

# The New Trends of Corruption Risk in Hungarian Public Procurement from January 1998 to July 2023

CRCB Statistical Flash Report 2023:2



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## Contents

1.	Main Results	. 4
2.	Figures	10
Anne	x	26
A1.	List of Companies with Political Ties (Crony Companies)	27
A2.	List of Ties between Political Actors and Business People	29
A3.	HUF / EUR Exchange Rates by Year	30
A4.	List of Contracts Analyzed	31



# 1. Main Results

CRCB Statistical Flash Report 2023:2



1.1. In the first seven months of 2023, the number of public procurement contracts in Hungary has not changed significantly compared to the previous year. In 2022, the average number of contracts/parts of contracts (contract lots) awarded per month was 1471 according to the official journal of Hungarian public procurement (in Hungarian: '*Közbeszerzési Értesítő*'), and 1579 in 2023 (see Fig. 1a-b).<sup>1</sup>

1.2. However, in 2023, the net value of contracts has decreased compared to previous years. In the first seven months of 2021, a total of EUR 8.4 billion net value of public contracts were awarded in Hungary. For the same period in 2022 it was EUR 9.0 billion; and for 2023, EUR 6.3 billion. This represents a decrease of about 30 over this period (see Fig. 1c).

1.3. The share of EU-funded contracts among the total contracts has remained the same in 2023: in 2022 and the first seven months of 2023, the value of EU-funded contracts accounted for 33 percent of the net value of all contracts (see Fig. 1d).

2.1. The corruption risk (rate of single bidder) decreased in 2023 (see. Fig. 2a).

2.2. The Lack of Transparency indicator (rate of non-open procedures) increased considerably in 2023 (see Fig. 2c) compared to the previous year. From 2022 to 2023, the share of contracts that were not conducted in an open procedure increased from 9.8 percent to 14.5 percent.

3.1. Corruption risk calculated using monthly data shows an increasing trend in 2023 (see Fig. 3a). The corruption risk level of 0.23-0.37 is far above the desirable level set out by the EU (0.1). It the first seven months of 2023, the share of contracts awarded without competition (single bidder) was between 23-37 percent each month, while the EU Single Market Scoreboard considers a rate below 10 percent desirable (see <a href="https://single-market-scoreboard.ec.europa.eu/business-framework-conditions/public-procurement\_en">https://single-market-scoreboard.ec.europa.eu/business-framework-conditions/public-procurement\_en</a>).

3.2. The control of corruption risk (rate of more than three bidders) was relatively high level from 2016 to 2022 compared to previous years. In the first seven months of 2023, the percent of contracts had more than three bidders fluctuated from 28 to 36 percent (see Fig. 3b).

3.3. The Lack of Transparency indicator shows an increasing trend in the first seven months of 2023 (see Fig. 3c).

3.4. From the second half of 2022, we see a decrease in corruption risk, an increase in the control of corruption risk, and an increase in price competition in EU-funded tenders. Meanwhile, Hungarian taxpayer-funded contracts show the

<sup>&</sup>lt;sup>1</sup> The pieces of data downloaded from website of the Hungarian Public Procurement Authority (<u>https://bit.ly/35yuxkd</u>)



opposite trends: an increase in corruption risk, a decrease in control of corruption risk, and a decrease in price competition (see Fig. 3e-f and Fig. 3h).

3.5. For EU-funded contracts, corruption risk has already fallen below the EU desirable level (0.1) in October 2022, and it has continued to decrease in 2023. For contracts funded by Hungarian taxpayers, however, the corruption risk was much higher in 2022 (between 0.27 and 0.48), and in 2023, it has continued to increase trend (see Fig. 3e).

3.6. As is true the control of corruption risk, the ratio of the winning price rounded to HUF 100,000 (see Fig. 3f and Fig. 3g) likewise differs for EU and Hungarian-taxpayer funded tenders. (The rounded winning price indicates that the winning company did not expect intense competition when setting its offer price.) A decrease in the ratio of rounded winning prices is observed for EU-funded tenders, and, an increase in this measurement is observed for tenders financed by Hungarian taxpayers (see Fig. 3h).

4.1. Based on annual data, the trends in corruption risk for EU-funded and nationally funded contracts have been diverging since 2015. For EU-funded contracts, the weakening of corruption risk is accompanied by a strengthening of corruption risk control. At the same time, for Hungarian taxpayer-funded contracts, we can see the opposite trend, with a strengthening of corruption risk and a weakening of control of corruption risk. These trends continued in 2023 (see Fig. 4a-b).

4.2. In 2023, the percentage of non-open procedures has been increasing in Hungarian taxpayer-funded contracts, while in EU-funded contracts, we can see a decreasing trend (see Fig. 4c).

4.3. Since 2017, the ratio of rounded winning prices in EU-funded contracts has dropped significantly below the level of that in Hungarian taxpayer-funded contracts (see Fig. 4d).

5.1. The share of the number of public contracts won by companies owned and/or controlled by Lőrinc Mészáros (a childhood friend of PM Viktor Orban), alone or in consortia, continued to increase in all public contracts in 2023 (EU and Hungarian funded) (see Fig. 5a).

5.2. The share of the net contract value of tenders won by Mészáros's companies in the total net contract value decreased significantly in 2023 (see Fig 5b). This decreasing trend can be observed in the value of both EU and nationally funded contracts (see Fig 5c).

5.3. In 2022 and 2023, corruption risk decreased for public contracts won by Lőrinc Mészáros's companies (see Fig. 5d).



6.1. The share of the number of contracts and the net value of contracts won by crony companies<sup>2</sup> decreased in 2023 (see Fig. 6a-b). In 2020, 24.7 percent of the net contract value of all contracts was won by crony companies alone or in consortia, 22.5 percent in 2021, 19.6 percent in 2022, and only 9.7 percent in the first seven months of 2023 (see Fig. 6b).

6.2. Crony companies won tenders from both EU- and Hungarian funded contracts worth EUR 24.8 billion from 2011 to 2013. From all public contracts, they won EUR 3.2 billion in 2020, EUR 4.8 billion in 2021, EUR 2.6 billion in 2022, and EUR 0.6 billion in the first seven months of 2023. From EU-funded public contracts from 2011 to 2023 this group won EUR 12.2 billion worth of business. They won EUR 0.8 billion EU funded public contract in 2020, EUR 2.8 billion in 2021, EUR 0.8 billion in 2022 and EUR 0.2 billion in the first seven months of 2023, either alone or in consortia with other firms.

6.3. The percentage of crony companies decreased in the total net contract value in 2022-2023. This decline was equally marked for EU-funded contracts and those funded by Hungarian taxpayers (see Fig. 6c).

6.4. In 2023, corruption risk increased for public contracts won by crony companies, while it decreased for those won by ordinary Hungarian companies with no political ties (see Fig. 6d). This suggests that, following the EU's measures to restore the rule of law in Hungary<sup>3</sup>, the advantage of crony companies in the Hungarian public procurement market actually increased. They have won public contracts with a higher risk of corruption than before the measures were taken.

6.5. In 2023, the corruption risk of tenders won by crony companies increased only in tenders financed by Hungarian taxpayers (see Fig 6f.); in those financed by EU subsidies, the corruption risk was well below the 0.1 level, which is considered acceptable by the EU. It has further decreased in 2023 (see Fig 6e). Therefore, the Hungarian government's response to the EU's measures to restore the rule of law in Hungary can be characterized as reducing the corruption risk of EU funded tenders won by crony companies below the EU target value. At the same time, we can see a significantly increasing rate of corruption risk of tenders won by these firms in the sub-market not controlled by the EU, i.e., public tenders financed by Hungarian taxpayers.

6.6. The phenomenon described in the previous section can also be observed in controlling corruption risk (see Fig. 6g-i). The share of contracts with at least four bidders has increased significantly in public tenders with EU funding, indicating

<sup>&</sup>lt;sup>2</sup>The significant players in Hungarian public procurement are the crony companies, those owned or directed by who have close, friendly relations and are directly or indirectly related to Viktor Orbán and members of his government, either directly or indirectly through their friends or relatives. See Table A1 for a list of crony companies. For a list and types of links between business people with political ties and political actors, see Table A2.

<sup>&</sup>lt;sup>3</sup> See: <u>https://www.consilium.europa.eu/en/press/press-releases/2022/12/12/rule-of-law-conditionality-mechanism/</u>



more robust control of corruption risk and increasing competition. In the subsample of EU-funded public contracts, the proportion of contracts with more than three bidders and won by crony companies is much higher than that of contracts won by Hungarian firms without political ties (Fig. 6h). This means that in 2023 the control of corruption increased more significantly in the EU-funded contracts won by crony companies than those won by Hungarian firms without political ties. In the sub-sample of contracts funded by Hungarian taxpayers, the control of corruption risk is weaker for contracts won by crony companies than for contracts won by Hungarian firms without political ties (Fig. 6i).

6.7. The same trends can be seen in the rate of rounded winner prices (see Fig. 6j-I). For contracts won by crony companies and financed by the EU, we see a decrease in rate of rounded winner prices in 2023 (see Fig. 6k), while for contracts won by crony companies and financed by Hungarian taxpayers, we see a significant increase (Fig. 6I). This suggests that in 2023, for Hungarian taxpayer-funded contracts, crony companies were more confident than before that they could win; they expected less price competition.

6.8. The share of contracts awarded in non-transparent (non-open) procedures has been lower for crony companies than for Hungarian firms since 2018 (see Fig. 6m). At the same time, after 2022, a negative trend (increasing share of non-transparent procedures) is evident in Hungarian taxpayer-funded contracts for both crony companies and ordinary Hungarian firms without political ties (see Fig. 6o).

7.1. The analysis of the odds of winning (number of tenders won per number of tenders lost) shows that before 2010, the odds of winning were much lower for the crony companies (0.46) than in any period of the Orbán regime (1.35 - 1.79). Notably, after 2022, following the EU's measures to restore the rule of law in Hungary, the odds of winning for the crony companies did not decrease but instead increased (see Fig 7a). This trend shows that from 2022, despite the EU's measures to restore the rule of law in Hungary, the politically favorable position of crony companies has not weakened but rather strengthened in the Hungarian public procurement market.

7.2. One of the cronies, an entrepreneur close to Fidesz (Gyula Balásy<sup>4</sup>) owns two media companies: New Land Media Ltd. (registered office: 1025 Budapest, Felső Zöldmáli út 72, tax number: 24670827-2-44) and Lounge Design Ltd. (registered office: 1025 Budapest, Felső Zöldmáli út 72, tax number: 22715544-2-44). Since 2011, these two companies have won a total of EUR 1.85 billion net in public

<sup>&</sup>lt;sup>4</sup> "In our background discussions, no one doubted that Gyula Balásy has become a very important confidant in Fidesz circles. Most people mentioned Antal Rogán, who oversaw government communication as minister, as his main mentor, but we were convinced that Balásy's network of contacts is much more diverse, as the CEO has worked with all the Fidesz communications think tanks in recent years." See Gergely Brücker "Az új médiakirály, aki el is hiszi a fideszes propagandát" (The new media king who even believes the Fidesz propaganda), Index, May 8, 2018, https://index.hu/gazdasag/2018/05/28/az uj mediakirály aki nemcsak szervezi a fideszes propag andat de hisz is benne/



procurement contracts: EUR 367.6 million in 2020, EUR 321.7 million in 2021, EUR 356.4 million in 2022, and EUR 152 million in the first seven months of 2023. Among the crony companies, Gyula Balásy's firms have the highest odds of winning, and this has been increasing since 2016. In 2022-2023, the odds of winning for Balasy's companies reached an extreme level (53.0), 115 times higher than the odds of crony companies winning before the Orbán regime (from 2002 to 2010) when the socialist and liberal coalition were in government, and of course, the political ties of crony companies to the Fidesz leadership could not have influenced their odds of winning in the public procurement market (see Fig. 7b).

Balásy's companies, alone or in consortium, have won 730 public contracts 7.3. (or contract lots) since 2011. In 706 of these contracts (or contract lots), the National Communications Agency (NCA), supervised by Antal Rogán, was the contracting authority; 95.6% of these contracts were financed by Hungarian taxpayers, with the EU's share negligible (4.4%). The total net contract value of these 706 contracts was EUR 34.8 million. The corruption risk of tenders won by Balasy's companies is exceptionally high: the share of single bidder is 84 percent, and the control of corruption risk is deficient: only four cases (0.6 percent) had more than three bidders (see Fig. 7c). The percentage of rounded winning prices for contracts tendered by NCA<sup>5</sup> and won by Balásy's companies is exceptionally high: 59.4 percent of winning prices were rounded to 10^5 HUF. This fact again indicates the weakness of competition: Balásy's companies could be sure when setting their offer prices that they would be the winner (when they were the only ones competing, the percentage of prices rounded to 10^5 HUF was 61.2 percent). Since January 2022, the rate of single bidder has been 96.7 percent, and the rate of prices rounded to 10^5 HUF has been 64.6 percent for tenders won by Balasy's companies. These trends are noteworthy because from 24 May 2022, the Constitutional Protection Office, also supervised by Antal Rogán<sup>6</sup>, could investigate corruption in certain cases<sup>7</sup>. Since Rogán has supervised one of the anti-corruption institutions in Hungary, we have seen extremely high corruption risk and extremely weak competitive strength in public procurement contracts conducted by the NCA and won by a Fidesz-affiliated contractor. This fact also highlights the current strength of the rule of law in Hungary generally.

<sup>&</sup>lt;sup>5</sup> See <u>https://nkoh.kormany.hu/</u>

<sup>&</sup>lt;sup>6</sup> See <u>https://kormany.hu/miniszterelnoki-kabinetiroda/hatterintezmenyek</u>

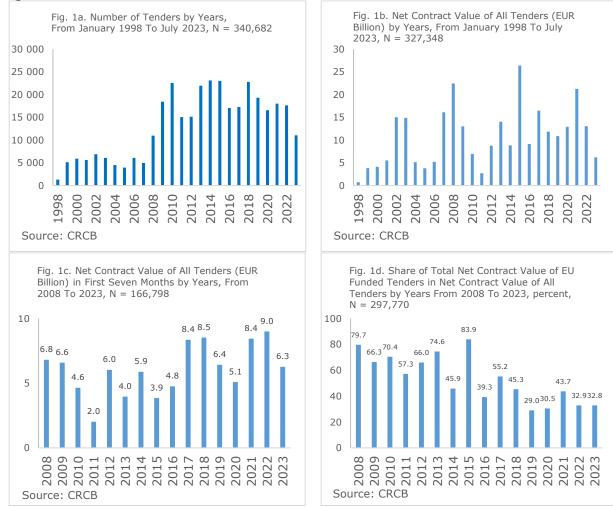
<sup>&</sup>lt;sup>7</sup> Under Article 28 of 'Act IV of 2022 amending Act II of 2022 on the List of Ministries of Hungary', the Constitutional Protection Office has been given the task of obtaining information on corruption offenses and ordering investigations in the case of bodies falling within its competence for internal security and crime prevention control. (see: https://mkogy.jogtar.hu/jogszabaly?docid=A2200004.TV) The Constitutional Protection Office (in Hungarian 'Alkotmányvédelmi Hivatal') is supervised by Antal Rogán in the Orban government.



# 2. Figures



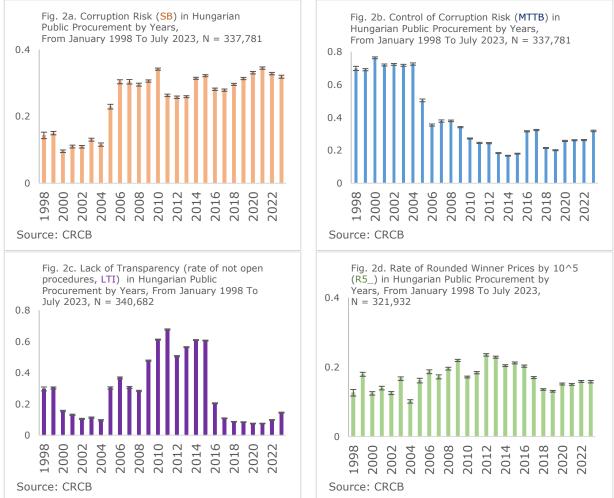
#### Fig. 1a-d.



Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/tedcsv?locale=en.</u>



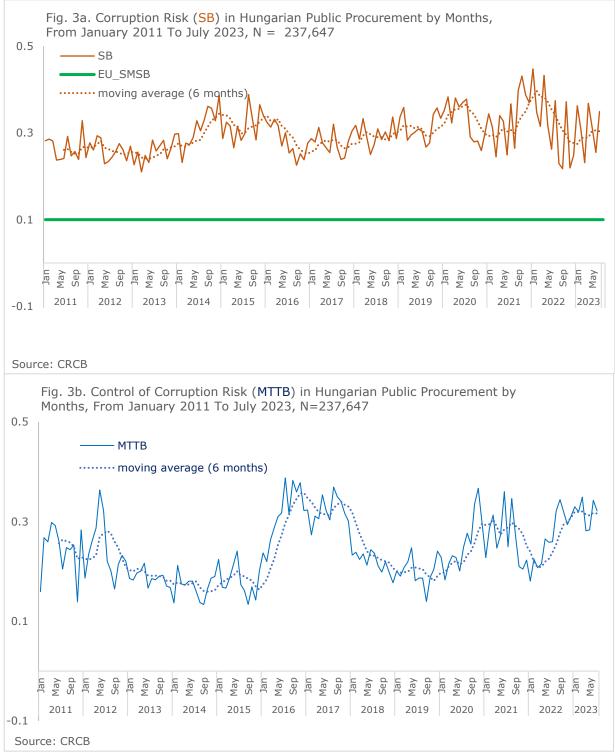




SB [0,1]: rate of single bidder; MTTB [0,1]: rate of more than three bidders. LTI [0,1]: rate of nonopen procedures; R5\_ [0,1] rate of rounded winner price by 10^5. Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en.</u> Error bars represent the standard errors.



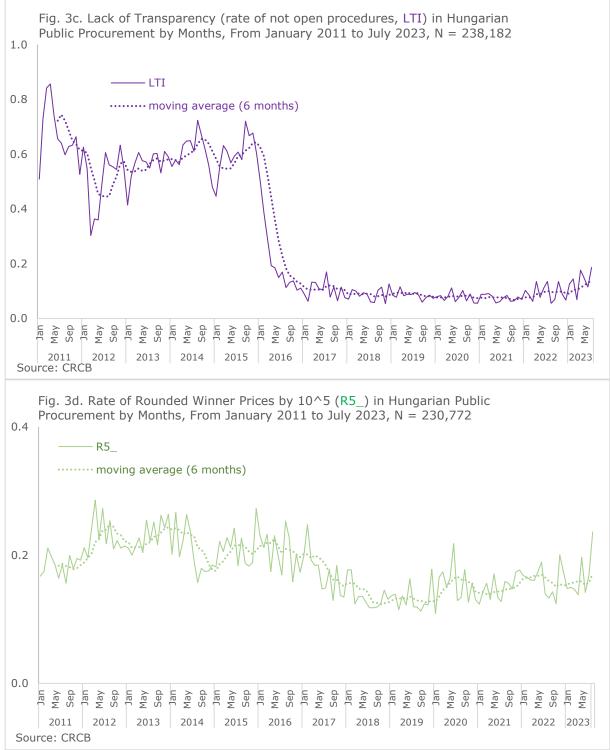
#### Fig. 3a-b.



SB [0,1]: rate of single bidder; MTTB [0,1]: rate of more than three bidders; EU\_SMSB: the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en.</u>



#### Fig. 3c-d.

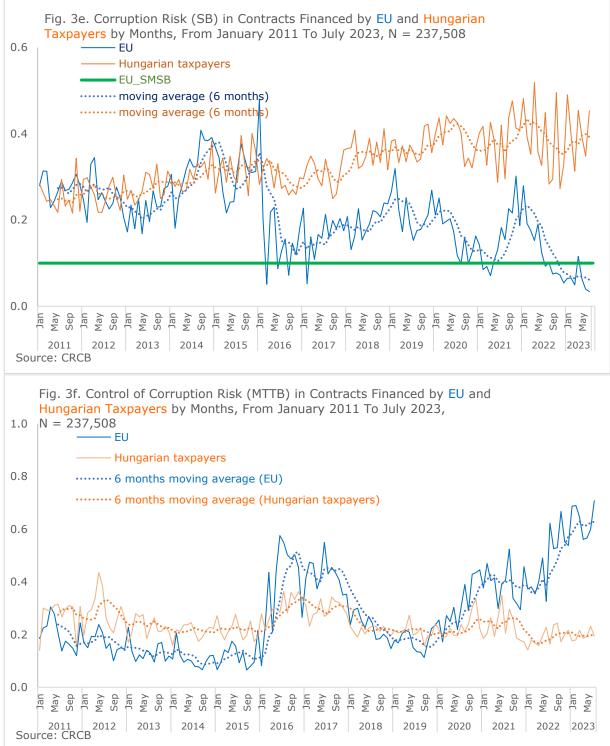


LTI [0,1]: rate of non-open procedures; R5\_ [0,1] rate of rounded winner price by 10^5; EU\_SMSB: the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>.

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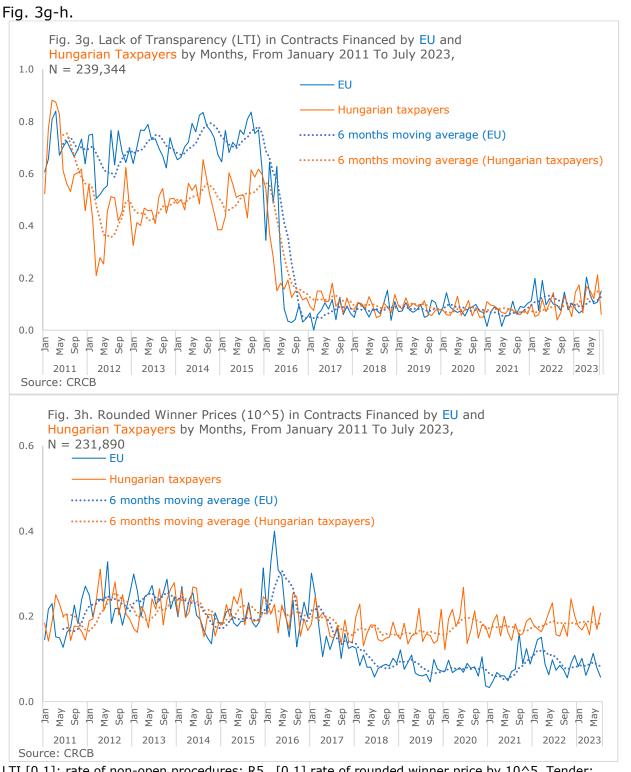




SB [0,1]: rate of single bidder; MTTB [0,1]: rate of more than three bidders; EU\_SMSB: the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>.

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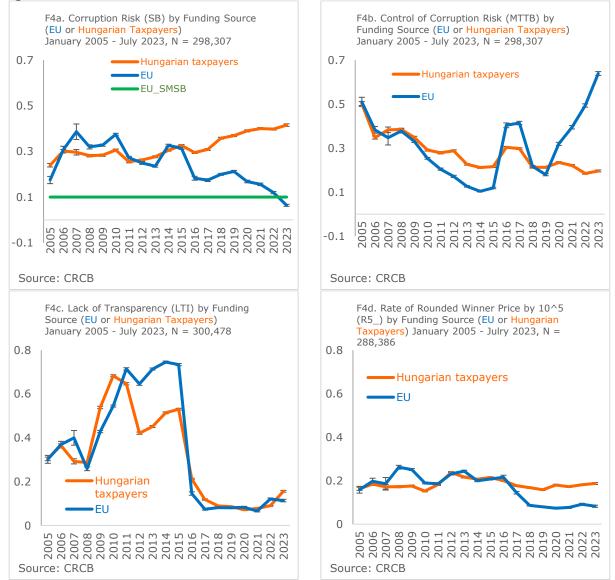




LTI [0,1]: rate of non-open procedures; R5\_ [0,1] rate of rounded winner price by 10^5. Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en.</u>



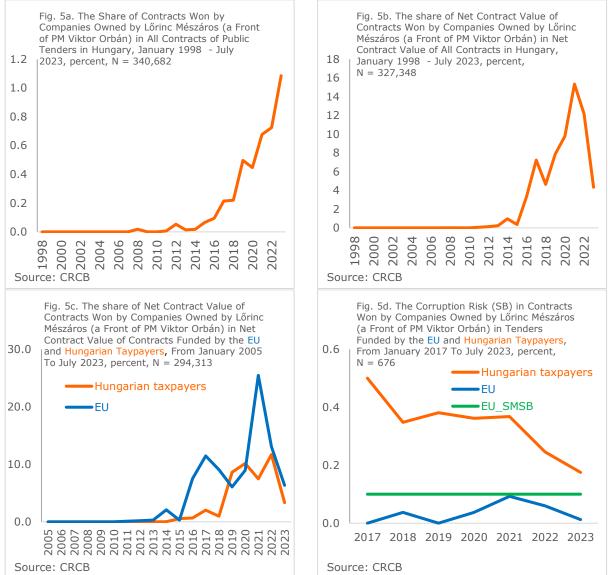
#### Fig. 4a-d.



SB [0,1]: rate of single bidder; MTTB [0,1]: rate of more than three bidders; LTI [0,1]: rate of nonopen procedures; R5\_ [0,1] rate of rounded winner price by 10^5; EU\_SMSB: the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/tedcsv?locale=en</u>. Error bars represent the standard errors.



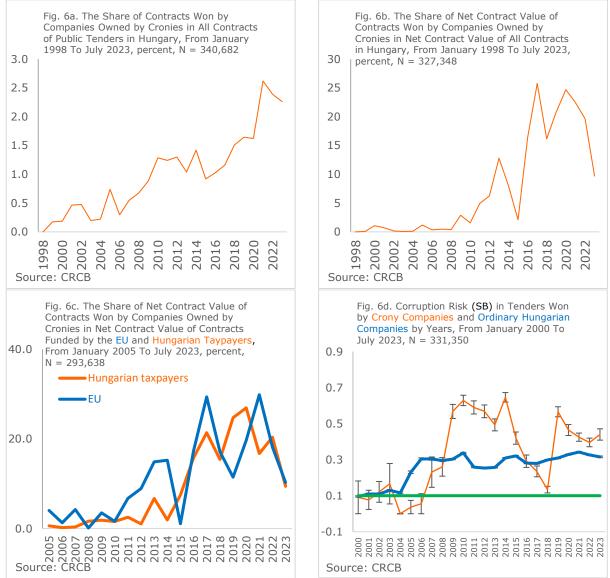
#### Fig. 5a-c.



SB [0,1]: rate of single bidder; EU\_SMSB: the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en</u>. The contract won by company owned by Lőrinc Mészáros: won alone or in consortium with other company(ies).

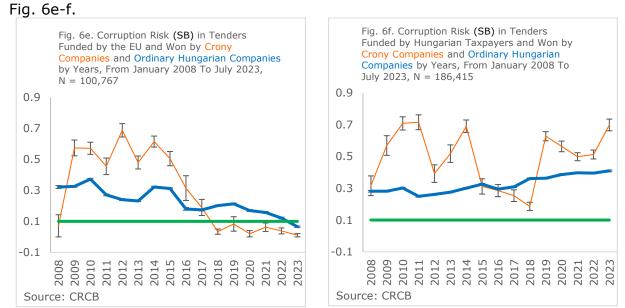


#### Fig. 6a-d.



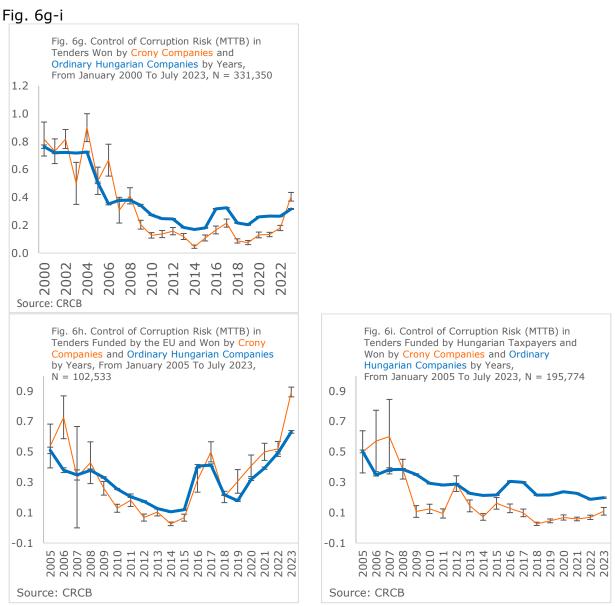
SB [0,1]: rate of single bidder; EU\_SMSB (green line): the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en</u>. Crony companies: See Annex 1 and Annex 2. The contract won by crony companies: won alone or in consortium with other company(ies). Error bars represent the standard errors.





SB [0,1]: rate of single bidder; EU\_SMSB (green line): the benchmark value (0.1) of corruption risk defined by the EU's Single Market Scoreboard (<u>https://bit.ly/3x7V7Ln</u>). Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <u>https://data.europa.eu/data/datasets/ted-csv?locale=en</u>. Crony companies: See Annex 1 and Annex 2. The contract won by crony companies: won alone or in consortium with other company(ies). Error bars represent the standard errors.

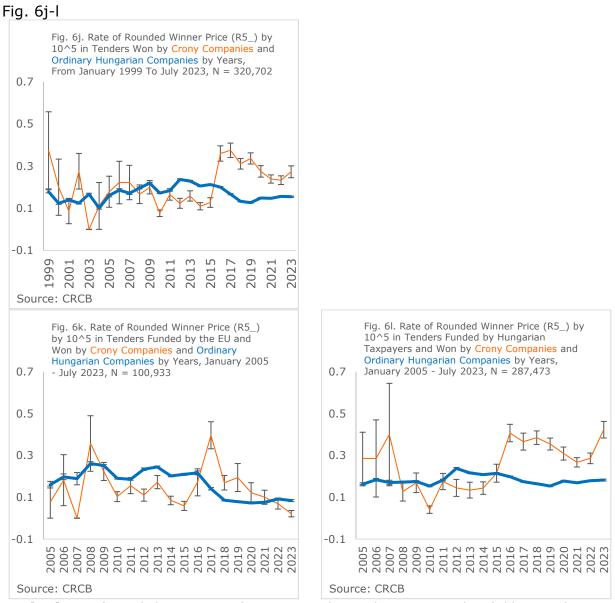




MTTB [0,1]: rate of more than three bidders; Tender: each contract or identifiable part of a contract is counted (contract lot) as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>. Crony companies: See Annex 1 and Annex

2. The contract won by crony companies: won alone or in consortium with other company(ies). Error bars represent the standard errors.

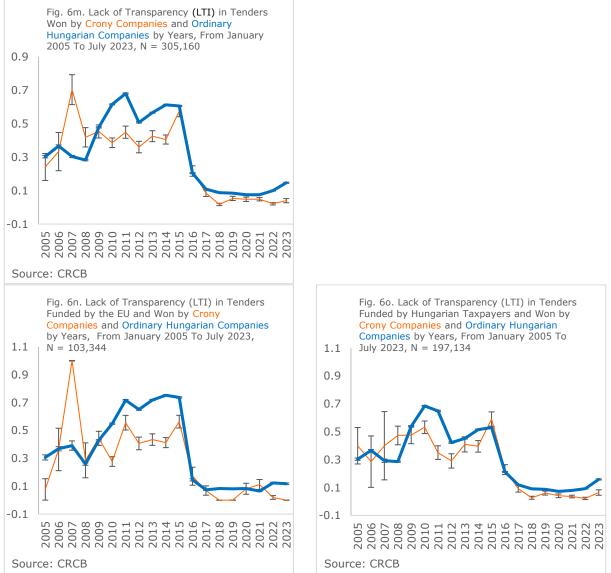




R5\_ [0,1] rate of rounded winner price by 10^5; Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>. Crony companies: See Annex 1 and Annex 2. The contract won by crony companies: won alone or in consortium with other company(ies). Error bars represent the standard errors.



#### Fig. 6m-o



LTI [0,1]: rate of non-open procedures; Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>. Crony companies: See Annex 1 and Annex 2. The contract won by crony companies: won alone or in consortium with other company(ies). Error bars represent the standard errors.

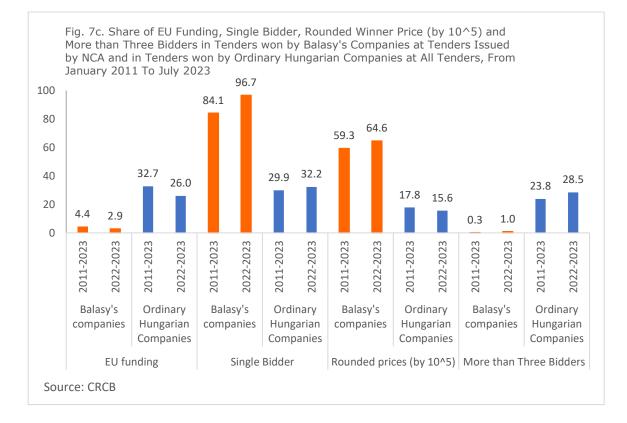


#### Fig. 7a-c.



Odds of Winning: the ratio of tenders won to tenders lost (number of tenders won / number of tenders lost); Tender: each contract or identifiable part of a contract (contract lot) is counted as a tender. Accordingly, the analyzed data is at the contract level and within that at the lot level. The Tenders Electronic Daily (TED) applies the same logic. See: <a href="https://data.europa.eu/data/datasets/ted-csv?locale=en">https://data.europa.eu/data/datasets/ted-csv?locale=en</a>. Crony companies: See Annex 1 and Annex 2. The contract won by crony companies: won alone or in consortium with other company(ies).





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## Annex

CRCB Statistical Flash Report 2023:2 26



## A1. List of Companies with Political Ties (Crony Companies)

	company name [owner or front with political ties]		
1	4iG ltd. [Lőrinc Mészáros and Gellért Jászai (since 2019)]		
2	CLH Hűtés- és Klímatechnikai ltd. [Lőrinc Mészáros, László Szijj, Károly Varga (from June 2015 to September 2018), Attila Paár (from September 2018)]		
3	Euro General ltd. [Lőrinc Mészáros and his family (since March 2015)]		
4	Europublicity Itd. [Lajos Simicska (2011-2019), Lőrinc Mészáros (2019-2020)]		
5	Fejér B.A.L. ltd. [Lőrinc Mészáros and his family]		
6	Mediaworks ltd. [Lőrinc Mészáros (since 2017)]		
7	Mészáros és Mészáros ltd. [Lőrinc Mészáros]		
8	Publimont ltd. [Lajos Simicska (2011-2019), Lőrinc Mészáros (2019-2020)]		
9	R-Kord ltd. [Lőrinc Mészáros]		
10	V-Híd ltd. [Lőrinc Mészáros and Zsolt Homlok (since 2018)]		
11	Vivienvíz ltd. [Lőrinc Mészáros]		
12	ZAEV ltd. [Lőrinc Mészáros (since 2019)]		
13	Market Építő ltd. [István Garancsi]		
14	Market Épületszervíz ltd. [István Garancsi]		
15	MET Magyarország ltd. [István Garancsi]		
16	Mobil Adat Itd. [István Garancsi]		
17	Visual Europe ltd. [István Garancsi]		
18	Elios Itd. [István Tiborcz, son-in-law of Viktor Orbán]		
19	PBE Energiamenedzsment ltd. [István Tiborcz and Endre Hamar]		
20	PBE Epitő ltd. [István Tiborcz and Attila Paár]		
21	E-OS Energiakereskedő ltd. [Lajos Simicska (2011-2018)]		
22	Közgép ltd. [Lajos Simicska (2011-2019), László Szíjj (since 2020)]		
23	Közgéphídkorr ltd. [Lajos Simicska (2011-2018)]		
24	Mahir Cityposter kft. [Lajos Simicska (2011-2018)]		
25	Mahir Kiallítás kft. [Lajos Simicska (2011-2018)]		
26	Nemzeti Lapkiadó ltd. [Lajos Simicska (2011-2018)]		
27	Lounge Design ltd. [Gyula Balásy]		
28	New Land Media ltd. [Gyula Balásy]		
29	Network 360 ltd. [Csaba Csetényi]		
30	Sistrade ltd. [Endre Hamar]		
31	EUPRO Projektmenedzsment ltd. [Endre Hamar]		
32	Homlok Építő ltd. [Zsolt Homlok, son-in-law of Lőrinc Mészáros]		
33	Vasútvill Itd. [Zsolt Homlok, son-in-law of Lőrinc Mészáros]		



34	West Hungária Bau Itd. [Attila Paár]
35	Magyar Epítő ltd. [Laszlo Szijj (from 2015 to June 2017) Attila Paár (since June 2017)]
36	Duna Aszfalt ltd. [László Szíjj]
37	Hódút Itd. [Károly Varga and László Szíjj]
38	Vakond Via ltd. [Károly Varga and László Szíjj]
39	Vakond ltd. [Károly Varga and László Szíjj]
40	Magyar Vakond Itd. [Károly Varga and László Szíjj]
41	Trinity International Communications ltd. [Tibor Kuna]
42	Young & Partners Itd. [Tibor Kuna]

Source: CRCB



## A2. List of Ties between Political Actors and Business People

Type of relations	actors	actors
social relation, friendship	Viktor Orbán	Lőrinc Mészáros
social relation, friendship	Viktor Orbán	Lajos Simicska
social relation, friendship	Viktor Orbán	István Garancsi
social relation, friendship	Viktor Orbán	László Szíjj
kinship	Viktor Orbán	István Tiborcz
subordination and superordination	Viktor Orbán $\rightarrow$	Antal Rogán
subordination and superordination	Viktor Orbán $\rightarrow$	Péter Szijjártó
kinship	Lőrinc Mészáros	Zsolt Homlok
social relation, friendship	Péter Szijjártó	László Szíjj
social relation, friendship	Péter Szijjártó	Gyula Balásy
social relation, friendship	Péter Szijjártó	Tibor Kuna
social relation, friendship	Antal Rogán	Csaba Csetényi
social relation, friendship	Antal Rogán	Gyula Balásy
social relation, friendship	László Szíjj	Lőrinc Mészáros
social relation, friendship	László Szíjj	Károly Varga
social relation, friendship	István Tiborcz	Lajos Simicska
social relation, friendship	István Tiborcz	Endre Hamar
social relation, friendship	István Tiborcz	Attila Paár
business relation	László Szíjj	Károly Varga
business relation	Lőrinc Mészáros	László Szíjj
business relation	Lőrinc Mészáros	Zsolt Homlok
business relation	Lőrinc Mészáros	Károly Varga
business relation	Lőrinc Mészáros	István Garancsi
business relation	Lőrinc Mészáros	Lajos Simicska
business relation	Lőrinc Mészáros	István Tiborcz
business relation	Lőrinc Mészáros	Gellért Jászai
business relation	István Tiborcz	Lajos Simicska
business relation	István Tiborcz	Endre Hamar
business relation	István Tiborcz	Attila Paár
business relation	István Tiborcz	Gellért Jászai

Notes: business relations: direct or indirect joint ownership or business transactions between owned companies or joint participation in a consortium for a public tender. Names in bold: political actors, member of the Fidesz government.  $\rightarrow$ : direction of subordination relationship.



Year	EUR 1 =
1998	HUF 251.43*
1999	HUF 252.80
2000	HUF 260.04
2001	HUF 256.69
2002	HUF 247.96
2003	HUF 253.51
2004	HUF 251.68
2005	HUF 246.56
2006	HUF 250.85
2007	HUF 251.31
2008	HUF 251.25
2009	HUF 280.58
2010	HUF 275.41
2011	HUF 279.21
2012	HUF 289.42
2013	HUF 296.92
2014	HUF 308.66
2015	HUF 309.90
2016	HUF 311.46
2017	HUF 309.21
2018	HUF 318.87
2019	HUF 325.35
2020	HUF 351.17
2021	HUF 358.52
2022	HUF 391.33
2023	HUF 380.98

### A3. HUF / EUR Exchange Rates by Year

Notes: \*: EUR/HUF exchange rate in 1th January 1999; annual average exchange rates calculated from daily average exchange rates. Source of daily data: <u>https://www.mnb.hu/arfolyam-lekerdezes</u>



### A4. List of Contracts Analyzed

See at <u>https://www.crcb.eu/?p=3450</u> the attached csv and dta files!