

CHECKLIST

For reporting according to Regulation (EU) 1233/2011

I. Reporting country information

Reporting Country	Hungary
Submission Date	31. December 2015.
Reporting Institution (Government Department, ECA)	-Hungarian Export-Import Bank Plc. (Eximbank) -Hungarian Export Credit Insurance Ltd (MEHIB) (hereinafter together: Hungarian ECAs) -Ministry for National Economy

II. Reporting country legal and policy information

Mandate/Legal status of ECA	Hungarian ECAs' mandate was granted by the Hungarian Parliament in Act XLII of 1994 -to promote international co-operation, -to share export related risks not covered by the market, -to develop the financial intermediary system, including export financing and export credit insurance by means of the market economy and international standards. The Hungarian ECAs are private limited companies with the State as the sole shareholder.
Officially supported export credit programs (in the sense of Article 5 of the OECD Arrangement) during reporting period	Eximbank <ul style="list-style-type: none">• Buyer's credit• Supplier's credit• Pre-shipment financing (refinancing)• Buyer's credit guarantee (in case of co-financing as a follower ECA)• Capital asset investment credit for export Investment credit - for foreign investments• Tied aid MEHIB <ul style="list-style-type: none">• Buyer credit insurance• Supplier credit insurance• Tied aid insurance• Insurance of supplier credit financed by a bank• Leasing insurance
Annual reports available on reporting year	Hungarian ECAs' annual reports for 2014 are under approval and they will be available shortly, while the independent auditor's report for 2014 is already available at the common website of Eximbank and MEHIB: http://exim.hu/en/eximrol/eves-jelentesek/

III. Information on the reporting Member State's Export Credit policies:

General presentation of the reporting MS' policies on export credits, including all information that can help the Commission in carrying out its evaluation regarding the compliance of the Export Credit Agencies with EU objectives and obligations ¹ (in the sense of Article 3, Annex 1 of EU Regulation1233/2011)	In the Hungarian legal framework there are clear references to all export credit standards developed and adopted by the OECD export credit community. Consequently, the Hungarian ECAs' underwriting practice shall also comply with EU objectives and standards and fulfil international requirements.
<p>Special information on the following policies:</p> <p><i>1) Environment:</i></p> <p>a) Do you apply the OECD Recommendation on Common Approaches to the Environment and Officially Supported Export Credits? (its successor instrument the OECD Recommendation on Common Approaches on Officially Supported Export Credits and Environmental and Social Due Diligence?)</p> <p>b) any other relevant information</p>	<p>a) Yes, Hungarian ECAs apply the OECD Recommendation. All relevant information on the updated bylaws is available on the website.</p>
<p><i>2) Human rights:</i></p> <p>a) Do you apply the Human Rights related aspects of the Recommendation on Common Approaches, on Officially Supported Export Credits and Environmental and Social Due Diligence?</p> <p>b) any other relevant information?</p>	<p>a) Yes, Hungarian ECAs apply the OECD Recommendation and the concerning by-laws concerning environmental and social impacts have been updated in first half of 2013. All relevant information on the updated bylaws is available on the website.</p>
<p><i>3) Anti-Bribery measures:</i></p> <p>a) Do you apply the OECD Recommendation on Bribery and Officially Supported Export Credits?</p> <p>b) Any other relevant information?</p>	<p>a) Yes, Hungarian ECAs apply the OECD Recommendation on Bribery.</p> <p>b) Due to the integrated operations, Hungarian ECAs developed an identical anti-bribery by-law according to which MEHIB and Eximbank inform the future client on the possible consequences of committing bribery, require an anti-corruption declaration from the client and the exporter, propose the policy holder to apply in-house regulation to deter bribery, and check the international debarment lists before each and every MLT transaction.</p>
<p><i>4) Sustainable Lending Practices:</i></p> <p>a) Do you apply the OECD Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low Income</p>	<p>a) Yes, Hungarian ECAs apply OECD Principles and Guidelines to Promote Sustainable Lending Practices.</p>

¹ EP side suggested to use such a phrase (to ensure that it is not forgotten that the Regulation's official reference is to "EU objectives and obligations")

Countries?	
b) Any other relevant information?	b) Hungarian ECAs support export transactions only if they comply with the sustainable lending principles and take into consideration (among other sources) the relevant Poverty Reduction Strategy Paper and IMF/World Bank Debt Sustainability Assessment.
5) Other policies	

IV. Annual Activity Report data:

Explanatory note:

"MS shall report, in accordance with their national legislative framework, on assets and liabilities, claims paid and recoveries, new commitments, exposures and premium charges."

From Regulation 1233/2011, Annex 1.

Member States that have more than one ECA should do one single integrated report (reporting obligation is on the Member State as such, not the ECA). Where a MS offers at the same time different types of products (pure cover and direct lending), the reporting under chapter IV should however differentiate.

A) In case of official support is provided in the form of export credit guarantee or insurance ("pure cover") in the sense of Art 5 a 1) OECD Arrangement:²	
Overview of assets	Eximbank* HUF 627 034 million (EUR 1 991,3 million) MEHIB* HUF 14 392,7 million (EUR 45,7 million) *The shown data covers all activity of each ECA.
Overview of liabilities	Eximbank HUF 627 034 million (EUR 1 991,3 million) MEHIB HUF 14 392,7 million (EUR 45,7 million)
Aggregate nominal risk exposure <ul style="list-style-type: none"> 01-01-2014 31-12-2014 	MEHIB HUF 28 507 million (EUR 96,0 million) HUF 32 669 million (EUR 103,8 million)
a.) nominal risk exposure under insurance policies issued <ul style="list-style-type: none"> 01-01-2014 31-12-2014 	MEHIB HUF 28 507 million (EUR 96,0 million) HUF 32 669 million (EUR 103,8 million)
b.) nominal risk exposure under promises and notices of cover <ul style="list-style-type: none"> 01-01-2014 31-12-2014 	MEHIB HUF 0 million (EUR 0 million) Eximbank: HUF 34 734 million (EUR 117,0 million) MEHIB HUF 0 million (EUR 0 million)

² Member States not using EUR should report the figures in their national currency and in EUR

	Eximbank HUF 35 726 million (EUR 113,5 million)
Premium Income	MEHIB HUF 66,5 million (EUR 0,212 million) Eximbank: HUF 0
Recoveries	MEHIB HUF 746,1 million (EUR 2,37 million) Eximbank: HUF 0
Claims paid	MEHIB HUF 2 914,4 million (EUR 9,25 million) Eximbank: HUF 0
B) In case official support is provided in the form of Official Financing Support in the sense of Article 5a2) OECD Arrangement:	
Overview of assets	Eximbank: see point IV. A)
Overview of liabilities:	Eximbank: see point IV. A)
a) nominal value of officially supported loan portfolio <ul style="list-style-type: none"> 01-01-2014 31-12-2014 	Eximbank: HUF 85 655 million + 9 161* million (EUR 288.5 million + 30.9 *million) HUF 99 362 million + 12 049* million (EUR 315.5 million + 38.3 *million) *Tied aid
b) total value of off balance commitments <ul style="list-style-type: none"> 01-01-2014 31-12-2014 	Eximbank HUF 179 214 million + 12 772 * million (EUR 603.6 million + 43.0 *million) HUF 411 402 million + 10 893* million (EUR 1 385.6 + 34.6 *million) *Tied aid
Interest received	Eximbank HUF 28 567 million (EUR 90.7 million)
Annual profit/loss	Eximbank HUF 0 million

V. Contingent liabilities

Where contingent liabilities might arise from officially supported export credit activities, those activities shall be reported:	-
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VI. Evaluation and incorporation of environmental risks

Environmental risks:	In 2014, 4 applications were screened by the Hungarian ECAs* for environmental effects and compliance. 4 of the 4 applications became issued policies of which 0 project was considered to have potential significant impacts (category A or B projects). *Both applications were financed by Eximbank and
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	covered by MEHIB.
a) Number/exposure of transactions Category A	MEHIB: 0 Eximbank: 0
b) Number/exposure of transactions Category B	MEHIB: 0 Eximbank: 0
How are environmental risks, which can carry other relevant risks, taken into account in the officially supported export credit activities?	Hungarian ECAs assess that the transaction will be completed in an environmentally responsible manner. If the environmental effects are to be mitigated to an acceptable level, MEHIB and Eximbank ensure that the policy is issued only if the environmental conditions are met.