

Act CLXV of 2013 on Complaints and Public Interest Disclosures effective as of January 1, 2014 settles the so far insufficiently regulated legal field of whistleblowing schemes at workplaces.

The Act:

- Enables the employers to set up whistleblowing systems for reporting violations of law and the norms incorporated to employers' rules, by ceasing the unregulated status and controversial legal practice.
- Defines the maintenance and operation conditions of whistleblowing systems and the possible proceeding to be initiated upon the reports.
- Expressly obliges the employer to report the data processing related to the whistleblowing system to the register kept by National Authority for Data Protection and the Freedom of Information on the application form issued by the authority.
- Obliges the employer to disclose detailed Hungarian language information on its website regarding the operation of the system and the whistleblowing procedure.
- Declares that the primary form of the whistleblower report is the identified report, however enables the no-name basis version thereof as well.
- Prohibits the processing of special data in a whistleblowing system.
- Declares that arrangements shall be taken to ensure that the case is reported to the police if the investigation of the conduct reported by the whistleblower requires the initiation of criminal proceedings.
- Introduces the concept of the lawyer for the protection of whistleblowers ("externer Ombudsman") as a new category, who receives and manages whistleblower reports in the frame of a contract after registering with the bar association.

For further information, please contact either your usual Squire Sanders lawyer or the managing partner of our office:

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