

How much disclosure is enough?

Lobby registration system in Hungary

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Main characteristics of lobby activity in Hungary

1. Most important target is the government and the administration
 - Parliament 2002-2006:
 - a) government's proposals success: 90 %;
 - b) MP's proposals success: 20 % (opposition MP's: 3 %)
 - strict discipline at the political factions;
 - huge public sector: lot of public procurement procedures.
2. More lobby in single cases than in legislative questions.
3. Lobby targets are the decision makers not the experts or the civil servants.

Legal means of interest representation before the adoption on the Act on Lobby Activities

1. Consultation with the interested organisations according to the law on legislative procedure.
2. Consultation with chambers, business federations according to sectoral laws.
3. Lobby list of the Parliament: 597 registered organisations.
4. Participation in the National Council of Reconciliation.

Debated points of the Act on Lobby Activities adopted in February 2006

1. Personal scope: professional lobbyists vs. everybody who want to represent any interest;
2. Material scope: lobby activity at legislative and single cases vs. regulation only at the legislative lobby;
3. Professional requirements for lobbyists: specialised qualification vs. university degree;
4. Means of lobby activity: obligatory audience at the administration, legalised allowances for the decision makers (gift-rules).

Structure of the Act on Lobby Activities entered into force in September 2006

1. Obligatory registration for people engaged in lobbying activities (119).
2. Voluntary registration for organisations engaged in lobbying activities (24)
3. Rules of incomptaibility
4. Report in every three months about the lobby activity
 - a) list of the executive decisions that were the target;
 - b) an indication of the concrete objective of his activities relating to a specific bill;
 - c) a list of means used in connection with lobbying activities;
 - d) the names of officers of the decision-making body contacted;
 - e) an indication of each gift provided under the Act, their individual value, and the name and position of the person affected;
 - f) the names of employers of the lobbying firm and the lobbyist).
5. Sanctions:
 - if the rule is violated by a registered lobbyist: striking off the register for 1-3 years;
 - if someone unregistered carries lobby activity: fine up to 40 000 euros
6. Legally binding Code of Conduct for the lobby activity.

Troubles of the execution

In 9 months only 7 cases were reported. Reasons:

1. Neither the decision-makers nor the lobbyist are interested to reveal their relation. They both agree not to report the meetings.
2. The word “lobby” has still a negative meaning therefore consultancies prefer not to apply the law for their activity.
3. The authority don't have the right to investigate, only if there is a deviation between the lobbyist's and the decision-maker's report.
4. The Parliament didn't adopt the disclosure rules similar to the European Parliament's Rules of Procedure to reveal if an MP or his family member is interested in a decision.