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Subject:	Annexes to the Explanatory Memorandum of the Commission proposal for a Council implementing decision on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary

Delegations will find attached document COM(2022) 485 final/ANNEX.

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Brussels, 18.9.2022
COM(2022) 485 final

ANNEX

ANNEXES

to the Explanatory Memorandum of the Commission proposal for a

Council implementing decision

**on measures for the protection of the Union budget against breaches of the principles of
the rule of law in Hungary**

Annex

**Table 1: Key implementation steps of the remedial measures until
19 November 2022**

(as committed to by Hungary in the submitted remedial measures)

Remedial measure	Key implementation step	Implementation date
Integrity Authority	Adoption of a Government Decision providing for the tasking and the timeline for the establishment of the Integrity Authority	by 5 September 2022
	Submission to the National Assembly of a Draft Act on the establishment of the Authority	by 30 September 2022
	Appointment of the board of the Authority	by 4 November 2022
	Beginning of the activities of the Authority	as of 19 November 2022
Anticorruption Task Force	Adoption of the repealing of the Government Decision	by 5 September 2022
	Submission to the National Assembly of a Draft Act on the establishment of the Authority	by 30 September 2022
Strengthening the Anticorruption framework	Adoption of anti-fraud and anti-corruption strategies	by 30 September 2022
	Submission to the National Assembly draft legislation including on: Extension of the personal and material scope of asset declarations (including to relatives living in the same household with the person concerned)	Effective from 1 November 2022
Public Interest Management Foundations	Adoption of the amending acts (Act CXLIII of 2015 on public procurement and Act IX)	by 30 September 2022
Judicial Review of prosecutors' decisions	Finalisation of the draft text of implementing regulations (necessary for the application of the review procedure) and adoption immediately after the entry into force of the new law	by 31 October 2022
	Entry into force of the new law amending the Criminal Procedure Code following an ex ante review by the Constitutional Court initiated by the Government	15 November 2022

Strengthening audit and control mechanisms for the implementation of EU funds	Establishment of a Working Group	by 31 August 2022
	Establishment of the DIAI (Directorate of Internal Audit and Integrity) in the Prime Minister's Office	by 30 September 2022
	Adoption of amendments of the relevant Government Decrees (413/2021 and 256/2021)	by 30 September 2022
Reduction of single-bids in procurement procedures involving EU funds	Performance of the first audit by the EUTAF on the compliance with the Single Market Scoreboard methodology (and on individual data provision to the Commission and to the public if applicable)	by 30 September 2022
Single-bid reporting tool	Development of a new monitoring and reporting tool based on data sourced from the EPS	by 30 September 2022
	The Directorate General for Audit of European Funds (EUTAF) shall confirm through its audit that the single-bid reporting tool is fully functional and operational	by 30 September 2022
Electronic Public Procurement System (EPS)	Full operability of newly developed functions allowing for the structured search and export of data in the EPS also in a format processable by machine means	by 30 September 2022
Performance measurement framework	Development of a performance measurement framework, including the adoption of a Government Decision	by 30 September 2022
Extended use of Arachne	Application of the procedures for the systematic and effective use of ARACHNE	by 30 September 2022
Strengthening cooperation with OLAF	Adoption of an act on the amendment to Act CXXII of 2010 on Nemzeti Adó- és Vámhivatal, by which the National Tax and Customs Administration will be designated as the competent national authority to assist OLAF	by 30 September 2022
	Adoption of an act on the amendment to Act XXIX of 2004 to introduce a dissuasive financial type of sanction to be imposed in case an economic operator refuses to cooperate with OLAF	

Enhanced transparency of public spending	Send to the Commission an advanced draft of the legislative act setting out an obligation for all public bodies to proactively publish a pre-defined set of information on the use of public funds	by 30 September 2022
	Adoption of the above legislative act	by 31 October 2022

Table 2: Remedial measures that require a longer implementation period and no immediate key implementing steps:

(as committed to by Hungary in the submitted remedial measures)

Reducing the share of tender procedures with single bids financed from the national budget	To be implemented, gradually (in three steps) by 31 December 2024. No key immediate implementing step.
Adoption of an action plan to increase the level of competition in public procurement	The plan is to be adopted by 31 March 2023, taking into account inter alia the first results of the performance measurement framework to be operational by 31 December 2022. No key immediate implementing step.
Training to be provided for micro, small and medium-sized enterprises on public procurement practices	To be implemented progressively until June 2026. No key immediate implementing step.
Setting up a support scheme for compensating the costs associated with participating in public procurement of micro, small and medium-sized enterprises	To be implemented progressively until July 2026. No key immediate implementing step.