



INTERNATIONAL ASSOCIATION OF YOUNG LAWYERS

Anti-Bribery & Corruption: the fight goes global

Commercial Fraud Commission

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National Report of Hungary

Dr. Orsolya Horváth

Sátori, Lutter and Partners
Aulich street 7.
1054 Budapest
Hungary
+36 1 269 50 90
orsolya.horvath@stl.hu

General Reporters:

<p>Lina MROUEH-LEFEVRE Gutkès Avocats 40 rue Vignon – F- Paris, 75009 FRANCE</p>	<p>Aaron STEPHENS Berwin Leighton Paisner LLP Adelaide House London Bridge London EC4R 9HA UNITED KINGDOM</p>
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1. THE LEGAL FRAMEWORK

1.1. What criminal and/or civil administrative law(s) exist in your jurisdiction which are specifically targeted at bribery & corruption? Please provide:

- a. brief summary of the offences;
- b. any affirmative defences that are available; and
- c. the penalties that may be imposed upon offenders.

Hungary intends to combat corruption through different legal measures, namely criminal law, administrative law, public procurement law and other branches of law.

In Hungary governmental initiatives against corruption began at the time of the European integration process and were first embodied in the Government Decision No. 1023/2001 (14. III.) **on the government strategy against corruption**. The decision formulated in the sphere of general legislation 15 tasks in seven subject matters, in the sphere of criminal regulation nine tasks in seven subject matters, and in the sphere of tasks not requiring legislation 14 tasks in nine subject matters. Of these the (criminal) legislation tasks had been largely fulfilled by the end of 2001.

After the anti-corruption law has been repealed, **the current Act on Complaints and Public Interest Disclosures** came into force, under which the whistleblower is not entitled to any award. According to that law, when a complaint or a public interest disclosure proves to be well-founded, the following shall be ensured:

- a) the lawful situation or the situation which meets the public interest is restored, and all otherwise necessary actions are taken;
- b) the reasons behind the detected deficiencies are eliminated;
- c) the caused injury is remedied; and
- d) prosecution is initiated, if warranted.

The Hungarian government accepted in 2012 a **two year corruption-prevention** program, which contained for the public administration numerous measures in connection with integrity. The Public Administration Corruption Prevention Program in the time period of 2012-2014 aimed to suppress corruption occurrences primarily in the public administration and also in single civil services. The National Program Against Corruption and the draft on the acceptance of the action plan relating to the years 2015-2016 exceeds this scope, since – in accordance with the following general targets – this time it also intends to guide participants outside of the administration.¹

¹ <http://korrupciomegelozes.kormany.hu/tarsadalmi-egyeztetes-a-nemzeti-korrupcioellenes-programrol-es-a-2015-2016-evek-re-vonatkozo-intezkedesi-terv-elfogadasrol-szolo-eloterjesztesrol>
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It is generally accepted in Hungary that the National Defense Service, on the basis of the Law on the Police, under prosecutorial supervision and with means approved by the public prosecutor, carries on **reliability examinations** in the interest of regularity and lawfulness of performing public and professional services of the conformity, of the behaviour shown in the course of performing the task and of the control of the fulfilment of commitment and job obligation.

Individual market participants, in order to establish coordinated behaviours, agreements aiming at or resulting in the prevention, limitation or distortion of competition, build up and employ an infrastructure necessary for corruption. Collaboration strategies, accounting tricks, secret communications and the enterprise's culture are also necessary conditions for corruption and for agreements of market distorting effect. The Law No. LVII. of the year 1996 **on the prohibition of unfair market practices and restraint of trade** sets out the behaviours being contrary to the prohibition of unfair competition when combined and in practice they are often also connected with corruption occurrences.

The public procurement law being valid at present came into force in August 2011 and, in the interest of pushing back abuses and corruption, closed the doors through which the property of the state could escape up to now, and created clean and transparent relations. It efficiently supports the fight against corruption by excluding offshore firms from public procurement, it results in its totality in quicker and fairer proceedings and supports the participation of small and medium undertakings in the public procurements. It contains more rules protecting the fairness of competition, including the ending of disproportionately low prices and the exclusion of the possibility of annulment due to formal reasons.

In Hungary, similarly to other states of the European Union, the most important tool in the struggle against corruption is the criminal law, the sphere of which has continuously been extending during recent years, thus the extent of prohibited behaviours has been widening, as well as the criminal penalties becoming more severe.

The dogmatics of the Hungarian criminal law uses the concept of **corruption crime** also in two different – wider and narrower – senses. The necessarily (i.e. in abstract) corruption crime means that not only the concrete committed corruption crime, but also the type of action ordered by the legislator for punishment, correspond to the concept of corruption, and these crimes are bribery, profiteering with influence, as well as the purchase of influence. However, in the case of not necessarily (i.e. in concreto) corruption crimes, only the concrete act will be of a corrupt character, but the statutory actual circumstances do not presume such commission. Theoretically, any kind of crimes can be committed in a given case with a corrupt character, however, there are statutory actual circumstances, so for instance in the Hungarian criminal law abuse of office, misappropriation and agreement restricting the competition in public procurement and concession proceedings, and at the time of committing these the element of corruption often appears.²

Chapter XXVII. of the effective Hungarian Criminal Code contains under the title of corruption crimes the following crimes:

- a. Any person who gives or promises unlawful advantage to a person carrying on his activity for an economic organization or in his own interest, or with regard to it to another

² Miklós Hollán: The regulation of bribery of office in the New Criminal Code, *Iustum Aequum Salutare* IX. 2013. 4. 141-169.

person, in order to breach his duty, is committing bribery and can be punished with an imprisonment of up to three years.

- b. Any person who requests unlawful advantage in connection with his activity carried on for an economic organization or in his own interest, or who accepts the unlawful advantage or the promise for it, or who agrees in respect to it with the person requesting or accepting the unlawful advantage given to third party, commits the **crime of accepting bribery**.
- c. Any person commits official bribery, who intends to influence an official in connection with his activity with an advantage given or promised to him or with respect to it to anybody else.
- d. That official commits the crime of accepting bribery, who requests advantage in connection with his activity, who accepts the advantage or the promise of it, or who agrees with the person requesting or accepting the advantage given or promised to a third person with regard to it.
- e. That person commits the crime of bribery in a court's or authority's proceedings, who in order that the other person should not exercise his lawful rights in those proceedings, or should not fulfil his obligations, or who gives or promises advantage with respect to it to somebody else.
- f. That person commits the crime of accepting bribery in a court's or authority's proceedings, who in order that he should not exercise his lawful rights in those proceedings or should not fulfil his obligations, requests advantage, accepts an advantage or the promise of that, or who agrees with the person requesting or accepting the advantage given or promised to third person, with respect to it.
- g. That official commits the crime of misprision of felony of bribery, who in his capacity obtains credible knowledge that bribery or the acceptance of bribery was committed and not detected, and who does not inform the authority of that as soon as possible.
- h. That person commits the crime of buying influence, who gives or promises unlawful advantage
 - 1. to a person, who claims to influence a public official, or
 - 2. to a third person on account of a person who claims to influence a public official.
- i. That person commits the crime of profiteering with influence, who stating or implying that it should influence an official person, requests advantage for himself or for somebody else, accepts the advantage or the promise for that, or who agrees with the person requesting or accepting the advantage given to a third person with respect to it.

The crime of bribery, the crime of accepting bribery, the crime of bribery in a court's or authority's proceedings, the crime of failing to report bribery, as well as the basic case of the crime of buying influence are to be punished **with an imprisonment of up to three years**. The perpetration of the basic case of the other crimes listed above may produce **an imprisonment of up to 5 years**.

1.2. Does your jurisdiction outlaw “private” bribery/corruption (i.e. transactions between two or more private entities or persons) as well as “public” bribery/corruption? If so, please explain how the distinction is drawn between private and public bribery/corruption.

Hungary, like many other countries of the European Union, distinguishes between corruption within the private (in most cases the business) sphere and official and political corruption.³ According to the results of a comprehensive corruption examination carried out in Hungary in 2009 not only political, but also business corruption and their common presence cause serious problems in the Hungarian economy undoubtedly.

Therefore, the Hungarian Criminal Code starkly distinguishes between the crimes of bribery violating the clarity of public sphere, bribery relating to economic and social relations, and official bribery (of public officials), in protection of social interest in the preservation of confidence put into the correct operation of officials free from corrupt influence.

The new Criminal Code came into force in Hungary on the 1 July 2013 and introduced numerous doctrinal innovations in respect of corruption crimes. The former Criminal Code distinguished in general primarily between the facts of the passive and active sides, however the system of the new Criminal Code focuses on whether the bribery is of public officials or not. While the former Criminal Code always regulated official bribery principally, the new Criminal Code considers non-official bribery as the starting point.

Bribery and the crime of accepting it can be committed by anybody, the crime does not have any special subject, on the other hand the crime of accepting an official bribe can be committed exclusively by an individual, by an official or foreign official possessing a specific qualification.

Similarly to the above, the perpetrator of the crime of accepting bribery in a court’s or authority’s proceedings can only be an individual who participates or may participate in any court, arbitration or in any other authority’s proceedings which are the subject of rights and obligations – however, not a legal person.

1.3. Is your law extra-territorial? If so, in what circumstances can it be enforced if the relevant acts/omissions of bribery/corruption occur outside your jurisdiction?

Hungarian penal statutes shall be applied to crimes committed in Hungary, as well as to any act of Hungarian citizens committed abroad, which are criminalized in accordance with Hungarian law. Furthermore, Hungarian penal statutes shall be applied to any act committed by non-Hungarian citizens abroad, if it constitutes a criminal offence under both Hungarian law and the law of the country where it was committed.

The former Hungarian Criminal Code included a separate statutory definition for active economic bribery in international relations. The law in force, however, uses a cross-reference, under Section 290(4), to ensure that such acts are criminalized. This approach makes the current Act simpler and more transparent. According to the Hungarian Criminal Code in force, active economic bribery constitutes a crime based on the same criteria and is liable to the same

³ Elemér Hankiss: Social traps. Diagnoses. Magvető. 1983. pages 83-86.; GKI Gazdaságkutató Zrt.: The corruption and the corruption of public procurement in Hungary, Volume I., Budapest, 2009.

punishment regardless of whether it is committed in Hungary or in an international environment. In that respect, the new legislation does not differ from the old one.

A person has to be punished identically for a crime in a court's or authority's proceedings, if he commits the crime in the course of proceedings before the international criminal court established with international contract pronounced with law, or with the obligatory decision of the United Nations Security Council, or before the Court of the European Union, or in connection with these.

1.4. Are there any “safe harbours” or exemptions in relation to transactions that might otherwise be regarded as bribes, such as “facilitation payments”, which are expressly excluded from being illegal? If so, is this determined by statute/codified law, by case law or otherwise?

Basically, in Hungarian law the possibility of “safe harbours” cannot be found, our legal system does not know any exceptions, the regulation of behaviours touching corruption is strict and exhaustive. However, dogmatically judgements in relation to presents, promotional gifts and parasolvencies (gifts within the healthcare system) is changing from time to time, moreover, also judicial practice is not uniform in this circle.

a. Present of usual size

Everything which is of value for the person receiving it will be classified as a present of usual size, including but not limited to cash, service, journey, feeding, soft drinks and other beverages, e.t.c.

On the basis of Hungarian judicial practice the advantage classified as present is not unlawful when its acceptance will expressly be allowed by a legal rule or by other legal norm (internal rules). In respect of persons not qualified (in general) as officials there are directives in our effective law which in certain cases prohibit the abuse of the accepted advantage.

On the basis of the decree on the edition of the Service Regulations of Professional Fire Departments for instance “the fireman may accept recognition or in special case a present (obviously in connection with his activity) only with the prior permission of the staff competent commander”. On the basis of the decree on the Service Regulations of the Professional Staff of the Civil Defense “the member of the professional staff of the civil defense may accept presents, prizes from the responsible chief, superior, or through them, in connection with their service behaviour”. It is apparent from that, that such advantage is not unlawful, if accepted by the fireman with prior permission of the responsible officer in charge, furthermore if accepted by the member of the professional staff of the civil defense through the responsible commander.

Thus the above are exceptions, however, if not granted permission, both government officials and employees have to refrain from accepting any presents, if it can be presumed that the intention of the donor is to influence their work.

b. Promotional gift

Government officials may not request and may not accept in Hungary any present, advantage, invitation, service or any other advantage promised to them, to their family members, relatives, friends or to persons standing with them in emotional, political, economic or in other alliance of

interests, which can in any way be connected with their job or with their working place, with the exception of promotional gifts, courtesy gifts received from the representative of a foreign state organ, as well as of usual hospitality received on a programme in connection with their job.

Government officials can freely accept promotional gifts. A gift received by a government official is considered to be a “promotional gift”, if it is given because the donee participated in an event, it features the logo of the donor organization, or in case of international relations, it otherwise refers to the donor country or organization. The value of a promotional gift shall not exceed 10 per cent of the remuneration base determined in the Hungarian central budget, and the low value of the gift shall be obvious at first sight.

c. Gratuities

In Hungary health corruption is the frontrunner in the list of corruption.⁴ The best known situation in healthcare is the giving of gratuities: doctors and nurses receive money for such services, which are actually financed by the social insurance.

According to paragraph (2) of Article 52. of the Law No. I. of the year 2012, the Labour Law: “An employee without prior approval of his employer may not accept or may not stipulate any remuneration from a third party in respect of his activity carried on in the labour relationship.”

In everyday life it is acceptable that an employee – in the present case a doctor or a nurse – receives gratuities from a patient in the course of his daily work. The decree of the Labour Law referred to stipulates the prohibition of this allowance, with the stipulation that employers may grant exemptions from this prohibition for the doctor or for other health care workers. Where the employer of the doctor has given the exemption, the doctor may accept the gratuities, however this has to be indicated – similarly to other legal incomes – in the tax declaration and tax has to be paid on it.

Thus, on the basis of present rules in force, if the hospital approves the acceptance of gratuities, this will not be considered as unlawful advantage, i.e. as acceptance of bribery. However, when the hospital does not allow that, criminal proceedings can be initiated against the doctor who forgets.

1.5. Does the financial regulatory system (i.e. the law and regulations governing the operation and conduct of banks and other financial institutions) in your jurisdiction address the topic of bribery & corruption? If so, please provide a brief summary of the obligations (including systems/controls and reporting obligations) that are imposed on banks and other financial institutions in this regard.

In many cases those concerned try to launder the property originating from the crime of corruption through money laundering. The Act on the Prevention and Combating of Money Laundering and Terrorist Financing came into force in 2007, and later in 2013 it was comprehensively reformed. According to the Main Rule also attorneys-at-law and notaries public are obliged to announce signs referring to money laundering, when detecting these. This announcement also in our case cannot be considered as breach of secrecy or as violation of information service restriction based on legal rule or on contract. The addressee of the

⁴ Transparency International: <http://merjtenni.hu/hol-tapasztalt-korrupciot-2/egeszsegugyi/>
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announcement at attorneys-at-law and notaries public is not the NPH (National Police Headquarters), but the bar association or the notarial chamber, respectively.

The service provider cannot relax also following the client identification, it is obliged to continuously follow with attention the business relationship in respect of whether the given mandate is standing in harmony with the legal rules. It is obliged to pay special attention to all complex and unusual processes (e.g. complicated, difficult to review in comparison with usual ones and not consistent with the picture formed of the client).

The powers of the authority in accessing data and trade secrets have greatly increased. In certain instances defined in the Hungarian law on the prevention and combating of money laundering, for example if there is any information, fact or circumstance indicating money laundering or terrorist financing or upon a foreign authority's request, the Hungarian authority has the right to access data managed by the service providers, and to independently share information and cooperate with foreign authorities.

2. CORPORATE CRIMINAL LIABILITYIn the context of bribery/corruption, does your law recognise the concept of corporate criminal liability? E.g. can a corporate entity be found guilty of bribery?

In Hungary criminal liability was made necessary alongside the sudden increase of incorporated entities under our European Union's legislative harmonization obligation. In Hungary the law on criminal measures to be employed against legal entities has existed as from 2001, pursuant to which criminal measures can be implemented also against legal entities. In practice this rule of law has not played an important role until recent years, however, this has changed now.

The solution realized through the Law No. CIV of the year 2001 can be considered as a model of measures which regulates the criminal legal consequences to be employed against the legal entity not as a punishment, which ought to have guilt as condition, but it talks about one type of measure. The law disregards the expressions guilt, perpetrator and also the terminology of the criminal liability of the legal entity. The question here is not of the liability of the organization, but of the possibility of sanctioning, the reason for which is the relationship towards the natural person to be evaluated negatively, i.e. the unlawful enrichment of the legal person.⁵

2.2. If the answer to 2.1 above is "yes", please provide a brief explanation of the legal theory of corporate criminal liability (i.e. what circumstances must be established for corporate liability to arise and what form does that liability take) as well as the penalties that may be imposed upon a corporate offender.

a. Conditions of measures to be employed against a legal entity:

Measures against a legal entity can be employed in the case of committing a wilful crime determined in the Criminal Code, when the commission of the crime aimed at or resulted the gaining advantage for the legal entity or the crime was committed by utilizing the legal entity and the crime:

⁵ Kovács Zsuzsa Göngyvér: Criminal liability of the legal entity, Debreceni Jogi Műhely

1. was committed by the chief official of the legal entity or by its member, employee or official, its manager, or a member of the supervisory board, their delegate authorized for the representation, in the scope of activity of the legal person,
2. was committed by a member or employee of the legal entity in the scope of activity of the legal entity and the fulfilment of management or control obligations of the leading official, of the manager or of the supervisory board could have hindered the commission of the crime.

Besides the above, the measures determined in this law can be employed where the commission of the crime resulted in gaining an advantage for the benefit of the legal entity, or when the crime was committed by utilizing the legal entity and the leading official of the legal entity or its member, employee, manager, or member of the supervisory board authorized for the representation had knowledge of the crime.

b. Measures applicable against the legal entity:

If the court imposes punishment against persons committing the crime determined above, it employs reprimand or probation, it orders confiscation or forfeiture of property. It can employ the following measures against the legal person:

1. termination of the legal person,
2. limitation of the activity of the legal person,
3. fine.

The court shall dissolve the legal entity if it does not pursue any legal economic activity and

- a) the legal entity was established for the purpose of covering up a criminal act, or
- b) the actual activity of the legal entity serves the purpose of covering up a criminal act.

The highest amount of the fine punishable against the legal person is threefold of the value of the pecuniary advantage intended to be achieved through the crime, and at least HUF five hundred thousand.

The limitation of the activity of the legal person can be determined by the court for a time period of 1-3 years within the confines stipulated in the law.

As from July, 2013 for instance, when an investigation is ordered against unknown persons, and in the course of criminal proceedings no one can be accused, or it cannot be proved that the crime was committed by the suspected person, the criminal proceedings can still be conducted against the legal person.

2.3. Are there any pending or expected changes to the law of corporate criminal liability in your jurisdiction? If so, please explain the proposed changes and the expected timeframe for implementation.

As the new Hungarian Civil Code entered into force, in July 2013, the Act on Criminal Measures Applicable to Legal Entities has also been extensively reformed. Since 1 July 2013, the scope of the Act is broader, and companies can be held criminally liable for deliberate crimes within their scope of activity even if the perpetrator has been acquitted, provided that the criminal act has been carried out by subjects specified in the Act. In former legal practice, the criminal liability of a legal entity was tied to that of a natural person, but this approach has changed since the Act's comprehensive reform. Any person who commits a crime through a legal entity, or any person related to a company, who has knowledge of someone committing a crime through the legal entity is liable to criminal punishment.

According to my knowledge, as from the above modification new changes are not expected.

3. MUTUAL LEGAL ASSISTANCE/CO-OPERATION

3.1. Is your jurisdiction a signatory to any bi-lateral or multi-lateral treaties or other instruments regarding mutual legal assistance / co-operation in the context of bribery & corruption? If so, which ones?

- Hungary decided in 2012 to join the initiative the Open Government Partnership signed by the United States of America, the United Kingdom, Norway and further five states on the 20. September, 2011;
- Hungary joined the International Academy against the Corruption in September, 2010 (IACA). (Agreement for the establishment of the international anti-corruption academy as an international organization);

Hungary joined the following agreements with the laws mentioned below:

- Law No. CXXXIV. of the year 2005: United Nations – Agreement Against Corruption;
- Law No. CXV. of the year 2005: Agreement on the struggle affecting officers of the European Communities and the officers of the member states of the European Union on the fight against corruption;
- Law No. L. of the year 2004: Council of Europe - Civil Law Convention on Corruption;
- Law No. XLIX. of the year 2002: Council of Europe - Criminal Law Convention on Corruption;
- Law No. XXXVII. of the year 2000: Convention on combating bribery of foreign public officials in international business transactions.

3.2. Are the regulatory/prosecution authorities in your jurisdiction parties to any formal or informal co-operation arrangements with equivalent authorities in other jurisdictions (e.g. a memorandum of understanding, etc.)? If so, please provide a brief summary of the arrangements and the other authorities/jurisdictions.

The international relations of the Hungarian state attorney's office are very extensive and manifold. Following from our geographical position, beside the very valuable bilateral relations the European Commission has given a framework to the state attorney's contacts for more than one and a half decades. In different Expert Working Groups of the Council of Europe numerous state attorneys took and are taking part, at present among others in the Experts' Committee of the Council of Europe evaluating the Measures against Money Laundering, and in the Group of States Against Corruption (GRECO), uniting states against corruption.

GRECO is the leading institution against corruption on a European level, into which Hungary delegates two experts through the Ministry of Justice, furthermore also state attorney experts possessing practical and professional experience in the administration of corruption matters in the monitoring activity carried on by GRECO are taking part. Also a colleague state attorney of the Prosecutor's General Office was added to the Hungarian experts list compiled for the execution of expert's activities of two phases, divided into evaluation areas carried out by GRECO.⁶

On the Attorneys General level Hungary is very active in the activity of the Conference of the Attorneys General of Europe established in 2000 under the aegis of the Council of Europe, and it is a member of its exclusive body, the Consultative Council, respectively.

The act on international criminal legal assistance nominates numerous forms of criminal legal assistance, so for instance the extradition, giving over/taking over of criminal proceedings and different procedural legal assistances.

As from the accession to the European Union the possibility was opened for Hungarian prosecutors that they should utilize the institutionalized judicial mechanisms of the European Union (e. g. EUROJUST, European Judicial Network) for the management of concrete criminal cases. The most frequent forms of legal assistance provided in the framework of criminal co-operation carried on with the member states of the European Union: examination of witnesses, house search, execution of seizures, controlled delivery, service of judicial documents, attachment and confiscation, covered investigation, common investigation.

It has to be noted separately that the Hungarian state attorney's office realizes criminal co-operation with neighbouring countries in many cases through the setting up of common investigating groups. On the side of Hungary the so called "cross-matter" was among the first in which this kind of co-operation was carried out. In the case in July 2011 – for the first time with the participation of a Hungarian group of state attorneys – a common investigation team was created, with the participation of Hungary, Germany and Finland. Later also Austria and Slovenia joined it. I have to emphasize separately that the Hungarian state attorney's office played a co-ordinative and initiative role in the course of the criminal co-operation and of the proceedings, as well. Otherwise, this case can be considered as one of the important milestones of the joint actions against corruption. The set up of the first common investigation group has been followed by many newer ones.

⁶ www.mklu.hu

4. CASES

4.1. Please describe in brief three (3) cases of bribery/corruption in (or involving) your jurisdiction which illustrate the trend towards cross-border/global investigation and enforcement of anti-bribery laws. For example, cases where:

- your jurisdiction's law(s) were enforced on an extra-territorial basis
- there was a degree of cooperation/assistance provided by your jurisdiction to another jurisdiction, or vice versa; and/or
- penalties were imposed by your jurisdiction as well as by other jurisdictions, in relation to the same set of facts.

a. Case 1

In the year 2007 a skeleton agreement was established between the member of a foreign group of companies in Hungary (hereinafter X Zrt) and a Hungarian law office for providing legal services, in the frame of which, against agreed hourly fees X Zrt. entrusted the law office with different legal tasks. In the skeleton agreement the second defendant was the contact person. The law office regularly employed another law office (hereinafter Law Office 2.) as subcontractor. The representative of the Law Office 2. was the person who maintained the contact with the first defendant, with the representative of X Zrt. They coordinated the invoices and according to the accusation the representative of Law Office 2. regularly handed over an illegal advantage to the manager of X Zrt.

Later the Law office 2. could not return advantage of corresponding amount, therefore they involved further subcontractors and following the settlement of invoices issued by them these subcontractors returned the unlawful advantage to Law office 2., following this the representative of Law Office 2. forwarded this to the first and second defendants.

The possibility for assuring the unlawful advantage was given by the fact that in case of works carried on by the subcontractors the invoices and acknowledgements of fulfilment contained a higher number of hours, consequently also higher labour fees, than would have been well-founded.

In the course of the investigation the investigating authority discovered the historical facts in details and because of the foreign parent company of X Zrt and because of its extensive foreign connections it sent numerous requests to the foreign authorities, as well as to banks involved in the matter. At present there still does not exist any judgment at law, however, from the point of view of the profession it will surely be important.

b. Case 2

The following legal case shows the scope of the "safe harbours" connected with question 1.4. The first defendant became acquainted with the second defendant D. Z. in the course of a lecture on money laundering given by him and later, besides the professional acquaintance, they also

became friendly. D. Z. through his economic interests came under the leadership of Dr. B.T. (the third defendant). One of the money-change firms of B. T. carried on money change activity as the agent of Volksbank Rt. Hungary. With this firm the internal control discovered errors in the middle of August 2003. B. T. requested D. Z. by phone to contact Csaba Molnár and to request him to agree with the bank not to act against his firm in question. Afterwards D. Z. requested a meeting with Csaba Molnár. In the meeting B. T. – with the remark that it is a present from Syria – gave over an envelope, within that a gold-plated bijou bracelet of the value of about HUF 200, with a wooden nameplate, with a pencil box of Far-Eastern origin made from exotic wooden material, of the value of about HUF 1.500, as well as with a near-eastern cake of indeterminable value. The second and third defendants requested Csaba Molnár in the meeting to contact Volksbank in their interest. Next day the first defendant called the chief of the legal department of Volksbank Rt and requested him to consult in the subject of the “activation” of the Financial Supervisory Authority in connection with the money-changers. In the meeting of the 25. August Csaba Molnár did not mention the request of D. Z. and B. T., since he got the information that Volksbank will terminate the activity of the money-change business branch. In the press an article appeared that Csaba Molnár got into impermissible connections with Arab money changers. Between 2. and 5. December 2003 Csaba Molnár wrote three reports about his “Arab connections”, in which he named also the received presents, furthermore, he gave over the pencil box, later also the bijou bracelet.⁷

The investigating authority detected among other things the Arab connections of the first defendant, according to the seat of the bank, as well as his connection network of Hungary, in the course of which it contacted numerous foreign authorities. The foreign authorities not named in the matter, on the basis of the request of the Hungarian investigating authority interrogated witnesses.

In spite of having carried on numerous investigative actions and of full exploration, the responsible court acquitted finally all three defendants from the indictment of bribery. The acquittal happened not because the present was of small value, but because it was received by the first defendant Csaba Molnár not in his official capacity.

c. Case 3

The police of Bochum on the 19. November, 2009 arrested Ante Sapina, a Croatian citizen, and some of her accomplices, charging them with the manipulation of hundreds of football matches mainly in Europe and South-America as leaders of a world-wide criminal organization with a centre in Asia. Since more references were found in the documents of the state attorney’s office in respect of it that also Hungarian football teams might be involved in the rapidly increasing cross-scandal, on the basis of the charge of the Hungarian Football Federation in December 2009 criminal proceedings were initiated before the National Investigating Office because of the crime of bribery. In parallel also in numerous countries of the world investigations were initiated and as it was with us, also elsewhere corrupt players were arrested on the football field after matches. The world-wide betting frauds were governed by a syndicate based in the Far-East, which shorted the totalizator agencies with Euro-millions.

In the interest of successful completion of the investigation of the labyrinthine matter also more international groups were established within the framework of Europol. In the interest of the more successful pursuit of the international betting fraud – with the participation of Finland,

⁷ http://vtki.uni-nke.hu/uploads/media_items/hollan-jegyzet-es-kotelezo-irodalom.original.pdf
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Germany, Hungary and Europol – in August 2011 an international investigating group was created, to which also Slovenia and Austria joined. This was the first time Hungarian public prosecutors and policemen, with support from the Office of the Prosecutor General, participated in this form of international criminal co-operation.

The importance of the international investigation group is that in cases where different countries are involved (for instance the Estonia-Bulgaria match) it is not necessary to continuously request help in the frame of legal assistance from the authorities of another country. In the course of the investigation the suspects were always examined by the person just being there, who put the questions of the guest-investigators, as well.

Parallel with the work of the investigating group one of the Northern states of Europe extradited one of the Asian leaders of the cross-matter to Hungary. The investigators of Hungary examined the Asian person through long months, where the numerous investigators of other countries involved in the cross-matter joined in.

The Central Investigation Prosecutor's General Office with respect of the high number of persons examined as suspects and of the matches affected by the manipulation, for practical reasons separated the matter into four parts, in context of which proceedings today before the Metropolitan Court of Justice – on the basis of investigation documents making totally about 36.000 pages, as well as of the confession of more than 100 witnesses and 55 suspects, respectively – arraigned in all cases against totally 45 accuseds, as well as in connection with 32 different matches.

Among the matches figuring in the bill of indictment were 2 international juniors selected team's matches, 1 international adult selected team's match, 3 Finnish first-league matches, 1 Italian league match of first class, 11 Hungarian league matches, 2 Hungarian cup matches, 5 Hungarian league-cup matches, 4 Hungarian U-19 matches, 2 international friendly preparations matches between club-teams and 1 Hungarian county league match of first class. At present the criminal proceedings in connection with the above are still in process, the judgements at law have still not been given.

It can be seen that in the case of the greatest bribery of past years the proceedings of demonstration were carried on because of the cooperation of the European investigating authorities, in the cross matter the investigators of the countries in question have carried on the hearing of suspects and witnesses together, with common power, the information shared with each other.

As a consequence of the international cross matter the European Parliament accepted on the 14 March 2013 a standpoint, which provides that European countries should introduce uniform punishments against corruption swamping the sports.