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SUMMARY OF FINDINGS

1. Industry Participation in Policy Development

Based on publicly available reports, NGO monitoring, and media coverage, there is no evidence that the Hungarian government accepted, supported, endorsed, or collaborated with tobacco industry (TI) entities in setting or implementing public health or tobacco control policies.

There is no evidence that TI representatives were part of Hungary's delegation to Conference of the Parties (COP) meetings of the WHO FCTC.

2. Industry CSR Activities

In December 2023, Hungary adopted the environmental, social, and governance (ESG) Act (Act CVIII of 2023), which requires large enterprises meeting specified thresholds in revenue, assets, or employees to prepare audited sustainability reports following the European Sustainability Reporting Standards (ESRS). This framework applies broadly but does not create joint events involving government agencies and tobacco companies specifically on ESG matters.

Philip Morris Hungary supports the Hungarian Business Leaders Forum (HBLF) as a corporate social responsibility (CSR) sponsor, but there is no evidence of overlap with government members attending HBLF events in any formal capacity during 2020 to 2025.

3. Benefits to the Industry

There is no publicly documented evidence that the government granted postponements or extended implementation timeframes at the request of the TI for tobacco control legislation during 2023 to 2025. No delays beyond standard legislative and administrative timelines were reported for measures such as health warnings or excise tax increases.

Prior to this period, however, Hungary accommodated TI-related requests. In 2016, the government postponed the full implementation of plain packaging rules. Originally set for May 20, 2019, the deadline was delayed until January 1, 2022, after pressure from the tobacco retail sector, which sought more time to clear existing stock and adapt to packaging changes.

4. Unnecessary Interaction

Hungary's ties with the TI are evident in both economic development and cooperation in enforcement activities. National and local leaders welcomed British American Tobacco (BAT) Hungary's HUF 60 billion investment in a new smoke-free nicotine product plant in Pécs, framing it as an engine for jobs, tax revenue, and innovation. This highlights how economic growth is increasingly linked to TI strategies.

Between 2023 and 2025, customs authorities reported major seizures of illicit cigarettes and dismantled large-scale illegal manufacturing networks. Industry sources credited success to "close cooperation" with government through intelligence-sharing and supply-chain monitoring. While no voluntary partnerships outside regulatory contexts have been reported, the lack of transparency around the scope of this cooperation, particularly whether it involves direct financial or operational support, poses risks of conflict of interest under Article 5.3 of the WHO FCTC.

5. Transparency

Hungary does not adhere to transparency measures recommended in Article 5.3 Guidelines, which call for disclosure of interactions with the TI even if conducted for legitimate regulatory purposes. There is no publicly available documentation or official protocol ensuring proactive or retrospective publication of such engagements.

Hungary's procurement and ministerial freedom of information (FOI) portals do not provide access to agendas or minutes of regulatory meetings with TI representatives, logs of authorized interactions under Article 5.3, or retrospective publication of outcomes, participants, or corporate proposals.

6. Conflict of Interest

Hungary does not have a dedicated policy prohibiting political contributions from the TI or affiliated entities. It relies on general campaign finance restrictions that apply to all corporations. Candidates and parties must disclose donations, but regulations do not require special identification of contributions originating from the TI or related entities. This falls short of Article 5.3 recommendations for enhanced transparency and prohibition of political contributions from the TI.

7. Preventive Measures

Despite commitments under the WHO FCTC, Hungary has not implemented a transparent procedure to document and disclose interactions with the TI or its representatives. While EU and WHO guidance recommend such measures, including published minutes and documentation, Hungary has not institutionalized these practices.

Lobbying disclosure laws exist but remain largely ineffective, particularly in ensuring that TI interactions are subject to public oversight.

There is no publicly available evidence that Hungary has a code of conduct specifically addressing interactions with the TI. General ethics regulations and the now-defunct lobbying law do not provide the specificity required to guard against industry interference in health policymaking.

RECOMMENDATIONS

1. Ensure transparency by requiring all interactions with the TI to be documented and publicly disclosed, including meeting agendas, participants, and outcomes.
2. Prohibit all contributions from the TI to political parties, candidates, or public officials, and prohibit activities such as CSR, enforcement, and training.
3. Adopt a binding code of conduct for all public officials that prohibits accepting gifts, favors, or offers of assistance from the TI, and provide guidance on limiting interaction with the TI to only when strictly necessary.
4. Create a mandatory registry for lobbyists of the TI and related entities.
5. Institutionalize capacity-building programs to raise awareness among government officials on Article 5.3 obligations and prevent TI interference.