

Effective as of 1 January 2019

Act XC of 2014

on International Development Cooperation and International Humanitarian Assistance¹

Parliament, having regard to Hungary's commitment to global challenges, respecting the Charter of the United Nations, the Universal Declaration of Human Rights, the development policy of the European Union and the basic principles of humanitarian assistance, has adopted the following Act:

1. General Provisions

Section 1²

For the purposes of this Act

1. "donation" means aid, and financial and material assistance from the state budget's central sub-system other than social security funds provided without any consideration, or obligation of settlement and of repayment in the framework of international development cooperation activities,

2. "letter of donation" means a binding unilateral written statement making a donation or providing aid,

3. "pledge" means promised assistance,

4. "international development cooperation" means assistance by the means laid down in this Act for beneficiary partner countries that are eligible to receive official development assistance based on the list compiled by the Development Assistance Committee of the Organisation for Economic Cooperation and Development with the objective of combating poverty, and promoting human and minority rights, sustainable development as well as international security and stability,

5. "international humanitarian assistance" means saving human lives and alleviating suffering, contributing to the restoration of basic living conditions, reducing the long-term consequences and negative impacts, and participating in preparations for emergency situations in the event of humanitarian crises caused by natural disasters and disasters of civilisation, and complex emergencies,

6. "aid" means financial support from the state budget's central sub-system other than social security funds provided without any consideration, or obligation of settlement and of repayment in the framework of international humanitarian assistance,

7. "technical assistance" means research, educational or vocational training activities as well as professional advice and expert cooperation.

Section 2

Hungary carries out its international development cooperation activities in accordance with its international obligations on the basis of its external relations which also reflect its national interests, and taking account of the country's bearing capacity as well as its priorities in foreign

¹ Published on 23 December 2014.

² Established by Section 15 of Act XLV of 2017, effective as of 2 June 2017.

policy and foreign trade.

Section 3

(1) International development cooperation activities shall be carried out by increasing the effectiveness of assistance, using resources in an accountable, transparent and traceable way, considering the principles of aid effectiveness, providing the means and methods used for implementation, and ensuring the sustainability of the results achieved.

(2) International development cooperation activities shall be carried out primarily through bilateral cooperation with beneficiary partner countries, taking into account potential effects stimulating the domestic economy and trade.

(3) International development cooperation activities shall be adapted to the needs, requirements and development objectives of the beneficiary partner countries and shall complement the beneficiary partner countries' own efforts.

Section 4

Hungary performs international humanitarian assistance activities on the basis of international humanitarian law, international refugee law, and international human rights conventions in accordance with European Union policy.

Section 5

(1) International humanitarian assistance may be provided for the period required by and according to the needs of a humanitarian crisis irrespective of the social, economic and political conditions of the recipient country.

(2) During international humanitarian assistance, the principles of humanity, neutrality, impartiality and independence shall be respected.

2. Planning

Section 6³

For the purpose of planning international development cooperation activities and policy coherence for development, the minister of foreign affairs, in cooperation with the relevant ministries and in consultation with civil society, shall draw up a policy strategy which defines geographical and sectoral priorities for a period of at least four years.

Section 7⁴

3. Implementation and Coordination

Section 8

(1)⁵ Central state administration bodies carry out international development cooperation activities in their areas of responsibility and competence, which the minister of foreign affairs coordinates.

(2) In carrying out these activities, central state administration bodies shall, in accordance with the principle of public participation, cooperate with civil society organisations and other social partners, in particular representatives of science, culture, representative bodies and parliamentary parties. This cooperation will be implemented in the form of regularly provided information and regular consultation in the course of legislation, planning, implementation and monitoring in

³ Established by Section 1 of Act CLXXVII of 2015, effective as of 1 January 2016.

⁴ Repealed by Section 23 of Act XLV of 2017, effective as of 2 June 2017.

⁵ Amended by subsection (1) of Section 8 of Act CLXXVII of 2015.

relation to the policy.

(3) Central state administration bodies shall involve economic operators which follow sustainable practices conforming with international standards from the aspect of the environment and society, and operate in accordance with the international principles of development effectiveness, in particular transparency, in the implementation of international development cooperation activities.

(4)⁶ International development cooperation activities shall be carried out through financial and material assistance, in particular providing aid by letters of donation, technical assistance, and the means specified in the Act on the Magyar Export-Import Bank Részvénytársaság and the Magyar Exporthitel Biztosító Részvénytársaság.

Section 9

(1)⁷ The entity responsible for the aid of persecuted Christians and for the Hungary Helps Programme shall perform the government coordination of international humanitarian assistance. In the course of the coordination, special attention shall be paid to realising the strategies and policy concepts of international humanitarian assistance adopted by the Government.

(2)⁸ The entity responsible for the aid of persecuted Christians and for the Hungary Helps Programme shall make decisions related to pledges of international humanitarian assistance, taking account of appeals by international organisations, and the International Red Cross and Red Crescent Movement.

(2a)⁹ The minister for the aid of persecuted Christians and for the Hungary Helps Programme shall keep the minister of foreign affairs continuously informed of his activities carried out under the government coordination of international humanitarian assistance and his decisions on pledges of international humanitarian assistance.

(3)¹⁰ International humanitarian assistance may be provided in the form of financial or material assistance, thus in particular through aid or donations.

Section 10

(1) The following organisations may participate in providing international humanitarian assistance:

- a) international, regional and local humanitarian organisations,
- b) the central body of the professional civil protection agency,
- c) ministries,
- d) Hungary's diplomatic missions,
- e) civil society organisations based in Hungary,
- f) the Red Cross and Red Crescent Movement, and its national bodies,
- g) economic operators.

(2)¹¹ In the event of a request for international disaster relief aid, the minister for civil protection and against disasters, in cooperation with the minister for the aid of persecuted Christians and for the Hungary Helps Programme, shall ensure coherence with the provision of

⁶ Established by Section 16 of Act XLV of 2017, effective as of 2 June 2017.

⁷ Amended pursuant to paragraph a) of Section 19 of Act CXX of 2018.

⁸ Amended pursuant to paragraph a) of Section 19 of Act CXX of 2018.

⁹ Enacted by Section 12 of Act CXX of 2018, effective as of 1 January 2019.

¹⁰ Established by Section 2 of Act CLXXVII of 2015. Amended by paragraph a) of Section 22 of Act XLV of 2017.

¹¹ Amended by paragraph b) of Section 22 of Act XLV of 2017. Amended pursuant to paragraph b) of Section 19 of Act CXX of 2018.

international humanitarian assistance.

Section 11

(1)¹² The Government shall operate an inter-ministerial committee in order to coordinate international development cooperation and international humanitarian assistance activities, and for policy coherence for the purpose of development.

(2)¹³ The minister of foreign affairs and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall operate an agency promoting project-based activities in order to increase the effectiveness of international development cooperation activities and of international humanitarian assistance activities, respectively.

Section 11/A¹⁴

Hungary's international development cooperation and international humanitarian assistance may be realised by means of membership fees and voluntary contributions to international organisations and funds for international development.

4. Increasing Awareness of International Development

Section 12¹⁵

With regard to international development cooperation and international humanitarian assistance respectively, the minister of foreign affairs and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall cooperate with the minister for education in order to increase domestic social support for these activities, and, as part of this, to raise the awareness of the younger generation, to strengthen the role of volunteering, and to promote understanding of global responsibility.

5. Financing

Section 13¹⁶

The minister of foreign affairs and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall submit the cost requirement of international development cooperation and of international humanitarian assistance activities respectively, taking into account Hungary's international and European Union commitments.

6. Transparency

Section 14¹⁷

The minister of foreign affairs and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall maintain a database that is accessible to the general public about the international development cooperation activities and international humanitarian assistance activities conducted with budgetary support, respectively.

Section 15¹⁸

¹² Amended by paragraph c) of Section 22 of Act XLV of 2017.

¹³ Established by Section 13 of Act CXX of 2018, effective as of 1 January 2019.

¹⁴ Enacted by Section 17 of Act XLV of 2017, effective as of 2 June 2017.

¹⁵ Established by Section 14 of Act CXX of 2018, effective as of 1 January 2019.

¹⁶ Established by Section 15 of Act CXX of 2018, effective as of 1 January 2019.

¹⁷ Established by Section 16 of Act CXX of 2018, effective as of 1 January 2019.

The minister of foreign affairs and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall prepare a report for the Government on the international development cooperation and international humanitarian assistance activities in the previous year respectively by 31 October each year. After the report has been accepted by the Government, the minister of foreign affairs, and the minister for the aid of persecuted Christians and for the Hungary Helps Programme shall publish the report on the respective ministry's website.

6/A.¹⁹ Pre-Qualified Civil Society Organisations

Section 15/A²⁰

Pre-qualified civil society organisations shall ensure the effectiveness of providing international humanitarian assistance through constant availability.

Section 15/B²¹

A public benefit purpose civil society organisation may be pre-qualified upon condition that it:

- a) has been engaged in international humanitarian assistance activities for at least five years and is able to demonstrate the results of such activities,
- b) has the appropriate expertise in the field, the technical and logistical capacities, and the international experience to carry out international humanitarian assistance activities,
- c) is capable of continuous cooperation due to its activities and organisation,
- d) is qualified as a transparent organisation pursuant to paragraph c) of subsection (1) of Section 3 of Act CXCVI of 2011 on national assets,
- e) has no public debt,
- f) according to its governing document registered with the court,
- fa) it has an international scope,
- fb) its purpose and its classification based on that purpose is international activity.

Section 15/C²²

(1)²³ A civil society organisation engaged in international humanitarian assistance activities which wishes to be a pre-qualified civil society organisation must submit a statement of intent to the person responsible for the aid of persecuted Christians and for the Hungary Helps Programme.

(2)²⁴ Civil society organisations pre-qualified in compliance with the criteria and procedure pursuant to the ministerial decree on the pre-qualification system will receive a letter of qualification from the person responsible for the aid of persecuted Christians and for the Hungary Helps Programme.

(3)²⁵ The executive officer of a pre-qualified civil society organisation is obliged to report immediately to the minister for the aid of persecuted Christians and for the Hungary Helps Programme in the event that the organisation ceases to engage in international humanitarian assistance activities or does not satisfy the conditions listed in Section 15/B.

¹⁸ Established by Section 17 of Act CXX of 2018, effective as of 1 January 2019.

¹⁹ Enacted by Section 19 of Act XLV of 2017, effective as of 2 June 2017.

²⁰ Enacted by Section 19 of Act XLV of 2017, effective as of 2 June 2017.

²¹ Enacted by Section 19 of Act XLV of 2017, effective as of 2 June 2017.

²² Enacted by Section 19 of Act XLV of 2017, effective as of 2 June 2017.

²³ Amended pursuant to paragraph a) of Section 19 of Act CXX of 2018.

²⁴ Amended pursuant to paragraph a) of Section 19 of Act CXX of 2018.

²⁵ Amended pursuant to paragraph c) of Section 19 of Act CXX of 2018.

(4)²⁶ The person responsible for the aid of persecuted Christians and for the Hungary Helps Programme shall regularly check that the conditions laid down in Section 15/B are satisfied, and, if an organisation does not satisfy them and in the event of a report pursuant to subsection (3), the letter of qualification will be withdrawn.

7. Final Provisions

Section 16

(1)²⁷ The Government shall be authorised

a) to designate an organisation to perform the tasks of an agency involved in the implementation of international development cooperation,

*b)*²⁸

(2)²⁹ The minister of foreign affairs shall be authorised within his remit to regulate by decree:

*a)*³⁰ the forms of international development cooperation activities,

b) the detailed rules of maintaining the database pursuant to Section 14 and the contents of that database,

*c)*³¹

(3)³² The minister for the aid of persecuted Christians and for the Hungary Helps Programme shall be authorised within his remit to regulate by decree:

a) the forms of international humanitarian assistance activities,

b) the detailed rules of maintaining the database pursuant to Section 14 and the contents of that database,

c) the pre-qualification procedure of civil society organisations involved in implementing international humanitarian assistance, and the rules of participation in international humanitarian assistance for pre-qualified civil society organisations.

Section 17³³

(1)³⁴ With regard to the budgetary support provided for international development cooperation and international humanitarian assistance,

a) the following shall not apply:

aa) Sections 50/A and 52 of Act CXCV of 2011 on public finances (hereinafter referred to as the “Finances Act”),

ab) paragraph *f)* of subsection (1) of Section 69 of Government Decree No. 368/2011 of 31 December 2011 on the implementation of the Act on public finances (hereinafter referred to as the “Finances Decree”) if the applicant is classified as a taxable person with value added tax exempt status under the Act on value added tax,

ac) for foreign beneficiaries, paragraph *a)* of subsection (1) of Section 50, and Sections 55 and

²⁶ Amended pursuant to paragraph a) of Section 19 of Act CXX of 2018.

²⁷ Established by subsection (1) of Section 20 of Act XLV of 2017, effective as of 2 June 2017.

²⁸ Repealed by Section 20 of Act CXX of 2018, effective as of 1 January 2019.

²⁹ Established by Section 6 of Act CLXXVII of 2015, effective as of 1 January 2016.

³⁰ Amended by Section 20 of Act CXX of 2018.

³¹ Repealed by Section 20 of Act CXX of 2018, effective as of 1 January 2019.

³² Established by Section 18 of Act CXX of 2018, effective as of 1 January 2019.

³³ Established by Section 7 of Act CLXXVII of 2015, effective as of 1 January 2016.

³⁴ Amended by paragraph e) of Section 22 of Act XLV of 2017.

56 of the Finances Act,

ad)³⁵ subsection (4) of Section 93 of the Finances Decree,

b) subsection (1) of Section 102/B of the Finances Decree shall apply with the exception that the beneficiary may substantiate the report with an auditor's report instead of accounting documents.

(2)³⁶ With regard to the budgetary support provided for international humanitarian assistance, in addition to subsection (1),

a) Section 75 and paragraph *e*) of Section 81 of the Finances Decree for pre-qualified civil society organisations pursuant to the ministerial decree on the pre-qualification system,

b) subsection (2) of Section 76 of the Finances Decree shall not apply.

Section 18

This Act enters into force on 1 July 2015.

Section 19³⁷

³⁵ Enacted by Section 21 of Act XLV of 2017, effective as of 2 June 2017.

³⁶ Amended by paragraph f) of Section 22 of Act XLV of 2017.

³⁷ Repealed pursuant to Section 12 of Act CXXX of 2010, effective as of 2 July 2015.