Government Decision No 1285/2026 of 3 September 2026
on the Government's position on the findings presented in the Integrity Authority's 2025 Annual Analytical Integrity Report

Having regard to Section 13 of Act XXVII of 2022 on the control of the use of European Union budget funds, the Government

1. has negotiated and adopted its position on the findings and recommendations presented in the Integrity Authority's 2025 Annual Analytical Integrity Report, as set out in Annex I ("Annex");
2. the Government calls on the Minister for Rural and Urban Development to forward the Government's position, as set out in the Annex, to the Integrity Authority and ensure its publication on the www.palyazat.gov.hu website, with the involvement of the National Development Centre;

   Responsible person: Minister for Rural and Urban Development
   Deadline: immediate
3. calls on the Minister for Rural and Urban Development and the Minister of Finance to represent, with the involvement of the organisations concerned, the government's position, as set out in the Annex, before the Integrity Authority and to take the necessary steps to implement the measures proposed therein.

   Responsible person: Minister for Rural and Urban Development
   Minister of Finance ministers concerned
   Deadline: 31 May 2027

Péter Magyar (sgd.)
Prime Minister

Annex 1 to Government Decision No 1285/2026 of 3 September 2026

The Government's position on the findings presented in the Integrity Authority's 2025 Annual Analytical Integrity Report

Recommendation No	Proposals and recommendations by the Integrity Authority	The Government's position	Explanation of the Government's position
Recommendation No 1	**Establishing a legislative environment to foster an ownership mindset** The Authority recommends the creation of a coherent, unified theoretical framework within current Hungarian legislation, encompassing the fields of public finance, funding policy and public procurement, with a clear conceptual clarification of the principles of economy, efficiency and effectiveness, and the establishment of detailed legal regulations that substantiate such principles.	The Government partially agrees with the proposal.	The Government's position is that the current legal framework essentially provides adequate tools for integrity management and the operation of the internal control system. Nevertheless, their development may be justified, as described below. The assessment of the effectiveness of regulations should distinguish between the essential adequacy of legal frameworks and their enforcement practices. The effectiveness of integrity protection is determined not only by the content of a regulation but equally by its consistent implementation, the enforcement of managerial responsibility, organisational culture, the actual operation of internal control mechanisms, and the provision of effective accountability. According to the Government's position, the development of the regulatory environment should be governed by the professional standards of legislation, particularly related to necessity, proportionality, decision-making based on ex ante and ex post impact assessments, legal certainty, as well as the principles of better regulation, also applied consistently by the European Commission. Accordingly, making recommendations for introducing new regulatory solutions is justified only if they are built on objective fact-finding investigations, evidence-based professional analyses and comprehensive impact assessments. According to the Government's position, adopting an approach to the assessment of the Integrity Authority's recommendations with an emphasis on factuality, evidence-based policy analysis, and the examination of actual practical impacts is also consistent with the purpose of the Integrity Authority Act. Good governance, the responsible management of public funds, transparency, and the strengthening of public trust can primarily be achieved through the consistent application of the existing legal framework, rather than by creating new regulatory obligations alone. Measure: The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and calls on the Minister of Finance to review the consistency of the existing legislation, standardise the terminology and methodology, assess practical application, and, where warranted by the identified issues

Recommendation No 2	**Applying an ownership mindset in the preparation of public procurement procedures** The Authority recommends establishing a statutory requirement, where appropriate for public procurement procedures exceeding a specified threshold, for contracting authorities to conduct a documented situation analysis and market survey, thereby ensuring that the estimated value is determined in a manner reflecting market prices and that the economic justification of the procurement method used is adequately substantiated.	The Government partially agrees with the proposal.	The Government agrees that public procurement procedures should be prepared as thoroughly as possible and shares the Integrity Authority's assessment that providing adequate economic justification for the procurement approach adopted is of utmost importance. At the same time, in the Government's view, the standards and detailed rules serving this purpose already exist, including in Subsections (1)–(2) of Section 28, and the mandatory determination and documenting of the estimated value under Section 46(1) of the Public Procurement Act (PPA). Furthermore, the same purpose is served by Government Decree No 63/2022 of 28 February 2022, which sets out the cases in which preliminary market consultation is mandatory, as well as the forms it may take. The Government takes the view that a contracting authority has to select the method to determine the estimated value depending on the circumstances of the specific procurement, as is also permitted under the current provisions of the PPA. For this reason, making the use of a particular method (situation assessment and market survey) mandatory would not only impose a disproportionate burden on contracting authorities but would also not always be appropriate or help them achieve the intended objective. In November 2024, to facilitate the application of the practice, the National Development Centre published a guide on the tools for acquiring market knowledge and maintaining contact with the market in connection with public procurement. The guide must be supplemented in 2026 in accordance with Point 2 c) of Government Decision No 1106/2026 of 23 March 2026. The guidance of the Council operating within the Public Procurement Authority on the preparation of public procurement procedures is also available. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be appropriate, as the Government takes the view that the current regulatory framework adequately provides for the necessary standards. The Government considers the application of relevant "soft law" instruments, the development of guidance and
Recommendation No 3	**Re-regulation of determining estimated values** The Authority recommends that the Government examine the need to revise the methods, as defined in Section 28(2) of the PPA, for determining estimated value, in order to ensure that the estimated values in procurement procedures more effectively reflect market prices.	The Government partially agrees with the proposal.	The Government agrees on the need to determine the estimated value as accurately as possible, as well as with the Integrity Authority's assessment that the estimated value should reflect market prices as effectively as possible. The Government takes the view that this is also well served by the current legislative framework, such as Section 28(2) or Section 16(1) of the PPA, which provides that the consideration generally requested or offered on the relevant market must be determined using an objective method and taken as the estimated value. The Government considers that a contracting authority has to select the method to determine the estimated value depending on the circumstances of the specific procurement. According to the Government, the recommendation should be addressed not primarily through legislative measures but by further developing the practical application of the law. Measure: The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and is open to discussing the details. Therefore, it requests the Integrity Authority to lay out its

Recommendation No 4	**Developing a central benchmarking and data system** The Authority recommends establishing a central, data-driven benchmarking system for unit prices, as well as a database to support market analysis, providing control bodies and contracting authorities with access to comparable prices for individual procurement items, typical cost structures, and key data, participants, and characteristics of individual market segments. Although these databases cannot fully cover the entirety of the public procurement market because of the unique characteristics of individual procurement needs and micro-markets, the Authority, based on its investigative experience, considers it feasible to carry out these tasks for the most common types of procurement and the highest-value sectors.	The Government partially agrees with the proposal.	The Hungarian Central Statistical Office (“HCSO”) has indicated that it considers the establishment of the benchmark system formulated in the recommendation to be professionally feasible; however, the HCSO can contribute to the individual components of this system to varying degrees. The HCSO primarily produces statistical, aggregated information, and the focus of its activities is not on assessing the price level of individual transactions or procurements. Besides, a large proportion of their data collections are primarily intended to track price trends rather than to directly produce a benchmark for price levels. Regarding the comparable prices referred to in the recommendation, the HCSO has usable data for certain well-defined product and work item groups. The presentation of the main data and characteristics of the market segments can also be supported by the aggregated economic statistical information of the HCSO. However, under the HCSO’s current data collection system, the available information generally does not provide a sufficient level of detail for determining typical cost structures. In the context of comparable prices, in the case of specific construction work items, the number of available price observations is large enough to build a database of aggregate benchmark prices or price master data through proper statistical processing. This can be particularly relevant for certain well-defined work items related to buildings, roads, railways, and public utilities. In the case of certain standardisable industrial and imported products, value and quantity data are also available, from which aggregate unit values can be formed, and these can be used as external benchmarks under appropriate conditions. The HCSO highlighted in its statement that, in its professional view, the benchmark values formed in this way are not suitable on their own for the automatic classification of a specific public procurement price; they can primarily be used as red flag indicators. Their applicability always depends on the homogeneity of the given product or service category, the detail and quality of the available data, as well as the possibility of ensuring their comparability. The Government, through the Ministry of Transport and Investment, is currently reviewing the cost verification procedure defined in Subtitle 68 of Act LXXIV of 2024, as well as Government Decree No 8/2025 of 12 May 2025 on the detailed rules of cost verification for state investments, concurrently with the review of the Investment Act. As a result of these efforts, the Government intends to set up a cost verification system, which, based on actual market prices and trends, intervenes in keeping costs under control where this is deemed the most effective. Thus, the Government considers it important to properly control costs both when determining the estimated value of investments and during the planning phase. This also requires knowledge of actual market prices. The government supports all initiatives that serve the implementation of projects at market prices and ensure that any additional costs are borne in accordance with market prices even during the implementation phase of projects. <u>Measure:</u> The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and is open to discussing the details. Therefore, it requests the Integrity Authority and the HCSO to hold direct consultations with each other about the feasibility of the possible measures within the framework of the recommendation.

Recommendation No 5	**Structured data collection required for a central benchmarking system and related EPPS developments** The Authority recommends requiring all bid unit prices to be recorded in a structured database to enable analysis, which also necessitates carrying out the necessary IT developments in the EPPS that constitute a prerequisite for structured data collection.	The Government partially agrees with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and shares the Authority's view that enabling comparable unit price data to be obtained from public procurement contracts would be highly useful. Nevertheless, the Government considers that the feasibility of implementing the solution proposed by the Integrity Authority is unsubstantiated. Pursuant to Article 36 of Directive 2014/24/EU, member states may not make the use of electronic catalogues generally mandatory; under Article 22, the purpose of the EPPS is to enable electronic communication in public procurement, rather than to maintain unit price databases. The requirement to provide unit price data for statistical purposes would disproportionately increase the administrative burdens of participants in public procurement, and in the case of unit prices constituting business secrets, this is inherently impossible, as according to Article 21 of Directive 2014/24/EU, the contracting body may not disclose data provided to it by economic operators that they have classified as confidential, including, but not limited to, technical or business secrets and confidential details of their bids. Also, average statistical price data would not be readily suitable for comparison with specific procurement prices because of the impact of individual circumstances on prices. For the above reasons, although the Government agrees with the aim of the recommendation and shares the Authority's view that a database of unit prices in public procurement would greatly facilitate the work of contracting authorities, it currently does not consider the recommendation to be practically feasible because of the lack of structured data necessary for the construction and continuous updating of the database. Nevertheless, it continues to explore the possibilities of having comparable price data, for instance, within the scope of the preparation and implementation of construction works. In this context, the Government is also paying particular attention to these aspects in its review of the Investment Act and the legislation governing cost verification.
Recommendation No 6.1	**Addressing the situation of below-threshold procurement procedures** The Authority recommends that the Government impose a publication or data provision obligation concerning sub-threshold procurement procedures in order to support the activities of competent control bodies. In this context, it would be advisable to consider harmonising the publication obligation with the provisions of Act CXII of 2011 on the right of informational self-determination and on freedom of information, according to which the basic data on contracts exceeding a value of HUF 5 million, subject to the exceptions specified in the Act, must in any case be published.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and shares the Authority's view that it is essential to ensure adequate transparency of the contracts below the public procurement threshold. Nevertheless, the Government considers that the solution proposed by the Integrity Authority is not the most effective instrument to achieve the intended objective. Sections 37 and 37/C of Act CXII of 2011 on the right of informational self-determination and on freedom of information (amended by Act XVIII of 2026) already require the disclosure of data for contracts reaching or exceeding HUF 5 million. Therefore, the requirement of further parallel disclosure is not necessary. Under the legislation governing their operation, competent control bodies are also authorised to access or request certain data beyond the aforementioned scope. The Government is committed to ensuring data transparency in accordance with Act CXII of 2011 in practice, and since these data also include the set in the recommendation, the Government does not consider an additional, duplicate publication obligation to be reasonable. The Government would consider it justified to implement the objective behind the recommendation with a solution that genuinely improves transparency or auditability but does not create additional or duplicate data recording obligations. The Government is, of course, open to further discussions with the Integrity Authority on this matter as well.

Recommendation No 6.2	**Addressing the situation of below-threshold procurement procedures** The Authority further recommends that, based on the data available following the above proposal, the Government conduct an analysis to determine whether the absence of detailed rules on sub-threshold procurement procedures complies with the principle of responsible management of public funds, and whether it is justified to reintroduce detailed legal regulation in this area. In this context, the Authority considers it important to take the following aspects into account: – It may be worth examining whether, in certain cases (e.g. grant-supported procurement procedures or those exceeding a specified value), it would be appropriate to impose an obligation on contracting authorities to conduct the procurement procedure via the EPPS, which the EPPS currently supports (within the procurement/exception procedures module). In this context, it may be warranted to exempt contracting authorities from the EPPS system usage fee. – When introducing any new procedural framework, it is essential to consider the administrative burden imposed on contracting authorities, given the lower contract values involved.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and shares the Authority's view that it is crucial to ensure the responsible management of funds in practice, even for contracts below the public procurement threshold. Nevertheless, the Government considers that the solution proposed by the Integrity Authority is not the most effective instrument to achieve the intended objective. The National Assembly repealed Sections 4(3) and 198(1)(20) of the PPA, effective as of 1 January 2021, and the Government repealed Government Decree No 459/2016 of 23 December 2016, which means that there are no longer any specific rules governing the implementation and oversight of procurement procedures below the public procurement threshold. Procurement procedures below public procurement thresholds and their oversight constitute a domain that is already regulated in multiple aspects – see, inter alia: Section 37 and Section 61 of Act CXCV of 2011 (Public Finances Act); Section 7/J of Act CXXII of 2009 (Economical Operation Act); Sections 214–215 of Government Decree No 256/2021 of 18 May 2021; Sections 6:74–76 of Act V of 2013 (Civil Code). The Electronic Public Procurement System and the https://www.palyazat.gov.hu/informacio/e-beszerzes platform are also available for the publication of procurement procedures, and their use continues to be ensured by the Government. The Government takes the view that the introduction of additional regulations with the content laid out in the recommendation is not warranted. Although the Government, naturally, agrees with the Integrity Authority on the importance of responsible financial management decisions, it does not necessarily consider that the administrative solution proposed in the recommendation will yield the intended results. The Government notes that in carrying out below-threshold procurement procedures that affect the functioning of the EU Single Market, contracting authorities must, naturally, have due regard to the practical application of the principles of the Treaty on the Functioning of the European Union, in particular the free movement of goods and services, equal treatment and transparency.
Recommendation No 7.1	**Strengthening control and ensuring transparency in respect of contracts falling under exemption categories** Control bodies should strengthen their controls in respect of contracts falling under exemption categories, with special attention to the exemptions provided for in Section 9(8)(a) and Section 111(g) of the PPA.	The Government agrees with the proposal.	The Government is committed to the importance of inspections as recommended, the control bodies continuously perform their functions in accordance with the legislation, and the Government does not consider taking any separate measure to be necessary. The State Audit Office has indicated to the Government that strengthening controls over the aforementioned procurement procedures may be an appropriate means of mitigating potential integrity risks arising from the limited applicability of the safeguards provided by public procurement legislation. The State Audit Office conducts its audits within the applicable legal framework, supported by risk analysis-based planning and an independent methodology. Thus, contracts concluded under the exemption rules of the PPA may become the subject of an investigation based on the results of this risk analysis, during which the heightened risk factors related to the transactions in question are also assessed. The Government Control Office ("GCO") has informed the Government that in its ongoing investigations conducted as part of its government controls, the GCO pays special attention to verifying the legality of procurement procedures mentioned in the above provisions of the PPA, and will continue to act in the same manner in the investigations to be initiated in the forthcoming period. When preparing the annual audit plan pursuant to Section 11(1) of Government Decree No 255/2011 of 30 December 2011 on the Government Control Office, the GCO takes the aspects referred to above into consideration and, subject to its audit capacities, also conducts sample-based audits of the aforementioned procurement procedures.

Recommendation No 7.2	**Strengthening control and ensuring transparency in respect of contracts falling under exemption categories** The statutory framework should be amended to include an obligation to publish information in the EPPS, at least in respect of contracts concluded on the basis of the exemptions set out in Section 9(8)(a) and Section 111(g) of the PPA.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and shares the Authority's view that it is essential to ensure that the contracts falling under exemption categories are adequately transparent in practice. Nevertheless, the Government considers that the solution proposed by the Integrity Authority is not the most effective instrument to achieve the intended objective. Sections 37 and 37/C of Act CXII of 2011 on the right of informational self-determination and on freedom of information already require the disclosure of data for contracts reaching or exceeding HUF 5 million. The Government is committed to ensuring data transparency in accordance with Act CXII of 2011 in practice, and since these data also include the set in the recommendation, the Government does not consider an additional, duplicate publication obligation to be reasonable. The Government would consider it justified to implement the objective behind the recommendation with a solution that genuinely improves transparency or auditability but does not create additional or duplicate data recording obligations. The Government is, of course, open to further discussions with the Integrity Authority on this matter as well.
Recommendation No 8.1	**Addressing dysfunctions relating to negotiated procedures without prior publication of a contract notice** The Authority recommends that the Government, based on the data available in the EPPS, examine the impact of bidders' market position on contract prices in negotiated procedures without prior publication of a contract notice based on exclusive rights and extreme urgency during the period 2022–2025, and, in light of the findings, determine whether further measures are necessary to uphold the principle of responsible management of public funds.	The Government partially agrees with the proposal.	According to the data of the European Commission's Single Market Scoreboard, the rate of occurrence of negotiated procedures without prior publication of a contract notice is better than average in Hungary, with a satisfactory rate of 4% in 2024 (countries with unsatisfactory rates above 10% include Bulgaria, the Netherlands, Austria, Denmark, and the Czech Republic). The Government is committed to maintaining and, if possible, further improving this rate of occurrence, which is already satisfactory by European Union standards. The use of negotiated procedures without prior publication of a contract notice is lawful only where the circumstances specified in the European Union's public procurement directives are actually present, as verified by both the institutional system for development policy and the Public Procurement Authority. The Government, agreeing on the issue raised by the Integrity Authority, also considers that the choice of a negotiated procedure without prior publication of a contract notice to satisfy a specific procurement need is not only a matter of legality but also requires careful consideration by the contracting organisation in order to ensure compliance with the principle of responsible management of public funds. According to the Government's position, individual contracting authorities are authorised and obliged, within the framework of the rules of sound budgetary management, to consider the most appropriate type of procedure for the given procurement in the review of their contracts and procurements, and to decide on a case-by-case basis on the modification of their contracts, as necessary. The Government naturally agrees with the Integrity Authority that the use of certain procedure types may entail risks in terms of achieving the best contractual price; however, in the Government's view, these risks can be managed most effectively through decisions on current and future contract awards that take into account the experience gained from past financial management. It is the responsibility of the contracting authorities concerned in each case to review their own contract portfolios also from this perspective, as necessary. Measure: In the spirit of constructive cooperation, the Government requests the Integrity Authority to conduct the investigation within the scope of its remit, as set out in Act XXVII of 2022, and indicate, at the level of individual contracts, if it sees data [illegible] inefficient financial management.

Recommendation No 8.2	**Addressing dysfunctions relating to negotiated procedures without prior publication of a contract notice** The Government should initiate an amendment to the regulations in order to ensure that negotiated procedures without prior publication of a contract notice cannot lawfully be used for procurement needs where the contracting authority seeks to substantiate copyright-based exclusivity by means of a contract concluded as a result of a (public) procurement procedure that did not ensure open competition or was not conducted in accordance with the procedural rules	The Government does not agree with the proposal.	The use of negotiated procedures without prior publication of a contract notice is permitted where the circumstances specified in the European Union's public procurement directives are actually present. Pursuant to EU rules and Section 98(2)(c) of the PPA, such procedures may be initiated on the basis of an exclusive right only if the contracting authority does not have a reasonable alternative to satisfy its procurement need and the absence of competition is not the result of the subject-matter of the contract being defined in a manner that restricts competition to an unjustified extent. The Government agrees with the Integrity Authority's interpretation of the law in general but does not consider the specific legislative measure proposed by the Integrity Authority to be appropriate, as the Government takes the view that the legality of the application of a specific type of procedure can only be assessed in light of all the facts and circumstances of a particular case. The Government does not consider such detailed regulation at the level of statutory provisions to be appropriate. The Government continues to view the further development of applicable "soft law" instruments and guidelines as the preferred and feasible way forward.
Recommendation No 9	**Discontinuing the procedure type defined under Section 115 of the PPA** The Authority recommends discontinuing the procedure type under PPA Section 115 and introducing instead simpler participation rules for lower-value construction projects.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible. According to the information provided in Government Decision No 1106/2026 of 23 March 2026, the minister with responsibility for public procurement had reviewed the experience gained from the procedure type under Section 115 of the PPA, in particular the practical experience related to the selection and mandatory rotation of the economic operators invited to submit bids, and issued a report of the review to the Anti-Corruption Task Force. Regarding the practice of contracting authorities in terms of the extent to which they rotate economic operators invited to submit bids, the results of the assessment did not indicate widespread abusive application of the law, and the lower administrative burdens as well as the outstanding participation and success rates of small and medium-sized enterprises (91% and 94%, respectively) also support the retaining of the rules of this procedure type. Therefore, the Government stated in the document that the discontinuation of this procedure type is not recommended and that the challenges posed by it can be managed by means other than legislative measures. One challenge that has been identified is monitoring compliance with the prohibition of splitting contracts into lots in cases where a contracting authority regularly implements this type of procedure. For this reason, the Government indicated in the report that it considered the strengthening of controls to be warranted in the case of contracting authorities that apply the procedure type under Section 115 of the PPA more than ten times within one year. In order to strengthen controls, the minister with responsibility for public procurement annually lists all contracting authorities that have applied the procedure type under Section 115 of the PPA more than ten times within a 12-month period, and sends the list to the bodies controlling public procurement (State Audit Office, Government Control Office). The control bodies concerned could then include a more in-depth review of such procedures in their control plans – particularly focusing on whether the contracting authorities have properly complied with the statutory prohibition on splitting contracts into lots, and whether the selection and rotation of the invited economic operators were carried out in compliance with the principles of fair competition and equal opportunities. Based on the above, the Government considers, overall, that the specific legislative measure recommended by the Integrity Authority, namely the discontinuation of this type of procedure, would not be a proportionate measure in pursuit of the objective

Recommendation No 10.1	**Increasing the transparency of dynamic purchasing systems and framework agreements, and reducing the associated risk of legal violations** The Authority recommends facilitating the identification of open DPSs in the Electronic Public Procurement System by listing them under a separate menu item.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible. However, the Government considers that the implementation of the recommendation put forth by the Integrity Authority would be less appropriate for the reasons set out below. The menu system and search functions of the EPPS treats the various procedure types and specific procurement methods uniformly, as for economic operators, it is not primarily the legal characteristics of the public procurement procedure or the types of procedures that determine what constitutes a business opportunity. The Procedure Repository module of the EPPS already allows searches by procedure type and specific procurement method. Therefore the Government takes the view that the goal pursued by the Integrity Authority, the identification of open DPSs, is already enabled by the EPPS, according to a uniform operational logic (searchability of "current business opportunity"). The Government is, of course, open to further discussions with the Integrity Authority on this matter as well.
Recommendation No 10.2	**Increasing the transparency of dynamic purchasing systems and framework agreements, and reducing the associated risk of legal violations** The Authority recommends making it mandatory to indicate the closure of DPSs within the EPPS (without a separate obligation to publish a notice, on the procedure's data sheet).	The Government agrees with the proposal.	The EU legislator did not provide for the publication of a separate notification upon the expiry of the term of the DPS, but the DPS can technically be closed with a contract award notice. The Government agrees that the publication of information about the expiry of the DPS term is appropriate. Measure: Subject to the availability of funds, the minister with responsibility for public procurement shall ensure that the development serving the publication of information in accordance with the recommendation is carried out.
Recommendation No 10.3	**Increasing the transparency of dynamic purchasing systems and framework agreements, and reducing the associated risk of legal violations** The Authority recommends recording the public procurement procedures carried out and the contracts concluded by the contracting authority / contracting authorities within the EPPS in connection with the underlying procedure, displaying them on its data sheet.	The Government partially agrees with the proposal.	The Government is committed to ensuring transparency also in the subject matter covered by the recommendation. Nevertheless, the Government considers that the solution proposed by the Integrity Authority is not the most effective instrument to achieve the intended goal, since the data concerned are already available. The EPPS already allows users to filter by the EPPS identifiers of procedures for the conclusion of framework agreements and for setting up dynamic purchasing systems (FA1/DPS1), with the search results displaying the procedures initiated under those framework agreements or dynamic purchasing systems (FA2/DPS2). In the case of an FA2/DPS2, the system already indicates the "Underlying Procedure Identifier", which allows users to identify the FA1/DPS1 procedures. FA2/DPS2 procedures are technically separate procedures in the EPPS and therefore appear on separate data sheets. The Government takes the view that the cost of the requested change (placing these procedures on the same data sheet) is disproportionate to the objective pursued, because the data concerned are already available. For this reason, the Government does not consider any further measures to be necessary. Nevertheless, the Government is, of course, open to further discussions with the

Recommendation No 10.4	**Increasing the transparency of dynamic purchasing systems and framework agreements, and reducing the associated risk of legal violations** The Authority recommends that the Government examine the possibility of amending the regulatory framework concerning single-operator framework agreements in the following directions, within the boundaries allowed by the Directive: – for the determination of the estimated value, imposing an assessment and documentation obligation also in relation to the market prices of the individual items to be procured; making the use of single-operator framework agreements by contracting authorities subject to mandatory justification.	The Government does not agree with the proposal.	The Government agrees on the need to determine the estimated value as accurately as possible, as well as with the Integrity Authority's assessment that the estimated value should reflect market prices as effectively as possible. The Government considers that a contracting authority has to select the method to determine the estimated value depending on the circumstances of the specific procurement, and making the exclusive use of any single method mandatory would impose a disproportionate burden on contracting authorities. The EU directive does not make the practice of framework agreements with a single economic operator conditional upon any obligation to state reasons or present proof of compliance with further requirements. On this account, the Government takes the view that introducing a statutory obligation to give reasons is impossible. National legislature must ensure that contracting authorities are able to exercise the options provided under EU law (obviously, alongside the general obligation to comply with the public procurement principles provided for in the EU directives), the obligation to give reasons would result in legal uncertainty. Since the law does not lay down any specific conditions for its use, neither contracting authorities nor control bodies would be able to determine what kind of statement of reasons would be considered acceptable. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be appropriate, as in the Government’s opinion, it would not provide a genuinely effective means of eliminating the practical difficulties in applying the legislation. The Government continues to view the further development of applicable “soft law” instruments and guidelines as the preferred and feasible way forward.
Recommendation No 10.5	**Increasing the transparency of dynamic purchasing systems and framework agreements, and reducing the associated risk of legal violations** Furthermore, the Authority proposes that the guide issued by the Council operating within the Public Procurement Authority, relating to various issues concerning framework agreements, be supplemented with tools addressing the risks identified above, with particular regard to the following: – recommended methods for planning procurement needs related to framework agreements, in order to avoid practices restricting competition; – recommended methods for determining the estimated value in the case of framework agreements; – in the case of framework agreements involving a large number of items, the development of professional guidelines that effectively support contracting authorities in the lawful determination of bid price-related award criteria, with particular emphasis on upholding the principle of responsible management of public funds.	The Government agrees with the proposal.	The Council operating within the Authority has included the amendment of the guidelines issued on 6 May 2021 concerning certain issues related to framework agreements in the Council's plan of record for 2026. Measure: The minister with responsibility for public procurement will continue to cooperate with the members of the Council operating within the Public Procurement Authority in amending the guidelines. The Integrity Authority appoints a member to the Council, thereby directly representing its recommendations.

Recommendation No 11	**Aligning with directive principles** With regard to the provision set out in Article 18(1) of Directive 2014/24/EU, the Authority considers it warranted to amend the PPA and, taking European legal requirements into account, to modify legal practice. For this purpose, the Authority recommends that the Government conduct an analysis of how the conceptual elements set out in the Directive's definition of artificial restriction of competition could be incorporated into the PPA in such a manner as to enable, at the legislative level, a move beyond a formalistic approach to anti-competitive practices, as outlined in the report.	The Government agrees with the proposal.	Measure: The minister with responsibility for public procurement will, as part of the next amendment to the PPA, make a proposal to incorporate the Directive's wording into the PPA.
Recommendation No 12	**Reviewing guidance materials supporting procurement practice** To support contracting authorities, the Authority recommends that the Government request the competent body to supplement the currently applicable guidance materials (guides) on the application of the law as follows: the guide of the Council operating within the Public Procurement Authority on the application of the award criteria for the selection of the successful bidder (29 May 2025) should be supplemented with market considerations to be taken into account when determining the award criteria, as well as with an objective methodology for determining the weighting factors of the award criteria; the Council operating within the Public Procurement Authority should supplement the guidance on the rules concerning the specification of eligibility criteria (12 February 2026) with market considerations to be taken into account when determining the eligibility criteria; – the Council operating within the Public Procurement Authority should supplement the guide on the preparation of public procurement procedures (29 May 2025) with an overview of procurement techniques for the preparation of technical specifications. This guide could serve as a practical tool for contracting authorities, offering practical guidance on how to specify their procurement needs in a way that ensures a higher	The Government agrees with the proposal.	The Council operating within the Public Procurement Authority has added the reopening and modification of the guide on the application of the award criteria for the selection of the successful bidder to its plan of record for 2026. According to information provided by the Public Procurement Authority, the Authority recommends to the Council that the reopening and modification of the guide on the rules concerning the specification of eligibility criteria be added to the Council's plan of record for 2027. The Council operating within the Public Procurement Authority has added the reopening and modification of the guide on the preparation of public procurement procedures to its plan of record for 2026. According to information received from the Public Procurement Authority (PPAH), the key observations of the communication issued on 16 December 2024 by the National Development Centre and the PPAH's communication of 22 February 2024 are identical. For this reason, the PPAH's communication published on 22 February 2024 does not need to be amended. At the same time, the periodic review of its controls is necessary and regularly takes place in the practice of the PPAH; the PPAH considers professional consultation with other control bodies important in all matters and strives to make use of it. Based on such experience, the need to expand the content of the communication, or possibly the need to develop a new communication, may also arise. In view of the fact that the PPAH's notice monitoring involves examining every notice based on uniform criteria, the organisation does not possess any information specifically relating to the practice of central purchasing bodies; however, if another oversight body conducts or has conducted such an assessment, the PPAH undertakes to incorporate its findings into the communication. On 27 November 2023, the PPAH published on its website a joint position with the NDC, titled "Professional guidance to facilitate the proper development of draft contracts and elaboration of contractual terms in the preparation of public procurement procedures". This professional guidance material, according to the PPAH's assessment, provides adequate assistance to legal practice regarding contractual terms, and therefore it does not consider it necessary to develop further professional materials or guidelines. Measure: The minister with responsibility for public procurement will continue to cooperate with the members of the Council

	level of competition while still fulfilling contracting authority requirements. The development of this guide could be based on international professional procurement standards concerning technical specifications; – the Authority recommends that the Public Procurement Authority review its communication of 22 February 2024 on, and its practice concerning, the monitoring of contract notices, incorporating the content of the communication issued by the National Development Centre on 16 December 2024, with particular attention to the assessment criteria relating to submission of bids for lots based on quantities and market concentration. In this regard, the Authority considers it necessary to examine market concentration primarily in respect of the public procurement procedures of central purchasing bodies; – the Authority recommends preparing a separate guide to align practices concerning contract conclusion and the application of contractual terms.		
Recommendation No 13	In order to curb such cases, the Authority recommends discontinuing the procedure under Section 115 of the PPA (in line with recommendation No 9) and, in light of the experience with the application of the ground for declaring a procedure unsuccessful under Section 75(2)(e) of the PPA, reviewing the application of that ground as necessary.	The Government does not agree with the proposal.	The Government agrees that investigating collusion among bidders represents a complex challenge for contracting authorities during evaluation – an issue that constitutes one of the difficulties in the practical application of the law. The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and attaches high priority to detecting and curbing cartel-like conduct among bidders that undermines the integrity of competition in public procurement. Under current regulations, contracting authorities are required to verify a ground for exclusion under Section 62(1)(o) of the PPA and to alert the Hungarian Competition Authority, pursuant to Section 36(2) of the PPA, as necessary, in every procedure. However, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be appropriate, as the complexity of the detection of cartel behaviours alone does not justify the discontinuation of the procedure type under Section 75(2) of the PPA or the non-application of the ground for declaring the procedure unsuccessful pursuant to Article 75(2)(e) of the PPA.

Recommendation No 14.1	**Enhancing the effectiveness of complaints and reports** The Hungarian Competition Authority should publish methodological guidance aimed at improving the quality and effectiveness of complaints and notifications regarding suspected legal infringements detected in public procurement procedures and ensuring that the consequences of such infringements are adequately enforced. The guidance should, in detail, clarify the distinction between complaints and notifications; highlight common errors and pitfalls in complaints and notifications; explain the level of substantiation or evidentiary support required for complaints and notifications; specify the types of evidence that are considered sufficient to substantiate the initiation of proceedings; indicate the documents and information that should be submitted; specify the circumstances under which a notification submitted as such is treated as a formal complaint; and set out the criteria applied by the HCA when examining complaints	The Government agrees with the proposal.	In point 4 of Government Decision No 1106/2026 of 23 March 2026, the Government requested the President of the Hungarian Competition Authority (“HCA”) to review and add materials to the professional guidelines on corruption risks and cartel agreements concerning the fairness of competition in public procurement. The HCA informed the Government that it would complete the addition of information materials related to complaints and notifications by the deadline of 31 December 2026. Nevertheless, the HCA notes that adding information materials does not necessarily result in more effective market signals, as the assessment of the facts and circumstances underlying them does not depend on the presence or absence of methodological aids. In light of the above, the implementation of the measure recommended by the Integrity Authority is already in progress.
Recommendation No 14.2	**Enhancing the effectiveness of complaints and reports** The HCA should consistently initiate competition supervision proceedings on the basis of complaints and notifications in order to curb cover bids, irrespective of the estimated value or significance of the individual procedures.	The Government partially agrees with the proposal.	The recommendation is addressed to the HCA, but, naturally, the Government also agrees with the objective of curbing the use of cover bids. The HCA has informed the Government that in accordance with Directive (EU) 2019/1 on empowering the competition authorities of the Member States to be more effective enforcers and ensuring the proper functioning of the internal market, it is already doing everything in its power, including, where appropriate, acting on its own initiative, to curb bid rigging, including the use of cover bids. In this context, more than 1,800 tenders, approximately 1,000 of which involve the use of public funds, are already under review in competition supervision proceedings.
Recommendation No 15	**Establishing a competition law risk analysis practice** The HCA should, in cooperation with the Integrity Authority where appropriate, develop a risk analysis methodology based on public procurement data and use it to conduct regular risk analyses to identify competition law risks.	The Government partially agrees with the proposal.	The recommendation is addressed to the HCA; however, naturally, the Government also agrees with the objective of identifying competition law risks. However, it is impossible for the Government to act on matters that fall within the remit of the HCA. The HCA has informed the Government that it is open to inter-institutional cooperation and regular exchange of experience regarding certain professional, enforcement, and investigative methodological issues.

Recommendation No 16	**Reducing legal fees** The Authority therefore continues to consider it necessary to further significantly reduce the fees payable for legal remedies and to discontinue the practice of linking those fees to the number of claims included in an application. The Authority considers it unjustified that, where bids are invited for separate lots, the administrative service fee should have to be paid separately for each lot in cases where the same provisions alleged to be unlawful in the contract notices initiating the public procurement procedures and the related procurement documents have been laid down in an entirely identical manner for all or several lots. Furthermore, the Authority continues to consider it warranted to apply a significantly more favourable fee payable for legal remedies to applications for review submitted prior to the expiry of the deadline for participation or bid submission. Furthermore, the Authority continues to consider it necessary, in the case of framework agreement procedures, dynamic purchasing systems and framework contracts, to introduce a specific rule providing that, both in respect of remedies concerning the documents initiating the procedure and in respect of infringements occurring during the assessment and evaluation process, **the basis for calculating the fee payable for legal remedies should be** not the estimated value specified by the contracting authority, but **exclusively the value subject to a call-off or service delivery obligation and identified as such in the contract notice. Where no such value is specified in the contract notice, only the basic fixed fee should apply.** This way, unlawful requirements and decisions of the contracting authorities would be more likely to be brought before a review body, even in the case of high-	The Government partially agrees with the proposal.	The Government agrees with the objective of the recommendation (further reduction of the fees payable for legal remedies). According to information provided by the Public Procurement Authority, any recommendations that would substantially increase the number of cases to be managed by the Public Procurement Arbitration Board raise a multitude of staffing and other economic and budgetary issues, which, in our opinion, require further consultation within the Government. Measure: The minister with responsibility for public procurement will explore possible solutions for further reducing the fees payable for legal remedies and, depending on the outcome of this assessment, prepare a draft amendment to the PPA.

Recommendation No 17	**Lifting restrictions on the right of representation in legal remedies** The Authority, maintaining its previous recommendation, therefore proposes lifting the restrictions on the right of representation or, at a minimum, significantly extending it to all professionals with qualifications and/or practical experience in public procurement.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that access to legal remedies is crucial for economic operators. According to the Government's position, however, easier access to legal remedies is better served by maintaining mandatory legal representation before the Public Procurement Arbitration Board, as the legal protection of economic operators with no legal expertise in public procurement requires the preparation and presentation of requests for redress and statements that are compliant with public procurement law. The phrase proposed by the Integrity Authority, "all professionals with qualifications and/or practical experience in public procurement", does not appear to be practicable in reality, as it is so broad that it would not necessarily guarantee actual competence; therefore, it is advisable to rely on existing accreditation systems instead (lawyers, legal counsels, accredited public procurement consultants, state public procurement consultants). The Public Procurement Authority has indicated to the Government that expert representation is just as crucial in review procedures, intended to determine the legality of public procurement procedures, as expertise in the procedures themselves. This specialised knowledge increases the likelihood of resolving disputes quickly and efficiently, whereas clients with no legal expertise in public procurement often struggle to navigate these highly complex review procedures, which require specialised knowledge. The PPAH emphasised that the abolition of mandatory representation would jeopardise the effectiveness requirement imposed by the EU directive on review procedures, and would lead to the rejection of a large number of inadequately prepared applications. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be appropriate, since in the Government's opinion, it would not provide a genuinely effective means of eliminating the practical
Recommendation No 18	**The possibility of initiating negotiations** The Authority considers it an important element of exercising the right to legal remedies that, in typically complex public procurement legal disputes, the applicant may request that a hearing be held and may also specify whether the hearing should take place face-to-face or online.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that access to legal remedies is crucial for economic operators. The Government takes the view that under the current procedural regime, holding hearings is timely when they are absolutely necessary, especially for the exercise of the parties' rights, the clarification of the facts of the case, and the adoption of a professional decision that considers all relevant circumstances. The Government takes the view that the Public Procurement Arbitration Board, as the body acting in the case, is best placed to assess this. Therefore no amendment is warranted. The PPAH informed the Government of its professional position that the hearing, which must be held at the client's request, would jeopardise the swift and effective administration of legal remedies and would increase the possibility of abusive legal practice by clients aimed at the unjustified prolongation of legal disputes. The mandatory holding of a hearing based on an application – taking into account the extension of the arbitration board's administration deadline and the automatic contract award moratorium triggered by the submission of a request for redress – would cause a further unjustified delay in the conclusion of public procurement contracts, which would specifically disadvantage the satisfaction of the procurement needs of state, local government, and other contracting authorities. The PPAH emphasised that the general procedural rules of administrative law do not grant clients a right to a hearing upon request, such that holding a hearing would be mandatory, either under the previous or under the current legislative framework. Both the PPA and the General Administrative Procedure Act leave it to the discretion of the Public Procurement Arbitration Board or other competent authority to determine whether a hearing is necessary. Failure to hold a hearing cannot be independently challenged by clients; however, on the grounds of any shortcomings concerning the clarification of facts, resulting from such failure, an administrative court action may be initiated against the decision closing the review procedures. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to

Recommendation No 19	**Decision of the general council on procedural capacity** In light of the above, the Authority considers it justified for the Public Procurement Arbitration Board to issue a decision of the general council providing potential applicants with clear information regarding the revised legal interpretation concerning procedural capacity.	The Government partially agrees with the proposal.	Pursuant to Section 168(4a)–(4c) of the PPA, which came into effect on 29 June 2026, the Integrity Authority is directly authorised to initiate the issuance of a decision of the general council. Pursuant to Point 2(f) of Government Decision No 1106/2026 of 23 March 2026, the minister for rural and urban development will organise a professional forum, before 30 November 2026, to discuss matters of legal interpretation related to procedural capacity before the Public Procurement Arbitration Board. According to information received from the Public Procurement Authority, the Public Procurement Arbitration Board issued a communication in December 2024 concerning its legal practice related to the assessment of procedural capacity, which is currently available on the Authority's website. According to the PPAH's opinion, the potentially revised legal interpretation related to procedural capacity cannot be discussed before the general council of the Arbitration Board, as under Section 168(4) of the PPA, only individual decisions may constitute its subject matter. In view of the above, the Government could not identify any possibility for further action on the basis of the recommendation. Nevertheless, continuing the consultation between authorities may be appropriate for the clarification of legal interpretations.
Recommendation No 20	**Issuing a detailed information notice on the imposition of fines** The review body should provide more specific information than it currently does regarding the approach of Public Procurement Arbitration Board to imposing penalties. This could not only serve to ensure that stakeholders are adequately informed but also guarantee that the consistency, impartiality and freedom from bias of the Arbitration Board's practice concerning the imposition of fines (and, of course, more generally, its practice of legal interpretation) can be verified and traced.	The Government agrees with the proposal.	Pursuant to Section 165(14) of the PPA, entered into force on 29 June 2026, the Public Procurement Arbitration Board issues a communication about its principles of imposing penalties. Besides allowing the assessment of the individual circumstances of infringements, the communication sets out the prevailing penalty ranges for common infringement types. The communication is available at: https://dontobizottsag.kozbeszerzes.hu/media/ documents/26.06.29.birsagkozlemeny.pdf In light of the above, the implementation of the measure recommended by the Integrity Authority has already taken place.
Recommendation No 21	**Reviewing the principles governing the imposition of penalties on economic operators, ensuring proportionality** The Authority also considers it important, from the perspective of the imposition of fines, that, particularly in the case of fines imposed on economic operators, the fines imposed be proportionate to the nature of the infringement. It also considers it essential to ensure the consistent application of the principle whereby, **since, as a general rule, the contracting authority is the "master" of the public procurement procedure, it should bear responsibility for ensuring compliance with the procedural rules, particularly in cases where the PPA is disregarded**.	The Government agrees with the proposal.	Pursuant to Section 165(14) of the PPA, entered into force on 29 June 2026, the Public Procurement Arbitration Board issues a communication about its principles of imposing penalties. Besides allowing the assessment of the individual circumstances of infringements, the communication sets out the prevailing penalty ranges for common infringement types. The communication is available at: https://dontobizottsag.kozbeszerzes.hu/media/ documents/26.06.29.birsagkozlemeny.pdf Act XVIII of 2026 on the amendment of certain laws necessary for access to European Union funds modified the legal framework governing the imposition of penalties by the Public Procurement Arbitration Board such that, with effect from 29 June 2026, Section 165(11)g) of the PPA stipulated that, where an economic operator concluding a contract with a contracting authority is found liable for an infringement, the conduct of the economic operator in relation to the violation must be taken into account when determining the justification and amount of the penalty. In view of the above, the Government could not identify any possibility for further action on the basis of the recommendation. The Public Procurement Arbitration Board sets the amount of penalties in the exercise of its discretion, taking into account the criteria established in the administrative court case law applicable under the PPA.

Recommendation No 22	**Specialisation of review bodies** In view of the complexity of review procedures in public procurement, the Authority considers it particularly important that at the level of the Public Procurement Arbitration Board, decisions in this field be made by professionals who specialise in this field and have the appropriate qualifications, expertise and experience, and that specialisation also be ensured within the courts. It is warranted to set out the relevant guarantees in legislation.	The Government partially agrees with the proposal.	Pursuant to Section 146(2) of the PPA, the Public Procurement Arbitration Board, according to information received from the Public Procurement Authority, sits in panels composed of three members in 99% of cases. The legislation stipulates that at least two members the panel conducting the proceedings must have passed the bar examination. Also, in public procurement cases involving European Union funding, at least one panel member must have experience in public procurement procedures involving EU funding, while another member must hold a university or college degree in a field most closely related to the subject matter of the case. The chair of the panel conducting the proceedings may only be a public procurement commissioner who has passed the bar examination. The Government takes the view that the legal safeguard is therefore already in place. According to information provided by the National Office for the Judiciary and the Curia of Hungary, specialisation is already ensured at the Budapest Metropolitan Court, while the idea of specialisation is essentially meaningless in the Administrative Division of the Budapest-Capital Regional Court of Appeal. The current procedural and organisational framework based on applicable legislation at the Curia does not allow for a separate panel specialised exclusively in this case group to act in public procurement cases. However, any panel handling public procurement cases possesses the necessary expertise. The National Office for the Judiciary also stated in the information provided that the judicial panels adjudicating cases of public procurement in the Administrative Division of the Budapest Metropolitan Court possess appropriate specialisation for resolving the arising legal disputes, the adjudication is conducted at a high professional standard and in a timely manner, and in the opinion of the National Office for the Judiciary, the currently effective legislative framework is adequate for the court adjudication of public procurement remedy proceedings. The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and is open to discussing the details; however, in light of the foregoing, the Government was unable to identify the
Recommendation No 23	**Strengthening the practice of the Public Procurement Arbitration Board from an integrity perspective** The Authority notes that **it is warranted to strengthen the legal practice of the Public Procurement Arbitration Board from an integrity perspective**. The Integrity Authority’s experience from its investigations indicates in several respects that, from this perspective, the legal consequences applied are not sufficiently effective to bring about lasting changes in the conduct of contracting authorities or market participants. **Accordingly, the system of legal remedies needs to be amended in several respects:** – the legal framework must be established to enable the Public Procurement Arbitration Board to assess patterns of infringements spanning individual public procurement procedures and to address such procedures within a single review procedure, even where different contracting authorities are involved; – the Public Procurement Arbitration Board should be granted authority to make economic operators subject to exclusion grounds in the event of certain infringements (e.g. acts that compromise the integrity of competition).	The Government does not agree with the proposal.	Pursuant to Section 155(1) of the PPA, the Public Procurement Arbitration Board may order that certain cases being dealt with by it be merged if their subjects are interrelated or settling such cases collectively is justified by practical, economic, or other procedural considerations. Therefore, according to the Government's position, no further legislation is necessary in this regard, as the recommendations set out by the Integrity Authority can be implemented under the applicable procedural rules. The Public Procurement Authority has informed the Government that, by using the available means, the Public Procurement Arbitration Board may, where appropriate, adopt decisions that extend across multiple public procurement procedures (see, for example, Decision No D.571/27/2025 in which the Arbitration Board, upon the initiative of the President of the Authority, found anti-competitive conduct committed by several bidders and several contracting authorities in multiple public procurement procedures aimed at the modernisation of public lighting). The Court of Justice of the European Union's judgment in case No C-41/18, Meca Srl v Comune di Napoli, stated that the wording of Article 57(4) of Directive 2014/24/EU of the European Parliament and of the Council implies that the EU legislature had intended to entrust the contracting body, and exclusively the contracting body, with the assessment of whether a bidder must be excluded from a public procurement procedure. The intention of the EU legislature is to enable the contracting authority itself to assess the actions committed or omitted by an economic operator either before or during the public procurement procedure in one of the cases specified in Article 57(4) of said directive. For the above reasons, the Government considers that the part of the recommendation concerning the application of exclusion grounds to economic operators by the Public Procurement Arbitration Board cannot be reconciled with EU law and its governing interpretation by the Court of Justice of the European Union, and therefore the Government does not see the legislative measure recommended by the Integrity Authority as implementable.

Recommendation No 24	**Creating searchable remedies databases** It is warranted to establish a separate register of court judgments on the website of the Public Procurement Authority, as well as to create a search interface for both Arbitration Board decisions and court judgments that would enable reliable searches by specific characteristics of the decisions and judgments, such as their subject matter or the legal provisions infringed.	The Government agrees with the proposal.	The Government considers that it would be appropriate to make the data of the administrative and judicial phases of review procedures accessible in the same place, together with the data of public procurement procedures, and to make these data thematically searchable. Measure: The minister with responsibility for public procurement will explore possible solutions for the development of a legal remedy database and, depending on the outcome of this assessment, prepare a draft amendment to the PPA and/or the relevant development of the EPPS.
Recommendation No 25.1	**Limiting the applicability of conditional public procurement procedures** The Authority continues to consider it warranted to clarify the statutory provisions governing conditional public procurement, at a minimum, by stipulating that the public procurement procedure may not be launched prior to the submission of the grant application and that, taking into account the realities of the economic environment, the contract should enter into force within a significantly shorter period (maximum 90 days) than that currently prevailing in practice, with the deadline being laid down in the PPA and it being made clear that such deadline may not be extended.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and shares the Authority's view that the application of conditional public procurement procedures requires particular attention. The performance measurement framework evaluating the efficiency and cost-effectiveness of public procurement examines the proportion of single-bid procedures as a new sub-indicator, also in connection with the Integrity Authority's reports, according to which conditional public procurement procedures negatively affect the level of competition (sub-indicator 58.8). According to the assessment results, among conditional public procurement procedures, the proportion of single-bid public procurement procedures is well below the average of public procurement procedures in general, from which we can conclude that the conditional nature alone does not reduce the willingness of economic operators to submit bids. The uncertainty related to conditional public procurement procedures is reduced by the fact that in the context of EU fund utilisation, the practice of the NDC's Public Procurement Supervision Department does not allow the entry into force of the contract to be suspended for more than six months.
Recommendation No 25.2	**Limiting the applicability of conditional public procurement procedures** The Authority also recommends that supervisory bodies pay special attention to ensuring that the possibility of conditional public procurement is not abused by contracting authorities, i.e. that contracts are only avoided in justified cases.	The Government agrees with the proposal.	The Government is committed to combating this type of abuse. Control bodies continuously perform their functions in accordance with the legislation, and the economic operator concerned may also request review procedures against the unlawful refusal to enter into a contract. Therefore, the Government does not consider any further measure based on the recommendation to be necessary.
Recommendation No 26	**Examining cases leading to unsuccessful procurement procedures** The Authority stands by the points set out in the previous year's integrity report in this regard as well. Because of the unnecessary costs thereby imposed on economic operators, the high rate of unsuccessful procedures may also have a negative impact on the level of competition in public procurement procedures. Beyond the previously discussed improvement in the quality of the preparation of public procurement procedures, it is warranted to examine cases of unsuccessful procedures	The Government agrees with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible, and shares the Authority's view that unsuccessful public procurement procedures may raise efficiency concerns in practice, and requires particular attention. The performance measurement framework evaluating the efficiency and cost-effectiveness of public procurement examines the causes of unsuccessfulness, and the Government reviews the action plan outlining the measures to increase the level of competition in public procurement every year. Overall, the Government could not identify any requirement for further action on the basis of the recommendation.

Recommendation No 27	**Amending regulations applicable to abnormally low prices** The Authority also maintains its earlier recommendation that price justifications and supplementary justifications – neither of which forms part of the bid content subject to the bid validity period – should not be subject to a stricter approach than the binding elements of the bid itself. **The Authority, therefore, continues to recommend that the legislature make the rules on remedy of deficiencies under Section 71(8) of the PPA applicable to the further clarification or amendment of price justifications and supplementary justifications.**	The Government partially agrees with the proposal.	The Government agrees with the objective of the recommendation. The requirement arising from Article 69 of Directive 2014/24/EU is, on the one hand, that the inappropriate nature of a bid appearing to be abnormally low must be assessed in relation to the construction works to be carried out, the goods to be supplied, or the services to be provided; on the other hand, that the contracting authority must verify the information granted in the bidder's explanation through consultation with the bidder. The practical application of the law raises the question of the extent to which the bidder is allowed to deviate from their original explanation during the consultation aimed at verifying the explanation without challenging the objectivity of the explanation. Measure: As the above-mentioned administrative practice is difficult to manage from a regulatory perspective, the Government initiates consultation with the Integrity Authority to explore possible solutions.
Recommendation No 28	**Examining violations of fundamental principles** In addition to the points set out in Recommendation No 11, the Authority wishes to draw attention, in connection with the foregoing, to the significant increase in the number of infringements of fundamental principles in review procedures in 2025 (according to data from the Performance Measurement Framework, from 9 cases in 2024 to 33 cases in 2025). It is therefore recommended to examine whether, in the areas affected by such infringements, an amendment to the legislation is warranted in order to clarify the applicable requirements.	The Government does not agree with the proposal.	According to Section 2(7) of the PPA, both in the application of the provisions of the Act and in matters not regulated by the legislation, the parties must proceed in line with the objective of public procurement regulations and in compliance with the principles of public procurement. Administrative decisions based on statutory principles set forth the required conduct arising from the principle in individual specific situations. It is through this mechanism that the principles fulfil their normative role. The Government agrees that conducting public procurement procedures in full compliance with legal principles is a priority objective; however, it considers that it is neither possible nor appropriate to create specific detailed rules on the basis of individual decisions, as this would increase the complexity of the legal framework. In view of the above, the Government does not consider the legislative measure proposed by the Integrity Authority to be appropriate, as in the Government’s opinion, it would not provide a genuinely effective means of eliminating the practical difficulties in applying the legislation. The regular review of the guidelines of the Council operating within the Public Procurement Authority or the Public Procurement Bulletin Plus journal is suitable, for example, for presenting developments in

Recommendation No 29.1	**Clarification of the legislative framework** The Authority maintains its previous recommendation that the need to establish internal regulations governing the review of declarations of conflicts of interest and declarations of interests by contracting authorities should be stipulated in the PPA. It is also justified to make it a mandatory content element of public procurement regulations to include requirements for reporting potential conflicts of interest and managing such situations, in order to ensure that the consequences of identified or revealed conflicts of interest are also enforced. Drawing on international best practices, the Authority proposes making the adoption of codes of ethics mandatory for contracting authorities. Such codes could provide guidance to participants involved in public procurement procedures on behalf of contracting authorities on how to avoid potential infringements, identify conflicts of interest, and prevent and manage potential risks.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible, and, of course, it considers the development of the legal practice related to the prevention and management of conflict of interest situations to be crucial. The Government, however, does not agree with the proposed amendment to the PPA for the following reasons. The Council operating within the Public Procurement Authority, of which the Integrity Authority is also a member, issued a guide on conflicts of interest on 25 May 2023 and supplemented it on 9 May 2024. The guide sets out the obligations based on the provisions of the PPA. The essence of codes of ethics is that they can be implemented voluntarily and cannot be mandatory by definition. On 10 February 2022, the Council operating within the Public Procurement Authority adopted the Public Procurement Code of Ethics, which serves as a recommendation; stakeholders can voluntarily subscribe to it or develop their own public procurement code of ethics. Based on the above, the Government's position is that contracting authorities have access to appropriate guidance for the application of the law; however, it is not possible to have statutory-level regulation applicable equally to all contracting authorities. This is an issue relating to the practical application of the law that every contracting authority must manage on the basis of its own organisation and way of operation; it is not possible to set out specifics at the legislative level. In view of the above, the Government does not consider the legislative measure proposed by the Integrity Authority to be appropriate, as in the Government’s opinion, it would not provide a genuinely effective means of eliminating the practical difficulties in applying the legislation.
Recommendation No 29.2	**Systemic management of conflict of interest risks** According to the Authority’s position, conflict of interest risks can be effectively managed not primarily through additional declaration requirements, but rather through the structured and data-driven use of existing information.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible. However, in its interpretation, the following sub-points contain the specific recommendations; therefore, the Government’s comprehensive position is set out below.
Recommendation No 29.3	**Creating a central conflict of interest database** It is warranted to establish a central conflict of interest database that would make it possible to record and analyse relevant conflict of interest data in a standardised manner, while also incorporating declarations of interest and/or asset declarations. The purpose of the database is not to exclude certain individuals automatically but to **recognise** risk **patterns** associated with conflicts of interest. **Therefore, the Authority recommends establishing a system for the centralised collection and review of declarations of interest, linking it to the asset declaration system where appropriate.**	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that the legal and audit practices related to the prevention and management of conflict of interest situations must be treated as a priority issue. According to Regulation (EU) 2016/679 (GDPR), the specific purposes of personal data processing must already be defined at the time of collecting the personal data. Personal data must be adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed. To this end, it is particularly important to ensure that personal data are stored for no longer than necessary. Personal data may be processed only where the purpose of the processing cannot reasonably be achieved by other means. In light of the above, further assessment is needed to determine whether collecting personal data in databases as a “stock” for an indefinite period, independently of any specific public procurement procedure, is compatible with the principles and requirements of the GDPR. In view of the above, the Government does not consider the specific measure proposed by the Integrity Authority to be feasible, as in the Government’s opinion, it would not be consistent with the European Union’s legislative logic, which requires conflict of interest situations to be assessed in relation to the individuals involved in the particular case.

Recommendation No 29.4	**Expanding the scope of data to be recorded in the EPPS** The proposed database could be populated via the EPPS, as part of the ordinary administrative processes associated with the procedures. Within this framework, it is particularly warranted to record the names and roles of: – individuals involved in the preparation of the procedure, – evaluation committee members, – decision makers, – and individuals playing a substantial role in the conduct of the procedure in a structured format. Moreover, it is warranted to set out in legislation that conflict of interest declarations, once obtained, must be uploaded to the EPPS without delay.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that the legal and audit practices related to the prevention and management of conflict of interest situations must be treated as a priority issue. Pursuant to Article 22 of Directive 2014/24/EU, however, the purpose of the EPPS is to enable electronic communication in public procurement, rather than to collect, store or maintain citizens' personal data. In view of the above, the Government does not consider the specific measure proposed by the Integrity Authority to be appropriate, also in view of the Government's position on recommendation No 29.3.
Recommendation No 29.5	**Risk analysis and prevention** The central database would make it possible to analyse conflict of interest risks not only at the level of individual procedures but also **across time and organisations**. This would create the conditions for control bodies to identify recurring risk patterns, carry out targeted reviews, and support contracting authorities in making well-founded decisions. Declarations of interest could be uploaded to the central registry, and the use of asset declarations to verify the completeness and accuracy of conflict of interest declarations should also be considered (the establishment of a uniform system for the registration and review of asset declarations is also recommended; see also, in this regard, the Integrity Authority's 2023 ad hoc report on asset declarations).	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that the legal and audit practices related to the prevention and management of conflict of interest situations must be treated as a priority issue. According to Regulation (EU) 2016/679 (GDPR), the specific purposes of personal data processing must already be defined at the time of collecting the personal data. Personal data must be adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed. To this end, it is particularly important to ensure that personal data are stored for no longer than necessary. Personal data may be processed only where the purpose of the processing cannot reasonably be achieved by other means. In light of the above, further assessment is needed to determine whether collecting personal data in databases as a "stock" for an indefinite period, independently of any specific public procurement procedure, is compatible with the principles and requirements of the GDPR. In view of the above, the Government does not consider the specific measure proposed by the Integrity Authority to be feasible, as in the Government's opinion, it would not be consistent with the European Union's legislative logic, which requires conflict of interest situations to be assessed in relation to the individuals involved in the particular case.
Recommendation No 29.6	**Supporting contracting authorities** The Authority emphasises that the proposed system would serve not to increase but to **reduce** the burden on contracting authorities. With the help of the uniform database and the analyses based on them, contracting authorities could rely on objective, retrievable information when assessing conflict of interest situations, thereby reducing uncertainty in the application of the law.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that the legal and audit practices related to the prevention and management of conflict of interest situations must be treated as a priority issue. Considering that contracting authorities are authorised to process only the data of the individuals involved in their own public procurement procedures [Section 25(10) of the PPA], a central register would not provide any added value to them. In view of the above, the Government does not consider the specific measure proposed by the Integrity Authority to be feasible, as in the Government's opinion, it would not be consistent with the European Union's legislative logic, which requires conflict of interest situations to be assessed in relation to the individuals involved in the particular case.

Recommendation No 30	**Improving the effectiveness of preliminary market consultations** In the Authority's view, increasing the effectiveness of preliminary market consultations requires contracting authorities to conduct them at a stage of the procedure when they still genuinely intend and have the opportunity to take the observations received into account and amend the procurement documents accordingly. On the other hand, effectiveness could be improved – and this could also serve as a step toward rebuilding bidders' trust– if, in cases where it is justified, preliminary market consultations included oral discussions, alongside, or as part of, written consultations conducted on the EPPS platform. Furthermore, effective application is not solely a regulatory matter; it **also requires training and awareness-raising** efforts on the part of both contracting authorities and economic operators.	The Government agrees with the proposal.	The Government considers that the current regulatory environment [PPA and Government Decree No 63/2022 of 28 February 2022] does not pose any obstacle to the measures recommended by the Integrity Authority. The purpose of the updated preliminary market consultation, available in the EPPS from January 2026, was precisely to provide an easy-to-use platform, resembling an internet forum or chat, which takes the efficiency of communication closer to that of verbal communication. Obviously, PMCs must be documented in writing, even if they were partly conducted verbally. The National Development Centre published a guide on the tools for acquiring market knowledge and maintaining contact with the market in connection with public procurement in November 2024. The guide must be supplemented in 2026 in accordance with point 2 c) of Government Decision No 1106/2026 of 23 March 2026. The Government agrees with the Integrity Authority's assessment that making the conduct of preliminary market consultations as effective as possible is an objective to be supported. The Government provides this support through the above measures and does not consider any further measure based on the recommendation to be necessary. However, naturally, the Government remains open to further exchange of experiences with the Integrity Authority in this regard.
Recommendation No 31	**Proposals concerning the EPPS** The Authority recommends incorporating additional functions into the EPPS to reduce the administrative burden on bidders in public procurement procedures, simplify the submission of bids, and minimise the risk of invalid bids being submitted. The Authority continues to maintain its recommendations to ensure the anonymity of bidders until the time of opening (and not merely until the submission of bids), as well as to completely eliminate the waiting period between the expiry of the deadline for bid submission and the opening, in order to rebuild bidders' trust.	The Government partially agrees with the proposal.	The Government is committed to reducing the administrative burdens imposed on bidders and is open to examining the Integrity Authority's assessment regarding the directions for further development of the EPPS. Pursuant to Section 39(1) of the PPA, effective from 29 June 2026, public procurement documents are directly accessible on the EPPS free of charge, without registration, and without restriction or limitation. However, in the Government's view, anonymous bid submission (legal declaration) is conceptually inconceivable. Upon submission in the EPPS, bids or requests to participate become subject to a system-enforced time lock, meaning that they cannot be accessed or modified by any party; therefore, integrity concerns cannot rise in connection with the waiting period. On 1 March 2025, the Government reduced the waiting period prior to the opening of bids (from 120 minutes) to 60 minutes. Further reducing the waiting period to less than this is not possible for technical reasons, as in the event of a possible malfunction, the deadline for bid submission must be extended, and the automatic opening of bids must be disabled manually to preserve the integrity of the bids. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to
Recommendation No 32.1	**Clarifying the rules governing access to documents** The Authority considers it warranted to repeal the provision set out in Section 20(1) of Government Decree No 424/2017 of 18 December 2017 and to establish by law, taking into account the reasons detailed in previous annual integrity reports, that document inspection may be conducted either online or in person, at the request of the applicant economic operator.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that ensuring the exercise of the right of access to documents is crucial for economic operators. Nevertheless, the Government disagrees with the provision of electronic access to documents, as the opportunity to view other bidders' offers is only permitted to the extent strictly necessary for exercising the right to legal remedy, proportionate to the purpose of document inspection. Therefore, remote electronic access without the direct supervision of the contracting authority is not permissible. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be proportionate and warranted.

Recommendation No 32.2	**Clarifying the rules governing access to documents** The Authority further recommends clarifying in the PPA that, similarly to document inspection before the Public Procurement Arbitration Board, economic operators may make copies (photographs) of the documents inspected.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that ensuring the exercise of the right of access to documents is crucial for economic operators. Nevertheless, the Government disagrees with the provision of access to documents through copying, as the opportunity to view other bidders' offers is only permitted to the extent strictly necessary for exercising the right to legal remedy, proportionate to the purpose of document inspection. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to be proportionate and warranted.
Recommendation No 32.3	**Clarifying the rules governing access to documents** In the Authority's view, it is necessary to clarify that, under Section 45 of the PPA, contracting authorities may not limit the period of time available for accessing the documents requested within the necessary scope.	The Government does not agree with the proposal.	The Government agrees with the Integrity Authority's assessment that ensuring the exercise of the right of access to documents is crucial for economic operators. Section 45 of the current PPA does not impose any time limit for accessing documents. It merely provides that a contracting authority is required to grant access to documents only to the extent necessary to ensure enforcement of the right related to the alleged infringement indicated by the economic operator. Non-compliance with this requirement is, in itself, open to challenge through review requests. At the same time, for the purpose of improving the practice, further information could be provided to contracting authorities through "soft law" instruments.
Recommendation No 33	**Recommendations on clarifying the personal scope of the PPA** In order to ensure that the revised rules applicable to public law entities are interpreted and applied in accordance with EU law, the Integrity Authority recommends that guidance be issued. Furthermore, with regard to Section 5(3) of the PPA, introduced in February 2024, the Authority considers it necessary to clarify what the legislature means by "financed directly from European Union funds".	The Government agrees with the proposal.	The President of the Public Procurement Authority published information on 29 July 2026, laying out the conditions for qualifying as a contracting authority under Section 5(1)(e) of the PPA. The guidance material provides practical assistance to the organisations concerned for establishing their status as contracting authorities. Measure: The minister with responsibility for public procurement shall ensure, during the next amendment to the PPA, that the repeal of Section 5(3) is proposed.
Recommendation No 34.1	**Proposals relating to the application of offshore exclusion grounds** The Authority considers that the proper enforcement of the offshore exclusion ground requires, among other things, that contracting authorities be able to verify the content of economic operators' declarations against the beneficial ownership register. Therefore, the Authority recommends the implementation of the necessary legislative amendments and measures to this end.	The Government partially agrees with the proposal.	The Government re-regulated the data provision obligation within the PPA and Government Decree No 321/2015 of 30 October 2015 with regard to beneficial owners. In view of this fact, the Government takes the view that it would be appropriate to update the recommendation of the Integrity Authority to reflect the new legislative situation. Naturally, the Government is open to consultation with the Integrity Authority.

Recommendation No 34.2	**Proposals relating to the application of offshore exclusion grounds** The Authority considers it warranted to clarify the declaration template provided in the EPPS for the statement required under Section 62(1)(k)(kb) of the PPA, so that the economic operator would be explicitly required also to declare whether it is able (and willing) to identify its beneficial owner.	The Government partially agrees with the proposal.	The applicable provisions of the PPA and Government Decree No 321/2015 of 30 October 2015 were amended in June and July 2026, while the recommendation was related to a former version of the text. In view of this fact, the Government takes the view that it would be appropriate to update the recommendation of the Integrity Authority to reflect the new legislative situation. Naturally, the Government is open to consultation with the Integrity Authority.
Recommendation No 34.3	**Proposals relating to the application of offshore exclusion grounds** Furthermore, the Authority recommends considering extending the exclusion ground under Section 62(1)(k)(ka) of the PPA to cases where any corporate owner in the ownership chain of economic operators participating in the public procurement procedure qualifies as an offshore enterprise.	The Government does not agree with the proposal.	Economic operators established in the European Union and the European Economic Area, as well as goods originating from within the European Union, must be granted national treatment in public procurement procedures. Economic operators established outside of the European Union and the European Economic Area, as well as goods originating from outside the European Union, must be granted national treatment in public procurement procedures in accordance with Hungary's and the European Union's existing international obligations. [Section 2(5) of the PPA] Exceptions to this principle may be provided only by the EU legislator. See, for instance, points b) and c) of paragraph (1) of Article 5k of Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. In view of the above, the Government takes the view that implementing the recommendation would result in a situation contrary to EU law. Naturally, the Government is open to consultation with the Integrity Authority.
Recommendation No 35	**Reviewing specific rules governing construction projects** The Authority continues to consider it necessary to conduct a comprehensive review of the rationale for and impact of the special regulations governing public	The Government agrees with the proposal.	Measure: The Ministry of Transport and Investment is committed to modernising the legal framework provided by the Investment Act and its regulatory environment. To this end, the Ministry has engaged with competent professional organisations, public authorities, and a wide range of market participants to develop a concept for the reform of the regulatory framework. The Minister of Transport and Investment is therefore taking the necessary measures to revise the regulations governing public works.
Recommendation No 36	**The application of reservation requirements under Section 114(11)–(12) of the PPA** The Authority recommends clarifying the provisions governing reserved public procurement procedures under Section 114(11) of the PPA, as set out in detail in the 2024 Annual Analytical Integrity Report.	The Government partially agrees with the proposal.	Measure: The minister with responsibility for public procurement shall ensure, during the next amendment to the PPA, that the repeal of the reservation option provided for in Sections 114(11) and (12) of the Act is proposed.

Recommendation No 37.1	**Renewing the public procurement profession – in-house and external experts** The Authority therefore considers it more compatible with the EU professionalisation trend if the two systems were combined as part of the renewal of the profession: contracting authorities that regularly conduct procurement procedures could engage more extensively with the public procurement professionals they employ, while “freelance” public procurement consultants would remain available and could be involved where justified by the specific circumstances of the procurement or the contracting authority (for example, where a particular professional is an expert in the subject matter of the procurement, or where the contracting authority, because of its size or financing arrangements, is required to apply the Public	The Government agrees with the proposal.	According to the revised Section 197/E (1) of the PPA, the applicable regulations concerning the involvement of accredited public procurement consultants have been extended until 31 December 2026. In point 2(d) of Government Decision No 1086/2025 of 31 March 2025, the Government called on the Minister for Public Administration and Regional Development to work out the strategy for the professionalisation of the public procurement profession. Measure: The Government will consider the recommendation when developing the strategy.
Recommendation No 37.2	**Expanding the public procurement profession, recasting recognised practices** **According to the Authority’s view**, as already emphasised in its 2024 Annual Integrity Report, **it would also be necessary to broaden the pool of public procurement experts**: in addition to the experience currently recognised, which as a general rule is limited to experience gained in conducting procurement procedures on the contracting authority side, it would also be important and justified to recognise public procurement expertise gained on the bidder side, alongside experience in oversight and other expert functions. In addition to **strengthening the pool of professionals working on the bidder side and recognising their experience, this could contribute to ensuring that bidders participate more effectively in public procurement procedures.** This approach could also help avoid conflict of interest situations more effectively, thereby contributing to strengthening integrity in public procurement. The Authority also recommends that professionals who have obtained qualifications in public procurement – such as public procurement lawyers, managers, public procurement consultants, officers and specialist officers, etc. – should also be eligible for inclusion in the renewed	The Government partially agrees with the proposal.	According to the revised Section 197/E (1) of the PPA, the applicable regulations concerning the involvement of accredited public procurement consultants have been extended until 31 December 2026. In point 2(d) of Government Decision No 1086/2025 of 31 March 2025, the Government called on the Minister for Public Administration and Regional Development to work out the strategy for the professionalisation of the public procurement profession. Measure: The Government will consider the recommendation when developing the strategy.

Recommendation No 38	**Recasting the training system and expanding the range of training institutions** In order to promote professionalisation and support the professional development of experts, it would be warranted to establish continuing training requirements for experts included in the register, with particular emphasis on certain areas (e.g. strategic public procurement, integrity, market research, procurement knowledge, project management, etc.). Regular continuing training requirements could also serve as a guarantee that public procurement professionals continuously monitor changes in public procurement legislation and developments in legal practice.	The Government agrees with the proposal.	According to the revised Section 197/E (1) of the PPA, the applicable regulations concerning the involvement of accredited public procurement consultants have been extended until 31 December 2026. In point 2(d) of Government Decision No 1086/2025 of 31 March 2025, the Government called on the Minister for Public Administration and Regional Development to work out the strategy for the professionalisation of the public procurement profession. Measure: The Government will consider the recommendation when developing the strategy.
Recommendation No 39	**Developing regulations for the transitional period** The aforementioned reform of the public procurement profession requires adequate preparation; therefore, in order to ensure the smooth application and conduct of public procurement procedures and review procedures, the Authority considers it warranted to extend the APPC status until 31 December 2026 and proposes the simultaneous phasing out of both the APPC and the SPPC status. With regard to the termination of these authorisation systems, the Authority considers it particularly important to ensure that liability arising from the previous professional activities of APPCs and SPPCs can continue to be enforced and, where necessary, to adopt the requisite legislative amendments for this purpose.	The Government partially agrees with the proposal.	According to the revised Section 197/E (1) of the PPA, the applicable regulations concerning the involvement of accredited public procurement consultants have been extended until 31 December 2026. In point 2(d) of Government Decision No 1086/2025 of 31 March 2025, the Government called on the Minister for Public Administration and Regional Development to work out the strategy for the professionalisation of the public procurement profession. Measure: The Government will consider the recommendation when developing the strategy.
Recommendation No 40	**Reforming the professional organisation of public procurement experts and strengthening the accountability of public procurement experts** The Authority, maintaining its recommendation from 2024, proposes designating such a forum, including in the event of a reform of the public procurement profession. The Authority also considers it warranted to transform the professional organisation of public procurement consultants into a genuinely independent professional body, independent of the government, and to develop and apply transparent selection criteria for the members of the	The Government partially agrees with the proposal.	According to the revised Section 197/E (1) of the PPA, the applicable regulations concerning the involvement of accredited public procurement consultants have been extended until 31 December 2026. In point 2(d) of Government Decision No 1086/2025 of 31 March 2025, the Government called on the Minister for Public Administration and Regional Development to work out the strategy for the professionalisation of the public procurement profession. Measure: The Government will consider the recommendation when developing the strategy.

Recommendation No 41	**Strengthening subject-matter expertise and creating a register** In light of the foregoing, the Authority considers it crucial, alongside public procurement expertise, to ensure the effective provision of technical expertise in public procurement procedures and, to this end, to establish and make available a register of subject-matter experts.	The Government does not agree with the proposal.	The Government agrees that public procurement procedures should be prepared as thoroughly as possible and shares the Integrity Authority's assessment that the availability of experts with appropriate technical expertise is of utmost importance. However, the maintenance of the proposed registers for practitioners of various professions would be carried out on a profession-by-profession basis; according to the Government's assessment, developing separate technical-professional expert registers for public procurement procedures would not be feasible and would also entail duplicating the existing professional directories. In view of the above, the Government does not consider the specific legislative measure proposed by the Integrity Authority to
Recommendation No 42	**Developing guidance materials on the application of an approach encouraging the participation of economic operators** The Authority recommends that the Council operating within the Public Procurement Authority expand the guide on the preparation of public procurement procedures (29 May 2025) to cover the aspects detailed above concerning an approach by contracting authorities that encourages the participation of economic operators.	The Government agrees with the proposal.	The Council operating within the Public Procurement Authority added the revision of the guide on the preparation of public procurement procedures to its plan of record for 2026 already in response to the Integrity Authority's 2024 Integrity Report. As the guide is currently being revised, it will be expanded to incorporate the considerations set out in the Integrity Authority's 2025 Integrity Report relating to an approach by contracting authorities that encourages the participation of economic operators. Measure: The minister with responsibility for public procurement will continue to cooperate with the members of the Council operating within the Public Procurement Authority in amending the guidelines. The Integrity Authority appoints a member to the Council, thereby directly representing its recommendations.
Recommendation No 43	**Strengthening control mechanisms for centralised public procurement systems** The Authority therefore **recommends**, in addition to **strengthening existing controls**, such as the **internal controls** operated by central purchasing bodies, **establishing a control system tailored to the specific characteristics of the system**.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. The Government already amended Government Decree No 162/2020 of 30 April 2020 (National Communications Office) and Government Decree No 396/2023 of 24 August 2023 (Government Training Organisation Centre) However, the further revision of centralised public procurement systems will require more time. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 44	**The need to review products brought within the scope of centralised procurement** In light of the above, the Authority continues to recommend reviewing the product categories currently included in the scope of centralised procurement.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 45	**Making the application of centralised systems optional** The Authority recommends considering making centralised public procurement optional pending a review of whether the product category included in the scope of centralised procurement is justified.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.

Recommendation No 46	**Reviewing the number and role of central purchasing bodies** While maintaining the positions set out in its previous reports, and also with a view to clarifying matters of competence, **the Authority recommends considering whether it is warranted to retain all central purchasing bodies**.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 47	**Making the application of centralised public procurement procedures subject to a threshold** In line with this, the Authority advocates examining the matter and recommends that institutions be required to apply centralised public procurement only when a specified threshold is reached – for example, the national threshold.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 48	**Integrating data from centralised public procurement systems** In previous years, the Authority made several recommendations in this regard. The Authority maintains and continues to **recommend** examining whether **data on centralised public procurement** should be presented **in a unified IT system or integrated into the EPPS**.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.

Recommendation No 49	**Multi-component and broad public disclosure of data relating to public procurement procedures conducted within centralised public procurement systems** Maintaining its proposals made in previous years in this regard, the Authority recommends that, in order to strengthen public access and transparency, data relating to individual contracts concluded on the basis of dynamic purchasing systems and framework agreements concluded by central purchasing bodies, as well as data concerning the distribution of such contracts among individual economic operators, including the number and value of such contracts, should be made accessible. The rules governing the publication of data relating to individual contracts should be prescribed in a uniform manner for all central purchasing bodies, as the individual purchasing bodies follow different procedures, resulting in several contracts not being included in the database. Furthermore, merely indicating the total contracted values is insufficient: it is necessary to ensure that the unit prices achieved in FA2 procedures are accessible and available in a form that enables analysis.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 50	**Assessing the cost-effectiveness of centralised public procurement systems** The Authority **has consistently maintained in all of its annual integrity reports** that **for an objective assessment** of centralised public procurement systems, **it is essential that their effectiveness be assessed through targeted examinations**.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 50.1	As part of this, the Authority has advocated and continues to recommend developing methods and standards that enable the assessment of prices obtained through centralised public procurement and the evaluation of cost-effectiveness. While measuring the effectiveness of public procurement is a complex and multifaceted task, it is indisputable that data on the cost-effectiveness of the public procurement system constitute an essential component of any measurement system designed to evaluate effectiveness. This also includes the fees paid to central purchasing bodies.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.

Recommendation No 50.2	In this context, **the Authority maintains its previous recommendation that, with regard to the current percentage-based fees payable for the services of the central purchasing body, the fee structure should be reviewed**, also taking into account the operating costs of the central bodies, and that a **nominal upper value limit should be introduced**. With regard to this issue, in the Authority's view, removing responsibility for meeting procurement needs from contracting authorities and entrusting it to the central purchasing body, where the latter does not possess the appropriate "in-house" expertise, including expertise in public procurement and in the subject matter of the procurement contract, cannot be justified.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 51.1	**Clarifying and supplementing the rules governing the procurement methods applied in public procurement procedures** The **Authority** maintains its recommendations in this regard, including its recommendation that **the maximum number be subject to justification**.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. According to the Government's position, among the public procurement procedure solutions permitted by the directive, the contracting authority must choose the method, type of procedure, and system of standards that best serve the selection of the economically most advantageous offer, which enables genuine competition in the context of the specific procurement procedure and its particular circumstances. The Government does not necessarily consider the ex-ante legal restriction of this freedom to be an appropriate instrument; the recommendation pertains to an issue of practical application of the law. The Government takes the view that this cannot be addressed primarily through legislation. Measure: The Government will consider the Integrity Authority's recommendations in relation to future amendments to and/or the operation of centralised public procurement systems.
Recommendation No 51.2	**Clarifying and supplementing the rules governing the procurement methods applied in public procurement procedures** The Authority recommends restricting single-bidder framework agreements above a specified minimum threshold. The Authority encourages and recommends conducting further analyses to determine on which types of markets, and in which procurement categories, contracting authorities typically use single-bidder framework agreements, and what the reasons for doing so are.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. According to the Government's position, among the public procurement procedure solutions permitted by the directive, the contracting authority must choose the method, type of procedure, and system of standards that best serve the selection of the economically most advantageous offer, which enables genuine competition in the context of the specific procurement procedure and its particular circumstances. The Government does not necessarily consider the ex-ante legal restriction of this freedom to be an appropriate instrument; the recommendation pertains to an issue of practical application of the law. The Government takes the view that this cannot be addressed primarily through legislation. Measure: The Government will consider the Integrity Authority's recommendations in relation to future amendments to and/or the operation of centralised public procurement systems.

Recommendation No 51.3	**Clarifying and supplementing the rules governing the procurement methods applied in public procurement procedures** Considering that the implementation of the recommendation is not mandatory, **the Authority recommends excluding the possibility of concluding a framework agreement as a result of a DPS** or, at a minimum, limiting the duration of any such framework agreement if one is nevertheless concluded.	The Government agrees with the proposal.	Measure: The Government will consider the Integrity Authority's recommendations in relation to future amendments to and/or the operation of centralised public procurement systems.
Recommendation No 52	**Making the reopening of competition mandatory** It may be feasible even in the short term; therefore, the **Authority recommends making the reopening of competition mandatory in the second phase of framework agreement procedures**, possibly even subject to specified conditions.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. According to the Government's position, among the public procurement procedure solutions permitted by the directive, the contracting authority must choose the method, type of procedure, and system of standards that best serve the selection of the economically most advantageous offer, which enables genuine competition in the context of the specific procurement procedure and its particular circumstances. The Government does not necessarily consider the ex-ante legal restriction of this freedom to be an appropriate instrument; the recommendation pertains to an issue of practical application of the law. The Government takes the view that this cannot be addressed primarily through legislation. Measure: The Government will consider the Integrity Authority's recommendations in relation to future amendments to and/or the operation of centralised public procurement systems.
Recommendation No 53	**Reviewing the duration of framework agreements** It would also stimulate competition if long-term framework agreements – which respond less flexibly to market changes and technological developments – were replaced by shorter-term framework agreements.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.

Recommendation No 54	**Promoting the competitiveness of central purchasing bodies** The Authority recommends the development of a regulatory model that – **exempts** the entities subject to centralised public procurement **from the mandatory application** of centralised procurement **below a certain threshold**, and – combines this with a solution that, unlike the current strict approach, allows procurement procedures to be carried out under its own authority in several cases. While any potential change of model would require the expected benefits and potential drawbacks to be carefully considered, a combined model could have several positive effects. Namely, this would – presumably encourage central purchasing bodies to continuously improve pricing and terms – reduce market concentration while also strengthening competition on the supplier side.	The Government partially agrees with the proposal.	The Government is committed to the review and/or redevelopment of centralised public procurement systems in a way that prioritises the practical application of principles such as cost-effectiveness, data transparency, and ensuring the greatest possible level of competition. However, reviewing centralised public procurement systems takes longer. Measure: The Government will consider the Integrity Authority's recommendations when making future amendments to centralised public procurement systems.
Recommendation No 55.1	**Establishing a risk analysis approach** The Authority recommends conducting an analysis based on a comprehensive process assessment and a detailed impact assessment, which will – uncover existing parallels within the current control system; – identify control gaps; and – provide recommendations on developing the most efficient and most risk-oriented control model in respect of public procurement procedures.	The Government does not agree with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and considers the development and maintenance of a control system that serves the effective prevention of irregularities to be crucial. Nevertheless, the Government wishes to point out that under the applicable EU and national legislation, the public procurement control system for development policy programmes is already continuously or regularly audited by the Directorate General for Audit of European Funds, the European Commission, the European Court of Auditors, and, annually, by the Integrity Authority, pursuant to Section 11(d) of Act XXVII of 2022 (Integrity Authority Act). Based on the audits, the reports of sampling, thematic, and system audits set out the findings and recommendations of the auditing bodies for the development of the control system. In view of these, the Government considers that the analyses included in the recommendation of the Integrity Authority regarding the control system are already available, and the Government does not consider any further measures recommended

Recommendation No 55.2	**Establishing a risk analysis approach** Furthermore, the Authority recommends that the Government provide the Integrity Authority, to the extent necessary for performing its risk analysis duties, with comprehensive, real-time, database-level access to the EPPS.	The Government does not agree with the proposal.	The Government is committed to providing the Integrity Authority with all data required within the legal framework for conducting its investigations and administrative audits and to effectively supporting the detection of any irregularities by the Integrity Authority. It is essential, however, that the data stored by contracting authorities in the EPPS, as well as the data and content of communications with economic operators, constitute personal secrets or are protected by the confidentiality of correspondence within the meaning of Section 2:46 of Act V of 2013 (Civil Code). Therefore, the rules governing these must be taken into consideration regarding access requested by the Integrity Authority. We wish to recall that under Sections 223 and 224 of Act C of 2012 (Criminal Code), any violation of personal secrets and information protected by the confidentiality of correspondence constitutes a criminal offence. Access to data stored in the EPPS is currently possible under the applicable regulations as follows: – the PPA and its implementing regulations already require the public disclosure of a wide range of data, which are therefore publicly available, – under Act CXII of 2011 (Privacy Act), requests for data of public interest may also be submitted, but the Integrity Authority obviously has more direct options to request data at its disposal, – under Act XXVII of 2022 (Integrity Authority Act) and Section 46(4c), contracting authorities are required to grant the Integrity Authority access in the EPPS. – under Section 46(4b), the minister with responsibility for public procurement is required to provide data from the EPPS in response to a request relating to a specific investigation procedure. According to the Government's interpretation, and in view of the circumstances above, the Integrity Authority's request for comprehensive, database-level access to the EPPS would represent privileged access to the data and documents stored in the EPPS, as, once granted access, the Authority would be able to download any data or document directly, without submitting specific requests, and without the knowledge of the contracting authority, the economic operators concerned, or the minister responsible for operating the EPPS. According to the Government's legal interpretation, only bodies with a very special legal status have similar data access rights, subject to compliance with special procedural guarantees, for example: – in criminal proceedings under Section 231 of Act XC of 2017 (Code of Criminal Procedure), the covert surveillance of an information system subject to prior judicial authorisation may be applied (without the knowledge of the contracting authority or the economic operator concerned). At the same time, under Section 307 of the Criminal Code, the unauthorised collection of information by covert means constitutes a criminal offence, – furthermore, under Section 58 of Act CXXV of 1995, national security services may acquire data maintained in an information

Recommendation No 56	**Assessing the effectiveness of the integrity protection system** The Authority recommends that the Government carry out a detailed impact assessment in respect of the practical implementation of the requirements set out in Government Decree No 50/2013 of 25 February 2013 and Government Decree No 339/2019 of 23 December 2019. The impact assessment should cover the following points: – the extent to which the integrity management and internal control requirements prescribed by the regulations are actually embedded in the functioning of the organisations; – the extent to which the required documentation obligations (regulations, reports, integrity reports) contribute to the reduction of corruption risks; – the ways in which the resources, training programmes and professional support available to integrity and compliance advisors can be improved; – the extent to which the institutional guarantees for the protection of whistleblowers can be considered effective in practice; – what further targeted measures are needed to ensure that integrity protection is not merely a matter of formal compliance but serves as a tool that has a substantive impact on the functioning of the public procurement system.	The Government partially agrees with the proposal.	The Government supports the comprehensive assessment of the practical application of Government Decree No 50/2013 of 25 February 2013 and Government Decree No 339/2019 of 23 December 2019. The review must, however, focus on the practical application of the regulatory framework, the quality of implementation, managerial responsibility, the operation of internal control mechanisms, and the identification of best practices. The imposition of new obligations is not justified unless their necessity is demonstrated by objective impact assessments. Measure: The Government calls on the Minister of Finance to carry out the comprehensive assessment of the practical operation of the referenced regulatory framework.
Recommendation No 57	**Revision of the powers of the Common Service Directorate** The Authority recommends that in order to achieve the highest possible level of the intended standardisation and transparency in the control of the use of European Union funds, the Government consider revising the structure presented above, with particular emphasis on the organisational and operational separation of the RDP, CAP, HFOP, HFOP Plus and DROP Plus programmes, as well as the centralisation implemented in on-site audits.	The Government partially agrees with the proposal.	With centralisation, staff members conducting audit activities within the various managing authorities have also been transferred to the unit responsible for on-site audits within the Common Service Directorate. The planning of on-site audits in line with the provisions of funding regulations, with particular regard to risk analysis and verification obligations, ensures that the number of samples used for verification cannot be reduced in terms of individual operational programmes. Based on operational experience, with the centralisation of on-site audits, the current framework ensures the efficient and consistent discharge of functions, which supports the consideration of integrating the Digital Renewal Operational Programme (DROP) managing authority's on-site audit functions, after incorporating the DROP managing authority in the NDC.

Recommendation No 58	**Media monitoring and analysis practices by the Communications Department of the NDC Strategic Directorate** In light of the above, the Authority recommends that the Communications Department of the NDC Strategic Directorate kindly prepare a report concerning the suspicions, risks and findings identified through media monitoring and analysis and provide the Authority with the relevant information. The report must present the arrangements for ensuring that the identified suspicions, risks and findings are communicated to the competent irregularity suspicion management or on-site audit function. Furthermore, the report should include an itemised statement regarding the number of irregularity proceedings and on-site audits initiated as a result of the media monitoring conducted by the Communications Department.	The Government does not agree with the proposal.	Within its functions assigned to it in the NDC's bylaws, the Communications Department of the organisation's Strategic Directorate performs media monitoring and analysis tasks within the functions and powers of the NDC. The thematic focus of the media monitoring comprises news on cohesion policy, European Union development policy, as well as other relevant European Union news. In addition to including in its media review contents that indicate or raise concerns regarding the irregular use of EU funds, or criticise the proper and efficient use of such funds, the Communications Department also forwards these contents to the departments concerned. Besides managing authorities, the Directorate of Internal Audit and Integrity is also notified in all cases, as well as the Development Policy Audit Department if any audits or OLAF investigations are involved, and the Deputy State Secretariat for Public Procurement Supervision in cases related to public procurement procedures. No database is available from which the requested report could be generated. The credibility of news items appearing in the media shows considerable variety, and is therefore assessed by Managing Authorities on a case-by-case basis. It is also important to note that, in many cases, the projects referred to in media reports may already have been subject to audits or irregularity proceedings, irrespective of the media coverage they received. Given all these factors, the requested report may give rise to misleading conclusions. The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible and attaches high priority to the effective investigation of potential irregularities. Nevertheless, it considers that the measure proposed by the Integrity Authority would not be a genuinely effective instrument, alongside already existing

Recommendation No 59	**Access to the Integrated Administration and Control System** In view of the Authority's audit and investigative activities, the Authority recommends being granted access to the IACS on terms similar to those applicable to KPMG in order to ensure the effective, professional and timely discharge of its functions as defined in the Integrity Authority Act.	The Government does not agree with the proposal.	The rules for accessing the data of agricultural subsidy procedures financed from the financial resources of the Common Agricultural Policy, stored in the Integrated Administration and Control System, are stipulated at the legislative level. For the 2023–2027 programming period, these rules are stipulated by Act LXV of 2022 on the procedural rules of agricultural subsidies granted from the Common Agricultural Policy and the national budget, while for the periods preceding the programming period referred to above, by Act XVII of 2007 on certain issues of procedures in relation to support for agricultural, rural development and fisheries and to other measures. Therefore, the Integrity Authority's access to the Integrated Administration and Control System and the protected funding information stored therein (funding confidentiality) through a direct data link, while discharging its functions, would require the statutory conditions for such access. During the development of this regulation, the legislature must, among other things, ensure compliance with the principles of necessity, proportionality and purpose limitation. The Government takes the view that the Integrity Authority does not have the legal authorisation to have unlimited access to the funding data of the entire Rural Development Programme (RDP) and the CAP SP. We remain fully available, as we have been to date, to provide any data necessary for the conduct of examinations, investigations or other scrutiny. However, in light of the functions and powers conferred on the Integrity Authority under the Integrity Authority Act, we consider unrestricted access to the entirety of the CAP funding data system to be neither necessary nor proportionate. The Government is committed to providing the Integrity Authority with all data required within the legal framework for conducting its investigations and administrative audits, and to effectively supporting the detection of any irregularities by the Integrity Authority. However, the Government does not consider the Integrity Authority's related request for access to be compatible with the framework of powers and responsibilities as defined in the legislative context described above.
Recommendation No 60	**Access to the Management Information System** In view of the Authority's audit and investigative activities, the Authority recommends being granted access to the VIR system (Management Information System) on terms similar to those applicable to managing authorities' access to the FAIR system (Development Policy Database and Information System) in order to ensure the effective, professional and timely discharge of its functions as defined in the Integrity Authority Act.	The Government partially agrees with the proposal.	The Integrity Authority has numerous active FAIR accounts and has full access to data. The FAIR managerial account referred to in the recommendation may be associated with the access provided by these accounts. The VIR (Management Information System) does not have an associated FAIR managerial account. The VIR system, used in development policy, is built on a management decision support and analytical system (Microstrategy). Within this system, managing authorities independently define reports in relation to the management of programmes in various structures and with different query methodologies, even within the managing authorities themselves. The VIR system provides a framework for this activity, while the data are naturally based on specific fields and functions of FAIR. Pursuant to EU and domestic data provision regulations, control bodies, the general public, and EU services are all informed about the results of these reports, and the publications we post on our development policy website are also based on these data. Requests for access to FAIR data pertaining to the conduct of investigations are made available in all cases through a dedicated system designed for this purpose.

Recommendation No 61.1	**Ensuring the public availability of information on LEADER projects** In order to ensure the transparency and visibility of LEADER projects supported by LAGs, the Authority recommends that LAGs be required to operate a website dedicated to the European Union funds they manage and to publish up-to-date and relevant information on all beneficiary economic operators, including reports on project results, on their respective websites.	The Government partially agrees with the proposal.	Subpoint 3.3.III.21 of the call for applications bearing reference number KAP-RD57-25, entitled the Support of LEADER Local Action Groups, provides as follows: "Based on the communications plan incorporated in the Local Development Strategy (LDS), the LAG ensures that the residents living in its area of operation are kept informed, and maintains and operates its own website, providing up-to-date information and disclosing the contact details of the association, as well as the applicable LDS." Based on the above, Local Action Groups (HACS) are required to maintain and operate a website but are not required to publish information about the funded projects and operations, in view of the fact that this information is available on the www.palyazat.gov.hu and the www.kap.gov.hu websites. About the funded projects, including the mandatory content, the former website provides information under "VP-19.2.1-17 Implementation of Local Development Strategies", while the latter publishes such information under "LEADER Local Calls". Measure: the Managing Authority will continue to discharge its obligation to publish information about the operations funded under local calls for proposals and will send an information letter to the LAGs in August 2026 to advise them on what data content qualifies as data accessible – and therefore allowed to be published on the LAGs' websites – on grounds of public interest, pursuant to the relevant provisions of the CPR.
Recommendation No 61.2	**Ensuring the public availability of information on LEADER projects** The Authority recommends that, irrespective of the programming period, the palyazat.gov.hu and the kap.gov.hu websites also include information and notifications relating to LEADER projects equivalent to those provided for other rural development projects in order to ensure the public availability of such information.	The Government partially agrees with the proposal.	Subpoint 3.3.III.21 of the call for applications bearing reference number KAP-RD57-25, entitled the Support of LEADER Local Action Groups, provides as follows: "Based on the communications plan incorporated in the Local Development Strategy (LDS), the LAG ensures that the residents living in its area of operation are kept informed, and maintains and operates its own website, providing up-to-date information and disclosing the contact details of the association, as well as the applicable LDS." Based on the above, Local Action Groups (HACS) are required to maintain and operate a website but are not required to publish information about the funded projects and operations, in view of the fact that this information is available on the www.palyazat.gov.hu and the www.kap.gov.hu websites. About the funded projects, including the mandatory content, the former website provides information under "VP-19.2.1-17 Implementation of Local Development Strategies", while the latter publishes such information under "LEADER Local Calls". The data content described in the recommendation is therefore available on both the palyazat.gov.hu and the kap.gov.hu websites. Measure: In August 2026, the National Managing Authority will send an information letter to the LAGs regarding the data content of the operations listed on their websites. The letter intended for the LAGs will clarify the requirements for the operation of their websites. The Managing Authority is responsible for managing the search function for grant-supported projects under

Recommendation No 62	**Revising the development of rural development calls for application** The Authority recommends that in the future, rural development calls be designed in accordance with programme documents approved by the European Commission, which genuinely and effectively aim at rural development, respond to social needs, are necessary and efficient, and possess an appropriate framework of conditions and standards. It is recommended that the implementation of economically and financially viable project ideas of high professional quality that genuinely merit funding be encouraged. Accordingly, the Authority recommends that the eligibility criteria and the substantive assessment criteria be revised in line with this principle.	The Government partially agrees with the proposal.	The development phase of calls for applications have involved and will also continue to involve consultations with professional organisations. Measure: The Government will take the recommendations into consideration when developing future rural development calls for applications. The Government will consider revising the eligibility criteria and the substantive assessment criteria, as suggested in the recommendation.

Recommendation No 63	**Transparency in resource management decisions** The Authority recommends that the RDP Managing Authority establish a procedural framework, including a set of criteria and a decision template to be completed in parallel with the Resource Management Department's entry of the record, which would provide a clear and verifiable record of the rationale for the decision, in particular regarding the financing structure of a specific project (RDP TOP-UP/co-financing and the respective proportions).	The Government does not agree with the proposal.	The programming period of the RDP funded with EU co-financing ended on 31 December 2025. Consequently, EAFRD funds can no longer be used to make payments under the RDP from 2026 onwards. In 2026, no new commitments may be entered into under the RDP, and payments may only be made from TOP-UP funds in respect of funding applications that have not yet been closed. In view of this, developing a specific procedure for the RDP is no longer relevant. In the case of the Common Agricultural Policy Strategic Plan (CAP SP), with regard to commitments financed from EAFRD co-financing and TOP-UP funds, the Resource Management Department of the National Managing Authority will proceed as follows: – It is both an EU requirement and an objective of the National Managing Authority that EAFRD funds be utilised first, as expenditure must be declared to the Commission in this manner and the programme's absorption targets can thereby be achieved at the earliest possible stage. – This objective can be achieved by financing commitments entered into under calls for applications from EAFRD funds for as long as such funds remain available under the relevant interventions, and, once the EAFRD funds have been exhausted, by financing further commitments from TOP-UP funds. – The share of EAFRD and TOP-UP funding varies across interventions. While some interventions are financed entirely from EAFRD resources, others are financed predominantly from TOP-UP funds, with TOP-UP funding accounting for up to 97% of the total allocation. The commitment mechanism therefore allows funding to be allocated accordingly. – In the case of the first-generation IACS system (IACS1), the Resource Management Department did not have the opportunity to allocate the funding source (EAFRD or TOP UP) to individual applications or to provide financial countersignature prior to the commitment; therefore, the type of funding source to be used for the commitment, as well as the financial countersignature certifying the availability of that funding source, were specified in a paper-based memorandum prepared for the Head of the National Managing Authority. The upgraded IACS system (IACS2) features new developments enabling the selection of the funding source of applications for most calls during the decision preparation process. – Based on the technical capabilities of IACS2, the financing of an application from mixed (EAFRD and TOP UP) sources is not feasible, therefore only one funding source can be assigned to each application during the decision preparation process. – Differences may occur between commitments and actual payments in terms of the funding source used, owing to project drop-outs and changes in funding allocation. If an application funded from EAFRD resources is not implemented, and therefore the funding allocated to it becomes available for reallocation, then it can be primarily used to finance another application submitted under the same call for applications. It may also occur that an application with funding allocated to it from EAFRD resources is ultimately paid from TOP UP funds years later, if, in the meantime, the EAFRD funds available for the intervention have been exhausted, or an overpayment of EAFRD funds has taken place. The funding source for a funding application may therefore change subsequently, after the commitment has been made. To date, a total of almost 119,000 applications have been funded from the Common Agricultural Policy Strategic Plan (CAP SP), and in the remainder of the period, additional tens of thousands of applications are expected, for which commitments will

Recommendation No 64.1	**Practical implementation of the provisions of Act CLXXXI of 2007 on the transparency of subsidies awarded from public funds** In order to ensure the application of the provisions referred to in the Subsidy Transparency Act, the Authority recommends that the National Managing Authority responsible for the proper implementation of CAP funds introduce a control mechanism capable of identifying and preventing conflicts of interest specified in the underlying facts section.	The Government partially agrees with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible, and, of course, it considers the development of the legal practice related to the prevention and management of conflict of interest situations to be crucial. However, the Government takes the view that the detection and management of conflicts of interest have already been comprehensively regulated in line with EU requirements. The conflict of interest rules of CAP funding are set out in Section 5 of Government Decree No 601/2022 of 28 December 2022 on the organisational and institutional framework for implementing the Common Agricultural Policy (CAP) and national agricultural subsidies. In accordance with section 5(3a) of Government Decree No 601/2022 of 28 December 2022, the LAG is required to make a general conflict of interest declaration and a declaration of interest, including data outlined under point 6.3. of Commission Notice Guidance on the avoidance and management of conflicts of interest under the Financial Regulation (2021/C 121/01). Then, prior to commencing substantial procedural activities, the LAG is required to make a conflict-of-interest declaration regarding the specific application under review. According to communication No 53/2025 of the CAP National Managing Authority, published on 27 May 2025, Chapter 14 of the call for applications titled the Support of LEADER Local Action Groups, bearing reference No KAP-RD57-24, had been supplemented with Annex 4 titled GUIDANCE on compliance with the obligation to submit declarations of conflict of interest and declarations of interest (“Guidance”). The National Managing Authority had developed the Guidance in collaboration with the Directorate of Internal Audit and Integrity to manage conflict of interest situations affecting LAGs. As the Guidance states: “This Guidance is intended to provide assistance in the management of conflict of interest situations arising in the operation of Local Action Groups (LAGs), as well as in complying with the obligation to submit conflict of interest declarations and declarations of interest. In accordance with point 3.3. III. 16. of the call for applications titled the Support of LEADER Local Action Groups, bearing reference No KAP-RD57-24 (“Call”), the LAG is required to ensure that conflict of interest rules are complied with by the Local Evaluation Committee (“LEC”), the working body and the Board of the LAG.” Chapter X of the Guidance sets out the rules applicable to declarations of conflict of interest and declarations of interest reviewed by the DIAI: If, in the discharge of its statutory functions, the DIAI identifies, during the verification of conflict of interest declarations and/or declarations of interest, indications of a conflict of interest and/or interest involving a person subject to the declaration obligation in connection with a specific application, on the basis of data obtained, inter alia, through regular sampling procedures, records and inquiries, it is required to inform the National Managing Authority thereof, which is required to take the measures specified in Section 5 (4)–(5) of Government Decree No 601/2022 of 28 December 2022 accordingly, and the National Managing Authority is required to inform the DIAI of this, primarily by electronic mail, within 15 days after the decision is made.” In view of the above, the Government does not consider the further measure proposed by the Integrity Authority to be

Recommendation No 64.2	**Supplement to Government Decree No 601/2022 of 28 December 2022 on the organisational and institutional framework for implementing the Common Agricultural Policy (CAP) and national agricultural subsidies** It is recommended that these conflict of interest situations be addressed, at least by way of cross-references, in Government Decree No 601/2022 of 28 December 2022 on the organisational and institutional framework for the implementation of the Common Agricultural Policy (CAP) and national agricultural subsidies.	The Government does not agree with the proposal.	As stated in the response to Recommendation No 64.1, the detection and management of conflicts of interest have already been comprehensively regulated in line with EU requirements; therefore, the Government does not consider it warranted to incorporate, even by way of cross-reference, the conflict of interest rules set out in Act CLXXXI of 2007 on the Transparency of Subsidies Awarded from Public Funds into Government Decree No 601/2022 of 28 December 2022.
Recommendation No 65	**Incorporation of the risk indicators of the 2021/C 121/01 Commission Notice into domestic regulations** With reference to the recommendation set forth in the 2023 Annual Analytical Integrity Report, the Authority continues to underline the need for the risk indicators set out in point 6.4 of Commission Notice 2021/C 121/01 to be incorporated into Government Decree No 272/2014 of 5 November 2014, Government Decree No 256/2021 of 18 May 2021, Government Decree No 373/2022 of 30 September 2022, and Government Decree No 601/2022 of 28 December 2022 in order to ensure the effective application of the independence requirement.	The Government partially agrees with the proposal.	The Government is committed to considering the Integrity Authority's recommendations as carefully and comprehensively as possible, and, of course, it considers the development of the legal practice related to the prevention and management of conflict of interest situations to be crucial. In the Government's view, the aspects in the Commission Notice are already covered by the conflict of interest rules of the development policy regulations, the applicable case-specific conflict of interest declaration, and the activities of the Directorate of Internal Audit and Integrity (DIAI); therefore incorporating them into legislation is unnecessary. The institutional system for development policy also considers the enforcement of independence to be crucial; therefore, throughout the entire project lifecycle, supplier independence is monitored and potential conflicts of interest are screened by the staff of the development policy institutional system, using methods and instruments tailored to the specific phase. The requirements and instruments applied during the various procedural processes: 1. Publication of calls for applications: The template for the call displays the following text under Chapter “7.4 What are the conditions for eligibility?”: “The rules ensuring the independence of the grant applicant / beneficiary and the bidders: Pursuant to the Accounting Guidelines elaborating on the provisions of the Government Decree, in case of purchases not subject to public procurement requirements, particular attention must be paid to the following rules ensuring the independence of the grant applicant / beneficiary and the bidders: A bidder is not considered independent: a) if the grant applicant, beneficiary, or their owner, managing or supervisory body, a member thereof, of the grant applicant / beneficiary, and/or a person authorised to make declarations or represent the organisation on its behalf, or a relative of any such person, exercises any of the following rights in respect of the bidder: ownership, maintenance, asset management, management, representation, employer or appointment rights; b) if the bidder’s owner (managing or supervisory body), a member thereof, and/or a person authorised to make statements on behalf of and represent the organisation, or a relative of any of these individuals, exercises ownership, maintenance, asset management, management, representation, employer or appointment rights in the organisation of the grant applicant / beneficiary or another bidder participating in the same procurement procedure; or

			if the bidder is considered a member, partner or affiliated company of the grant applicant, the beneficiary, or another bidder. For the purposes of assessing the independence of the grant applicant/beneficiary and the bidders, relatives include, pursuant to points 1 and 2 of paragraph (1) of Section 8:1 of Act V of 2013 on the Civil Code (Civil Code), the spouse, lineal relative, adopted child, stepchild and foster child, adoptive parent, stepparent and foster parent, sibling, cohabitant, spouse of a lineal relative, lineal relative and sibling of spouse, and the spouse of a sibling. The Beneficiary must meet the independence requirement throughout the entire duration of the grant relationship." 2. Decision preparation Where the grant applicant is required to conduct a market survey as part of the grant application process, the applicant must identify the supplier proposed for the procurement of the goods or services concerned. When examining grant applications, the Managing Authority uses the OPTEN and Arachne+ databases to verify the independence of contractors. 3. Verification of payment claim a) Relevant regulatory requirements: Points 2.3.2.4 and 2.3.2.8 and 2.3.2.8a of Chapter I and Point 5.5 of Chapter III of the Accounting Guidelines b) EUPR payment claim verification checklist c) EUPR Fraud Prevention function d) ARACHNE+ Furthermore, the amendment to Government Decree No 601/2022 of 28 December 2022, intended to make the use of the ARACHNE+ risk analysis system more efficient, is currently under way.
Recommendation No 66	**Expanding the assessment of contractor independence** The Authority recommends that the relevant managing authority should examine contractor independence not only for the purpose of determining the actual market value but also to ensure fair competition and prevent unfair conduct by the economic operators involved in the project, given that numerous opportunities for abuse may arise in the case of construction projects for which the cost estimate is prepared on the basis of the items listed in the CCRD.	The Government partially agrees with the proposal.	Verifying the independence of contractors during the examination of the payment claims is a fundamental requirement and is not limited solely to determining the market price. (See Points 2.3.2.4 and 2.3.2.8 and 2.3.2.8a of Chapter I and Point 5.5 of Chapter III of the Accounting Guidelines.) The application of the ARACHNE+ risk scoring tool is mandatory in financing processes, including advance payment requests and the verification of payment claims. In other words, the background and network of connections of the beneficiary or contractor are examined in all cases by a staff member of the institutional system. (See ARACHNE central guidance.) If the indicators to be monitored trigger an alert, the staff member concerned must document the investigation of the alert in detail. If the alert is genuine, the relevant document may even be rejected.

Recommendation No 67	**Initiating cooperation among managing authorities in the handling of irregularity proceedings** The Authority recommends that the managing authorities establish cooperation in the handling of irregularity proceedings in order to develop common principles aimed at standardising the management of such proceedings and enhancing its transparency. In this context, the Authority recommends that administrative practices, both within and outside the EUPR, should also be harmonised, including the classification of irregularity cases, the inclusion of relevant references to the legal provisions infringed in the appropriate fields, and the recording of enterprises affected by irregularities, and linking them to the respective irregularity classifications in order to support subsequent preventive efforts.	The Government partially agrees with the proposal.	Development policy legislation regulates the sanctions that can be imposed as a result of irregularity proceedings, with particular emphasis on the proportionality of legal consequences to irregularities. The factual background of the cases is often complex; therefore, it is impossible to assess the cases and make irregularity decisions based on a uniform set of criteria. A continuously expanded case law database is also available, which can contribute to establishing a uniform legal practice. Beyond the scope of operational programmes, the DIAI records in the IT system the entities that it has identified as posing a risk, but every managing authority is also free to record the entities they consider risky. The system evaluates the given supporting document from a risk perspective on the basis of the associated risk factor (risk-based invoice verification).
Recommendation No 68.1	**The expansion of the functions of the System of European Union Programmes** The Authority recommends that a separate data field should be configured on the "supplier contracts" page of the EUPR to create an interface where the beneficiary, simultaneously with the uploading of the procurement and public procurement procedure documentation, could also record the names, tax numbers, and bid prices of all bidders, while indicating the successful bidder. In the case of a public procurement procedure divided into several parts, these data have to be recorded for each part. The new function should be equipped with filtering and search capabilities on the decision-makers' side. The Authority considers it important for the system to be capable of conducting an automatic immediate check following data entry by the beneficiary in order to reveal whether the given bidder or a group thereof has been involved in procurement procedures of other projects. It is recommended to automatically examine whether the flagged bidders were participants in irregularity proceedings related to similar factual circumstances.	The Government does not agree with the proposal.	The institutional system for development policy pays special attention to assessing conflicts of interest and verifying independence, as provided for in legislation, procedural rules and guidelines. Moreover, the institutional system for development policy strives to reduce administrative burdens imposed during the implementation of programmes and projects. The recommendation, however, imposes an administrative burden on beneficiaries, in view of the fact that, in addition to uploading procurement documentation, it would also require the manual entry of all relevant data on the Electronic Applicant Information and Communication System platform. Furthermore, the manual input of data involves increasing the likelihood of erroneous entries. In view of the latter, if there is a difference between the uploaded and the manually entered data, it may impose an administrative burden on the institutional system as well, due to the foreseeable increase in the number of notices of deficient filing and clarification requests, which could slow down the control processes of the institutional system. Furthermore, we note that the explanations in the report do not provide guidance on what instruments or legal possibilities the institutional system has at its disposal in the event of identifying patterns indicating bid-rigging based on the data to be collected under the recommendation, especially in cases below the public procurement threshold. The function proposed in the recommendation can be implemented through further development, which requires significant resources from both the developers and the institutional system.

Recommendation No 68.2	In view of the separate functioning of the IACS, the Authority recommends that the Government establish the conditions under which the two systems will be connected with regard to the Bidders' Database.	The Government partially agrees with the proposal.	The Managing Authority has begun examining the ways in which the EUPR and the IACS could be interconnected through a shared database or data-linking solution capable of processing bidder data, thereby ensuring the effective use of information available in both systems for risk analysis and fraud prevention. Measure: The examination also includes an evaluation of the ways in which the ARACHNE+ system, developed by the European Commission, can support the achievement of this objective. Within this framework, a survey will be conducted to determine whether the integrated risk analysis functionality provided by ARACHNE+ is suitable for the consistent analysis of bidder data managed by the EUPR and the IACS, as well as for the automatic identification of recurring bidder groups and other risk-related correlations. The most appropriate technical and professional solution for achieving the objective set out in Recommendation No 68.2 will