



ÁLLAMI
SZÁMVEVŐSZÉK

FOLLOW-UP AUDIT OF THE GAZDASÁGI VERSENYHIVATAL

Summary for the Press

on the follow-up audit of the operation and financial management of the Gazdasági Versenyhivatal (16007)

The State Audit Office of Hungary (SAO) completed the follow-up audit of the operation and financial management of the Gazdasági Versenyhivatal (Hungarian Competition Authority) (GVH). In 2014, the SAO assessed the regularity of the operation and financial management of the GVH. The current follow-up audit focused on evaluating the implementation of the action plan to utilise the recommendations. The follow-up audit found that the Gazdasági Versenyhivatal had completed five out of the 11 required tasks in due time, five tasks beyond the deadline, and one task was partially performed by the GVH.

The SAO audited the regularity of the operation and financial management of the Gazdasági Versenyhivatal for the period of 2008–2012. Its report on its audit was published in January 2014, in which the SAO drafted recommendations for the President of the GVH to remedy the deficiencies found. In connection with the findings of the report, the SAO Act imposes an obligation to prepare an action plan. The objective of the follow-up audit was to assess whether the tasks set out in the action plan have been implemented by the audited entity. The audited period was the period from the date of publication of the audit report (14 January 2014) until the date of the start of the follow-up audit (17 June 2015).

The SAO's audit found that the GVH performed five out of the 11 tasks specified in the action plan beyond the deadline, and one task was only partially completed by the GVH. The updating of the Operational and Organisational Rules and of the deed of foundation, and, consequently, the definition of the formalities of the professional areas required to prepare work plans and of the work plans in the Operational and Organisational Rules were performed beyond the deadline. The internal rules of procedure for supporting activities aimed at developing competitive culture and the culture of conscious consumer decision-making and for related tenders and individual grant applications were issued with a delay. In addition, the internal audit report assessing responsibility as well as the annual work plan of the Centre for Competitive Culture, indicating the responsible persons, the deadline and the respective amount, were also completed beyond the deadline, after the review of the full tendering activity of the audited period. The GVH carried out in part the review of the regulations related to debt management, the implementation of the necessary measures, the definition and operation of control points in the process model, which on the one hand were completed beyond the deadline, and on the other hand the review of the related IT development was not completed during the period audited.

The GVH prepared the office strategy that includes goals, activities and deadlines in due time. In order to control the tendering activity, bids were requested from external companies and all subsidy contracts for the years 2008–2012 were fully checked. The advantages, benefits, burdens, costs of the OECD cooperation agreement have been analysed and the need for review has been examined. The internal audit was carried out and the report was drafted on the circumstances of the overdue filing of claims and the conclusion of engagement contracts.

The SAO drew attention to the integration of the measures taken into operational processes and their continuous application, as well as the risks of the measures implemented beyond the deadline and those partially implemented.

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