



OFFICE OF THE PROSECUTOR GENERAL OF HUNGARY
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Press Release

Parliamentary report issued by Dr. Péter Polt, Prosecutor General of Hungary on the activity of the Prosecution Service in 2017

The parliamentary report of Dr. Péter Polt, Prosecutor General of Hungary on last year's activities of the Prosecution Service of Hungary, issued today, indicates that prosecutorial work is still stable, effective, shows good results and is fast enough. The Prosecution Service carries out its tasks in a legal way by keeping in mind substantive justice.

Prosecutorial activity in the criminal law field constituted a considerable part of prosecutors' work in 2017 as well.

The decrease in the number of registered crimes (in 2017: 226,452) and of perpetrators (in 2017: 92,896), which had been experienced since 2013, also continued last year.

The number of intentional homicides (in 2017: 92) continued to be small in 2017, too. The number of thefts and frauds, which are crimes against property generally showing a considerable ratio within the total number of crimes, significantly fell last year. The number of human smugglings fell almost to its half compared to the previous year.

The number of assaults against public officials, persons entrusted with public functions and persons aiding public officials or persons entrusted with public functions showed a similar trend as that of the previous time period.

The frequency of drug abuses and the number of cases of driving under the influence of alcohol, the latter of which constitutes a significant part of traffic crimes, somewhat increased.

While the number of bribes in the private sector shows a significant decrease compared to the previous years, the number of bribes of public officials rose to 945 in 2017. It must be noted, however, that as a result of the detection and completed investigation of some complex cases involving several persons the number of registered corruption crimes may even significantly increase. The past few years have seen several of those cases, which largely affected statistics.

At the same time, the number of budget fraud, which continues to play a key role in the group of economic crimes, has decreased. The facts and the legal evaluation of a considerable part of the cases are rather complex, the perpetrators try to use sophisticated tools to deceive tax authorities, and by doing so they sometimes cause billions of financial losses against various budgets. The most typical criminal act continues to be the decreasing of tax bases with non-incurred expenses, which is generally tried to be justified with incorrect invoices.

In 2017 the Prosecution Service also paid special attention to the increasing number of money laundering cases, so that relating dogmatic and law application issues could be handled uniformly.

Prosecutors have exclusive jurisdiction to investigate specific criminal offences. The *Central Chief Prosecution Office of Investigation* as well as its regional structural units conduct such investigations.

Last year the quantitative indices for the activity of the Central Chief Prosecution Office of Investigation showed stability. The central units of the Central Chief Prosecution Office of Investigation handled mainly malfeasances in office, corruption crimes, crimes against property as well as traffic crimes, while its regional units typically acted in criminal cases subject to military criminal proceedings.

The efficiency of the anti-corruption activity of the Central Chief Prosecution Office of Investigation is demonstrated by the fact that prosecutors indicted more than 100 suspects for the felony of passive bribery of a public official and other crimes in the two cases described in the parliamentary report.

The development of the number of *indictments* (in 2017: 56,821) and of *indicted persons* (in 2017: 72,681) is linked, on the one hand, to the decrease in the number of registered crimes and, on the other hand, to the fact that in 2017 the Prosecution Service also provided possibilities for the avoidance of judicial proceedings by means of mediation proceedings or by postponing indictments.

Similarly to the previous years, prosecutors made extensive use of tools and measures aimed at accelerating criminal proceedings – such as proceedings without trials or arraignments – in 2017 as well. In this way, more than half of the indicted cases (32% of the indicted cases were closed in proceedings without trials while 23% of them by arraignments) could be quickly and efficiently closed.

The *efficiency rate of indictments* in the Prosecution Service is still high and has been continuously increasing since 2013: with its 97.8% rate it has reached the highest rate of the past ten years. With regard to 82.23% of the defendants the court found the defendants guilty of the very same offences as specified in the indictment. As of 1st January 2017, by replacing a former structural unit, the Trial Support and Analysis Division of the Department for Criminal Court Cases at the Office of the Prosecutor General of Hungary has been assisting the work of the chief prosecution offices in order to further improve professionalism and efficiency of prosecution.

The most significant legislative preparatory work in 2017 was the completion of the *codification of the new Hungarian Criminal Procedure Code*. The Code has meanwhile entered into force. Dr. Péter Polt, Prosecutor General of Hungary represented the Prosecution Service at the most important forum directing the process of codification, at the meeting of institution leaders. Similarly to the previous years prosecutors seconded to the Ministry of Justice were also involved in this work. During the time of their secondment one of the prosecutors as a ministerial commissioner while the other prosecutor as head of department were in charge of directing the process of codification. In addition to representatives of other legal professions five prosecutors were working under their supervision. A five-member expert team including a prosecutor assisted the codification process.

In 2017 *prosecutors working outside the field of criminal law* carried out their tasks also in a changing legislative environment. One of the most essential changes is that with a few legislative exceptions the general prosecutorial control over civil society organizations terminated. Priority areas of prosecutors' activity outside the field of criminal law included the supervision of warrants to appear issued by minor offence or public administration authorities and the monitoring of orders terminating proceedings issued by minor offence authorities or by police authorities conducting preparatory proceedings.

Integrity screenings, which are used by bodies carrying out the screening to test persons subjected to the screening in a real-life-like, simulated situation to test if the person in question would commit a malfeasance in office, can be conducted only after prosecutorial approval has been granted. Once integrity screenings are finished, prosecutors also monitor whether screenings have been carried out in accordance with law. In 2017 chief prosecution offices assigned to fulfil the tasks relating to integrity screenings approved 833 decisions ordering integrity screenings. Based on conducted screenings 17 criminal proceedings were initiated against officials of the police forces, the penitentiary institutions, the government, the disaster management authority and the Immigration and Asylum Office.

While exercising their power outside the field of criminal law prosecutors pay special attention to assert *consumer protection rights*, and if needed, they take actions to protect those rights. Prosecutors perform this task not only by reviewing the legality of decisions issued by the consumer protection agency but also by filing class action lawsuits – by filing actions against unlawful general contract terms and conditions or by filing consumer protection actions. Class action lawsuits filed by prosecutors, whose number has been continuously growing, are highly efficient because judgements made by the court on the basis of prosecutors' actions are binding on all consumers. In 2017 prosecutors filed 42 actions challenging unfair general contract terms and conditions mainly against travel agency, real estate and online trading enterprises.

Prosecutors' basic tasks include the *legality supervision of the enforcement of punishments*. Continuous monitoring of the legality of detainees' treatment has long been a priority task for prosecutors supervising the enforcement of punishments. The national examination in 2017 found that similarly to the previous years detainees' treatment in Hungary, despite some occasional mistakes and deficiencies, generally complied with requirements set forth by international norms and recommendations as well as with the law in force.

The annual parliamentary report made by the Prosecutor General also gives account of the *active and efficient international activity of the Prosecution Service*. The priorities of this activity in 2017 were the maintenance and development of good relations with EU Members States and Eastern partners. In 2017 one of the main events of the international relations of the Prosecution Service of Hungary was the Chinese – Hungarian joint conference on global insecurities in the www organized for prosecutors in Budapest, which was also attended by Mr. Zhang Xueqiao, Chinese Deputy Prosecutor General.

Special emphasis should be given to the *cooperation between the Prosecution Office of Hungary and the OLAF* (European Anti-Fraud Office).

OLAF conducts administrative investigations to monitor if EU funds have been used and spent without any irregularities. If the suspicion of crime arises in the course of an OLAF investigation, OLAF may make a recommendation to the competent judicial authority of the State concerned, so that the suspicion of crime would be investigated. In 2017 OLAF made 6 recommendations to the Office of the Prosecutor General of Hungary. In 2 cases the Prosecution Service of Hungary issued orders on criminal investigations, in 3 cases OLAF recommendations and final reports were assessed in already ongoing criminal cases, while in 1 case the competent prosecution office issued an order on the resumption of the

previously terminated criminal investigation based on the OLAF recommendation. In 2017 indictments were filed in 4 cases and criminal investigations were terminated in 4 cases out of the cases opened on the basis of OLAF recommendations and information transmitted by OLAF.

Based on OLAF Report 2017, *Hungary outperformed the EU average (42%)* as far as indictments filed in relation to closed case are concerned between 2012-2017: indictments were filed namely in 47% of the cases.

It must also be highlighted that the number of Hungarian cases handled by the *EUROJUST* (the EU body dealing with judicial cooperation in criminal matters among the EU Member States and seated in The Hague) also increased. The fight against organized crime requires close international cooperation, and setting up and operating joint investigation teams have proven to be effective forms for such a cooperation. Compared to the previous years cooperation has become more intensive in this field. In 2017 Hungarian authorities participated in 8 joint investigation teams set up earlier and in 7 new joint investigation teams, 2 of which were proposed by Hungarian authorities. The JITs were set up in human smuggling, human trafficking, drug trafficking, fraud, money laundering and cybercrime cases.

Ladislav Hamran, the President of EUROJUST spoke highly of the work of the Prosecution Service of Hungary and the Hungarian national desk in Eurojust in his speech delivered in Hungarian at the ceremony held to commemorate the Prosecution Service Day, and he emphasized that Hungary's commitment to judicial cooperation serves as a model to be followed, which is demonstrated by the fact that Hungary ranks first among the EU Member States as far as the exchange of information about serious crimes are concerned.

Budapest, 27th September 2018

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