budapest, the opposition stronghold, and secured a two-thirds supermajority.

The overarching issue is corruption. Corruption in Hungary is endemic, and more so than in neighboring countries, is partly accepted by some strata of society. After its electoral defeat in 2002, Fidesz built an economic empire by acquiring media outlets and companies via oligarchs close to the party. Resources were secured via public tenders administered by Fidesz mayors, with hardly any non-Fidesz-affiliated companies winning such tenders in Fidesz-dominated cities. Participants were drawn into the system as if in a chain-letter or pyramid scheme, necessitating the circumvention of more and more control systems via the media, the judicial system, parliamentary control rights, state audits and so on. The system sustains itself, yet cannot be maintained without creating a substantial number of losers. Consequently, the current system is unreformable because any reform would threaten Fidesz's power base, with severe repercussions for the actors involved.

Against this background, European funds are highly sought after. Nevertheless, beyond domestic considerations, there is a level playing field with Brussels-based actors. The European oversight system remains indispensable, and the EU has frozen some funds allocated to Hungary. This poses an existential threat to Fidesz, prompting Prime Minister Orbán to resort to drastic measures, such as political blackmail, to achieve his objectives. The EU serves as the last serious counterbalance to Orbán and Fidesz in Hungary, leading to the characterization of Hungary as an “externally constrained hybrid regime” (Bozóki and Hegedűs 2018).

Hungarian foreign policy is irredentist and unreliable, swinging between the West and East. Attempts to develop an “Eastern Opening Policy” toward Russia and China have shown some economic success, but cannot replace the benefits of the European Single Market and the billions provided through cohesion programs. Quite the contrary. Instead of opposing EU policies, Hungary should use all the benefits of European integration and go “all-in.” Hungary faces several challenges induced by the presence of an illiberal regime that prioritizes ideology and survival over sustainability. While some statistics may appear promising, the labor market suffers from covert unemployment, labor shortages and a brain drain, which diminishes Hungary’s attractiveness for investments. The likelihood of falling behind is greater than that of catching up. The Hungarian government’s lack of emphasis on reforming crucial sectors with state-of-the-art measures hinders the country’s long-term competitiveness. Several sectors, particularly healthcare, education and the environment, show severe shortcomings. Governance models are often dysfunctional and almost always lack civil society involvement. The distance between the government and society is growing, regardless of what election results may suggest. Some progress is visible with regard to the sustainability of the Hungarian tax system, and the labor market has some robust features. However, without major policy changes and a different attitude, Hungary is bound to lose ground vis-à-vis its neighbors in the region.

Key Challenges

The key challenge in Hungary is to restore full-fledged democracy. The state of democracy, the rule of law, press freedom and human rights are challenged by the very nature of the Orbán regime. Regime change is likely needed to achieve a breakthrough toward a more balanced, democratic and inclusive polity. The present government under Prime Minister Orbán and the Fidesz party is likely uninterested in implementing serious reforms aimed at such

overarching objectives, and is indeed likely unable to do so. However, without addressing the meta level, reforms in sectoral policies will always be challenged by top-down intervention and deviation from good practices.

The power base of Fidesz at home is stable, but the international environment has become increasingly hostile. Since China and Russia cannot replace the EU and the U.S., and such a shift in alliance remains unacceptable to the Hungarian population, the regime must find a modus vivendi with the European Union. This should include refraining from further blackmailing behavior and reforms to the domestic system of checks and balances to avoid further steps by Brussels in the EU Article 7 procedure. The change in government in Poland deprived Hungary of its former partner that had protected Budapest using by unanimity rules in the EU's decision-making process, and further isolated the country in Europe. Farther east, relations with Ukraine lie in ruins due to Orbán's pro-Russian stance.

Liabilities in the country arise from an interconnected population decrease, brain drain and labor shortage. Although environmental sustainability is progressing, it is largely driven by external factors rather than internal conviction. There is a need for mainstreaming in this area.

Another critical area requiring mainstreaming is the empowerment of women. The gender pay gap and the lack of women in politics are notable issues within the Hungarian system, necessitating urgent action. Although the business sector is showing improvement, the problem primarily lies within the government, and is related to the patriarchal and retrograde Fidesz ideology. Addressing this issue requires an ideological shift and the acceptance of more inclusive societal values.

Regarding the governance model, one key challenge is to improve horizontal interministerial coordination. Expanding the number of ministries after the 2022 parliamentary elections was a good choice, and central coordination by the Prime Minister's Office is strong, but creating an environmental ministry would make sense. Moreover, the lack of separate ministries for education and healthcare reduces efficiency. Both are now subordinated to the Ministry of Interior, headed by an ex-police officer. Moreover, public education and healthcare funding levels (both of which are now under the OECD average) should be increased. Vertically, the territorial self-governance system should be strengthened, and the principle of subsidiarity should be enforced. This includes tackling the distribution of competencies on the local and regional levels, and upgrading the finances of municipalities.

Improving government-society relations presents a significant challenge. Several problems are apparent in this area. Genuine public consultations and the involvement of civil society organizations in policymaking are crucial for securing the long-term acceptance of government decisions by the general public. In Hungary, such practices are weak across all policies. Furthermore, quality control mechanisms such as audits, peer reviews and scientific advice suffer from bias and neglect. As long as the government continues to target NGOs and marginalized groups with hate speech and smear campaigns, the situation will not improve, and the divide within Hungarian society will deepen even further. Additionally, the resilience of independent media actors must be strengthened in order to preserve the balance of public discourse amidst a severe disparity of material resources and advertisement income in favor of pro-government media.

Finally, those involved in Hungarian politics should aim to prioritize policy-seeking over office-seeking. The prevalence of office-seeking behaviors is evident in the replacement of meritocracy with nepotism, the persistent high-level corruption and state capture by the Fidesz elite. If ideological, political and administrative shortcomings are not addressed, the country will fall behind compared to more dynamic and reliable nations in the region.

Democratic Government

I. Vertical Accountability

Elections

Free and Fair
Political
Competition
Score: 4

During the years of the successive Orbán governments (2010 – 2024), the political system in Hungary shifted toward an illiberal regime. Hungary is considered an electoral autocracy, where even the minimum standards of a fully-fledged democracy, such as free and fair elections, are flawed. Legally, there are few obstacles for candidates wishing to run for election and for voters wishing to vote. However, fair political competition is hindered by asymmetrical access to resources such as campaign funds and media access. The primary issue is not campaigning via new media, but rather government control over old media. Moreover, the governing party allocates more resources to buying social media advertisements, which are loosely regulated. In the state-owned or state-controlled media, opposition candidates do not benefit from the same amount of additional airtime as government candidates, despite a guaranteed minimum airtime quota of five minutes for all candidates (Bátorfy et al. 2021). “Journalists” and moderators are often openly biased toward Fidesz. The lack of transparency with regard to donations to candidates and parties is a weak point in electoral law, and has been criticized by the OECD since 2018. Opposition candidates have limited access to traditional Hungarian media due to state dominance over public TV, radio and large parts of the print media. As a result, opposition candidates often have to rely on social media for their campaigns, making it challenging to reach the elderly and less-educated populations.

Election results show that government candidates perform the strongest. Large-scale gerrymandering has been allowed within the terms of the electoral law. The new mixed system of first-past-the-post elements in constituencies and proportional representation in party lists clearly favors the government side, which usually wins almost all constituencies outside Budapest. Consequently, the popular vote won clearly by Fidesz in 2022 often gets

blurred, allowing the government to secure a two-thirds majority with half of the votes. The picture is much more balanced in local and European elections, which have stronger proportional leanings.

Free and Fair
Elections
Score: 4

Voting rights in Hungary are granted to nearly the entire population of Hungarians, including those living abroad. The voter registry generally meets democratic standards. Elections are held at national, regional, local and European levels in an orderly fashion. While elections are usually free and properly administered, they are far from fair.

The electoral law distinguishes between diaspora citizens without a Hungarian residence and Hungarian citizens temporarily living abroad with a registered address in Hungary. The former group, mainly ethnic Hungarians in Transylvania, Slovakia and neighboring countries, can vote by mail (Tóka 2019). However, mail-in ballots are not available to Hungarians who study or work abroad; they must travel to capital cities and endure long queues at embassies to cast their votes. This discrepancy creates inequality in access. Additionally, the mail ballot system is vulnerable to fraud due to lenient identification protocols and delays in updating the voter registry (see, e.g., Bozzay 2022). The electoral law has undergone frequent and sometimes radical changes and gerrymandering has occurred to the ruling Fidesz party's advantage. De jure, the voting process is administered professionally, but, as noted in the relevant election observation report by the OECD, it does not take place on a level playing field. A lack of transparency in campaign funding, for instance with regard to weak regulation of campaign finance disclosure, asymmetrical access to media outlets favoring government-allied candidates and the misuse of state funds for campaigning, have made it difficult for opposition parties and candidates to match the resources of those running on behalf of Fidesz or the allied Christian Democratic People's Party (KDNP). Additionally, opposition politicians have often been subject to smear campaigns initiated via the government's misuse of state assets. These structural disadvantages were only partially countered by the opposition through the coverage of the party's internal primaries, held in autumn 2021. In the run-up to the parliamentary elections of 2022, the imbalance between the government and the opposition concerning campaign funding, access to media outlets and organizational capacity became evident.

Against this background, it is unsurprising that Fidesz secured a two-thirds majority with 135 seats out of 199. Fidesz won the popular vote by a large margin of 54.13%. The United Opposition grouping could not replicate the success of the last local elections, in which they were on par with the government.

In addition to the two major political formations, a new party, Mi Hazánk (Our Homeland), secured six seats despite the government's amendments to the electoral law in 2020. The amendment increased the requirement for a party to run nationally from presenting 27 constituency candidates in at least nine counties to 71 candidates in at least 14 counties. An exception to this rule is granted for ethnic minority representations, and the German minority representative won one seat in the elections.

Quality of Parties and Candidates

Socially Rooted
Party System
Score: 5

The Hungarian electoral system produces distorting effects. The mixed system, with a strong first-past-the-post element, generally produces large majorities; two-thirds majorities are more the rule than the exception. This has opened the door for the ruling party – for many years Fidesz under Prime Minister Orbán – to establish tailor-made legal norms. As a result, the already-deep rift in society deepens, as parties outside the two organized camps have few opportunities to be represented in parliament. Moreover, the opposition bloc is ideologically and organizationally fragmented. However, the electoral system favors the existence of two blocs of similar size. As a result, opposition parties face significant coordination challenges in finding a strategy compatible with the electoral system and the ability to represent their voters. Few newcomers successfully pass the electoral threshold (5% of the popular vote). For example, the far-right Mi Hazánk (Our Homeland) secured some seats as a nonaligned party in the 2022 elections. Most parties feature local and regional bodies, though few establish a strong local presence due to low membership figures and insufficient state funding (Susánszky et al. 2020). Local party chapters are often organized alongside election constituencies. Some parties, especially among the opposition, have difficulties organizing themselves in rural areas, as their programs address urban centers more than those of Fidesz. This weakness is an essential factor in the inability of the opposition to score well outside Budapest. Still, in local and regional elections, this weakness appears to be smaller, as the distorting effects of the national electoral system are absent here, and the number of independent mayors is traditionally relatively high. In the government camp, decision-making is highly centralized, and there is little room for regional interests due to the dominance of top-down political communication. The power of the mayors was diminished a long time ago by the Fidesz government by preventing individuals from simultaneously holding a mayoral position and a mandate in parliament. Most Hungarian parties perceive themselves as catchall parties. However, the discourse on policy is hardly visible. Instead, parties' rhetoric follows a perpetual clash between different worldviews, especially aligned around cosmopolitan versus national views. As a result, parties compete with

each other less over political solutions and more with regard to a cultural clash between identity issues such as migration or sexuality (LGBTQ+). In this standoff of “hipsters” versus “rednecks,” parties remain programmatically vague, and major interests are not explicitly represented in the political discourse. The government counters many opposition attempts to address particular issues and problems with an avalanche of populism and disinformation. The latest example is the “discourse” relating to Russia’s war in Ukraine. Clientelism, in a classical sense, is not strong in Hungary, partly because economic interests are not only steered but also owned by the central core of Fidesz and party members’ wider families. The pattern is not clientelism, in which economic interests steer the government, but rather the government steering economic interests, also referred to as “reverse state capture” (Bozóki and Hegedüs 2018). Societal interests beyond the government-economic complex are generally underrepresented. The publicly articulated anger of healthcare system or education-sector employees demonstrates that the government neglects such central interests. Not surprisingly, party manifestos, although publicly accessible, provide little enlightenment about the parties’ policy preferences, and are instead used to consolidate political camps by stressing the issues that create rifts between the camps. Certain sizable minorities, such as the Roma community, do not have effective representation through political parties, and their associations are routinely co-opted by major political parties, most recently by Fidesz.

Effective Cross-
Party
Cooperation
Score: 4

There are significant differences between government and opposition parties regarding liberal democratic values. Hungary exhibits many features of an autocracy. Explicitly and outspokenly, Prime Minister Orbán advocates what he calls illiberal democracy – a contradiction in terms. By changing the rules of the democratic game with the help of a two-thirds majority in parliament, frequent constitutional amendments and a continuously maintained state of emergency, the government secures an unchallenged advantage over the opposition. The government is not advancing democratic values, but is threatening them. In a highly polarized environment, the opposition – with the possible exception of the newly formed rightist party Mi Hazánk Mozgalom (Our Homeland), which has an undemocratic core and pushes a strongly nationalistic and othering discourse – aims to restore democracy. Against this background, cooperation between the camps is technically unnecessary due to the overwhelming Fidesz majority, and is not sought by the government. Consensual voting and cross-camp consultations are extremely rare.

Parliamentary committees in Hungary operate with a substantial Fidesz majority, rendering the efforts of opposition legislators almost meaningless. Calls to boycott parliament routinely emerge among opposition parties and intellectuals, but no large-scale abstention has occurred so far. The

government majority pushes illiberal and anti-democratic policies, and the intense fusion of government and parliamentary majority results in state capture, severely limiting the ability to fight undemocratic tendencies.

The role of the opposition parties is to highlight disruptions of democracy and present policy alternatives. However, they cannot advance their agenda through parliament, as the government majority controls agenda-setting and voting procedures. Consequently, the opposition is relegated to civil society and street-level activism, where it faces severe government countermeasures and suffers from organizational shortcomings. Cooperation within the opposition has improved over the past decade despite substantial ideological differences ranging from the left to the right. The electoral system, with strong majoritarian components, enforces this cooperation. Only candidates supported by a united opposition can successfully challenge Fidesz-KDNP candidates, particularly in urban centers like Budapest and Szeged. The process of opposition primaries, established during the run-up to the 2022 elections, fostered cooperation and made the movement more visible to the public. The somewhat surprising election of a conservative candidate, Péter Márky-Zay, as the prime ministerial candidate highlighted this cooperation. However, this did not translate into electoral success; even Márky-Zay lost his constituency to a Fidesz grandee.

The electoral defeat of the broad opposition coalition in 2022 has brought this strategy into question, making cooperation between opposition parties and the organization of primaries increasingly unlikely and difficult ahead of the 2024 municipal and European Parliament elections.

Access to Official Information

Transparent
Government
Score: 4

While existing law, especially the constitution, provides for far-reaching access to government information, the Orbán governments have made it increasingly difficult for the public and the media to obtain such information. The amendments to the Freedom of Information Act (autumn 2022) were meant to speed up litigation, but still include barriers to quick handling of cases, such as secrecy. Formally, the public has access to information, but in practice, there are severe limitations. The government and the democratic opposition have constantly fought over access to government data and documents, and many of these cases have gone to court, triggered by complaints from parties or civil society. For example, the European Court of Human Rights ruled against the Hungarian government in a case involving Index.hu, an online newspaper, and Hungarian President János Áder. Information on public procurement has been especially contested, as there is a

clear link to corruption within government ranks. Even though watchdog and media organizations such as Transparency International Hungary and K-Monitor have created several online databases to make procurement data more transparent, they routinely encounter obstacles in identifying final beneficiary owners (FBOs) due to the secrecy of wealth management funds.

During the COVID-19 pandemic, access to information was limited, and laws were established that allegedly aimed at preventing the spread of disinformation, but in essence served to secure the government's grip on political discourse. The state of emergency has been prolonged ever since, and many restrictions rooted in the pandemic have been upheld. The establishment of an office for the protection of sovereignty, a process currently underway, may serve as yet another institutional safeguard for furthering the government's discursive agenda and as an instrument to restrict the opposition and civil society's presentation of alternative opinions. Several other institutions meant to be independent of the government, such as the State Audit Office and the Ombudsman Office, do not live up to the promise of independence. Ever since the government secured a two-thirds parliamentary majority and controlled the spread of information via parliamentary scrutiny, barriers to accessing information have grown. The public's information rights are seriously curtailed, a problem exacerbated by the fact that key government officials, including the prime minister, refuse to give interviews to independent media outlets, and only disclose information through pro-government media or top-down press conferences and media releases. The government has also attempted to misuse the whistleblower protections to allow denunciation of sexual practices, with such efforts aimed at the LGBTQ+ communities. Public consultations on specific policies are rarely held, and the government organizes fake "national consultations" featuring dubious questions to garner support for government action (Bátory and Svennson 2019, Mikola 2023, Pócza and Oross 2022). It remains to be seen how the upcoming digitalization act will influence the spread of information from the government to citizens. Undoubtedly, access to relevant administrative units will become easier, but that does not necessarily mean those administrators will provide more information than before.

II. Diagonal Accountability

Media Freedom and Pluralism

Free Media
Score: 3

Since Prime Minister Orbán regained office in 2010, media pluralism in Hungary has faced significant challenges. The country has seen increasing government control over the public media and a concentration of private media ownership among companies close to Orbán's party, Fidesz. The public broadcaster (MTVA) is under absolute government control, and many pro-government private TV channels and radio stations exist.

The remaining independent media have been pushed out of traditional broadcasting channels (radio, TV, newspapers) and have taken refuge on the web. Even online, they face growing challenges regarding reach, financing and administrative hurdles. If foreign sources finance them, they are subject to the "foreign agent" law or the "law on protection of Hungarian sovereignty," risking high fines and potential self-censorship. Overall, independent media reach only a portion of Hungarians, primarily the educated, cosmopolitan urban population, but not the segments of society upon which Fidesz has built its support (the elderly and residents of rural areas).

Additionally, the government uses social media and internet-based channels to conduct disinformation and smear campaigns funded by taxpayer money. Public advertisement budgets disproportionately favor pro-government outlets, while market advertisers' fears of potential repercussions place independent outlets in a precarious financial position (see Bátorfy and Urbán 2019). The environment for journalists has become increasingly hostile, with harassment escalating since the "fake news paragraph" was included in the March 2020 Authorization Act adopted during the COVID-19 pandemic. This provision threatens journalists producing fake news with prison sentences of up to five years for "scaremongering."

Cyberattacks on media outlets are not uncommon. Since 2022, and especially during the spring and summer of 2023, several attacks have been reported, rendering the webpages of critical media barely accessible. However, pro-government news sites have also been similarly attacked (Hungary Today 2022). Forensic studies show that these attacks were coordinated (International Press Studio 2023). Opposition parties' web pages were affected as well. The Sovereignty Protection Act, adopted in 2023, is extensive in scope but vague in detail, and may be used by the government to target critical journalists. It

also emerged that the government employed Pegasus spyware in the lead-up to the 2022 elections to monitor opposition politicians, journalists and NGO workers. All international observers in the field have raised concerns about the situation in Hungary. The Freedom House Freedom on the Net Report 2022 categorizes Hungary as only partly free (Freedom House 2023).

Pluralism of
Opinions
Score: 4

The competition of opinions in Hungary is distorted. The regulatory agency is not independent but is de facto bound to the government's political will. Even the competition agency, long a beacon of Hungarian democracy and market economy, has become ineffective in combating the concentration of the media landscape. In June 2020, the Constitutional Court upheld a controversial 2018 government decree that prevented the Hungarian Competition Authority from examining the centralization of leadership and financing of about 500 media outlets under the Central European Press and Media Foundation (KESMA), a pro-government media conglomerate. Media surveillance by the responsible authority, the Nemzeti Média- és Hírközlési Hatóság (NMHH), is criticized as biased. The head of the agency serves an extensively long nine-year term and also heads the Media Council, an institution criticized for lacking proper controls. The Center for Media Pluralism and Media Freedom of the Robert Schuman Center, in its 2022 report, ranks the risks for Hungary as "high" (66%). Biased reporting by pro-government outlets and public media primarily affects older and rural residents with lower education levels. At the same time, some of the most-visited news sites operate independently and reach large segments of urban young and middle-aged readers who consume little legacy media.

According to Eurostat data, 87% of the population regularly reads news on the internet (Hungary Today 2022). Online media remain plural, and some of the highest-quality independent outlets have shifted toward subscription-based models, alleviating their dependence on advertising income. Recognizing the challenges of reaching online populations, the governing party has increased its spending on social media, partly by outsourcing its campaign messages to a social media agency called Megafon that distributes content on Facebook, Instagram, YouTube and TikTok.

Civil Society

Free Civil
Society
Score: 5

The Hungarian Basic Law guarantees freedom of assembly and association. However, in recent years, both rights have been challenged from multiple sides. During the migration crisis, the right to assembly was constrained, and these limitations expanded during the pandemic. The transition from justifying the state of emergency (as of the time of writing prolonged until May 2024)

with reference to COVID-19 to a reference to the war in Ukraine indicates that these limitations serve as means of support for government policies. For instance, demonstrations by teachers against the government's education policies have been harshly restricted, leading teachers to challenge the government legally. The government is currently able to govern by decree. Organizations such as Transparency International Hungary (Mikola 2021) and the Hungarian Civil Liberties Union have heavily criticized the situation. Since the 2016 – 2017 period, when the Orbán government implemented several measures targeting civil society organizations, NGOs have faced an increasingly hostile environment. CSO sustainability has been impeded (United States Agency for International Development 2022: 2). CSOs face threats with respect to the legal environment, their organizational capacity and finances, and the public image of CSOs overall. The “lex NGO” treats foreign-financed organizations in a way similar to Russia's foreign-agent law, putting them under a registration obligation, especially if they are publicly funded or registered as nonprofit organizations. Noncompliance can result in fines or dissolution, although these penalties are used more as intimidation and are rarely enforced in practice. Other discriminatory measures, such as the “Stop Soros Law,” impose punitive fines on organizations that support migration.

The European Court of Justice deemed the “lex NGO” incompatible with EU norms. It took significant pressure from the EU to prompt the government to change the law (Law XLIX/2021). However, the changes that have been made are largely cosmetic, such as varying thresholds and granting exemptions for religious communities, sports associations and ethnic minority bodies. The amended law bypasses the government's responsibility to the Audit Office, turning the agency into a political body beyond its constitutionally given scope, whose reports cannot be legally challenged. Not surprisingly, the State Audit Office has imposed some highly dubious fines on the issue. Eight affected NGOs have complained about the amended law to the Constitutional Court. The Hungarian Helsinki Committee considers the law to be a violation of freedom of association and expression (Hungarian Helsinki Committee 2022).

Not deterred by these challenges, the government opened a new front in November 2023 by adopting a Sovereignty Protection Act. The act aims to establish an Office for the Defense of National Sovereignty. The law reads like a frontal offense to international organizations, and even mentions the combination of international organizations and the left-liberal political camp as a “threat to Hungarian sovereignty.” The office could be used to supervise the political and financial activities of people and organizations not sharing Orbán's illiberal, nationalistic and populist view of the world. This constitutes yet another step in Hungary's deviation from basic standards of Western

democracies, even though it formally has a mandate only to investigate foreign-funded activities aimed at influencing election outcomes. Intimidating communication campaigns targeting organized LGBTQ+ communities add to insecurities. Civil society organizations have reacted to the threat by forming the Civilizáció (Civilisation) platform, uniting several prominent CSOs with international networks to combat democratic backsliding in Hungary. Compared to the money the government uses to further its narratives, this attempt is small but noteworthy.

Effective Civil
Society
Organizations
(Capital and
Labor)
Score: 4

After the systemic change in 1990, civil society in Hungary developed quickly, fueled by the internationalization of Hungarian society and the introduction of tax deductions for civil society organizations. This development was steady until 2010, when Fidesz and Orbán retook power, after which the number of CSOs stagnated and dropped slightly. At the same time, NGOs' income and employees' earnings grew significantly (KSH 2024). The number of employees remained relatively stable. Since 2016, civil society organizations engaged with the political system in the broadest sense have operated in an increasingly hostile environment. The background is the so-called Lex NGO of 2017, which aimed to bring CSOs under government control. The infighting between civil society and the government has forced CSOs to divert resources from their original tasks to ensure proper operation.

The government has entered this battle by creating numerous government-organized NGOs (GONGOs) to further its illiberal and nationalist narrative. As a result, "only organizations friendly and close to the government can effectively engage in lobbying" (United States Agency for International Development 2022: 5). Many of these organizations are involved in the distribution of financial resources from government and EU funds and are vulnerable to corruption. Instruments for managing state support for CSOs include the National Cooperation Fund and the Village and Town Civil Funds. The operation of these funds is rather opaque and benefits the Fidesz nomenclature (Civic Forum 2023: 12).

The politicization of civil society has had negative consequences for NGOs, as bridging the ideological rift between the illiberal and liberal camps is nearly impossible without losing the support of the home camp. The weakness of organized interests in the labor sector is not new. Attempts by former left-wing governments to organize tripartite consultations were unsuccessful, and trade unions and employee associations remain fragmented. Not surprisingly, Hungary ranks extremely low within the EU in terms of the number of strikes (European Trade Union Institute 2024).

Teachers’ strikes directed at the government’s educational policies were made impossible by a government decree issued in February 2022. Combined with the employer-oriented economic policy of the Orbán governments, trade unions, which are weak in membership and organizational capacity, fail to exert relevant influence. Overall, the ability of major civil society organizations to shape public policies in their fields is relatively low. This holds even for the most significant employers’ association, the MGYOSZ. Anti-corruption NGOs Transparency International Hungary and K-Monitor have been involved in the Anti-Corruption Task Force of the Integrity Authority, a state agency created in 2022 under pressure from the European Commission (Telex 2022). However, they have failed to exert significant influence with regard to improving the transparency of public procurement or politicians’ wealth declarations.

Effective Civil
Society
Organizations
(Social Welfare)
Score: 4

During the successive Orbán governments, the share of GDP dedicated to social welfare decreased from 21.8% in 2010 to 16% in 2022 (KSH 2024). This reduction makes CSOs important partners in addressing social issues. NGOs often provide services and support in areas where the state is unable or unwilling to do so. These organizations work in various fields, including homelessness, poverty reduction, disability services, elderly care, child protection and support for marginalized communities such as the Roma. Their activities range from direct service provision to advocacy and policy influence. In some cases, partnerships exist between the government and NGOs or CSOs, wherein the government may contract with these organizations to deliver certain social services. However, the organizational incapacity of Hungarian social welfare organizations to organize and advocate effectively makes them relatively minor players in the system. Foreign-based NGOs often face government-induced work limitations based on the Lex NGO and the Sovereignty Protection Act. This is especially true regarding migration issues and social issues surrounding LGBTQ+ rights.

Although most NGOs are organizationally weak with respect to membership, their social support, as expressed through 1% personal income tax donations, reached record-high levels in 2023 (Népszava 2023). This indicates that an increasing share of the population finds their work important and worthy of support.

Effective Civil
Society
Organizations
(Environment)
Score: 4

Like other CSOs in Hungary, those focusing on the environment and sustainability face hostile legal challenges and are targeted by laws, regulations and campaigns critical of such organizations. Laws including the Lex NGO and the Sovereignty Protection Act (SPA) create a legally unstable environment. While Hungary’s environmental policies are less politicized than others, such as those addressing migration, the government is not a leader in

the area of environmental sustainability. There is a strong bias toward fossil fuels and nuclear energy, coupled with efforts to develop foreign policy ties with Russia, to which Budapest is bound concerning gas, oil and fuel rods for the Nuclear Energy Plant in Paks.

Many CSOs in the environmental field are funded by foreign donors, making them particularly vulnerable to the Lex NGO and the SPA. Additionally, the close involvement of Fidesz cadres with the construction industry often leads to clashes surrounding new construction projects, such as those around Lake Balaton. In this context, the ruling party views environmental CSOs as a threat, significantly reducing these organizations' advocacy capacities. Consequently, many environmental CSOs collaborate with other CSOs to address the democratic decline in Hungary. EU direct support to CSOs in the member states – through the Citizens, Equality, Rights and Values (CERV) program – is extremely helpful as a means of circumventing the obstacles established by the government and countering the monopoly held by government-friendly NGOs (GONGOs) on access to funds.

The most salient environmental conflicts during 2023 revolved around establishing new battery plants to serve the electric vehicle industry at several sites across the country, mostly financed by Asian companies. Public concerns centered on these factories' potential failure to meet pollution requirements and possible depletion of resources such as fresh water. Despite the minimal impact of national-level CSOs, several local grassroots initiatives have emerged near potential sites, such as the Mothers of Mikepércs for the Environment Association. These spontaneous civic groups have organized influential protest events and mobilized public opinion against battery plants, although they did not secure any concessions from local authorities (Inotai 2023).

III. Horizontal Accountability

Independent Supervisory Bodies

Effective Public
Auditing
Score: 3

The criticism faced by the Hungarian State Audit Office (ÁSZ) centers on the issues of administrative expertise, political bias, lack of transparency and potential conflicts of interest. Concerns have arisen that the office targets opposition parties and organizations with more rigorous audits while allegedly being more lenient with those aligned with the government. Additionally, there

are transparency issues related to the publication of audit reports and the methodologies used in conducting audits. These criticisms highlight the challenges that independent institutions face in maintaining autonomy and public trust in a politically charged environment. For example, the Democratic Coalition (DK) and the Együtt parties were each fined HUF 16 million for renting office space below market rates. The Politics Can Be Different party (LMP) faced a similar fine of HUF 8.8 million for the same reason. These fines have raised concerns about selective enforcement, as there is no similar scrutiny of the ruling Fidesz party's activities.

Furthermore, the government urged the Audit Office to fine several NGOs critical of the government under the new anti-NGO legislation. After a field trip to Hungary in 2023, the European Parliament's budget control committee was particularly critical of the quality of the ÁSZ's leadership and performance. Overall, the Audit Office is more of a complementary government body than one that oversees the government. In February 2024, just a few months before the European Parliament and municipal elections, the State Audit Office levied a record-breaking HUF 520 million (approximately €1.34 million) fine on opposition parties for allegedly using foreign funds during the 2022 general election campaign. This action put the opposition parties in a difficult position ahead of the next campaign period and further tilted the playing field in favor of Fidesz (Bloomberg 2024).

Effective Data
Protection
Score: 5

The right to personal data protection and information freedom is regulated under the Act CXII of 2011, which was amended in 2018 to implement the EU's General Data Protection Regulation (GDPR). Since then, the GDPR has been incorporated into various sectoral laws, such as the labor code. In 2023, a "whistleblower law" came into force, introducing the EU's 2019/1937 Whistleblower Directive into the Hungarian legal system. The 2014 law was found to be insufficient, as evidenced in the lead-up to the 2023 corruption trial against former Secretary of State Völner in the Ministry of Justice. However, the European-induced modification has faced criticism for a controversial article interpreted as enabling citizens to anonymously report same-sex families to authorities. This aspect of the legislation was particularly contentious, and led President Katalin Novák to veto the proposed law. Novák stated that the article weakened rather than strengthened the protection of fundamental values. This move was unusual for Novák, who generally supports Prime Minister Viktor Orbán. The law was revised after the veto, especially as the European Union Commission announced it would otherwise take legal action. The National Authority for Data Protection and Freedom of Information (Nemzeti Adatvédelmi és Információszabadság, NAIH) is responsible for supervising and defending the data protection rights of Hungarian citizens. While it has not played a significant role in the public

debate, there is still little experience with the new European regulation in this field. The NAIH has challenged the government in some COVID-19-related cases. For instance, it has criticized the fact that sensitive data required to register for vaccination is collected and saved not by the government but by a Fidesz-allied firm, IdomSoft Zrt. However, the NAIH has failed to speak out against the misuse of public data for Fidesz's election campaigns, and has not addressed the Pegasus surveillance scandal, in which the government used Pegasus spyware to target opposition politicians and public figures. Additionally, the NAIH has been reluctant to take proactive measures on freedom of information practices, whereby the government routinely classifies documents of strategic importance for national security reasons, and fails to respond to public information queries from independent journalists (see Láncoš 2019).

Rule of Law

Effective Judicial
Oversight
Score: 5

The state of the rule of law and judiciary policy in Hungary is highly contested, and has been subject to strong criticism from international organizations, NGOs and policy experts. As in other countries with authoritarian tendencies, the Orbán government believes that the law is subordinate to government policies, which it claims reflect the “national interest,” a term exclusively defined by the government majority.

Due to the Orbán government's voluntarist approach toward lawmaking, legal certainty has been undermined by chaotic and rapidly changing legislation. The hasty legislative process has regularly violated the Act on Legislation, which mandates a process of social consultation if the government presents a draft law. Since the 2015 “refugee crisis,” the government has increasingly relied on special decree powers. On 20 March 2020, the government's two-thirds supermajority in parliament adopted the so-called Coronavirus Defense Act, also known as the Authorization or Enabling Act, which came into force the next day. The act gave the government the right to suspend or override any law. In mid-June 2020, the state of emergency, which stirred massive criticism both domestically and internationally, was lifted but then transformed into a “medical emergency.” In November 2020, parliament declared a new state of emergency, which was later extended several times, most recently justified with reference to the war in Ukraine. During the first lockdown, proceedings at ordinary courts were officially suspended due to fears of spreading the virus, preventing ordinary people from initiating cases that could reach the Constitutional Court. Under these circumstances, only one-quarter of the members of parliament were able to call on the Constitutional Court, which would have required the far right and the left to act together. The

Constitutional Court has refused many requests for constitutional reviews, and did not challenge the Orbán government's power grab during the COVID-19 pandemic. In October 2020, the government consolidated its control over the Kúria (previously the Supreme Court), as the Fidesz supermajority in parliament elected Zsolt András Varga, a member of the Constitutional Court without any experience as an ordinary judge, as its new president. This elicited broad and angry reactions among judges and their professional organizations, and the National Judicial Council issued a negative opinion on the issue. The 2011 constitution (Basic Law) left the rules for selecting members of the Constitutional Court untouched. Justices are still elected by parliament with a two-thirds majority. As Fidesz regained a two-thirds majority in the 2018 parliamentary elections and defended it in 2022, it has since had complete control over the appointment of Constitutional Court justices. In 2023, parliament elected four new members to the Constitutional Court, all of whom are close to Fidesz.

The Hungarian judiciary performs well in terms of the length of proceedings and has a high level of digitalization. However, its independence has drastically declined under the Orbán government (European Commission 2021). While the lower courts, in most cases, still make independent decisions, the Constitutional Court, the Kúria and the National Office of the Judiciary (OBH) have increasingly come under government control and have often been criticized for making biased decisions. Likewise, Péter Polt, the chief public prosecutor and a former Fidesz politician, has persistently refrained from investigating the corrupt practices of prominent Fidesz oligarchs. As a result of the declining independence and quality of the Hungarian judiciary, trust in the Hungarian legal system among the general public has dropped over time. More court proceedings have ended at the European Court of Human Rights (ECHR) in Strasbourg. Hungary is among the countries generating the most cases at that body, and the Hungarian state often loses these lawsuits. Judiciary reforms have also been among the main prerequisites for Hungary to access a portion of its EU funds locked under the rule-of-law conditionality mechanism adopted by the European Commission (2023).

Universal Civil
Rights
Score: 4

Generally, civil rights in Hungary are protected by the constitution (Basic Law), but subordinate laws and practical applications often blur these constitutional provisions. During the Orbán era, several severe and systematic issues have arisen, reflecting the illiberal regime's logic and the democratic decline the government is engaging in to cover and maintain the corrupt practices of the Fidesz elite. Ideologically, same-sex marriages and feminism are incompatible with the conservative, traditional view of society upheld by the regime. Consequently, LGBTQ+ issues are alien to the regime. Provisions in the constitution (e.g., marriage as a bond between men and women, the

heteronormative nuclear family model enshrined in the constitution – see Takács et al. 2022) and laws like the Lex NGO and the Sovereignty Protection Act significantly reduce legal certainty for these communities and their ability to organize. Rather than preventing discrimination, the government fosters it in this respect.

Furthermore, the Child Protection Act of 2021 conflated homosexuality with pedophilia and led to absurd measures, such as obliging bookstores to sell LGBTQ+ books in sealed packages (Rédai 2023). Migrants are another group in society that faces legal and practical restrictions. All these groups are subject to othering in the narrative pushed by the populist government. The scapegoating of minority groups for domestic problems and the us-and-them narrative aims to secure power. With checks and balances having largely been removed from the system and the government having secured a two-thirds supermajority in the 2022 parliamentary election, only the EU can prevent the government from continuing and widening its attack on these groups. The former head of state, Katalin Novák (who resigned in February 2024 due to public outrage caused by offering a presidential pardon in a pedophilia case), once turned against the government when vetoing a highly controversial law on whistleblowing that aimed to restrict the rights of homosexual and transgender people. Novák referred to the potential increase in mistrust among community members and criticized the fact that the law did not meet EU requirements. Despite these instances, the government has continued to target these communities.

Effective
Corruption
Prevention
Score: 4

Corruption is one of Hungary's central problems (European Commission 2021: 10-14), and the level of corruption perceptions in Hungary is very high. The country ranks 77th out of 180 countries in the Transparency International Corruption Perceptions Index 2022, behind neighbors such as Slovakia, Slovenia, Croatia and Romania. Widespread corruption has been a systemic feature of the Orbán government, with benefits and influence growing through Fidesz informal political-business networks. Members of the Fidesz elite have been involved in several large-scale corruption scandals, with many people accumulating substantial wealth in a short period. Such individuals have enjoyed protection from portions of the judiciary. Hungary has for some time led OLAF's list of member states in which irregularities in the use of EU funding have been identified, and has conspicuously failed to cooperate with the European Union's anti-fraud agency. In 2021, the legal anti-corruption framework was further weakened by a narrowing of the scope of application for public procurement rules. The government implemented no specific measures to limit corruption during the COVID-19 pandemic, and special procurement rules have been applied. Only after the strong intervention of the European Union (Article 7 procedure) and the freezing of EU assets did the

government engage in procedural and institutional changes. An investigatory report by the Budgetary Control Commission of the European Parliament labeled these reforms as a kind of Potemkin Village, whereby the reforms as officially described do not translate into sustainable reform. What is missing is the political will to fight corruption. The fact that Hungary still refuses to join the European Public Prosecutor's Office shows where the government stands. Joining the Office would make many expensive institutional reforms completely unnecessary. In 2022, bowing to pressure from the European Commission, the government set up a new institution called the Integrity Authority. However, this has a weak mandate, and little power beyond issuing periodic reports on its observations. Nevertheless, the Integrity Authority has been critical of the lack of transparency in public procurement, and has flagged several issues related to businesspeople with close ties to the government. The system of asset declarations has been reformed several times in recent years and is relatively stringent on paper. However, there is no associated oversight mechanism, so false statements or underreporting may not be detected, rendering the system almost useless (K-Monitor 2023).

Legislature

Sufficient
Legislative
Resources
Score: 6

With its budgetary rights, the Hungarian parliament has the de jure right to control its budget. De facto, the parliamentary majority usually follows the policies set by the core executive. According to the standing orders of the Hungarian parliament, all parliamentary party groups can invite experts, and committee sessions are open to the public. In practice, however, Fidesz's overwhelming majority, reinforced in the 2022 elections, as well as the hectic pace of legislation, have reduced the involvement of experts to a mere formality. While the rights are in place, and there are few legal obstacles to the summoning of experts, the consultation of experts does not play a significant role in policymaking. The reduction in the number of parliamentary seats from 386 to 199 made the parliament better fitted to a country the size of Hungary, and made the legislature more cost-effective. Still, it reduced the amount of experts and assistants, who are essential to parliament's work in general. Today, the parliament has a support staff of 741 people. Compared to parliaments of the same size (Austria: 250 legislators, 460 staffers; Czechia: 200/460), the Hungarian ratio is excellent and maybe even indicates overstaffing. At the same time, it should be noted that due to the governing party's direct access to public funds through its control over the administration, it has a sizable advantage over opposition parties when it comes to employing staff and experts (Susánszky et al. 2020). Opposition parties try to compensate by reallocating the more generous funds provided for their European Parliament members.

Effective
Legislative
Oversight
Score: 5

Until 2012, parliamentary committees in Hungary enjoyed extensive access to government documents. However, the standing orders of the Hungarian parliament were significantly altered under the 2012 Act on Parliament. These changes do not regulate the access of parliamentary committees to public documents. Subsequent Orbán governments have used their parliamentary majority to restrict access to public documents, even for discussions within parliamentary committees. Additionally, the minutes of committee meetings on sensitive issues, such as national security, are often classified, limiting opportunities for public scrutiny in cases as critical as the Pegasus wiretapping scandal. The parliament's oversight function is formally regulated by the right to summon ministers, among other things. The standing orders of the Hungarian parliament require ministers to report personally to the relevant parliamentary committees at least once a year. However, these orders do not guarantee parliamentary committees the right to summon ministers for other hearings. Additionally, ministerial hearings suffer from severe time restrictions, with individual members of parliament allotted only two minutes to speak. Overall, the number of interpellations is declining. During the 2018 – 2022 term, the number of interpellations fell to 484, down from 820 in 2014 – 2018. The decline occurred in both government and opposition-initiated cases, indicating that even the opposition is losing trust in this instrument. In contrast, the number of prompt questions remained stable, while oral questions dropped by 50%, returning to the level they were before 2014. Written questions remained consistently high during the last two terms.

Effective
Legislative
Investigations
Score: 3

In socialist Hungary, the parliament was de jure the highest and strongest institution in the political system; de facto, it was utterly impotent. After 1990, the Hungarian parliament became a stronghold of democracy and the central site for political debate. Since 2010, successive Orbán governments have constantly diminished the parliament's role, easily achieving this through a two-thirds supermajority and centralized control over Prime Minister Orbán's party ranks. The government can tailor regulations to fit its policy agenda without fearing opposition in parliament. In parliament, the opposition faces significant challenges in seeking to oppose the Fidesz supermajority. This difficulty has led even prominent politicians to use public media and the streets instead of parliament to set their political agendas. The government majority often changes the constitution or the house order. Since the government side controls agenda-setting and all parliamentary committees, the opposition has little opportunity to push reports through parliament if the government wants to prevent this, not to mention the severe consequences that might arise from such reports. Both de lege and de facto, the legislature faces strong constraints in fulfilling its obligation to oversee the government, especially since the government announced the pandemic-era state of

emergency (which has persisted ever since), during which it has governed extensively through decrees, bypassing parliament. Moreover, due to the immunity enjoyed by members of parliament, criminal investigations against any legislator may be launched only once there is a majority vote in favor of suspending their immunity, something that rarely happens with Fidesz parliamentarians or members of the government (although there have been such precedents). Potential investigations against the prime minister or members of his family are especially unlikely to occur under these circumstances. Overall, there is a certain danger that the parliament will be pushed back into a position resembling its state before the democratic transition.

Legislative
Capacity for
Guiding Policy
Score: 5

Since the 2010 reduction in the number of ministries, there has been a significant mismatch between the task areas of ministries and committees. The fact that ministries are covered not by a single committee but by several has complicated the monitoring of ministries. Moreover, the decision-making centers – the Prime Minister’s Office and the Cabinet Office – are not covered by any parliamentary committee. Since 2022, the number of ministers (15 plus the prime minister) mirrors the number of committees, but area alignment has not yet been completely established. Several important policy areas with a designated parliamentary committee, such as sustainability and culture, do not have a separate ministry, but are represented at the state secretary level. The government controls most of the committees due to its two-thirds majority. Currently, five out of 15 committees are controlled by the opposition, not counting the exceptional committee for national minorities, reflecting the electoral outcome. Government-allied politicians control key committees for foreign policy and European integration, as well as the judicial committee. The only exceptions are the Budgetary Committee and the National Security Committee, which opposition politicians lead.

Governing with Foresight

I. Coordination

Quality of Horizontal Coordination

Effective
Coordination
Mechanisms of
the GO/PMO
Score: 8

The Orbán governments have steadily expanded the competencies and resources of both the Prime Minister's Office and the Cabinet Office. The division of labor between the two offices, each led by a minister, is somewhat artificial. The Prime Minister's Office is central to policy coordination, ensuring that policies align closely with the prime minister's preferences and Fidesz's ideological rhetoric. The Cabinet Office, headed by Antal Rogán, is primarily responsible for government coordination and communication, but its scope was extended after 2022 to oversee the secret services as well.

Under the Orbán governments, line ministries have mostly acted as executive agencies following priorities set by the core political executive. This represents a complete turnaround from most earlier governments in post-communist Hungary, when ministers functioned more as representatives of their ministries in the government than as representatives of the government in their ministries. Today, orders come from above, and ministerial activities are subject to detailed oversight by the Prime Minister's Office (PMO). However, the pivotal role of the PMO has also made it a bottleneck in policymaking at times.

In this structure, the core executive may intervene in a ministry's preparation of policy proposals at any time. As the Orbán V government increased the number of ministries, coordination functions shifted from within large ministries (Orbán IV) to the core executive, enhancing the need for broader coordination. Overall, the continuous growth of the core executive has been a feature of the informal presidentialization of the Hungarian government, in which the prime minister is the central political figure and the decision-maker of last resort. Aside from technical issues, coordination here is always a matter of command and control. Nevertheless, the cabinet holds weekly, biweekly

and sometimes extraordinary meetings where ongoing policy issues are regularly discussed, with the participation of the prime minister and the ministers. These meetings are not public, but the most important decisions are announced through press conferences.

Effective
Coordination
Mechanisms
within the
Ministerial
Bureaucracy
Score: 7

Under the present government, the number of ministries has increased to a more adequate number of 14, compared to the relatively low number in previous terms. This shift necessitates the replacement of intraministerial coordination with interministerial coordination. The Orbán governments have occasionally set up cabinet committees. However, these committees have to date played a subordinate role in interministerial coordination, primarily because of the limited number of ministries and the strong coordination from above. In the current parliamentary term, there are four cabinets: an economic cabinet; a strategy cabinet (a mixed shop); a cabinet on “nation-policy” (nemzetpolitika) dealing with state-church relations, national minorities and questions of the Hungarian nation such as citizenship; and a national security cabinet (defense council). In the Hungarian system, vertical coordination is stronger than horizontal coordination. Most horizontal conflicts arise when certain responsibilities are moved from one ministry to another or when new ministries are established. For example, the supervision of secret services was transferred from the Ministry of Interior to the Prime Minister’s Cabinet Office in 2022. Another instance is the establishment of the Ministry of Construction and Transport, led by a highly conflict-seeking minister (János Lázár). The political impetus stemming from the prime minister’s convictions is highly prioritized, and the line ministries are executors of this political will. Consequently, skirmishes between ministries about policy options and sectoral interests are rare. Still, the pivotal role of the Prime Minister’s Office has sometimes resulted in it becoming a bottleneck in policymaking.

Complementary
Informal
Coordination
Score: 7

The strong top-down formal role of Prime Minister Orbán and his Prime Minister’s Office is complemented by informal coordination mechanisms. As power concentration has increased in the fourth Orbán government, so has the role of informal decision-making. Orbán regularly gathers officials from his larger circle to issue instructions. In effect, formal mechanisms only serve to legalize and implement the prime minister’s improvised and hastily made decisions.

From the bottom-up perspective, civil servants have very limited capacity to influence policymaking either formally or informally. Given the high level of politicization in Hungary and the high levels of patronage and political control over the bureaucracy, any deviation from the core government’s line is perilous. In small groups, mind guards are often present.

As a consequence, self-censorship and groupthink occur regularly. Informal “coordination” exists through top-down channels through which the core government makes it clear to civil servants where the political will is situated, often without issuing formal orders, as such orders might be legally questionable. As a result, much of the fragmentary informal coordination is defunct. It does not improve the quality of policymaking but hinders the implementation of objectively preferable solutions to problems. Information between the political and implementation-oriented spheres of public administration under the Orbán government flows only unidirectionally and through legal texts rather than personal interaction (European Commission 2018). The problem is not that informal communication negatively impacts administrative procedures, but vice versa.

Quality of Vertical Coordination

Effectively
Setting and
Monitoring
National
(Minimum)
Standards
Score: 5

In Hungary, the discussion about decentralization, the moderation of the Budapest-centered economy and public life, and the creation of a meso-level containing urban centers with relevant administrative tasks was intensive during the first 20 years after the democratic transition, but yielded no substantive results. Regions were established above the classical administrative meso-level, in the form of the counties (megyék). However, they remained largely statistical units without substantive institutional underpinning, even though counties do have regional-level assemblies. Still, the level of decentralization in Hungary, as a unitary state, was relatively high, and the system of self-governance was substantive. Under the Orbán governments II through V (2010 – present), the situation changed considerably, not toward an empowered meso-level, but toward strengthening the core. Due to the reforms, the quality of subnational public services in some areas has suffered because of organizational change in subnational self-governance structures and severe underfinancing. Generally, the reform initiated under the second Orbán government (2010 – 2014) preferred concentration over decentralization.

With these reforms, the government’s ability to push through centrally set political agendas improved at the expense of the self-governance of spatial units. The principle of subsidiarity was weakened. In 2023, the meso-level and counties were renamed “vármegye” following historical precedents in a typical Fidesz-identitarian move. Overall, during Orbán’s tenure, the countries have lost competencies and financial and human resources. However, the state administration’s new subnational tiers have gradually gained experience in providing services, leading to several improvements for citizens, such as the government windows (kormányablakok), where state services are provided locally.

Public services left with the subnational self-governments have suffered due to a lack of financial resources and administrative capacities, conflicting legal norms, and complex regulations. The central government has exercised strong control, resulting in the undermining of national standards, especially in healthcare, education and social services.

However, as central deconcentrated authorities have taken over some administrative tasks, the duties of smaller villages have been bundled with those of smaller cities. Between 2010 and 2020, there was a concentration and fusion of local agencies. These agencies were partly merged and elevated to the county level (Barta 2021), significantly reducing the number of institutions. National standards have been strengthened to some extent, at the cost of local and regional autonomy. Local autonomy, in particular, was reduced more significantly. The central government's relationship with the local council of Budapest, led by influential opposition leader Gergely Karácsony, has been especially tense. The central government has threatened not to finance key infrastructural projects, such as the renovation of the city's emblematic Chain Bridge, and has created overriding competencies in the area of public transport. In 2023, the government levied a special "solidarity tax" on wealthy municipalities to redirect local business taxes toward more underdeveloped areas, which the local council of Budapest has found unfair and has partially refused to pay (Budapest Business Journal, 2023). The government often awards direct subventions to specific municipalities on a political basis through ad hoc support schemes. The decentralization index of the Committee of Regions of the EU (2024) ranks Hungary in the midfield at 15th place out of 27 in the area of regional decentralization and relatively low at 21st out of 27 for local decentralization.

Effective
Multilevel
Cooperation
Score: 4

In Hungary, citizens generally trust municipalities more than the national government, and this gap continues to grow (Kákai/Kovács 2023). Since Fidesz lost control of Hungary's major cities, including the capital and many smaller settlements, in the municipal elections in October 2019, the government has sought to further disempower opposition-led municipalities. The Orbán government instrumentalized the COVID-19 pandemic in this respect, drawing on the state of emergency to further curtail municipal competencies. It has deprived them of important revenue sources, including vehicle taxes, car parking fees and business taxes. It has also prohibited them from raising taxes to cope with the hardships of the pandemic.

The government has also canceled several local development projects, most in opposition-led municipalities, and has misused anti-crisis legislation that provides for the creation of "special economic areas" by transferring tax

revenues from opposition-led municipalities to Fidesz-controlled counties. Some observers have called the attack on opposition-run municipalities “the real COVID-19 coup in Hungary” (Györi et al. 2021:31). While the government’s measures have hit opposition-led municipalities hardest, Fidesz-ruled settlements have also been affected, prompting even leaders loyal to Fidesz to protest against the draining of local public administration resources.

Municipalities, in general, are vulnerable to the central government’s political will, as checks and balances have been removed over time and self-governing rights have been curtailed. Left-leaning municipalities may receive little or even negative attention from the government, while those within the Fidesz camp might receive an excess of scrutiny. It is at the municipal level where the redistribution of EU funds partly occurs.

As a consequence, these political spaces are highly vulnerable to corruption. The freezing of EU funds has harshly struck municipalities and Fidesz-led cities. The government must expect criticism here. To tackle the biased use of funds, the European Union is increasingly working on programs where financial transfers are distributed directly to municipalities, including opposition-led cities and towns. In parallel, the Association of Hungarian Municipalities (MÖSZ), led by the opposition mayor of a suburb of Budapest (Gödöllő), is lobbying for increased financial autonomy for local self-governments. However, due to political tensions, these efforts have been disregarded by the central government, even though some Fidesz mayors have also raised concerns regarding specific measures, such as the “solidarity tax” levied in 2023 to redistribute local business tax revenue toward poorer municipalities.

II. Consensus-Building

Recourse to Scientific Knowledge

Harnessing
Scientific
Knowledge
Effectively
Score: 3

The Orbán governments have shown little interest in seeking independent, knowledge-based advice and have alienated many leading experts who initially sympathized with them politically. The culture war waged by Fidesz and the growing restrictions placed on academic freedom have further intensified this alienation (Enyedi 2018, 2022; Labanino and Dobbins 2022). The government has invested significantly in creating a network of partisan experts in pseudo-independent institutions that can influence public opinion,

and has used such institutions to promote government views in international debates. Limiting decision-making functions to an inner circle and disregarding broad-based advice leads to groupthink and low-quality decisions that are often detached from societal reality. In 2023, the government announced a tender for the organization of policy advice until the end of 2026. There were only two applications, both pro-government: the Századvég Group Foundation and two companies close to Nézőpont (Observer Budapest Médiafigyelő Kft). Századvég Group won consultancy contracts worth over HUF 24 billion (€57 million), while Nézőpont secured contracts worth HUF 22 billion (€54 million). The advice is likely to be neither unbiased nor of high quality, and the funds are vulnerable to corruption, given the close ties between the owners of the companies/think tanks and Prime Minister Orbán. A broad study on the subject states: “In Hungary, the level and types of advisory activity of political scientists is more limited by demand-side factors than by the supply side of knowledge production and by viewpoints within the scholarly community itself” (Molnár 2022: 199). In other words, Hungary has good advisory competence, but the government is not interested in utilizing it.

Involvement of Civil Society in Policy Development

Effective
Involvement of
Civil Society
Organizations
(Capital and
Labor)
Score: 3

To consolidate its control over public narratives and remove limits on its authority, the governing administration has sought to undermine and suppress groups in society that maintain ideological and financial autonomy from the governing party. This approach has escalated the likelihood of societal discord, as opportunities for mediating and resolving divergent viewpoints have been increasingly reduced. Consequently, the Orbán governments have rarely and selectively consulted with societal actors. Trade unions and social and environmental groups have had little influence in the policy process. The two main exceptions have been the representatives of large multinational firms, upon which the Hungarian economy depends, and the churches, which have aligned closely with the government. In addition, the government has organized so-called national consultations and fake referendums based on letters to citizens containing misleading and manipulated questions. The actual function of these letters is to keep Fidesz voters in a state of perpetual mobilization, partly by making it possible to compose lists of those who have answered these letters.

Additionally, trade unions and employers’ associations struggle due to the government’s disregard of tripartite interest reconciliation, with the exception of trade unions that have been co-opted by the government. For instance, the Hungarian Chamber of Commerce and Industry (HCCI), whose annual meetings are often attended by the prime minister and members of his cabinet,

is frequently used as a source of legitimation for unpopular economic measures. Collective bargaining is highly decentralized. The National Economic and Social Council (NGTT) serves as the central social dialogue platform, and includes representatives of employers, employees, churches, civil society, academia and the arts. However, the government does not participate in these discussions, thus relegating the body to a consultative role. Even in this capacity, the government does not utilize the expertise available via the NGTT.

The reduction of state involvement in labor relations, as seen in the labor code reform, enhances the negotiation partners' autonomy. However, this relationship is skewed in favor of employers. In this context, it is unsurprising that unions and employers' associations are rarely consulted in the context of policy formulation. The government did not consult business organizations before adopting its controversial October 2021 decree, which allowed employers to mandate COVID-19 vaccinations for employees. This decree prompted extensive legal debates and interpretations, resulting in chaos. The government eventually withdrew it quietly, which was at least a minor success for employers. Overall, the neoliberal stance of the Hungarian government positions employers' associations as the government's natural partners. These associations have some influence if they support the government's general policy direction. This influence, however, does not extend to unions. By intentionally reducing institutionalized patterns of social dialogue, the government has widened the gap between the state and society. "The lack of an autonomous social dialogue supports anti-pluralist trends, a characteristic feature of populist governance," as Hungler (2022: 114) correctly stated.

Effective
Involvement of
Civil Society
Organizations
(Social Welfare)
Score: 3

The illiberal government under Prime Minister Orbán filters civil engagement through an ideological lens. The inclusion of CSOs is determined by whether organizations share the governing party's worldview. As a result, substantial sectoral and topic-based differences have emerged. For instance, in family matters, the government promotes traditional family structures while opposing modern forms of engagement. Generally, the government epitomizes "populist policymaking," which means that interest groups, experts and intermediary groups are rarely consulted (Bartha et al. 2019). During the COVID-19 pandemic, the government occasionally consulted societal actors, but continued to do so selectively and without transparency. In the case of older people, a group particularly hard-hit by the pandemic, the government refrained from engaging with traditional interest associations representing this demographic. Instead, it referred to "negotiations" with the Council of the Elderly People, a body comprising 12 members loyal to Fidesz and chaired by Prime Minister Orbán himself. Vulnerable social groups such as the Roma are underrepresented in social dialogue. The discourse on the social welfare of

migrants is particularly problematic, with experts being criminalized through various legal instruments rather than consulted. The government's anti-feminist stance creates hurdles to consultations on gender issues, and entities pursuing LGBTQ+ rights are demonized as well. Advocacy in these areas has been interrupted due to government ideology. The government uses a multitier strategy to tackle feminist and family-oriented issues with a differentiated approach toward the CSOs involved in policymaking. Organizations that support the conservative, traditional narrative of the government are usually co-opted, and may receive funding for projects. Another strategy includes the organization of mergers, the creation of GONGOs, and the establishment of or fusion with CSOs close to the government. In contrast, CSOs that push a modern, feminist agenda are excluded and may quickly become victims of smear or othering campaigns. The situation somewhat resembles the famous cultural policy of György Aczél during the communist period, where the mechanisms of being forbidden, tolerated or supported (*tiltott, tűrt, támogatott*) were used in the cultural sphere (Gerő et al. 2023).

Effective
Involvement of
Civil Society
Organizations
(Environment)
Score: 2

Environmental advocacy in Hungary, distinct from sectors such as capital, labor and social welfare, is marked by a high degree of internationalization. This is largely due to the global and regional scope of environmental issues and the strong competencies of the European Union in this area. Prominent global NGOs like WWF and Greenpeace, along with their Hungarian subbranches, dominate the scene. However, the Hungarian government has stigmatized foreign CSOs through the Lex NGO, labeling them as alien to the Hungarian nation. Consequently, these organizations operate in a challenging environment. They often face stigmatization, though not to the extent experienced by CSOs focused on human rights or feminism (Gerő et al. 2023). Unsurprisingly, their ability to influence lawmaking remains minimal.

There are some access points via EU funds, where oversight mechanisms such as consultation rights and regulatory impact assessments (RIAs), are part of the administrative process. The EU has called for changes in the participatory competence of CSOs and the strengthening of RIAs. In response, the Hungarian parliament made some adjustments to the relevant legislation. Nonetheless, the structural problem persists: a confrontation between foreign-funded CSOs and an illiberal government that places little emphasis on environmental issues.

Smaller NGOs and grassroots movements have resorted to local spaces, aiming to depoliticize their campaigns (Kovács and Eszter-Pataki 2021: 47). By distancing themselves from more prominent transnational social players and opposition parties, they have attempted to influence local affairs (Buzogány, Kerényi and Olt 2022), though with limited success. The situation

is exacerbated by the government's lukewarm and skeptical stance on sustainability. This was reflected in a 2023 speech by Prime Minister Orbán, in which he declared, "Yes to green energy, no to green ideology" (Magyar Nemzet 2023). Differences between environmental NGOs and the government appear irreconcilable with regard to issues such as establishing new battery plants in the country.

Openness of Government

Open
Government
Score: 3

The Hungarian government cannot be characterized as an open government. Quite the contrary is true. Hungary joined the Open Government Initiative during the second Orbán government in 2013, but withdrew in 2016 when the first reports were conducted, accusing the organization of distorting facts. Since then, governance openness has been reduced or eliminated. Access to relevant information is complicated, even for members of parliament, scientists and ordinary citizens. This may be rooted in Fidesz's general mistrust of openness due to paranoia and the insecurity in the public administration about releasing information without explicit consent from top-ranking officials. However, the government must react to criticism from the general public and international organizations to a certain extent. In December 2016, the Orbán government approved a White Paper on National Data Policy that called for strengthening efforts to make public sector information available as open data. The datasets available at the central open data portal, www.kozadat.hu, are very basic (referring to homepages of institutions), limited in reach and difficult to use. Much of the information that would be of public interest – for example, the asset declarations of parliamentarians and government members – are published in non-searchable, non-machine-readable formats like scanned PDFs, making it very difficult to analyze them. In the 2020 – 2021 Open Data Inventory Report (Open Data Inventory 2020/21), Hungary ranks 39th with an overall score of 65, and eighth out of 10 in the "Eastern Europe" category. That means the country fulfills several ODIN coverage/openness criteria, but many essential gaps remain. The list of problems includes the issues of gender statistics, resource use and reproductive health.

The Hungarian government has provided selective information about the COVID-19 pandemic, with vital data on case numbers by region and municipality published inconsistently and unreliably. As the state of emergency continues, secrecy remains high, and there are few signs of change. Open government is alien to Prime Minister Orbán's illiberal regime. Some NGOs and media organizations such as anti-corruption watchdogs Transparency International Hungary, K-Monitor and atlatszo.hu attempt to fill

these gaps by launching court cases to access information and maintaining their own databases. However, their work is hindered by administrative obstacles, and their public impact is limited.

III. Sensemaking

Preparedness

Capacity for
Strategic
Foresight and
Anticipatory
Innovation
Score: 4

The institutional backbone of strategic foresight is located within the core executive, specifically the Prime Minister's Office and the Cabinet Office. The strategic aim here should be understood as the administration's ability to advance the prime minister's illiberal agenda, rather than proactively addressing policy challenges and changes in the political and economic environment. The open government tier is very underdeveloped and highly politicized. The digital agenda, however, is better organized, with several programs aimed at digitalizing the administration. Anticipatory innovation remains relatively weak, and the relevant programs and training methodologies are underdeveloped.

Due to the high pace of lawmaking in Hungary, there is often insufficient time for scenario-building and impact assessments. Nonetheless, the Cabinet Office regularly monitors public opinion through flash polls outsourced to pro-government think tanks such as the Századvég Institute or Nézőpont; therefore, it has a fairly precise evaluation of public opinion that frequently influences policymaking or political decisions. The selection of high-level civil servants is based on political nominations rather than merit, extending down to the middle-range ranks. Consequently, the best-trained civil servants do not always oversee policies.

Analytical Competence

Effective
Regulatory
Impact
Assessment
Score: 3

Upon taking office, the second Orbán government amended provisions for regulatory impact assessments (RIAs). Legal sources include a 2010 law (Act on Lawmaking) and a 2011 government decree (No. 24/2011 VIII.9). In practice, RIAs have suffered from sluggish and selective implementation (Brenner/Fazekas 2020; Corruption Research Center 2017; Staroňová 2014). An amendment to the 2010 Act in March 2019 (OECD 2021) aimed to simplify and expedite legislation to avoid costs, legal obligations and

administrative burdens. Another objective was to prevent overregulation and regulatory overlap (OECD 2022).

The core executive branch (government office) coordinates the RIA process. The quality of the RIA process in Hungary has been poor, at least until the 2019 reform (OECD 2021), and has not significantly improved since. It is often not well-considered, not sustainable, or not correctly implemented due to the fast pace of lawmaking in Hungary (Kührner 2021:83). Substantial stakeholder participation is often lacking because the idea of consultation is alien to the Orbán government.

Additionally, there is no independent evaluation of RIAs. Many RIAs are conducted by local affiliates of the “Big Four” accounting firms, and the findings are rarely or only partially made available to political actors on the special website for RIAs (hatasvizsgalat.kormany.hu). Public information requests from the media to access RIAs are in most cases rejected by the government, and in some instances already published RIAs have become unavailable (for an example in the case of an RIA relating to a battery plant; see Spirk 2024). Similarly, the annual report on RIAs prepared by the Prime Minister’s Office is not publicly available. The relevant decree removes the need to conclude RIAs during a state of emergency, which has been the norm in Hungary since the COVID-19 pandemic in 2020. Constitutionally, therefore, the government can easily waive the obligation if it so desires.

Effective
Sustainability
Checks
Score: 4

In Hungary, the strategic environmental assessment (SEA) approach aligns with the stipulations of the European Union Directive 2001/42/EC and the UNECE’s SEA Protocol under the Convention on Environmental Impact Assessment in a Transboundary Context. This assessment process is obligatory when crafting local spatial strategies and territorial development frameworks. The Hungarian parliament passed a National Sustainability Strategy in March 2013 and a National Energy Strategy in 2019. After the adoption of the National Sustainability Strategy, the parliament’s environmental committee was transformed into the Committee of Sustainable Development, consisting of parliamentarians and supported by the National Sustainability Council. The National Sustainability Strategy and regulatory impact assessment (RIA) processes have not yet been coordinated, and sustainability checks (SEAs) happen infrequently during the RIA process. The system of sustainability checks in the government was recently reformed with government decree 1262/2023 VII.4., specifically in the field of public spending, after severe criticism of the low standards of sustainability checks in procurement procedures. The government has no environmental ministry. This portfolio is represented only at an inferior administrative level, as a state secretariat subordinated to the Ministry of Agriculture. A regional authority, the

Government Office of Pest County (Pest Megyei Kormányhivatal), carries out the National Environmental Impact Assessment. At the subnational level, county government offices (megyei kormányhivatalok) are responsible for the issue, and there is no functional equivalent at the local level. For cross-border issues, the Department of Environmental Protection of the Ministry of Agriculture is responsible for performing sustainability checks and any required public hearings. Strategic environmental assessment (SEA) aligns with the European Union Directive 2001/42/EC stipulations and the UNECE's SEA Protocol under the Convention on Environmental Impact Assessment in a Transboundary Context. This assessment process is obligatory for crafting local spatial strategies and territorial development frameworks. While SEA is a routine practice in larger and medium-sized urban areas, particularly those with county rights, its application is less consistent in smaller towns (OECD 2018).

Furthermore, SEAs are prerequisites for formulating policies and plans across various sectors. The regulatory environment for environmental impact assessments (EIAs) is fragmented and lacks coherence. However, the issue has gained more prominence in public discourse due to the government's rushed attempt to attract foreign direct investment by subsidizing the establishment of new battery plants in 2023. This initiative led to popular protests in several locations and may increase pressure on the government to conduct and publish EIAs more transparently.

Effective Ex Post
Evaluation
Score: 3

On the government side, ex post evaluation in Hungary is a task assigned to the core executive, the Government Office. It is based on a 2010 law regulating lawmaking and the law on the task areas of the ministries, and was implemented by the 2016 government decree (12/2016 IV/29). Ministers are required to report to the Government Office once a year about practices and attend an annual hearing of their corresponding parliamentary committees to report on their achievements and respond to queries from committee members. The procedure includes internal ministerial and external stakeholder consultations before the evaluation reaches the Cabinet Office for approval. The ex post evaluation relies on social science methods. The material produced by the ministries is often not publicly available; however, the proceedings of the parliamentary committee hearings are routinely reported by the press, except when they concern national security issues. Even stakeholders do not always have access to all relevant information. Initially, the appropriate unit in the administration was understaffed, and clear organizational information was not provided (Gajduschek 2016:813). The lack of oversight instruments has long been an issue with the European Commission's criticism of Hungarian management of projects using European funds. Current modifications of the 2010 Act on Lawmaking include a

reference to ex post evaluation. The underdeveloped system is still in place due to the hectic pace of lawmaking and the general aim of the government to reduce oversight mechanisms.

Sustainable Policymaking

I. Economic Sustainability

Circular Economy

Circular
Economy Policy
Efforts and
Commitment
Score: 4

Hungary's circularity rate of 8.7% is well below the EU average of 12.8% (ETC 2022:5), indicating that the circular economy is still in its early stages of development (Gulyas 2022:4). Hungary's circular economy strategy is embedded in the Environmental and Energy Efficiency Operational Program Plus within the European structural funds. This strategy predominantly targets small- and medium-sized enterprises, focusing on key sectors like biomass, food, construction and plastics. The goals for 2040 include doubling resource productivity, increasing circular material use and boosting cyclical jobs by 30%. The Circular Economy Platform, established in 2018 and initiated by the Business Council for Sustainable Development, which comprises 130 leading companies operating in Hungary, facilitates collaboration between businesses, government and researchers. In 2023, a Circular Economy Academy was founded. Additionally, a new waste management authority was set up in 2021, aimed at transforming the waste management market by introducing a concession system (Gulyas 2022: 3). The national concession was awarded to the partially state-owned oil and energy company MOL, effective as of 2023 (MOL Group 2022). An institutional upgrade includes a new unit in the newly established Ministry of the Economy, with a state secretary exclusively responsible for the circular economy. Single-use plastic was banned in 2021, and a new deposit-based collection system was announced for most recyclable plastic food packaging in 2023, effective from January 2024 (Hungary Today 2023). Challenges remain with regard to policy implementation, with leading international organizations recommending that Hungary strengthen its framework for waste management. Among the topics of criticism have been the recentralization of waste-related governance, financial problems especially at the local level, and suboptimal cross-ministerial collaboration. There is a need to consolidate the relevant plans and documents into a national strategy for the circular economy (OECD 2023:12), as they are currently dispersed

across various policy fields and legal and operational sources. The implementation of the policies and measures mentioned in these documents is relatively weak, and better involvement of stakeholders, such as NGOs and academic institutions, is necessary. Although several steps in this direction have been taken, the reform process in this field has only just begun.

Moreover, the government's commitment to the circular economy is questioned by Prime Minister Orbán's rhetoric, as he recently expressed support for "green energy" but rejected "green ideology" at a party congress (Magyar Nemzet 2023).

Viable Critical Infrastructure

Policy Efforts
and Commitment
to a Resilient
Critical
Infrastructure
Score: 6

The National Directorate General for Disaster Management of the Ministry of the Interior oversees disaster management, coordinating activities of other authorities to prevent emergencies. Hungary's National Security Strategy 2020 addresses several issues concerning foreign liabilities. In this context, an FDI screening mechanism oversees the impact of international companies on national security. Administratively, agencies such as the National Directorate General for Disaster Management and the National Cyber Security Center are responsible for conducting risk assessments and implementing any necessary countermeasures. Especially in the cybersphere, significant developments have occurred. The Recovery and Resilience Plan strongly emphasizes investments in the digital transition, with almost 30% of resources dedicated to such measures. Issues addressed include the availability of digital equipment in primary, vocational and higher education settings, as well as the digital skills deemed necessary to protect critical infrastructure. Part of the educational effort is focused on raising awareness of problems. The digitalization of the public administration and sectoral improvements in the health, transport and energy sectors are also included.

In the energy sector, progress in decarbonizing energy systems has been notable, especially with regard to the decentralization induced by growing solar energy capacities. This progress reduces dependency on the Paks nuclear energy plant and energy imports from Russia. However, it is projected that even by 2033, the Hungarian energy system will largely rely on nuclear power, with this accounting for an estimated 52% of total energy production (Magyar Nemzet 2023).

Moreover, roads and railroads are in critical condition, with the latter suffering from speed limits on most of its main routes, affecting both passenger transport and cargo (Hungarian Conservative, 2023). A new Ministry of

Construction and Transport was established to facilitate and expedite the coordination of infrastructure development projects. However, its operation has led to a number of conflicts between operators and authorities. Nevertheless, parties agreed on a new fare system in late 2023, which lowered ticket prices and improved interoperability (Daily News Hungary 2023).

Decarbonized Energy System

Policy Efforts
and Commitment
to Achieving a
Decarbonized
Energy System
by 2050
Score: 5

Hungary's climate and energy policies prioritize energy security, the reduction of fossil fuel use and affordable energy prices. The Climate Protection Law of 2020 created a legal obligation for these objectives. Implementation is based on the National Energy and Climate Plan (NECP) 2020 and the National Clean Development Strategy (NCDS) 2021. Given the lack of an environmental ministry, the Ministry of Technology and Industry was originally the implementing authority. After the 2022 parliamentary election, the government established a Ministry for Energy, where a state secretary is now responsible for climate-change issues – a clear upgrade compared to the previous governance structure. Societal input is organized through the Environment Council, which comprises three groups: environmental organizations, trade and economic interest representatives, and academic representatives appointed by the president of the Hungarian Academy of Sciences. Consultations with civil society organizations took place during the creation of the plans, but a lack of documentation makes it unclear whether their suggestions impacted the texts.

Hungary's carbon neutrality goal is set for 2050, with an interim target of achieving a 90% low-carbon electricity mix by 2030. These targets were updated as part of the European Green Deal and in response to the war in Ukraine. The European Commission's assessment indicated that the plan is "not entirely convincing on how these targets will be reached" (European Commission 2023:4), criticizing the lack of detail regarding the scope, timing, financing sources and expected impacts of new measures. The first setback occurred in 2022 when the government permitted increased domestic production of oil and gas, prompted by Russia's invasion of Ukraine and rising energy prices. Hungary's energy sector decarbonization relies primarily on a solar strategy that is beginning to gain traction, but is hindered by grid shortcomings. The other main pillar is nuclear energy production in the Paks I and II nuclear power plants. Hungary has the third-highest share of electricity generation from nuclear sources among International Energy Agency (IEA) member countries, with the government placing its strongest emphasis here.

In 2023, the government also announced the construction of three new combined cycle gas turbine (CCGT) power plants to meet increasing industrial demand (Daily News Hungary 2023). A weak point in the original strategy appears to be the absence of instruments to enhance energy efficiency and the dispersal of regulatory competencies across multiple government branches (IEA 2022: 12). The revised version of the strategy seems to address these issues more effectively.

Adaptive Labor Markets

Policies
Targeting an
Adaptive Labor
Market
Score: 6

Hungary has a flexible labor market, and the unemployed are urged to take up jobs quickly, as unemployment benefits are low and short-term. Consequently, the employment rate, which is above 80%, is higher than the EU average. Incentives to be mobile are therefore high. More than 30% of employees work in the public sector, the highest such figure among International Labor Organization (ILO) countries (ILO 2022). This is in part due to public work programs designed to quickly reintegrate people into the labor market after unemployment. In this system, also called a “workfare regime” (Szombati 2021), incentives are relatively low, and push factors are rather high. Act LXXVII of 2013 on Adult Education regulates lifelong learning, aiming to establish vocational training programs for groups disadvantaged in the labor market, especially low-skilled adults, to improve their employability. In 2018, a new law colloquially dubbed the “Slave Law” extended the cap on annual overtime from 250 to 400 hours, provoking protests and international criticism (Karasz and Kingsley 2018). In 2019 and 2020, significant changes were introduced to adult training (VET Act Act LXXX of 2019) (European Commission 2023), lifting adult training out of the public education system. The pandemic created several hurdles to implementing the new program, and the transitional period is ongoing.

The aim is to finance all adult training fully or partly through government or EU funds. To date, the numbers are not entirely encouraging. Tax rebate instruments are available, and training grants for young parents are embedded in Hungarian family policy. However, the number of Hungarians using the programs is suboptimal; the country ranks in the lower third in the OECD comparison. In the EU comparison, the ratio of people aged 25 to 64 participating in adult training was 5.9% in 2021, compared to the 10.8% EU average (European Commission 2003a:63). Another issue is specific skills in the green transition. Labor shortages were reported in 31 occupations in this area (European Commission 2023a:14). During the pandemic, in 2020 and 2021, Hungary assisted companies by providing and extending wage cost subsidies by 90%. Wage subsidies for workers were provided, but were phased

Policies
Targeting an
Inclusive Labor
Market
Score: 4

out after the pandemic. Several other instruments were also extended with the aim of stabilizing the labor market (NFSZ:4). Only public work schemes were reduced due to lockdowns. The programs reached around 360,000 persons in 2021, approximately 3% of the population, while programs addressing wages covered around 260,000 persons.

Ideologically rooted policies pushed by the government hinder the development of an inclusive labor market. This has included a reluctance to address the gender pay gap, anti-migration policies and a lukewarm commitment to integrating Roma more fully into the labor market. Against the background of an aging society, a new program launched in January 2024, the Workplace Generational Transition Program, aims to facilitate the transfer of knowledge and skills from experienced pre-retirement employees to young people beginning their careers. Moreover, since 2021, personal income tax (PIT) for those under 25 has been waived if their salary does not exceed the gross national average income of the preceding year (PwC 2024). In 2023, Hungary adapted its legislation to open the labor market to non-asylum-seeking “guest workers” who can stay and work in Hungary for up to three years, with the chance to resubmit their applications afterward. The gender pay gap in Hungary is severe, and despite improvements in women’s employment rates in the 2010s, the COVID-19 pandemic induced a backlash. With regard to the Roma population, average educational attainments that are lower than the national average and a very low rate of white-collar employment make qualification a central issue. As the labor market modernizes and more demanding jobs arise, qualification becomes crucial. Since 2014, the numbers have improved, but the pandemic also induced a backlash here. Still, employment rates among Roma in Hungary are Europe’s highest within this population, and the gap with respect to the national average is much lower than in neighboring Slovakia or Romania. This may be rooted in the emphasis on Hungary’s state-initiated work programs. However, the problems affecting women in the labor force in the country disproportionately affect female Roma, leading to a high unemployment rate in this population. Discrimination against Roma seeking employment also seems to be growing (FRA 2023: 46). In 2022, Hungary adopted its Social Integration Strategy 2020 – 2030, a follow-up to the EU Roma Strategic Framework 2020 – 2030. It declares that equal access to public services for Roma women is a horizontal concern, but there appears to be no clear interministerial dialogue or stakeholder involvement. Harsh criticism comes from the Roma self-government environment, which accuses political parties in Hungary of serving their own agendas rather than solving the problems (Roma Civil Monitoring 2024).

Policies
Targeting Labor
Market Risks
Score: 4

Labor market oversight and regulation in Hungary are the responsibilities of the Ministry of National Economy, where a state secretariat oversees these functions. Services are provided via the employment fund and the National Employment Service. Social insurance in Hungary is offered to the entire nation. Essential health services for residents of Hungary are provided independently of employment or contributions to the social welfare system. Pension portability is organized in accordance with European standards. Adequate representation through trade unions in Hungary is lacking, as trade unions are fragmented and marginalized, even though company trade unions are widespread and in some sectors have considerable negotiating power (Neumann and Tóth 2018). Some key trade unions, such as the Hungarian Chamber of Commerce and Trade (MKIK), have been co-opted by the government and echo its policy priorities. Overall, social dialogue is weak.

Sustainable Taxation

Policies
Targeting
Adequate Tax
Revenue
Score: 7

Hungary raises a substantial amount of revenue through consumption taxes. The share of consumption taxes in overall revenue is 45.3%, which is significantly higher than the OECD average of 32.3%. Corporate taxes are extremely low, contributing only 2% of state revenues (OECD: 9.6%). Since 2010, successive Orbán governments have transformed the Hungarian tax system. In 2011, the progressive income tax was replaced with a flat tax. In 2012, the standard value-added tax (VAT) rate was increased from 25% to 27% – the highest level in the European Union – with reduced tax rates on selected products and services. In 2017, a uniform corporate income tax of 9% replaced a two-tier system with rates of 10% and 19%. The effective average tax rate for businesses dropped from 19.3% in 2016 to 11.1%. The personal income tax rate was flattened at 15%. Between 2017 and 2018, employers’ social security contributions were cut by seven percentage points. These changes have resulted in a slight decline in the tax-to-GDP ratio since 2016. The move to a flat income tax, combined with a strong reliance on the taxation of consumption, has made the Hungarian tax system less redistributive. The tax burden, especially on larger companies, has substantially decreased. However, companies still struggle with frequent changes in taxation policy and the complexity of the tax regime, which includes many sectoral taxes. Moreover, tax policy and its administration have been instrumentalized to favor oligarchs close to Fidesz and punish outsiders. The classification of businesses as “reliable,” “average” or “risky” by the National Tax and Customs Authority (NAV) – combined with the promise of preferences for “reliable” taxpayers – points to favoritism.

In Hungary, the tax burden is high for the general population, while it allows companies to improve their productivity. Even so, the complexity of tax regulations and the high rate of social security contributions take a heavy administrative and financial toll on small and medium-sized companies, providing an incentive for tax evasion (Filep-Mosberger and Reiff 2022). This tax policy aligns with Fidesz's neoliberal economic approach. Combining the employers' and employees' social contributions, the burden in Hungary is high.

Policies
Targeting Tax
Equity
Score: 3

Vertical equity in Hungary is shaped by the flat tax, which is measured as a share of income and strongly benefits higher-income deciles (Paulus et al. 2017). The high standard value-added tax (VAT) rate of 27% exacerbates the problem, as low-income families cannot avoid consumption and lack the ability to save money or invest. Regarding horizontal equity, all individuals with the same income level are subject to the same tax rate, irrespective of the source of their income. In terms of businesses, sectoral taxes discriminate against some companies. While this may be justified for the internalization of costs, such as with environmental taxes, discrepancies in Hungary do not align with this rationale. Rather, sector-specific taxation is employed by the government to target companies and branches that do not align with its ideology, such as foreign-owned businesses. Withholding taxes, as well as taxes on dividends, interest and royalties for companies, are set at 0%. Property taxes are low and contribute only 2.7% to state revenues (OECD average: 5.6%). This benefits a relatively broad segment of society, as the government's family policy strongly encourages young families to buy property through several programs.

Policies Aimed at
Minimizing
Compliance
Costs
Score: 6

The Hungarian tax system was ranked 11th out of 100 on the 2023 OECD international tax competitiveness index, earning 75 points. With more than 80 international treaties regulating tax issues worldwide, Hungary has a comparably high number. The country's tax administration capacity is also relatively high. In terms of complexity, Hungary's tax system ranks in the middle among EU countries. Digitalization has advanced rapidly, making the Hungarian system highly advanced and almost paper-free. The Hungarian tax authority (NAV) prepares draft personal income tax returns for citizens, which taxpayers need only accept or supplement if needed. However, for freelancers and entrepreneurs, the administrative burden and complexity of tax declarations have significantly increased. This followed the phase-out of a simple and highly popular fixed-rate tax scheme (KATA) in 2022, sparking protests and leading to the introduction of more costly and complicated alternatives for non-employees (Euronews 2022). The authority collects vast amounts of data and already uses AI algorithms. Concerns have been raised about the potential misuse of tax authorities to pressure individuals or

companies opposed to the government. Efficiency and surveillance, therefore, have gone hand in hand.

Policies Aimed at
Internalizing
Negative and
Positive
Externalities
Score: 5

In 2023, several new pieces of legislation in the environmental sector were introduced, but administrative problems remain. Taxation has not been harmonized with ecological sustainability and quality goals for a long time. Although environmental tax revenues in Hungary have been slightly higher than the EU average, issues persist with Hungary's tax structure due to numerous exemptions and special taxes (e.g., subsidies for reorganizing the coal sector). Over the past two decades, environmentally related tax revenue has consistently declined as a percentage of total tax revenue. VAT on cross-border digital services (27%) has been introduced. Recently, the government introduced the extended producer responsibility (EPR) principle, significantly impacting green taxation. So far, green taxation has served as both a financing tool for the Hungarian waste management system and a measure to increase the price level of environmentally harmful goods. The first role will be shifted to the new EPR regime, and the sole purpose of the green tax will be tackling harmful goods via price (Andersen, 2023). This will also affect the circular economy.

To address CO₂ emissions, the government introduced new payment obligations for operators of facilities receiving free emission allowances (Government Decree No. 320/2023. (VII. 17.)), also known as the CO₂-quota tax. Additionally, transaction fees will apply.

In terms of internalizing positive externalities, the government provides selected companies with corporate tax breaks and direct subsidies in exchange for investments in R&D, education and training through the so-called Strategic Partnership Agreements. Although these agreements have not been fully transparent and have provided advantages to these companies on top of the already extremely low corporate income tax rate, they have led to partnerships between higher education institutions and companies, mostly in the car manufacturing industry and related disciplines (Martin 2023).

Sustainable Budgeting

Sustainable
Budgeting
Policies
Score: 4

Hungary's public debt gradually declined from nearly 80% of GDP in 2012 to less than 67% in 2019. However, this trend reversed during the COVID-19 pandemic when Hungary produced significant budget deficits, which currently remain between 5% and 6%. In terms of overall debt, Hungary ranks in the midfield among its OECD peers, with debt amounting to around 70% of GDP in the first post-COVID years. In the indicator of gross general government

interest payments as a percentage of GDP, Hungary ranks poorly, placing second to last among OECD-30 countries.

Hungary's Fiscal Council has warned of significant risks concerning the 2024 budget. Over the years, the government has shifted its priorities from budget consolidation to promoting growth. Within the government, there appears to be a lack of unity on this issue. Prime Minister Viktor Orbán and Minister for Economic Development Márton Nagy favor growth, while Finance Minister Mihály Varga and Central Bank of Hungary head György Matolcsy (MNB) have sought to protect stability. Tensions between the government and the central bank escalated to unprecedented levels during 2023, a record year for inflation, with an annual rate of 17.6% (Reuters 2023).

In anticipation of the parliamentary elections in April 2022, budgetary policy remained highly expansive in 2021 and early 2022, with the government front-loading many popular measures in the months before the elections (Virovacz 2022). As deficits threatened to spiral out of control, the government unexpectedly froze some planned investments at the end of 2021 (Than 2021). The Hungarian budget heavily depends on the inflow of grants from European funds. Consequently, the European Union's Article 7 procedure and the subsequent freezing of funding severely impacted Hungary's budgets. Consequently, several reforms were halted, and the government announced that wage increases, such as those for teachers, would be impossible unless additional funds are secured, which partially occurred in 2023 – 2024. Ultimately, the greatest risks to the stability of the Hungarian budget stem from the illiberal stance and the confrontation with international donors. The “sawing off the branch we are sitting on” policy has a significant potential to backfire.

Sustainability-oriented Research and Innovation

Research and
Innovation Policy
Score: 4

Hungary presents a mixed picture concerning research and innovation. The country's overall number of patents is low, but intellectual property holdings are stronger. Concerning high-tech exports, the performance is solid. Hungary belongs to the eco-innovation catch-up group (Gulyas 2022: 3), having shown a slow but continuous climb up the ranks in this group, while still displaying a growing gap relative to the EU average. Hungary was at 69.8% of the EU average in 2022, and while the EU improved by 9.9%, Hungary achieved only a 7.1% improvement (European Innovation Scoreboard 2022). In the eco-innovation index, Hungary reached 96.2% of the EU average, with extraordinary strength in societal behavior (134.7) but weaknesses in the area of business operations (78.4) (Gulyas 2022:3).

Hungary's strengths lie in the number of foreign doctorate students, the level of government support for business R&D, medium and high-tech goods exports, and job-to-job mobility in a flexible labor market. However, there has been a decrease in the areas of sales of innovative products, environment-related technologies, resource productivity and innovation expenditures per employee (European Innovation Scoreboard 2022).

Data from the Hungarian Statistical Office (KSH) indicate that R&D expenditures in the public sector grew steadily until recently, but have now taken a negative turn. From the peak year of 2021, R&D expenditure as a share of GDP fell sharply to 1.39% in 2022. R&D as a share of total investment peaked in 2017 at 1.10% but decreased to 0.69% in 2022.

In recent years, the government has initiated highly controversial structural reforms that have infringed upon academic freedom (Enyedi 2018; Pető 2018) and are likely to weaken the country's research and innovation (R&I) performance. The creation of the new, powerful Ministry of Innovation and Technology (ITM) has been accompanied by the "privatization" of universities and the restructuring of the Academy of Sciences (MTA). Privatizing universities has involved placing eight institutions under newly established "private" foundations controlled by loyal Fidesz supporters. Some of these supporters have had to resign due to conflicts of interest flagged by the European Commission within the rule-of-law conditionality mechanism (Balkan Insight 2023). The MTA has been stripped of its research institutes, leading to the creation of the Lóránd Eötvös Research Network (ELKH, Eötvös Lóránd Kutatási Hálózat). Officially justified as an attempt to make the public research sector more competitive, these changes have drastically reduced the autonomy of the institutions. The R&D sector faces significant challenges, and government action is required. Cooperation between scientific institutions appears to be an issue, particularly in the energy sector and with regard to carbon neutrality policies. The current plan provides minimal information on research, innovation and competitiveness measures in clean and low-carbon energy technologies. It does not include quantified national-level targets (European Commission 2023:6). Following the 2022 general elections, the government structure was reformed again. The Ministry of Innovation and Technology was dissolved, and a new Ministry of Culture and Innovation was established. This new ministry no longer controls energy policy, which has been outsourced to a separate Ministry of Energy.

Stable Global Financial System

Global Financial
Policies
Score: 3

As a member of the European Union, Hungary has participated in the EU's efforts to improve the regulation and supervision of financial markets. However, the country has not adopted the euro and has remained outside the European Banking Union. Oligarchs profit from deregulated financial markets and less stringent control mechanisms, making robust government engagement in this area highly unlikely. As a country with a low corporate income tax rate, Hungary has opposed G-7 and OECD attempts to introduce a global minimum corporate income tax. Hungary is relatively passive in shaping the international financial-market regulatory framework, except when using its veto position in the EU Council to obstruct financial schemes such as financial aid for Ukraine. This shortsighted blackmailing strategy may negatively affect Hungary's access to European funds in the long run, and is thus counterproductive. Moreover, the Central Bank of Hungary has taken a restrictive stance toward new fintech companies such as Revolut and Wise, applying the 0.3% transaction fee to them and repeatedly pushing these companies to establish a Hungarian affiliate (e.g., MNB 2022).

II. Social Sustainability

Sustainable Education System

Policies
Targeting Quality
Education
Score: 3

The education system has undergone major changes since the second Orbán government took office in 2010. Government spending on education fell from 4.6% of GDP in 2010 to 3.8% in 2020. During this period, competencies and monitoring duties were centralized, private and religious schools were strengthened, and secondary education was restructured to emphasize vocational training. Education outcomes remain below the EU average and show wide disparities, and the system obstructs social mobility (Radó and Mikola 2023). Teacher salaries are still low compared to other tertiary education graduates. Regular PISA surveys have shown a marked decline in the quality of education in Hungary. In 2022, the country ranked 29th out of 30 in mathematics, with a score of 12.39, a sharp decline from 2018's score of 8.74. Overall, Hungary ranked 24th out of 30 countries in the PISA 2022 survey. Additionally, the content of school textbooks has been increasingly influenced by ideology. Pupils are educated in a nationalistic manner that celebrates the greatness of the Hungarian people and their "historic suffering," while often denying historical facts.

Education suffered severely during the COVID-19 pandemic, exacerbating educational, psychological, social and political tensions. The government has tightened its control over universities by “privatizing” them, placing these institutions under the oversight of ostensibly private but actually state-controlled foundations, and securing these foundations through constitutional amendments.

Highly dissatisfied with low salaries (Hungary ranks next to last in OECD statistics), a heavy workload and an increasingly ideologized curriculum, teachers began protesting and striking in 2022. The government’s response was dismissive, rejecting the prospect of negotiation. It leveraged emergency powers to issue a decree limiting teachers’ ability to strike during the pandemic.

In 2023, the government introduced what teachers refer to as a “revenge law” or “vengeance law.” This law reclassified teachers from public employees to “public education employees,” intensified performance evaluations, and increased workloads instead of reducing them. Some teachers even faced termination.

This conflict is ongoing. In a typical populist move, Prime Minister Orbán linked the issue of teachers’ wage increases to the unblocking of European funds. Consequently, there was a significant average salary increase of 32% for teachers in early 2024 (About Hungary 2024). The situation in Hungary’s education system is dire. The regulatory environment is hostile, there is a severe teacher shortage and the teaching workforce is aging. The curriculum remains politicized and outdated, leading to a decline in the educational system’s performance.

Policies
Targeting
Equitable Access
to Education
Score: 5

Preprimary education in Hungary is traditionally very strong, with the country securing the top rank among OECD countries. Kindergarten attendance is compulsory from the age of three. However, the share of male teachers in this segment is extremely low.

In primary education, the socioeconomic background of pupils significantly impacts performance. The COVID-19 pandemic hit Hungary hard, causing already low numbers in 2018 to decline further in 2022, as shown by PISA surveys. The system tends to produce low achievers, and the number of early school leavers is comparatively high. Particular issues include a lack of digital and language skills. About 50% of early leavers aged 18-24 still find employment, which is average compared to other EU countries. The share of young people aged 24-29 who are neither employed nor in vocational training is relatively low. Vocational education and training programs often do not lead

to tertiary education, necessitating bridging programs. Hungary provides opportunities to personalize the curriculum to individual needs and offers tools for the professional and social integration of vulnerable young people, but does less to reduce societal stigmatization (S2CENE 2022: 42). Incentives for teachers are provided to guide students to achieve outstanding results in academic competitions, but fewer incentives exist for teachers working with disadvantaged youth, whose efforts are not valued at the same level (S2CENE 2022: 51).

Providing teachers who work with underprivileged students, such as Roma children, with extra pay opportunities and incorporating inclusive education measures into teacher qualification procedures are steps in the right direction. However, efforts to tackle social exclusion, especially among Roma children and young migrants, remain underdeveloped and are somewhat hindered by government ideology. The regulatory framework does not tackle early school leaving with standalone regulation, but addresses the issue within the national strategy, the Public Education Strategy 2021 – 2030 (Köznevelési stratégia 2021 – 2030), adopted in 2020. The ministerial evaluation of the program's predecessor (2015 – 2020) cites success and improving numbers, yet these improvements are not reflected in internationally comparable data. Institutionally, the Educational Authority (Oktatási Hivatal) has established a system for monitoring and controlling teachers' work. Meanwhile, the Pedagogical Educational Centers (Pedagógiai Oktatási Központok) aim to coordinate, manage and monitor efforts at the local level. Despite some progress, national standards in this field are still underdeveloped, leaving it predominantly to individual schools to develop adequate frameworks. Nevertheless, awareness in this area is growing, as is the number of schools developing relevant schemes. On a macrolevel, schools will face significant challenges in the future due to the ongoing conflict between teachers and the government, which is expected to lead to higher quitting rates among teachers. Moreover, because of suboptimal performance in public schools and labor shortage issues, an increasing number of wealthy parents are opting for private alternatives. This trend exacerbates existing disparities in access to and quality of education (Radó 2018).

Sustainable Institutions Supporting Basic Human Needs

Policies
Targeting Equal
Access to
Essential Services
and Basic Income
Support
Score: 4

The Hungarian poverty rate is relatively low when measured by income median, but in terms of purchasing power, Hungary faces significant challenges. Not surprisingly, levels of reported life satisfaction are also low. Guaranteed minimum income benefits are inadequate. Hungary ranks among the lowest 10% in international comparisons in this area. The most affected societal groups include the Roma population, the elderly and women, largely

due to the significant gender pay gap (Takács and Vincze 2019).

Primarily, local administrations in Hungary ensure access to essential services, which still function relatively smoothly. The issue is not the institutional setup but the funding of these programs. Even these programs were stressed during the pandemic. While the Orbán government supported employees and pensioners during the crisis, it did little for nontraditional workers, the unemployed or the poor. The moratoria on mortgage and credit payments, along with the accompanying interest rate cap, have supported the middle class more than those experiencing poverty. Despite the substantial increase in unemployment, the government has kept unemployment benefits low and has not extended the maximum benefit period (Aidukaite et al. 2021). In September 2020, half of the 323,000 unemployed did not receive any government support (Györy et al. 2021: 64). Furthermore, the government failed to combat digital inequality, exacerbating the urban/rural and rich/poor divides, as well as the exclusion of the Roma. The share of the population that cannot afford internet access is comparably high in Hungary. Overall, the government prioritizes the labor market over social contributions, with most programs aiming to bring people to work. Under this scheme, dubbed by the government as a “work-based society,” there is a sharp distinction between “deserving” and “nondeserving” individuals in the distribution of welfare, with employment as the central criterion of deservingness (Szikra 2019).

Policies
Targeting Quality
of Essential
Services and
Basic Income
Support
Score: 4

Hungary has several programs targeting the quality of essential services, but most are underfinanced and do not guarantee safe living conditions. Regarding access to water facilities, Hungary ranks 23rd out of 27 among EU countries, and Hungarians have to dedicate a large share of their income to gaining access to such services. A government program exists to support people in poverty through price reductions, such as price caps on utilities, which the government has communicated as one of its main achievements and a demonstration of its sovereignty. Regarding energy supply, vulnerability in Hungary is comparably high due to a strong reliance on Russian imports. As Hungarians spend much of their income on energy, the Russian invasion of Ukraine and rising prices have had a significant impact. Some programs to counter this exist, such as aid for buying firewood. Still, many measures applied by other countries are not used in Hungary. The number of people at risk of poverty in Hungary who report they are unable to use public transport is the highest in the EU (European Commission 2023a: 34). The share of Hungarians unable to access the internet is also high in the EU, surpassed only in Bulgaria and Romania. Hungary’s median expenditure on digital communications across households is the EU’s highest (European Commission 2023: 44). To address this, Hungary supports affected individuals with reduced tariffs.

Additionally, informational support is provided. Reform and increased funding are needed for special services for Hungarians who are in or threatened by poverty. One problem is that many programs rely on European funds, and freezing such funds for Hungary poses significant challenges for the government. Regional disparities in providing basic services are also significant, with GDP per capita in Budapest being three times higher than in the country's four least developed NUTS-2 regions (European Commission 2023b: 6).

Sustainable Health System

Policies
Targeting Health
System
Resilience
Score: 3

Health outcomes in Hungary lag behind most other EU member states due to the low performance of the healthcare system and unhealthy lifestyles. In OECD comparisons, Hungary is below average on almost all indicators. Life expectancy in Hungary is lower than in most of the country's EU neighbors, and disparities across gender and socioeconomic groups are substantial. Hungary has one of the highest avoidable death rates in the European Union, and child mortality rates are also high. Healthy life expectancy is very low, and perceived health status reflects these numbers accurately; that is, Hungarians are aware of the problem. Healthcare in Hungary has suffered from limited budgets, with spending per capita at around 50% of the EU average. Many medical doctors and nurses have emigrated to the West for better salaries. The ratio of practicing doctors is 3.3 per 1,000 population (OECD average 3.7), and the ratio of practicing nurses is 5.3 per 1,000 population (OECD average 9.2). In terms of available hospital beds (6.8 per 1,000 population), Hungary exceeds the OECD average of 4.3. The healthcare system remains excessively hospital-centric, and the country ranks in the lowest third with regard to unmet need for medical care. Those who can afford it often seek treatment from private healthcare institutions, which have been multiplying under the Orbán regime. This shift has provided medical staff with significant opportunities to earn extra income in addition to their poorly paid positions in state-run hospitals. However, out-of-pocket payments have remained high for the less well-off, even though previously problematic informal payments have been criminalized since 2021 (Gaal et al. 2021). Policymaking has suffered from the absence of a separate ministry tasked with addressing healthcare issues. The COVID-19 pandemic exposed the weaknesses of the Hungarian health system, prompting a hectic response. This reaction can be characterized as the militarization of healthcare. The Medical Service Act transformed the governance system of healthcare (Albert 2021). The newly created National Hospital Chief Directorate (Országos Kórházi Főigazgatóság, Okfő) has become the centralized point of governance for all medical institutions. As a result, hospital directors have lost their primary

decision-making powers, especially with regard to budgeting and employment matters. While public sector physicians have seen a significant wage increase, they have also been placed under a new, almost military employment regime. This regime allows Okfö and/or hospital directors to send physicians to work at other hospitals on short notice and limits their opportunities to operate private practices and work part-time in the private healthcare sector. The tremendous pressure of the pandemic on the weak and underfinanced healthcare system has led to exhaustion among medical staff and further accelerated the country’s brain-drain problem. Despite these issues, the OECD resilience indicator shows relatively high levels of resilience for Hungary, comparable to countries like Japan, Portugal and the Netherlands. This is unsurprising, as maintaining resilience from a low base is more manageable than upholding high quality standards.

Policies
Targeting High-
Quality
Healthcare
Score: 3

Hungarians are on average more obese and smoke more than the European average (OECD 2023). The country performs well in preventing alcohol misuse, maintaining a zero-tolerance policy for intoxicated driving, with noticeable effects. Hungary also shows strong performance in vaccination rates. However, in most of the other prevention indicators, Hungary ranks below the OECD average.

A healthy lifestyle and the Hungarian way of life often exclude each other, and although regular physical activity is increasingly popular among younger urban populations, strong regional differences persist (Welk et al. 2015). Improving high-quality services within the state health system would require more financial resources, but this does not occur. High-quality healthcare in Hungary is often privatized, as strong profits have made healthcare a lucrative business opportunity for Fidesz oligarchs. Consequently, high-quality healthcare in Hungary is available if it is financed privately. The state-directed healthcare system is becoming increasingly complementary.

Policies
Targeting
Equitable Access
To Healthcare
Score: 4

The share of Hungarians reporting unmet needs for medical examinations was surprisingly low, below the EU average in 2022. The difference in self-reported unmet health needs between high-income and low-income groups in Hungary was much smaller than the EU average in 2022. However, these numbers can be misleading as essential services are provided to everyone in an acceptable timeframe. Nevertheless, long waiting lists exist for certain nonessential surgeries. Approximately 40,000 people are registered on waiting lists for specific surgeries, with cataract, knee and hip surgeries being the most requested. The average waiting time for a knee replacement surgery in 2023

reached 230 days (Szopkó 2023). Specialized treatment is often outsourced to private providers, where income disparity significantly impacts access. Moreover, certain services, such as urgent care, are unavailable under private schemes.

Issues related to gender gaps or ethnicity-based disparities in essential services are not present. Services are accessible across the entire country, but many small hospitals in rural areas are maintained despite being unprofitable. Public opinion hinders substantial reform efforts. The Hungarian population is aging fast, and the health status of older people is poor. A significant number of older Hungarians live with chronic conditions and disabilities, and the rates of multimorbidity and limitations in daily life are among the highest in the EU (OECD European Observer 2023:6).

Gender Equality

Policy Efforts
and Commitment
to Achieving
Gender Equality
Score: 3

Hungary's approach to gender equality has been complex and contentious. Despite some progress, Hungary continues to face significant challenges and criticisms regarding gender equality. One of the primary concerns is the underrepresentation of women in politics and, to a lesser extent, corporate leadership circles. In Hungary, women's representation in political leadership positions remains notably low compared to other European Union countries, even though the country had a female president until she was forced to step down in February 2024 and was replaced by a male. None of the 16 government members in the Orbán V cabinet is female.

Hungary ranks next to last among OECD countries regarding the number of female members of parliament. This disparity is also evident in the corporate sector, where female leadership is limited. Reports indicate that women hold a significantly smaller percentage of managerial and decision-making roles than men. However, the gender disparity in the corporate sector is not as pronounced as in politics. Hungary's society appears to be more modern than its government. In terms of wage equality, Hungary shows a pronounced gender pay gap, which is strongest in higher-paying sectors and senior positions. The government's efforts to address wage inequality are inadequate and lack effective enforcement mechanisms. Women earn substantially less than their male counterparts for equivalent work, with Hungary ranking 17th among all 30 SGI countries in terms of gender pay gaps, as measured by the OECD. However, this gender pay gap does not extend to a pension gap. The Hungarian pension system supports mothers and protects them to a certain extent from poverty induced by low pensions.

Hungary performs relatively well in other indicators such as differences in the poverty rate between women and men, the unmet need for medical help, early leavers from education or training, and the social exclusion rate. Societal attitudes in Hungary often emphasize traditional gender roles, and government policies have been reinforcing these norms rather than challenging them. For example, certain family policies and public narratives emphasize women's roles as mothers and caregivers (Fodor 2022), contributing to the perpetuation of gender stereotypes and limiting women's opportunities in other spheres. Hungary needs more robust legal and policy frameworks to combat gender-based violence and discrimination. Although laws are in place, their implementation and the support systems for victims are often insufficient. While there are policies aimed at improving gender equality, Hungary's approach is often inconsistent with international standards and fails to address the systemic nature of gender inequality fully. If there is policy action, it is generally driven by factors stemming from global or European commitments. The regulatory framework is based on Act CXXV of 2003 on Equal Treatment and the Promotion of Equal Opportunities. Gender mainstreaming efforts in Hungary are promoted through the National Strategy for the Promotion of Gender Equality and the Empowering Women in the Family and Society Action Plan. Sectoral efforts are also underway. In the National Strategy for Research, Development, and Innovation (RDI) (2021 – 2030) (Government Decree 1456/2021 VII. 13.), for instance, gender equality is targeted as one of six horizontal objectives. The country receives a score of 54.2 out of 100 in the Gender Equality Index, but with significant differences between the 24.8 points awarded in the category of power and the 87.3 points in health (European Institute for Gender Equality 2022).

Compared to other nations, Hungary ranks 25th out of 27 in the index (26th place out of 27 countries in 2023), showing only minimal improvement over the last decade. Highlighting these deficiencies, the Hungarian parliament's refusal to ratify the Istanbul Convention (Nagy 2020) – a legally binding international instrument for preventing and combating violence against women and domestic violence – further emphasizes the issue. The parliament cited existing Hungarian legal protections for women in its refusal. This move represents another attempt by the government to diminish the influence of international organizations on domestic politics.

Strong Families

Family Policies
Score: 5

The Orbán government has strongly emphasized family policy in a broad sense, spending 6.2% of GDP on this policy area, which is very high compared to international standards. Still, the government has done little to enable women to combine child care and careers. Most of the government's measures have been financial, providing assistance to families purchasing real estate or larger cars for families with many children. By contrast, few measures – most notably one that allows grandparents to take “parental” leave – have helped young parents combine work and family duties. The background of these measures is a decline in the size of Hungary's population and the government's refusal to balance low birth rates and brain drain with immigration. So far, the measures have not stopped this trend, and have favored high-income families over poorer ones. Recent data show that family sizes have stabilized only within the highest income groups (Vida 2021).

Support for and protection of families has figured prominently in the Fidesz agenda for some time. After Katalin Novák, the former family minister without portfolio, ascended to the office of Hungarian president in 2022, her responsibilities were transferred to the Prime Minister's Office. The Orbán government's family policy has emphasized traditional Christian values and the primary role of women as caretakers, leading it to be labeled a “carefare regime” (Fodor 2021). The government has generated political hysteria around the perceived danger of gender issues for Hungarian families, particularly focusing on the alleged Western practice of gender-affirming surgeries on young children. The Orbán government has presented these controversies as a primary reason for its clash with the European Union over recovery funds. In Hungarian family policy, the illiberal narrative of the government is very present (Grzebalska and Pető 2018).

Interestingly, family policy is one of the priorities of the Hungarian presidency of the Council of the EU in the second half of 2024. Domestically, Hungary announced a “family policy 2.0” initiative aimed at increasing childbirth rates and fostering home ownership among families, with a particular focus on mothers. One of the measures is tax exemptions for mothers with at least three children (previously: four).

Sustainable Pension System

Policies Aimed at
Old-Age Poverty
Prevention
Score: 4

Although international comparisons place Hungary relatively well regarding senior-citizen poverty rates, the reality is misleading. Even if the indicator assessing median equivalized disposable income with a cut-off point 50% ranks Hungary in the upper midfield at ninth place, the underlying conditions

of low incomes, high prices and inflation indicate a high threat of poverty for pensioners. The average monthly pension is €539, which is insufficient given the economic conditions. Government policies have exacerbated the problem, necessitating reform.

Retirement entry ages in Hungary are currently 65 for men and 62 for women (OECD 2023). However, these ages are slated to increase to 65 for both genders. In 1997, Hungary introduced a three-pillar pension system following World Bank guidelines, featuring a mandatory, fully funded second pillar. Upon taking office, the second Orbán government abolished this second pillar and confiscated its assets. Additionally, it moved disability pensions to the social assistance scheme and eliminated certain early retirement options. While these measures have limited pension growth and undermined trust in pension policy reliability, they have improved the financial status of the public pension scheme. Public spending on pensions decreased from 11% of GDP in 2010 to 8% in 2020. The growing disparity between wage growth and pensions has left pensioners among the most disadvantaged groups. To mitigate electoral fallout, the government has introduced discretionary pension increases before elections. In 2020 – 2021, it gradually reintroduced the 13th-month pension, widely perceived as an election campaign strategy for the 2022 parliamentary elections (Gál 2020). In the election, Fidesz performed well among pensioners. In 2022, a somewhat larger-than-planned pension increase took place.

Policies
Targeting
Intergenerational
Equity
Score: 5

Hungary has an aging population, and older people are active supporters of the Fidesz party of Prime Minister Orbán. It is no surprise, therefore, that pensions play an essential role in the government's social policy. The Hungarian pension system, primarily state-funded and operating on a pay-as-you-go (PAYG) basis, has faced several challenges and criticisms, particularly regarding its long-term sustainability and impact on intergenerational equity. One key aspect of the Hungarian pension system is its reliance on state funding, with private pension schemes playing a lesser role. The Hungarian government has committed to aligning pension increases with inflation rates. In 2023, pensions were raised by 15% to offset inflation, with the potential for additional supplementation if inflation exceeds expectations. This approach is part of the government's broader strategy to maintain the purchasing power of pensions amidst economic fluctuations.

Despite these measures, there are critical predictions about the sustainability of the Hungarian pension system. Hungary needs more flexible retirement options, such as partial retirement for employees aged 62 – 66. This flexibility is required to address the growing strain on the pension system due to the aging population and a decreasing ratio of workers to pensioners. The aging

demographic trend suggests that by 2070, the number of pensioners per employee could double from current levels.

Moreover, a noted decline in the average pension-to-income ratio indicates a potential decrease in the relative pension value over time. It is expected that the retirement age limit may increase in the coming years, aligning with rising life expectancy and efforts to address the gender gap in retirement age, which currently strongly favors women. Although working beyond the pension age is not specifically incentivized by the government, many healthcare and education professionals continue working to offset labor shortages after reaching the pension age. The average age of general practitioners in medical practice is well above 50 years (Papp et al. 2019).

Sustainable Inclusion of Migrants

Integration Policy
Score: 2

Migration is a highly controversial topic in Hungary. The government generally adopts an anti-migration stance, citing the need to protect the Hungarian nation and Christianity. This issue plays a central role in the illiberal narrative the government promotes. The migration of Hungarians from neighboring countries intensified after the democratic transition, and among non-European migrants, Asians are the dominant group. During the migration crisis in 2015, Hungary was a hard-liner against granting access to EU territory (Bocskor 2018). However, concerning Ukrainian refugees, Hungary's approach is much more liberal. Generally, Hungary does not fulfill its international obligations in asylum policies. Nevertheless, it recognizes the need to counter labor market shortages with targeted and medium-term recruitment to address the ongoing brain drain and population decline. Surprisingly, migration to Hungary consists largely of highly educated workers. The ratio of foreign-born to native-born individuals with at least upper secondary attainment (25 – 64 years old) ranks third among OECD countries, right behind Canada and Israel. Additionally, the unemployment rate among the foreign-born population is substantially lower than among the native-born population, making unemployment among migrants in Hungary almost negligible.

Integration policies in Hungary are considered restrictive and less developed than in many other European countries. Funding for supporting migrants in Hungary primarily comes from European programs such as the Asylum, Migration and Integration Fund (AMIF) and the European Social Fund. However, due to a partial suspension of the AMIF national program, the funding has been partially interrupted since 2018.

Hungary's Migration Strategy for 2014 – 2020 focused on providing support services, legal assistance and representation in all phases of the asylum procedure, but failed to introduce a comprehensive integration program. A renewed strategy was not developed. A support system for beneficiaries of international protection and persons under subsidiary protection, established in 2014, was canceled during the migration crisis of 2016. Aid provided via civil society organizations is constrained by the Lex NGO, which criminalizes NGOs that help migrants. The Sovereignty Protection Act adopted in 2023 intensifies stigmatization. As a result, the implementation of migration policies is weak, as there is no real consultation mechanism. Overall, the Hungarian system distinguishes between asylum-seekers – for which the respective laws have been hardened several times, and recognition numbers are virtually zero (only 40 applications in 2022) (Eurostat 2024), ranking Hungary last among EU countries with regard to the number of first-time asylum applications – and migration into labor markets, for which the government is more proactive.

Effective Capacity-Building for Global Poverty Reduction

Management of
Development
Cooperation by
Partner Country
Score: 5

Hungary paid little attention to developing countries and joined the OECD's Development Assistance Committee only in 2016. However, the government adopted a new development strategy in 2019.

The Hungarian government gradually increased its development assistance (ODA) until the COVID-19 pandemic. Since then, the curve has flattened. Development aid amounted to 0.28% of gross domestic income in 2022 (8 million), less than the average for DAC countries but substantially above the share in 2010 (0.09%). Approximately 41.8% of total ODA was channeled through multilateral organizations, and 77% was supplied via the European Union. Although Hungarian development policy targets areas in the Middle East and Africa, the primary focus is on Europe, especially the Western Balkans and, recently, Ukraine. In 2022, \$14.8 million went to aid Ukraine, making the country the biggest beneficiary. Beyond Europe, Syria, Vietnam, Jordan and Cabo Verde are the countries receiving the most funding. At the end of 2023, the Hungarian parliament approved sending 200 troops to Chad as part of a new mission (defence.hu 2023). The first OECD-DAC peer review (2023) acknowledges progress in Hungary's contribution, especially in sustainable water management, one of Hungary's development assistance priorities. Still, it also urged Hungary to reduce tensions between domestic and global objectives and called for institutional reform. A significant portion of the contribution is dedicated to scholarships, underscoring education as a central instrument and target. As project partners, particularly the Hungarian public sector, are involved, the share of NGOs as partners has been

continuously reduced since 2019. This reduction pertains to the involvement of Hungarian CSOs, not CSOs in the targeted countries. Their involvement is growing. At the same time, the share devoted to public-private partnerships and the private sector is also increasing. These shifts in the program implementation landscape must be seen against the backdrop of the Hungarian government's struggle with internationally financed CSOs and the Lex NGO, which has driven many CSOs away from state-directed programs. These developments are counterproductive for Hungarian development aid. Institutionally, the Ministry of Foreign Affairs and its Department for Development Policy, staffed with around 150 civil servants, is responsible for brokering the policy. Since 2022, humanitarian assistance has also been institutionally located here. Implementing agencies are the Hungary Helps Agency and the Export-Import Bank. An interministerial coordination platform exists, but there is no consultation mechanism for stakeholders. Some consultations take place with the help of an umbrella body, the Hungarian Association of NGOs for Development and Humanitarian Aid. Here, reform and independent evaluations are needed.

III. Environmental Sustainability

Effective Climate Action

Policy Efforts
and Commitment
to Achieving
Climate
Neutrality by
2050
Score: 4

Environmental sustainability in Hungary has been on the decline for some time, with a current score of -19 for 2015 – 2022 in the European Innovation Scoreboard 2022. Hungary eventually committed to becoming climate neutral by 2050, but this decision was driven more by external pressures than by a recognition of climate-change-induced problems. The government has complied with European and OECD requirements. In 2020, Hungary passed Law No. XLIV, which sets up measures to tackle climate change, and developed a strategy to achieve the National Energy and Climate Plan (NECP) objectives. These objectives were updated in 2023 to be more ambitious, including a 50% emissions reduction by 2030 compared to the 40% reduction in the original NECP. New legislation, such as the CO₂ tax, was also introduced.

While these objectives sound good, there are issues with commitment beyond mere lip service. Hungary's government has also regularly tried to undermine EU climate action. The rather lukewarm commitment is evident in the relevant data.

Both CO₂ emissions from fossil fuel combustion and cement production, as well as CO₂ emissions embodied in imports, have shown unsatisfactory and declining numbers. In the 2023 sustainability report (Sachs et al. 2023), Hungary scored 79.4, down from 80.2 in 2021. This marks the first slight decline since the turn of the century (74.4 in 2000). The 2024 Climate Change Performance Index places Hungary at 49th place, an improvement of four spots, but still among the poor performers. The carbon pricing score has increased slightly over the last decade.

Concerning projected greenhouse gas emissions in 2050, Hungary ranks in the middle, at 16th out of 30. In the adjusted emissions growth rate for carbon dioxide indicator, Hungary ranks 22nd out of 30. However, regarding methane gas emissions, Hungary performs very well. Although the NECP emphasizes decarbonization by promoting the use of renewable energy, the government imposes administrative hurdles on wind turbine installation. It restricts grid access for solar energy providers and private households, often citing grid bottlenecks. Still, the solar sector is somewhat taking off. The Hungarian energy strategy strongly emphasizes nuclear energy, and the modernization of the power plant in Paks also serves foreign policy goals, as it strengthens ties with Russia. Hungary's degree of dependency on Russian oil and gas is among the highest in the EU.

Consequently, decoupling from Russia is among the government's objectives, and decarbonization may play a role here. Given the strong foreign policy ties with Putin's Russia, however, the ambition is driven more by the West than by the conviction of major political players. For the government, energy security and decreasing energy dependency are likely more important than reaching climate goals (Csernus 2023:11). Establishing a Ministry for Energy in 2022 shows this preference, as there is still no environment ministry. Additionally, the government temporarily ran a campaign against "climate hysteria," making Hungary's reticent position clear. During the energy crisis of 2022 – 2023, the Hungarian government put a price cap on gasoline, boosting consumption to record levels. The government also opposes bike-friendly urban transport reforms in Budapest, where it has portrayed progressive Mayor Gergely Karácsony as an "anti-motorist" who sabotages smooth traffic (Magyar Nemzet 2023). Such a discourse is hardly compatible with a genuine commitment to decarbonization.

Policy Efforts
and Commitment
to Minimizing
Environmental
Health Risks
Score: 3

Effective Environmental Health Protection

Hungarian life expectancy is comparatively low, and Hungarians do not live in a healthy environment. In an OECD comparison, Hungary often ranks last or in the lowest quartile for indicators dealing with air quality, waste and water quality. There is little awareness regarding the impact of environmental health threats, and the national diet is also not particularly healthy. According to WHO statistics (WHO 2024), 17% of deaths from strokes and ischemic heart disease are caused by air pollution, and 18% by problems related to unsafe drinking water, sanitation or hygiene. Air pollution, for instance relating to NO₂, regularly exceeds the limits set by international standards, and measurements are not always precise (Bíró-Nagy et al. 2023: 12). The regulatory environment in environmental health is underdeveloped. Hungary has legal standards for dealing with specific matters but does not comply with WHO air quality guidelines. The commitment to the COP26 health program is also insufficient. In occupational health, the numbers are much better, and regulatory compliance with international norms is stronger as well. Two out of three of the respective labor conventions have been implemented. In recent years, several large industrial plants have been set up in the country without adequate environmental safeguards and protocols, causing public concern. Specifically, the government has expanded its battery production capacities rapidly to serve the electric vehicle industry through fast-track approval processes. The Samsung battery plant in Göd has been shown to cause severe water pollution in the neighboring municipality, leading to public outcry. However, due to the plant’s designation as part of a “special economic zone,” the local council does not have the authority to prevent the plant’s further expansion (Hungary Today 2022). There are several battery plants whose construction started in 2023 despite the concerns of residents (Deutsche Welle 2023).

Policy Efforts
and Commitment
to Preserving
Ecosystems and
Protecting
Biodiversity
Score: 5

Effective Ecosystem and Biodiversity Preservation

Hungary ranks in the mid-tier among OECD countries on many biodiversity-related issues. However, it places last in the Biodiversity Habitat Index, with an extremely low score of 2.47 (30th out of 30). In contrast, Hungary scores an ideal 10 on the Terrestrial Biome Protection Index. Thus, the picture of Hungary’s biodiversity is very mixed.

A National Biodiversity Monitoring System (NBMS) has existed since 1998. In 2015, Hungary adopted its second National Strategy for the Conservation of Biodiversity, setting a comprehensive framework for action. In 2023, the third

National Strategy was adopted. In the absence of a ministry for the environment, the Ministry of Agriculture is the leading agency for implementing this strategy.

Several ministries are involved, and the Prime Minister's Office oversees their coordination. Further down the hierarchy, regulatory agencies and institutions like the directorates of national parks, along with several NGOs, participate. Subnational administrative units in the counties and other territorial units were not initially involved. Environment and nature regulatory enforcement was later transferred as part of the state territorial administration reform from sectoral agencies (nature conservation agencies) to the 19 county government offices and 197 district offices. This transfer led to a dispersion of human resources and knowledge but improved the implementation power by utilizing all layers of state administration. Kovács and Eszter-Pataki (2021: 45) qualify the outcome negatively: "Ineffective government agencies today rubber-stamp decisions and deflect attention from otherwise valid environmental considerations, leading to a reduction in environmental standards and management, and the degradation of conservation areas." NGO stakeholders, an essential pillar in biodiversity policy governance that were initially involved in programming and implementation, are currently challenged by the Lex NGO if they receive foreign funding, and additionally by erratic financing patterns, as funding from European funds was cut due Hungary's democratic governance backsliding. Environmental impact assessment (EIA) is foreseen for most projects, especially concerning Natura 2000, but in practice, the overall regulatory impact assessment (RIA) system in Hungary, including EIAs, is weak. Overall, the protected area, which has been stable over the years, should be enlarged. Strategically, biodiversity policies are mainstreamed, but often they do not find their way into sectoral policies.

Effective Contributions to Global Environmental Protection

Policy Efforts
and Commitment
to a Global
Environmental
Policy
Score: 4

Hungary signed the Paris Agreement and has adhered to EU agreements. János Áder, the country's president from 2012 to 2022 and founder of the Blue Planet Foundation, has been active internationally. As Fidesz's "man for the environment issues," he has praised the Orbán government's environmental commitment and policies. However, the Hungarian government has opposed most attempts to strengthen the European Union's environmental ambitions. Hungary was among the four countries that – eventually without success – tried to block the European Union's plans to become carbon-neutral by 2050. The country's attempt to include nuclear power in calculation registers in European climate-change policies has been more successful. Environmental policy in Hungary has faced issues including a lack of commitment,

institutional fragmentation and weak implementation. Even if the government's campaign against "climate hysteria" has been softened, the very existence of this campaign shows that the present Hungarian government is not supporting international attempts to tackle environmental challenges adequately.

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