

FROM THE HAPPIEST BARRACK TO THE SADDEST SHOPPING MALL - AND BEYOND

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DECADES OF GOING DOWN THE SLOPE - THE ANTI-CORRUPTION PERSPECTIVE

Before 1989:

- Nepotism
- Scarcity driven PETTY corruption

Between 1989-2010:

- Political finance and public procurements become 2 sides of the gravy train
- 70/30 system as an equilibrium
- EU funds - sporadic rent seeking
- Fragmented state capture

After the “ballot box revolution”:

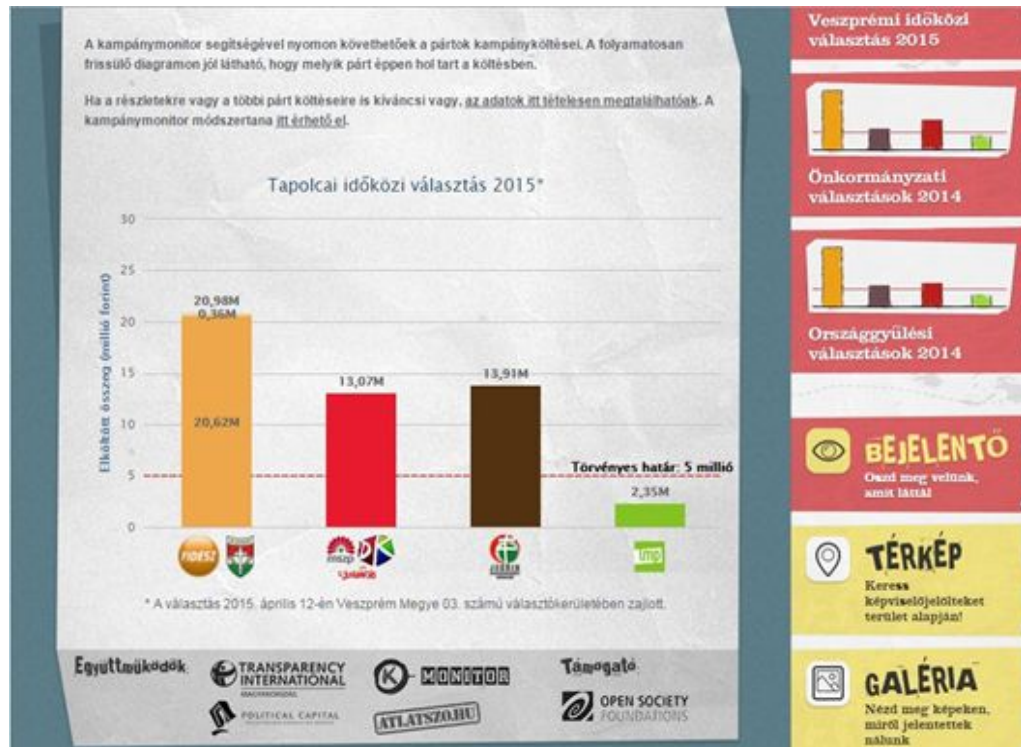
- Crony - tailored legislation
 - Reshaping institutions
 - Redrawing markets (tobacco retail)
 - Ad hoc favouritism
- Evolved state capture
 - Reinforced pillars of corruption
 - Fluctuation of oligarchs
 - Total control on redistribution
- Ideological background

“Corruption is practically the main policy of FIDESZ”

KEY ISSUES
THE ACR OF THE EU

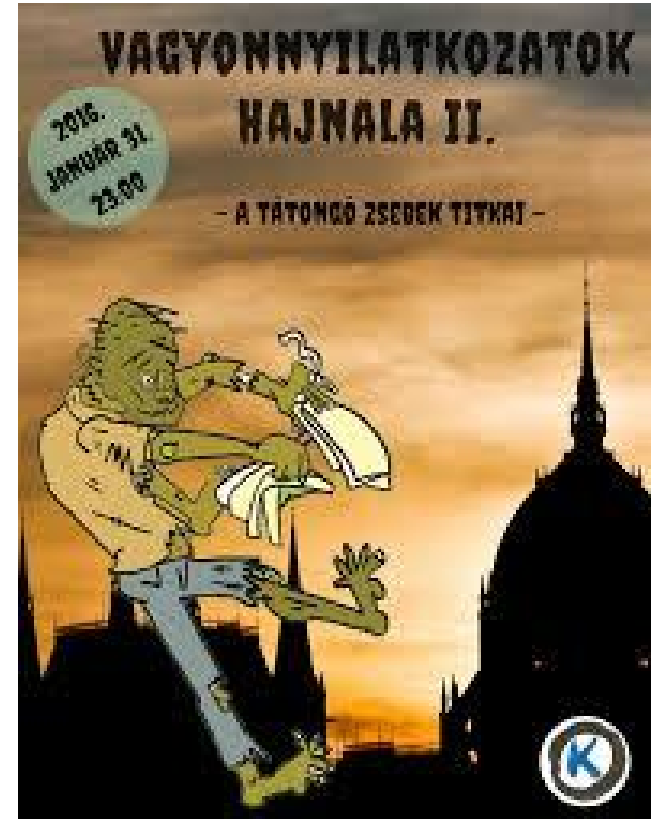
PARTY FINANCE & LOBBYING

- Legislative gaps and loopholes
- Reluctant monitoring bodies (SAO, Treasury)
- GRECO recommendations
- Local level: “everything goes”
- Data of public interest
- The importance of civil monitoring
 - Monitoring „campaign tools” (e.g. advertisements, direct marketing, campaign events, etc.) - public market prices (12 vs 3 million EUR)



ASSET DECLARATIONS

- Legislative gaps and loopholes
 - Secrecy of the relatives
 - Omnipotent Committee of Immunity and Credentials
- reluctant monitoring bodies (prosecution, NTCA)
- Local level: “everything goes”
 - Minimum programme for local municipalities
- Narrowed scope of audits of enrichments
- What we do: digitizing the content of the declarations
 - Dawn of the AD
 - theNetwork - combined with data from the company register and media articles



FREEDOM OF INFORMATION

- Efforts to worsen transparency and discourage people from submitting public data requests
- “everyone shall have the right [...] to access and disseminate data of public interest” - Fundamental Law of Hungary
- A series of restricting provisions
 - Narrowing the scope of the FOI act
 - Preparatory documents for a future decision
 - Charging fees for the fulfillment itself
 - Sectoral rules providing for exemptions from fulfilling public data requests (act on the Postal Service, act on the National Bank - failed, yet)



“...public funds...losing their characteristics as public funds”

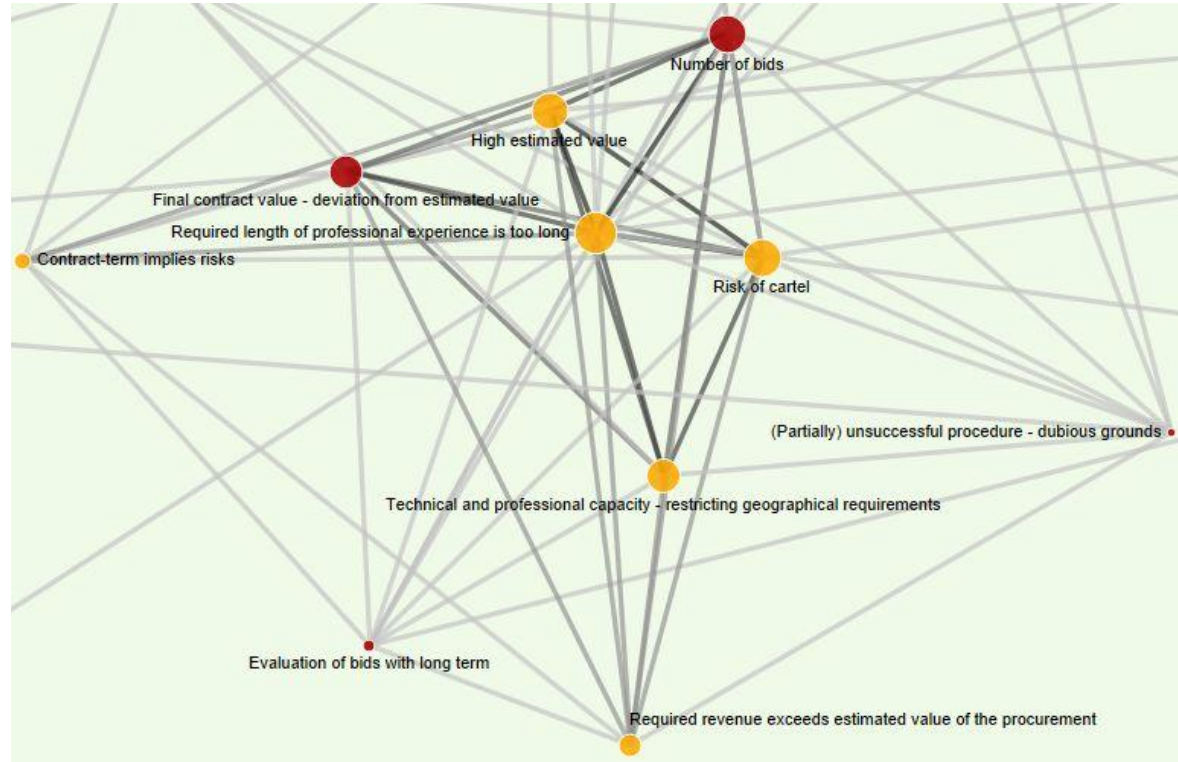
PUBLIC PROCUREMENTS

- During 2014: 14 000 procedures worth of approximately 7 billion EUR
- 50 % financed by EU funds
- CRCB study: 30-35 % of the tenders only involved 1 bidder
- Reluctant authorities (PPA, prosecution)
 - OLAF
- Tailor made procurement calls
- Invitation of 3 preselected bidders



WHAT WE DO

- Redflags.eu
- Automated corruption risk forecast system for public procurements
- Data from TED since 2012
- ~16 000 notices
- Corruption risk profile of the biggest contracting authorities
- Ex ante monitoring for prevention

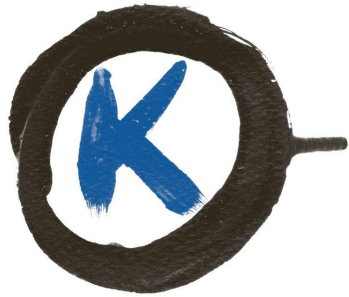


GONGOS AND NGOS - THE GOOD THE BAD AND THE RHETORIC



WHISTLEBLOWER'S
PROTECTION - BEVÉD

THANK YOU!



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