

General Principles and Challenges of Public Administration Organization in Hungary

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ABSTRACT

The organization of administrative bodies in Hungary has undergone significant changes over the past decades. After the change of regime, the basic democratic rules of the state were introduced, which also fundamentally determined the system of public administration. These influences led to the development of the constitutional basis for the system of public administration, which has evolved steadily since the change of regime. An important milestone in the regulation of the organization of public administration was the new Fundamental Law of 2011, which laid the foundations for several conceptual changes. The present chapter provides a textbook overview of the basic geographical characteristics of Hungary, the basic constitutional rules governing the public administration system, and the public administration system, specially focusing on state administration and local governments. The focus is on public administration bodies and their organization, with the chapter outlining also the current challenges faced by the organization of public administration in Hungary and predicaments for its future development.

KEYWORDS

Hungary, public administration, public administration bodies, constitutional principles, principles of public administration, local self-governments

1. Basic social, geographical, and economic overview

Hungary is a landlocked country located in Central-Eastern Europe that covers an area of approximately 93,030 square kilometres, making it a relatively small country in terms of landmass. It is bordered by seven nations, namely Austria, Slovakia, Ukraine, Romania, Serbia, Croatia, and Slovenia. Regarding its topography, it is diverse and varied, with the Great Hungarian Plain, also known as the Pannonian Basin, occupying much of the eastern part of Hungary. It is a vast flat area with fertile soil, making it ideal for agricultural activities, and it is also traversed by several rivers, including the Tisza and the Danube. To the north of the plain, Hungary transitions into hilly and mountainous regions, eventually reaching the North Hungarian Mountains (also known as Northern Uplands), which stretches along the country's northern border with Slovakia. This area is characterised by rolling hills, deep valleys, and

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dense forests. The highest point in Hungary, Mount Kékes, with an elevation of 1,014 meters, is located in the Uplands. The western part of Hungary is dominated by the Transdanubian Mountains, which include the Bakony, Mecsek, and the Buda Hills. These mountains offer scenic landscapes with rugged terrain and beautiful vistas. The Danube River, one of Europe's most important waterways, flows through Hungary from north to south, playing a significant role in transportation, trade, and tourism in the country. Other notable rivers in Hungary include the aforementioned Tisza and the Drava, the latter forming part of Hungary's southern border with Croatia. Hungary is also known for its numerous lakes, with Lake Balaton, often referred to as the 'Hungarian Sea', being the largest lake in Central Europe.

Regarding population, Hungary has approximately 9,7 million people living in the country, the majority of which comprises ethnic Hungarians, known as Magyars, who have a distinct language and cultural heritage. Hungary also has ethnic minority communities, including the Roma, Germans, Slovaks, Romanians, Croats, and others. Hungarian, also known as Magyar, is the official language of Hungary. It belongs to the Uralic language family and is unique among European languages, and Hungarian culture actually places a strong emphasis on the preservation of the language. Most Hungarians practice Christianity, with Roman Catholicism being the most widely followed denomination, albeit Protestantism, particularly Calvinism and Lutheranism, also has a significant presence.

Regarding educational system, it is well-developed in the country and focuses on providing quality education. Primary and secondary education is compulsory and free for all children between the ages of 6 and 16 years. Hungary also has prestigious universities and research institutions and a strong tradition of scientific research and innovation, attracting students both domestically and internationally. In terms of cultural heritage in Hungary, it is rich and reflects its historical legacy and diverse influences; in fact, the country has made significant contributions to music, literature, visual arts, and performing arts. Hungarian folk traditions, such as folk music, dance, and handicrafts, are an integral part of the cultural fabric, and the Hungarian cuisine is renowned for its hearty and flavourful dishes, incorporating ingredients like paprika, sour cream, and various meats.

The territory of Hungary consists of the capital, counties, towns, and villages, with the capital and towns being also divided into districts. As of 2022, there were 3,155 municipalities in Hungary, which can be considered a relatively high amount. Despite the disintegrated municipality system, Hungary has a high urbanisation rate, with a significant portion of the population residing in urban areas. Budapest, the capital and largest city of Hungary with a population of 1,7 million, is a major cultural, economic, and political centre. Other major cities, such as Debrecen, Szeged, and Győr also contribute to the country's urban landscape.

Importantly, Hungary has experienced significant economic transformations since the fall of communism in 1989, currently boasting a diverse and open-market economy that plays a crucial role in the Central European region, and that warrants further attention. Hungary transitioned from a centrally planned economy to a

market-based system after 1989, embracing the principles of free market competition, private ownership, and economic liberalisation. In fact, the country has implemented various reforms to attract foreign investment, enhance its competitiveness, and stimulate economic growth. Hungary's economy is driven by several key sectors, with manufacturing playing a vital role, particularly in the automotive industry. The country has also attracted substantial foreign direct investment, leading to the establishment of production facilities by major international automotive companies. Other important manufacturing sectors include machinery, electronics, pharmaceuticals, and food processing. Hungary also has a strong agricultural sector, contributing to both domestic consumption and exports. The country is indeed known for its fertile plains, which support the cultivation of crops such as wheat, corn, sunflowers, and vegetables, as well as renowned for its wine production, with vineyards in regions like Tokaj and Eger.

The service sector is another significant contributor to Hungary's economy, with tourism playing a key role in this midst as the country attracts millions of visitors each year. Budapest, with its historical landmarks, thermal baths, and vibrant cultural scene, is a major tourist destination. Other services sectors, including finance, information technology, and business services, have also been growing in recent years. Moreover, and as described above, the country has been successful in attracting foreign direct investment, particularly in the manufacturing sector. The country's favourable business environment, skilled workforce, strategic location, and access to the European Union (EU) market make it an appealing destination for investors, something that has made foreign direct investment a keystone for job creation, technology transfer, and export growth.

Hungary has also invested in developing its infrastructure to support economic growth. Regarding its transportation network, it is well-developed, boasting modern highways, railways, and an extensive network of airports, with Budapest Ferenc Liszt International Airport serving as a major regional transportation hub. It is also worthy of note that Hungary became a member of The North Atlantic Treaty Organization in 1999 and of the EU in 2004.

2. Public administration and constitutional order

Public administration can be defined¹ as the management of the members and organizations of society by specialised organizations, which in turn consist of professional civil servants² primarily in the possession of public authority.³ The function of public administration is the professional preparation of public

1 Tamás, 1994, p. 39; Rozsnyai, 2017, p. 19; Csörgits et al., 2020, pp. 9–14; Patyi and Rixer, 2014, pp. 287–288.

2 See: Patyi and Rixer, 2014, pp. 501–521; Brezovar and Pollák, 2023, pp. 88–91; Kálmán and Lapsánszky, 2017, pp. 201–208.

3 See: Patyi, 2017, pp. 53–65; Csörgits et al., 2020, pp. 133–134; Patyi and Varga, 2019, pp. 17–21.

decisions affecting society as a whole and the future of society, and participation in the implementation of these decisions through legislation, law enforcement, and other administrative and organizational means.⁴ Constitutional determination is of fundamental importance for the functioning of public administration since it describes its place in the system of state bodies. For the purpose of brevity and emphasis on matters important to this paper, the following will focus only on the most essential elements of the relationship between public administration and other public bodies.

Under Article C of the Fundamental Law⁵ (in Hungarian, *Alaptörvény*), the functioning of the Hungarian state is based on the principle of separation of powers, which in turn aims at ensuring the rule of law, democratic functioning, and the efficiency of the state organization. Concomitantly, this principle does not entail that the powers in the classical sense (i.e. legislative, executive, and judiciary) operate in isolation from each other, rather that, to ensure the state's functioning, the state bodies which benefit from each power are in a special equilibrium situation where they mutually influence and control each other's activities.

The Fundamental Law provides a framework and normative foundations for the organizational system of public administration, while the system is divided into two subsystems: a) the state administration (in Hungarian, *államigazgatás*) subsystem; b) the subsystem of local governments (in Hungarian, *helyi önkormányzatok*). Regarding the organization of public administration, the key rule is that the National Assembly (in Hungarian, *Országgyűlés*) is empowered to constitute such organization, which can be done by the Fundamental Law itself (e.g. in the case of the government or ministries) or by an act. As a complementary (secondary) rule to this principle, the government (in Hungarian, *Kormány*) may establish organs of state administration as provided for by an act,⁶ meaning that the government has the right to constitute an organ of state administration. Nonetheless, this must not conflict with the right of the National Assembly, which has supreme rights in this matter. Furthermore, the National Assembly has the power of oversight of state administration.

Thus, from the point of view of public administration, the following system of constitutional relations can be established in terms of the division of powers: a) National Assembly and public administration, b) President of the Republic (in Hungarian, *Köztársasági Elnök*) and public administration, c) judiciary and public administration, and d) Constitutional Court (in Hungarian, *Alkotmánybíróság*) and public administration.

4 See: Józsa, 2019, pp. 1–14.

5 The Fundamental Law of Hungary [Online]. Available at: <https://www.parlament.hu/documents/125505/138409/Fundamental+law/73811993-c377-428d-9808-ee03d6fb8178> (Accessed: 4 March 2023).

6 Article 15 Sec. (2) of the Fundamental Law.

2.1. The National Assembly and public administration

In a state with a parliamentary system, such as Hungary, the National Assembly and the government are at the centre of the state organization. Their relationship is fundamentally determined by the fact that the government is dependent on the National Assembly and is accountable to it, as it receives the authority to carry out governmental activities. Based on this principle, the National Assembly has a special role in the system of government and the organization of public administration, especially considering its role of drafting and amending the Fundamental Law and enacting acts. In this way, it also decides on the exercise of power, (i.e. the order and many of the basic details of governance), rendering the National Assembly a central actor of governance and, as the constitutional power, a provisioner of the Fundamental Law for the organization of the government.

The National Assembly has shared the freedom to define, in accordance with the principle of the separation of powers, the organization of the state administration between itself and the government. Importantly, in the case of local self-governments, the National Assembly has reserved for itself the full right to regulation to ensure the autonomy of local governments. The National Assembly retained the power to decide on the number of ministries and their names, the right to decide on the composition of the government, and a number of other powers affecting the administration of the state (e.g. the creation of independent regulatory bodies). Decisions concerning the organization of the state administration that are not considered by the National Assembly to be within its competence—such as decisions on the creation, reorganization, and abolition of additional state administration bodies not regulated by the Fundamental Law, and on their management—are taken by the government in exercise of its executive powers (governmental powers). It is important to note that the organization of local governments falls exclusively within the competence of the National Assembly and does not fall within the competence of the government. Therefore, the National Assembly's powers in relation to public administration can be basically divided into three groups, which are a) legislation, b) specific government decision-making powers, and c) control over public administration.

The National Assembly creates the Fundamental Law of Hungary, in which it defines the division of powers within the state organization, including the most important rules governing the structure of public administration and the fundamental rights of members of society vis-à-vis public authorities. In today's constitutional system, the National Assembly enjoys a privileged status expressed simply by its supremacy. On the one hand, this means that in addition to the drafting and amendment of the Fundamental Law, it is within its legislative competence to determine the will of the state and the main directions of that will, while the administration is only involved in so far as the legislature has remained silent (i.e. has not regulated a subject or has not done so in sufficient detail). In this sense, the administration is part of the executive, which carries out the will of the state as laid down by law or by the decrees it has itself made within the framework of the law. On the other hand, laws have primacy, as the will of the state expressed in the form of its law is stronger than

any other expression of the will of the state. Furthermore, there are the reserved matters (or exclusive legislative subjects), meaning that the administration cannot regulate them by decree even if they are not regulated by statute. These include, for example, the determination of the central budget, the adoption of the final accounts, the number and designation of ministries, the creation of autonomous regulatory bodies, and the basic rules of local government.

In addition to making laws, the National Assembly can also take important individual decisions on public administration:

- a) elect the prime minister;
- b) express lack of confidence in the prime minister;
- c) decide on the territorial organization of the state, including the merger, division, change of boundaries, name and seat of counties, and the creation of metropolitan districts;
- d) dissolve the body of representatives of a local self-government which is operating in contravention of the Fundamental Law;
- e) make other personnel decisions (e.g. elect the chairman and members of the Media Council of the National Media and Infocommunications Authority).

Finally, the exercise of the power of control over public administration is a key responsibility of the National Assembly, and can take three forms: a) before the plenary, b) in parliamentary committees, and c) by specialised audit bodies. Control before the plenary and in committees may be described as direct control by the National Assembly, based on political or constitutional responsibility, while control by specialised control bodies may be described as indirect control.

The means of parliamentary control of public administration is the political responsibility of the government and its members. Control before the plenum is characterised by taking place before the National Assembly and its members, and the two basic instruments are interpellation and question. A Member of the National Assembly may interpellate and put inquiries to the government and to a member of the government on any matter within their remit, and may also put inquiries to the Governor of the Hungarian National Bank (in Hungarian, *Magyar Nemzeti Bank*). The difference between an interpellation and a question is that the National Assembly votes on whether to accept the answer to the interpellation, and if the answer is rejected, it is examined by a committee in detail, while the National Assembly does not vote on the answer to the question.

The National Security Committee (in Hungarian, *Nemzetbiztonsági Bizottság*) of the National Assembly has a specific role in and is responsible for the control of only the national security services (i.e. one area of public administration), which are central state administration bodies with territorial branches. In the case of these bodies, parliamentary control is exercised through the National Security Committee, and if it detects that a national security service is operating in breach of the law, it may request information from the minister and from the directors-general of the national security services on a) the national security situation in the country and b)

on the functioning and activities of the national security services. If it considers it appropriate, it may conduct a fact-finding investigation, in the course of which it may inspect the documents in the records of the national security services relating to the case in question and interview the staff of the national security services.

To exercise the power of control over public administration, the instruments before the plenary and the committee are not sufficient on their own, and thus new, specialised forms of control have been created. The National Assembly's audit function is performed by, first, the State Audit Office of Hungary (in Hungarian, *Állami Számvevőszék*), which is the supreme financial and economic control body of the National Assembly and has general powers to control the use of public funds and the management of state and local government assets. Second, the Commissioner for Fundamental Rights (in Hungarian, *Alapvető Jogok Biztosa*), whose mission is to protect fundamental rights and ensure that the activities of public authorities do not infringe on people's constitutional rights. Third, the Budget Council (in Hungarian, *Költségvetési Tanács*), which has the role to provide expert assistance and oversight for responsible budget planning.

When examining the relationship between public administration and the National Assembly, it is also necessary to stress that public administration, and in particular the government and its ministries, play a key role in the preparation of the National Assembly's decisions. At the same time, the public administration system plays a key role in organizing the implementation of the National Assembly's decisions, in implementing them, and in monitoring their implementation.

2.2. The President of the Republic and public administration

The relationship between the President of the Republic (hereinafter referred to only as president) and the administration is essentially determined by the form of government. In the case of the parliamentary form of government, the relationship between the president, as the head of state, and the administration can be described essentially as the first exercising autonomous, specific state activities towards the latter. These activities are partly related to the preparatory activities of the administration, and in the Hungarian constitutional system, this is expressed by the legal institution of countersignature. The decisions of the president—whether related to or affecting public administration—are submitted to him by the prime minister (in Hungarian, *Miniszterelnök*) and the minister, but the validity of the President's decision is subject to the countersignature of the prime minister and the minister.⁷ Notwithstanding, it is also important to emphasise that the president may refuse to take a decision according to the proposal if the legal conditions are lacking or if he has good reason to believe that it would result in a serious disruption of the democratic functioning of the state organization. In making his decision, the president must examine whether compliance with the proposal could result in such disturbance, and whether the content of the democratic functioning of the state body and the fundamental values of the Fundamental Law could be impaired.

7 See Decision of the Constitutional Court no. 47/2007 (3 July 2007) AB.

Considering the above, the most important powers of the president concerning public administration can be grouped as follows. First, appointment powers, appointing ministers, secretaries of state, and secretaries of state for public administration; the heads of state administration bodies independent of the government; the Governor and Deputy Governors of the Hungarian National Bank; ambassadors; appoints and promotes generals; university professors; confirms the presidents of the Hungarian Academy of Sciences (in Hungarian, *Magyar Tudományos Akadémia*) and the Hungarian Academy of Arts (in Hungarian, *Magyar Művészeti Akadémia*). Second, assisting in the legal supervision of local authorities, as if the National Assembly dissolves the body of representatives of a local self-government, it shall authorise the head of the competent county government office to exercise, for the period until the election of the new body of representatives, the duties and powers which the law assigns to the mayor, and to decide in urgent cases on matters which are the delegable powers of the body of representatives. Third, territorial planning powers, as the President decides on the granting of the title of town, the formation of a municipality, the unification of a municipality, the abolition of the unification of a municipality, and the naming of a town or municipality. Fourth, other powers, as the President decides on matters relating to the acquisition and termination of citizenship, and exercises the right of individual pardon.

2.3. The judiciary and public administration

Under the Fundamental Law, the judicial system includes the courts and the public prosecutor, in view of which it is necessary to review the administrative instruments of these two bodies.

2.3.1. Courts and public administration

The constitutional basis for administrative adjudication is laid down in Articles B and C of the Fundamental Law, which stipulate that Hungary is an independent, democratic state governed by the rule of law and that the functioning of the Hungarian state is based on the principle of the separation of powers. The essence of the rule of law is to ensure the effective enforcement of the law within a state, for which it is necessary to establish mechanisms to ensure that the behaviour of members of society is genuinely in conformity with the law by ensuring that adverse legal consequences are applied in the event of a breach of the law. This requires the objective (substantive) enforcement of the law (objective legal protection). The rule of law also includes the principle of the subordination or legality of public administration, which means limiting the exercise of power and the possibilities for intervention by public administration through binding the action of public administration, protecting it against unjustified, arbitrary administrative intervention and abuse of (public) power, and making its decisions predictable. Meanwhile, mechanisms are also needed to enable those affected by the application of the law to challenge the justification and necessity of the legal consequences. In this context, according to Article XXVIII (7) of the Fundamental Law, everyone has the right to seek legal remedy against any

court, authority, or other administrative decision which violates his or her rights or legitimate interests (subjective legal protection).

Nevertheless, the fundamental organizational and jurisdictional guarantee of the legality of public administration, which also derives from the rule of law and the separation of powers, is that the court, as far as possible, is the guardian of the legality of public administration.⁸ In view of this, Article 25(2) of the Fundamental Law stipulates that the court shall decide on the legality of administrative decisions.⁹ This provision is the constitutional basis of administrative adjudication and means that, at the request of the person entitled to it, the court shall examine the legality of an administrative act (decision) and, in the event of a breach of the law (violation of the law), shall take measures to remedy the breach or shall order the administration to act.

The function of administrative adjudication is the protection of rights, of which two types can be distinguished, being a) subjective and b) objective legal protection. Subjective legal protection, which is based on the fundamental constitutional right to legal remedy, is aimed at protecting the rights of the subject (i.e. the right of the court to examine the legality of the administrative decision at the request of the aggrieved party). Objective legal protection is based on the rule of law and aimed at protecting substantive law and legal order, playing a complementary role to that of the subjective legal protection function. In some cases, the restoration of the substantive legal order is necessary even in the absence of an individual claim for legal protection, in accordance with the rule of law and the principle of separation of powers. The objective legal protection function is only partially fulfilled by the court of its own volition (e.g. decision to proceed with a case, and narrow cases of *ex officio* evidence), and is primarily achieved by ensuring the right to bring an action without prejudice to individual rights; that is, administrative procedural law provides for the possibility of bringing an action to various organizations in the public interest or in certain segments of the public interest (e.g. non-governmental organizations, public prosecutor, and government office responsible for the supervision of the legality of local authorities).

At present, administrative justice in Hungary is provided by a two-tier court system that is not separate from the ordinary courts. The courts of first instance are the regional courts (in Hungarian, *törvényszék*) with an administrative college (in Hungarian, *közigazgatási kollégium*), totalling eight in the country.¹⁰ These courts,

⁸ Rozsnyai, 2017, p. 53.

⁹ Article 25(2) of the Fundamental Law: Courts shall decide on criminal matters, civil disputes, the lawfulness of administrative decisions, the conflict of local government decrees with any other law and their annulment, the establishment of omission by a local government of its obligation based on an Act to legislate, and on other matters specified in an Act.

¹⁰ There are also administrative colleges at the Budapest Metropolitan Court, the Budapest District Court, the Debrecen Court, the Győr Court, the Miskolc Court, the Pécs Court, the Szeged Court, and the Veszprém Court. See Article 21 (4) of Act CLXI of 2011 on the Organization and Administration of Courts (2011. évi CLXI. törvény a bíróságok szervezetéről és igazgatásáról) [Online]. Available at: <https://net.jogtar.hu/jogszabaly?docid=a1100161.tv> (Accessed: 3 March 2023).

owing to the existence of the administrative colleges, are specialised in the administrative justice system. In the second instance, the court of appeal is the court of justice with an administrative division, the Metropolitan Regional Court of Appeal (in Hungarian, *Fővárosi Ítéltábla*). The last instance is the Curia (in Hungarian, *Kúria*) as the supreme court, which is also the court of first instance in cases of review of the law (e.g. proceedings to examine whether a local government decree conflicts with another law, and proceedings for failure by a local government to fulfil its legislative obligations) or in proceedings to designate the administrative body responsible.

2.3.2. *Prosecutor and public administration*

Pursuant to Article 29 (1) of the Fundamental Law, the prosecutor general (in Hungarian, *legfőbb ügyész*) and the prosecution service (in Hungarian, *ügyészség*) are independent, and as public prosecutors, they are the exclusive enforcers of the criminal claims of the state. The prosecution investigates criminal offences, acts against other unlawful acts and omissions, and promotes unlawful act promotion. The prosecution service, as a protector of the public interest, shall exercise additional functions and powers as defined by the Fundamental Law or by act. The Fundamental Law defines the prosecution's primary functions as those of criminal law, but does not explicitly mention its administrative functions, given that it essentially refers their definition to the legislative level. Taking all this into account, the functions of the prosecution service can be divided into essentially criminal and non-criminal functions.

The framework of the legal regulation, and thus the scope and limits of the duties and competences, of the prosecution service is defined by the Fundamental Law, which stipulates in Article 25 (3) that administrative disputes shall be decided by administrative courts. Based on the concept of administrative litigation, it can be established that the public prosecutor's office cannot have the right to directly influence administrative decisions, but has the power to initiate proceedings in addition to its powers of control.

The administrative tasks of the prosecution service outside criminal law are set out in Act CLXIII of 2011 on the Public Prosecution Service.¹¹ According to this Act, the public prosecutor's service shall contribute to ensuring that everyone obeys the law to protect the public interest. It acts to ensure the rule of law in cases and in the manner provided for by law in the event of violations of the law. The prosecution service is obliged to act if the body responsible for the cessation of the violation of the law fails to take the necessary measures, or if immediate action by the prosecutor is necessary to prevent the violation of the law. In addition, the prosecutor's office shall facilitate compliance with the provisions of the law by the bodies exercising official authority, and by the bodies adjudicating disputes, with the exception of courts and arbitration tribunals. All these tasks are generally described as the public interest protection tasks of the prosecution service. The public prosecutor exercises his

11 2011. évi CLXIII. törvény az ügyészségről [Online]. Available at: <https://net.jogtar.hu/jogszabaly?docid=a1100163.tv> (Accessed: 4 March 2023).

powers of public interest protection to remedy violations of the law, primarily by initiating judicial and non-judicial proceedings (right of action), as well as by initiating official proceedings and bringing legal remedies. These instruments are collectively referred to as ‘action’.

The general system of the public prosecutor’s powers to protect the public interest is based on the fact that, as a first step, he/she conducts an investigation *ex officio* to substantiate his/her actions, unless otherwise provided by law, if the information or other circumstances brought to his/her knowledge indicate a serious violation of the law, omission, or a situation in violation of the law. As a second step, if the administrative body can remedy the offence, omission, or unlawful situation on its own, the public prosecutor may issue a voluntary request for compliance, setting a time limit. The addressee of the summons shall inform the public prosecutor within the specified time limit by sending the documents that he/she has remedied the violation of the law, that he/she has arranged for the convening of a panel (in cases requiring a panel decision), or that he/she disagrees with the provisions of the summons, stating his/her reasons. In the third step, if the addressee of the summons does not comply with the summons within the time limit set by the prosecutor, does not reply, or does not agree with the summons, the prosecutor shall act or notify the addressee of the termination of the proceedings. The prosecutor shall draw the attention of the head of the competent body by means of an indication of deficiencies which do not constitute an infringement of the law and to minor infringements of the law which do not justify action.

2.4. The Constitutional Court and public administration

The Constitutional Court (in Hungarian, *Alkotmánybíróság*) is the supreme body for the protection of the Fundamental Law.¹² It follows from the Constitutional Court’s function of protecting the Constitution that its relationship with the public administration is essentially aimed at monitoring the constitutionality of administrative actions. Given that the Constitutional Court’s primary function is the control of norms, it is essentially the legislative activity of the public administration that is concerned. The decisions of the Constitutional Court have *erga omnes* effect,¹³ that is, their content and the interpretation of the law contained in them are binding on all, meaning that in addition to the legislative activity of the public administration, it also has a major impact on the application of the law by the public administration. Regarding the subject matter of the Constitutional Court’s review proceedings, it relates to the case of local self-government ordinances. The power of review is shared between the Constitutional Court, the Curia, and the administrative courts, whereby the Constitutional Court examines the conformity of a municipal ordinance with

¹² Article 24 of the Fundamental Law.

¹³ Article 39, paragraph (1) of Act CLI of 2011 on the Constitutional Court (2011. évi CLI. törvény az Alkotmánybíróságról) [Online]. Available at: <https://net.jogtar.hu/jogszabaly?docid=a1100151.tv> (Accessed: 3 March 2023).

the Fundamental Law if the subject of the examination is limited exclusively to such conformity, without examining whether it is contrary to the law. If the municipal ordinance is no longer to be examined solely regarding its conformity with the Fundamental Law, but to other acts as well, the Curia has the power to conduct a review procedure.¹⁴

3. Organizational principles and structure of the public administration

3.1. Basics of public administrative organization and bodies

The organization of the public administration in any country, including Hungary, is a huge budgetary burden, is fundamentally linked to the competitiveness of the country, and directly affects its population, including public policy issues. The one thing that is certain is that the functions of the public administration must be performed in some way and within some administrative organizational framework. The system of public administration is determined by the domestic legal—mainly the constitutional—system and is also fundamentally regulated by domestic law. Even the EU has a relatively limited way to influence this matter, restricting the freedom of individual EU Member States to organize themselves (e.g. the EU sets certain limits through legal sources for organizations requiring administrative autonomy or other independence).

The most important aspects of the design of the public administration system are, first, that it must be able to implement the will and program of the government efficiently and to a high professional standard. Second, to be as cost-effective as possible from a budgetary point of view ('cheap'). Third, to be close enough to the population to guarantee that public tasks are still performed adequately for the population. Fourth, to ensure that all public tasks are performed and to promote the country's competitiveness. Of course, not all countries and governments have the same proportion of the above principles, but each country and government strives to develop the most efficient public administration according to its principles.

However, since each government has a different view and principles on the most efficient way of organizing public administration, the organizational structure of public administration varies. This variability is not the same in all countries, of course, being most constant in the Anglo-Saxon legal order countries, but it is also more constant in Western European countries than in post-soviet Central and Eastern European countries or developing countries. In the above context, the Hungarian administrative organization system can be divided into two main parts based on the logic of the organizational principles and with due regard to the provisions of the Fundamental Law:

- a) In the subsystem of state administration bodies, the government has the—hierarchical—power of control over the de-concentrated bodies exercising the

14 See Decision of the Constitutional Court no. 18/2013 (3 July 2013) AB.

executive power of the state. There are two types of de-concentration in the Hungarian administrative system: the horizontal and the vertical de-concentration. Horizontal de-concentration means the sector-based distribution of administrative power under the power of the government. Vertical de-concentration means the territorial-based distribution of administrative power under the power of the government. Furthermore, there is another part of the subsystem of state administration bodies which are independent from the government and are not part of the hierarchic system of state administration.

- b) The other subsystem of the Hungarian administrative organization is the local self-government subsystem, over which neither the government nor any other central state administration body has full power of control. This subsystem includes county self-governments and municipal self-governments, which provide the organizational framework for the self-government of local electorates.

The broader organizational structure of public administration also includes the para-administration bodies, encompassing public institutions, foundations, and utilities. These organizations usually provide various public services and institutions of public law. Their legal personality under public law links them to public administration, but they are also institutions, companies, and foundations that exist under the rules of private law.¹⁵

3.2. System of state administration

3.2.1. Central State Administration

The fundamental characteristics and contents of the central state administration organizational system—in particular, its structure, types, the basis of its legal status, the requirements for its establishment, and the system of relations between state administration bodies—have not been regulated for a long time after the change of regime in 1989. Nonetheless, this is not a requirement in the rule of law, since the freedom of the National Assembly and the government to form organizations means that the regulation of general organizational rules of state administration bodies is not a ‘mandatory’ legislative (regulatory) subject.¹⁶

Public administration scholars¹⁷ initially classified the main types of central public administration bodies. Still, the Hungarian organization of public administration has become so complex, multifaceted, and sprawling that it has required reform and legislation in budgetary and other areas (e.g. transparency of organization). In other words, the lack of regulation of the exercise of organizational powers, along with the complexity and opacity of the state administration’s organizational system

15 Lapsánszky, Patyi, and Takács, 2017, pp. 28–34.

16 Vadál, 2006, pp. 121–123.

17 For more details see Torma et al., 2022, pp. 56–61.

and its proliferation, which also caused problems from a budgetary point of view, became unsustainable, and this was resolved by a legislative reorganization in 2006. In Act LVII of 2006 on Central State Administration Bodies¹⁸ and the Status of Members of the Government and State Secretaries, the National Assembly regulated the scope of central state administration bodies, establishing their new system, requirements, and main operational rules. In 2010, this 2006 Act was replaced by Act XLIII of 2010 on Central State Administration Bodies and the Status of Members of the Government and State Secretaries¹⁹ (hereinafter the Act), which remains in force and regulates—along with the Fundamental Law—the legal status of central state administration bodies, their types, and certain issues of their operation. Based on this legislation, the basic types of central state administration bodies in Hungary are:

- a) the central government administrative bodies (in Hungarian, *központi kormányzati igazgatási szervek*);
- b) the autonomous bodies (in Hungarian, *autonóm államigazgatási szervek*);
- c) the independent regulatory organs (in Hungarian, *önálló szabályozó szervek*);
- d) the law enforcement bodies (in Hungarian, *rendvédelmi szervek*).

The central government administrative bodies comprise the government and the types of central government administrative bodies hierarchically subordinate to the government. Autonomous public administration bodies and independent regulatory organs are types of body not under the hierarchical authority of the government and, thus, are independent of the government. Law enforcement bodies, although subject to the hierarchical authority of the government, are a separate type of public administration because of their specific characteristics linked to the state's monopoly on legitimate physical violence. In addition to the law enforcement body as a type of central state administration, the Act also highlights the Military National Security Service, which is not a type of central state administration but can be considered as a separate central state administration body that cannot be included in the other types. The sub-types of central government administrative bodies are defined in Act CXXV of 2018 on Government Administration,²⁰ which defines a type of central government administrative body:

- a) the government (in Hungarian, *Kormány*);
- b) the ministry (in Hungarian, *minisztérium*);
- c) the government offices (in Hungarian, *kormányzati főhivatal*); and
- d) the central offices (in Hungarian, *központi hivatal*).

18 2006. évi LVII. törvény a központi államigazgatási szervekről, valamint a Kormány tagjai és az államtitkárok jogállásáról [Online]. Available at: <https://njt.hu/jogszabaly/2006-57-00-00> (Accessed: 3 March 2023).

19 2010. évi XLIII. törvény a központi államigazgatási szervekről, valamint a Kormány tagjai és az államtitkárok jogállásáról [Online]. Available at: <https://net.jogtar.hu/jogszabaly?docid=a1000043.tv> (Accessed: 3 March 2023).

20 2018. évi CXXV. törvény a kormányzati igazgatásról [Online]. Available at: <https://net.jogtar.hu/jogszabaly?docid=a1800125.tv> (Accessed: 3 March 2023).

The Fundamental Law directly creates the government, namely it is a ‘necessary’ constitutional institution, being the distinguished actor of the division of powers, the central institution of the executive power, and, with the primacy of the National Assembly, the determining institution of governmental activity.²¹ The government is ‘the principal organ of public administration’ according to the Fundamental Law, meaning in a broad sense that the government has an essential influence on public administration, including local governments, but in a narrow sense that the government directs only state administrative bodies (e.g. Ministries). The government exercises only the legal supervision of local governments, which grants it a much lesser power to intervene than the direction.²² The government is responsible for the National Assembly, which in turn is a very important element of the definition of the government because the powers of the government are mainly delegated by the Assembly. Specifically, the National Assembly does the following actions: authorises the government to implement its program and policies; plays a key role in the creation of the government (e.g. electing the prime minister); the Assembly’s acts regulate the basis of the government’s and the state administration’s functioning; supervises the activity of the government, as the National Assembly Members can ask questions to the ministers or the prime minister; the committees of the National Assembly hold hearings on various matters. Meanwhile, the government is a collegial body comprising the prime minister and the ministers,²³ has law-making (government decree) and organizational powers, supervises the legality of local governments,²⁴ and has other competences.

The Fundamental Law directly creates the ministry, as a type of body and a necessary constitutional institution, and similarly designates its minister. Ministries, which operate concurrently, are provided for by an act enacted based on the authorisation of the Fundamental Law—that is, individual ministries are not created by the government but by an act of the National Assembly. The ministry is both the minister’s working body and a specialised public administration body under the direction of the government and headed by the minister.²⁵ The ministries are under the authority of a single head, meaning that the powers necessary for exercising the ministries’ functions are vested in the head of the body, the minister, who is a political element in the organizational structure. The government lays down each minister’s detailed duties and powers in a government decree issued under its original legislative powers. Consequently, the right to define the content of the ministerial ‘portfolios’ is exercised by the government, which is indeed necessary because it allows the government to define the framework within which the individual ministries perform their public functions in line with its program. The minister prepares governmental decisions, makes the law (decree), governs the budgetary matters of subordinate

21 Stumpf, 2015, pp. 8–10.

22 Franczel, 2013, pp. 17–44.

23 Fazekas in Patyi and Rixer, 2014, p. 290.

24 Hoffman, 2021, pp. 30–39.

25 Petrétai, 2014, p. 162.

bodies, manages state-owned property, directs subordinate bodies, performs legal supervision over non-subordinate bodies (e.g. public corporations), manages sectoral information systems, and holds contact with non-governmental organizations and citizens.

Several tasks in the central government should not be performed by ministers or their ministries (e.g. administrative proceedings in concrete cases), and instead should be conducted by different types of organs, including governmental offices, central offices, autonomous bodies, and independent regulatory organs. The governmental offices are central state administration bodies established by an Act of the National Assembly, operating under the direction of the government and under the supervision of the minister appointed by the prime minister. These offices hold special powers which cannot be instructed in the performance of their duties as defined by law, and the main elements of the legal status of government offices are as follows: a) National Assembly may establish them by an act; b) they have considerable budgetary independence; c) the organization structure does not consist of a political element; d) its tasks and powers are defined by an act; e) they have national jurisdiction to perform specific public administrative tasks, but do not have the status of a ministry; f) report to the government on their activities but inform the concerned committee of the National Assembly at once. These offices also exercise administrative authority powers.²⁶

The central office is a main government administration body with special powers, established by an Act or a Government decree, under the direction and supervision of a minister (or the prime minister) as part of the administration. The legal status of a central office is primarily based on a government decree, so this is the main type of non-ministerial central bodies founded by the government. A central office may be created by law if it is to perform armed law enforcement functions,²⁷ and it usually carries out duties like administrative proceedings (e.g. issuing licenses and imposing fines) and makes decisions of the second instance in cases managed by territorial bodies. Regulatory inspection and supervision are also major parts of their powers, as they check if clients comply with the provisions of legal regulations and decisions. Central offices also maintain official recordings and organize and finance public services.²⁸

Autonomous bodies are central public administration bodies with special powers, established by an Act of the National Assembly and not controlled or supervised by the government. Their tasks originally were related to governmental tasks, but for some reason, these tasks had to be decoupled from the government, for reasons such as to defend some constitutional rights or an obligation from union law. These autonomous

26 The government offices are the Hungarian Central Statistical Office and the Hungarian Intellectual Property Office.

27 The only example of the latter is the National Tax and Customs Administration.

28 At present, the central offices are, for instance, the National Tax and Customs Administration, the Hungarian State Treasury, the National Food Chain Safety Office, National Centre for Public Health and Pharmacy.

bodies tend to work in politically sensitive sectors like market competition and public procurement, and hence differ from all other central public administration bodies in that the government does not exercise any right of control or supervision over them. The National Assembly itself regulates their organization and operation, granting them an autonomy that affords primary independence from the government, and they also have a very high degree of budgetary and financial autonomy. Autonomous bodies carry out duties like administrative proceedings (e.g. issuing licenses and imposing fines). They also have quasi-jurisdictional and other regulatory competencies.²⁹

Independent regulatory organs³⁰ appeared in the Hungarian public administration system upon the entry into force of the Fundamental Law of Hungary. These organs are central state administrative bodies with special powers that are independent of the direction and supervisory powers of the government, have a constitutional status, are established by the National Assembly in a cardinal act for the performance and exercise of certain functions and powers within the scope of executive power, perform regulatory authority activities, and have legislative powers.³¹ The baseline of their independence is adapted to the professional content of their work and several EU and constitutional requirements of specialised administration.³²

Law enforcement agencies are central government bodies, but they have a specific legal status based on their tasks. One of the bases of their special status is that they perform functions of constitutional importance, for which, for guaranteed reasons, power over them is shared under the principle of separation of powers in all constitutional states, including Hungary. Thus, regarding law enforcement agencies, the National Assembly, the government, and the president also exercise the functions laid down in the Fundamental Law and the laws, such that the exercise of power over law enforcement agencies is not concentrated on the hands of one branch of power. The difficulty in defining law enforcement agencies lies in their different legal status, which renders them extremely heterogeneous.³³ The police, which is a generic term, and the national security services have constitutional status (i.e. they are ‘necessarily’ state administrative bodies), but the other law enforcement agencies are not provided for in the Fundamental Law and their status is based on an act. The concept of law enforcement agencies has no dogmatic basis, and a law enforcement agency is what

29 At present, the following are considered autonomous bodies in the Hungarian administration: a) the Public Procurement Authority; b) the Integrity Authority; c) the Hungarian Competition Authority; d) the National Authority for Data Protection and Freedom of Information; e) the National Election Office; f) Directorate-General for Auditing European Aid, g) Sovereignty Protection Office.

30 There are four independent regulatory organs in Hungary: a) the National Media and Informations Authority; b) the Hungarian Energy and Public Utility Regulatory Authority; c) the Supervisory Authority for Regulated Activities; d) the Hungarian Atomic Energy Authority.

31 Kálmán, 2021, pp. 74–85; Kálmán, 2023, pp. 105–119.

32 Fazekas, 2015, pp. 15–20; Hulkó and Kálmán, 2013, pp. 1–8.

33 The following bodies or types of bodies can be classified as law enforcement bodies in Hungary: a) the police, b) the penitentiary organization, c) the professional disaster management organization, and d) civil national security services.

the law calls it. Law enforcement agencies are typically armed or armable, but some, such as the emergency services, are not.

3.2.2. *Territorial state administration*

An essential feature of the Hungarian public administration is the coexistence of hierarchical bodies, also called de-concentrated bodies, that are subordinate to the central government, and de-concentrated bodies with relative autonomy to the central government. The central administration's operational executive functions are carried out by territorial and local administrations that are closer to the client and based on a territorial division of labour.

State administration bodies are organized vertically, from the central government to territorial and, exceptionally, local levels. Their structure is characterised by de-concentration, which can be seen in how they govern each other, where governments at higher levels in the hierarchy have, among other things, decisive influence over the government bodies under their authority. As a result of this central subordination, the scope and structure of public administration can change relatively frequently depending on the decision of the government to reorganize it. With a few exceptions, public administration organs are typically single-managed and responsible bodies that mostly perform specific public legal enforcement functions.

In Hungary, the competence of territorial state administration bodies, and thus the concept of 'territory', cannot be directly and exclusively determined by constitutional rules. However, it is a fact that, according to the Fundamental Law, the territory of Hungary (apart from the capital) is divided into counties, towns, and villages, making this division the only constitutionally based territorial organization in Hungary. Nonetheless, the Fundamental Law does not rule out the creation of other territorial levels, entailing that it is a matter for the government to decide, within the scope of its freedom of organization, which other territorial units (in addition to the general territorial division) it assigns the performance of a particular state administrative task. This has led to the creation of the district as a territorial level of state administration, or, in the case of certain specific state administration tasks, the region (e.g. immigration tasks) and interterritorial units which are not aligned with either county or district boundaries (e.g. national park directorates).³⁴

The most important criteria for the organization of territorial public administration are therefore the content of the public task and the need to bring this task closer to the population. Based on these two aspects, there are regional public administration bodies aligned with the territorial organization principle of the Fundamental Law (the counties) and those that are not. There are also territorial authorities de-concentrated at one, two, or more levels. In the case of single-level de-concentration, the central government body has county or regional territorial bodies, while in the case of two-level de-concentration, additional territorial government bodies are created

34 Barta, 2012, pp. 3–10; Gyurita, 2014, pp. 8–19; Kálmán, 2018, pp. 73–91; Barta, 2021, pp. 4–15; Gyurita, 2021, pp. 54–73.

below the county or regional level (e.g. at the district level, less frequently at the town or village level, or based on other territorial organization principles), and so on.

The territorial state administration of Hungary is a well-integrated system. The so-called ‘central’ organizations of territorial state administration are the capital and county government offices (in Hungarian, *fővárosi és vármegyei kormányhivatal*; hereinafter referred to as county government offices). Their importance and place in the state’s organization are reflected in the Fundamental Law, which states that the county government office is the territorial government administration body of the government with general powers. The Fundamental Law, therefore, stipulates that territorial government offices are subordinate to the government, implying that their area of responsibility is primarily related to the government decision implementation and that, unlike other territorial government bodies, they are not subordinate to ministries or central authorities. Moreover, they have general powers (i.e. they administer several sectors), and the Fundamental Law also stipulates that the government, through the regional government office, ensures the legal supervision of local self-governments.

The government commissioner (in Hungarian, *főispán*), the director-general, and the director represent a county government office’s ‘top’ management. The government commissioner is a political officeholder, meaning, on the one hand, that the commissioner’s mandate is linked to the prime minister’s mandate and can therefore be considered a political variable. On the other hand, the government commissioner’s post is not linked to any professional qualifications required by law. The government commissioner is appointed and dismissed by the prime minister on a proposal from the minister, and any person with no criminal record who is eligible for election to the National Assembly may be appointed for the position of government commissioner. The appointed government commissioner shall take an oath before the prime minister, its term of office shall be the same as that of the government, and the commissioner is politically accountable to the prime minister.

The heads of a county government office other than the government commissioner are professional managers, meaning that their mandate is not linked to the mandate of the government commissioner (i.e. they have an indefinite term of office and must have the professional qualifications required by law). The basic task of county government offices is to participate in the territorial implementation of government objectives by the law and the governments’ decisions. In this context, the main tasks and competencies of these county offices can be grouped as follows:

- a) First³⁵ and second instance legal enforcement powers.
- b) Coordination over the organs of public administration in the county.

35 For example, trusteeship and social welfare, building and national heritage, administration of justice, protection of soil and plants, forestry, agriculture, food safety, land registry, health insurance, pensions, and labour (unemployment), labour safety, consumer protection, public health, measure and technical security, traffic, rehabilitation of handicapped person.

- c) Control over the activity of all organs subordinated to the government in the county, with some exceptions (police and tax administration).
- d) Control of legality over local self-government.
- e) Organizational, functional, and information technology tasks.
- f) Training and further training of civil servants in the county.
- g) Operation of the front office for parties in administrative procedures in the form of integrated service for citizens.

District offices (in Hungarian, *járási hivatal*) are territorial branches of the county government office headed by the head of the district office, who in turn is appointed and dismissed by the minister on a proposal from the government commissioner. District offices essentially play the role of decision-making as an authority of the administrative procedure. In addition to the performance of official tasks, the district office also contributes to the performance of the functions of county government offices related to the territorial implementation of government objectives.³⁶

According to the Hungarian regulation, a strong emphasis has been placed on county government offices since they are the ‘central’ bodies of territorial state administration with general powers and coordination and control powers. However, the territorial state administration is different from county government offices, as there are still several bodies that can be regarded as territorially de-concentrated state administration bodies with special powers. Some of these are related to financial management,³⁷ others to the maintenance of institutions and public asset management,³⁸ and others to law enforcement.³⁹

3.3. System of local self-governments

According to the Fundamental Law in Hungary, local governments are established to administer public affairs and exercise public power at a local level and the basic rules are to be defined by a cardinal Act. The Fundamental Law, unlike the provisions of the Constitution, does not refer to the content of local self-governance, independence (autonomy), or the fundamental constitutional right to local self-governance to which enfranchised local citizens are entitled. The right to local self-government is regulated by an act, which states that such right is vested in the community of voters of the municipalities (municipal self-governments) and counties (regional self-governments). Therefore, local governance is not a constitutional collective human right in the system of the Fundamental Law, but a collective right given by an act.⁴⁰

³⁶ Fábíán, 2014, pp. 23–24.

³⁷ For example, the National Tax and Customs Administration County Directorates and Hungarian State Treasury County Directorates.

³⁸ For example, the Klebelsberg Centre’s Educational District Centres and the national park directorates.

³⁹ For example, the County Police Headquarters and the Town Police Headquarters.

⁴⁰ Varga, 2023, pp. 85–97; Rámhápne Radics, 2023, pp. 85–98; Nagy, 2023, pp. 154–170.

The Fundamental Law, among other powers, also sets forth that in administering local public affairs, local governments can, to the extent permitted by law, do the following: adopt decrees and decisions; determine their organization and operation regime; exercise their rights as owners of local government properties; determine their budgets and perform independent financial management accordingly; use their assets and revenue available to engage in entrepreneurial activities, without jeopardising the performance of their compulsory tasks; decide on the types and rates of local taxes;⁴¹ create local government symbols and establish local decorations and honorary titles; be free to associate with other local governments; establish alliances for the representation of interests; cooperate with the local governments of other countries within their competencies; be free to affiliate with organizations of international local governments.

The Hungarian municipal system is divided into two tiers, the first being the level of settlement municipalities (i.e. villages and towns) and the second being the counties. Budapest, as the capital of Hungary, has a special status, being both a settlement and county-level municipality and having a two-tier system. Moreover, the local self-governments of towns, villages, and counties are characterised by the supreme decision-making body being directly elected by the local electorate, which enjoys autonomy protected by law and is subject to judicial and constitutional protection. Local government bodies do not have a hierarchical relationship with the central government or its subordinate state administration bodies. The government and its subordinate state administration bodies are thus responsible for enforcing the legal framework for the exercise of the functions and powers of local government bodies—control of legality and supervision of legality—typically in conjunction with the courts.

The tasks performed by local authorities are essential to organize and provide public services for the population (e.g. drinking water, municipal management, local public transport, cultural services, and kindergarten care), and for the conduction of the administrative tasks entrusted to them. In general, the territory of Hungary is divided into the capital city, counties, towns, and villages. Regarding the tasks of the local self-governments, they can be differentiated into municipal and delegated administrative tasks, while local government tasks can be divided into the three categories of a) mandatory, b) voluntarily assumed, and c) facultative tasks. Regarding mandatory tasks, a part of these tasks must be performed by all local authorities. There are also have voluntarily assumed tasks, albeit there are limits in place (i.e. defined either through a decision by the local council or a local referendum) to the amount of voluntary tasks that local governments can undertake. Regarding these limitations, some of them are as follows: local governments may only undertake local public affairs which are not entrusted by law to the exclusive competence of another body (i.e. the prohibition of delegation of powers applies); in the case of local

41 About the taxation power, see for further details Lentner and Hegedűs, 2022, pp. 46–60; Borsa et al., 2022, pp. 22–34.

public affairs undertaken voluntarily, the local government may do anything that is not contrary to the law and that does not jeopardise the performance of the legally prescribed duties and powers of the local government; this may be financed through the local government's revenue or special funds provided for this purpose. Regarding facultative tasks, they seem to be emerging in recent years, and they can be placed on the borderline between mandatory and voluntary tasks. According to the regulation, a municipal government or its associations may assume the performance of mandatory tasks and competencies prescribed for another municipality with a more significant economic capacity and population, as long as the other party consents. It has been widely allowed by the Hungarian municipal law for local government officers to perform central government tasks entrusted originally to other local government officers. If the officers decide their delegated power, this decision cannot be considered a municipal decision, implying that the municipal bodies and organs cannot direct this officer. The reason for the transfer of power is the efficient and grassroots public administration. Specifically, there are powers and duties that must be performed at the settlement level, but it is not efficient for the central government to have agencies in every settlement.⁴²

The local self-government is also a legal person. This rule clarifies the legal personality of local authorities' public and civil law, which is often disputed in public administration. The performance of local government functions is ensured by its body of representatives and organizations (i.e. it is the responsibility of these persons and organizations to fulfill the tasks laid down by law). The body of representatives (in Hungarian, *képviselő-testület*) is the local self-government's highest organization, which is primarily tasked with exercising the rights of self-government and fulfilling its obligations. Moreover, its members are elected directly for five years, it must hold at least six meetings and one public hearing (i.e. a special meeting) per year, the quorum for the meeting is reached when more than half of the elected members are present, and decisions are made by a simple (e.g. if the proposal is supported by the majority of the present councillors) or by a qualified majority (e.g. if the proposal is supported by the majority of the elected councillors). Regarding the qualified majority rule, it is needed and used when, for instance, there is the need to decide on the adoption of a local government decree, on the establishment of an inter-municipal cooperation or institution, on the exclusion of a councillor, or on the establishment of a conflict of interest or indignity. The body of representatives can create committees to help with its work.

The mayor (in Hungarian, *polgármester*) is the municipality's representative and is elected directly for five years, as well as serves as the chairman of the body of representatives, convening and chairing the meetings and representing the municipality. The body of representatives sets up a mayor's office or a common local government office to carry out the tasks connected with the preparation of matters for decisions, as well as to perform the implementation of such decisions, in affairs falling within

42 Fábíán and Hoffman, 2014, p. 330.

the competence of the mayor or the notary (in Hungarian, *jegyző*). This office in turn participates in coordinating the cooperation of the local government with other local governments and with state organs. Local governments of villages that have less than 2,000 residents, are located in the same district, and are separated by the administrative area of only one settlement can establish a common local government office.⁴³

The mayor, by way of tender, appoints the notary, referring to the chief executive officer and the head of the mayor's office, for an indefinite period. The notary decides state administrative matters delegated to his competence by a legal regulation, provides assistance for carrying out the responsibilities connected with the functioning of the local government, prepares the state administrative matters falling within the competence of the mayor for decision, decides official matters delegated to him by the mayor, and decides in matters concerning local administration and local administration authority.

4. Current challenges in public administration

Contemporary public administration is indispensable in the efficacious functioning of governance structures and the judicious delivery of public services. The Hungarian public administration system, akin to its global counterparts, grapples with an array of intricate challenges. The present exposition endeavoured to dissect and elucidate the pivotal challenges ensnaring the Hungarian public administration, encompassing facets of transparency, big data, efficiency, corruption, capacity building, and political influence.

Transparency and accountability, as quintessential constituents of a responsive administration, are conspicuously challenged within the Hungarian context. The scarcity of well-structured and accessible information about governmental policies, decisions, and fiscal appropriations constrains the citizenry's capacity to exact accountability. Mitigating this challenge necessitates the implementation of open data initiatives, the strengthening of freedom of information legislation, and the establishment of safeguards for whistleblowers to engender an atmosphere of trust and transparency between the government and its constituents.

Meanwhile, the integration of big data into public administration has catalysed a paradigm shift, transforming the way governments operate, serve citizens, and formulate policies. The wealth of information contained within big data facilitates evidence-based decision-making, precise policy formulation, optimised service delivery, and efficient resource management. While challenges exist, the potential benefits are undeniable. As public administration continues to evolve, the strategic utilisation of big data stands as a cornerstone of efforts to enhance governance, transparency, and citizen-centric services in the digital age.

43 Patyi and Rixer, 2014, p. 338.

The cardinality of streamlined service delivery, as a barometer of administrative efficacy, cannot be overstated. In Hungary, the labyrinthine bureaucracies and procedural inefficiencies undermine the prompt dispensation of services, engendering administrative bottlenecks and suboptimal service quality. Remedying this exigency mandates a strategic recalibration of administrative procedures, the integration of digitisation paradigms, and substantial investments in e-governance infrastructures to expedite service provision and augment the overall service experience for the population. The pervasive spectre of corruption constitutes a serious challenge to administrative probity and the integrity of governmental institutions in Hungary. The deleterious implications of corruption are manifest in the erosion of public trust and the dilution of governmental legitimacy. Counteracting this quagmire warrants the bolstering of anti-corruption frameworks, the institutionalisation of independent oversight mechanisms, the cultivation of an ethical administrative ethos, and the institution of mechanisms safeguarding whistleblowers.

The competence and commitment of the administrative workforce are also instrumental in determining the administrative machinery's operational acumen. The Hungarian administrative realm grapples with the predicament of attracting and retaining adept professionals, engendering concerns about skill gaps and attrition rates. Alleviating this predicament necessitates a strategic overture, incorporating comprehensive training regimens, competitive remuneration packages, and pathways for professional advancement to attract and retain a proficient and motivated workforce.

Safeguarding the integrity of the civil service from undue political influence is paramount in upholding the rule of law and ensuring equitable service delivery. The Hungarian administrative milieu confronts apprehension concerning the encroachment of political interests within its precincts, potentially compromising its autonomy. Addressing this perturbation requires the fortification of civil service regulations, the codification of statutory provisions to shield civil servants from political coercion, and the inculcation of meritocratic appointment modalities to secure the civil service's independence.

In conclusion, the text above elucidates the intricate tapestry of challenges confronting the Hungarian public administration system. The resolution of these challenges necessitates a holistic and synergistic approach predicated upon the convergence of governmental agencies, civil society actors, and international stakeholders. The anchoring tenets of transparency, efficiency, ethics, capacity enhancement, and administrative autonomy are quintessential in formulating a resilient and efficacious administrative edifice capable of accommodating citizen exigencies and propelling the nation towards sustainable development. The fruition of such administrative transformation augurs the fortification of democratic tenets, the amplification of governance efficacy, and the concretisation of citizen trust in the governmental apparatus.

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