**HUNGARY**

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The government generally respected religious freedom in law and in practice. The government's level of respect for religious freedom improved during the reporting period.

There were reports of societal abuses or discrimination based on religious affiliation, belief, or practice, and prominent societal leaders took positive steps to promote religious freedom. There was an increase in anti-Semitic rhetoric in a climate of political friction and economic uncertainty; extremist groups grew in size and number.

The U.S. government discusses religious freedom with the government as part of its overall policy to advance human rights.

Section I. Religious Demography

The country has an area of 35,919 square miles and a population of approximately 10 million. Data on religious affiliation is regarded as sensitive information and may not be officially recorded. However, the 2001 national census, the latest survey available, included an optional question on religious affiliation, to which 90 percent of the population responded. According to the replies, the population is 55 percent Roman Catholic, 15 percent Hungarian Reformed, 3 percent Lutheran, and less than 1 percent Jewish. These four groups are the country's "historic" religions. Groups that constitute less than 5 percent of the population include Greek Catholics, the Congregation of Faith, five Orthodox Christian religious groups, a broad range of other Christian groups, seven Buddhist groups, and three Muslim communities. Data protection regulations impeded the collection of official statistics on popular participation in religious life.

Section II. Status of Government Respect for Religious Freedom

**Legal/Policy Framework**

The constitution and other laws and policies protect religious freedom and, in practice, the government generally enforced these protections.

The constitution provides for the free choice or acceptance of a religion or other conscientious convictions, the freedom to practice or abstain from practicing, and the right to exercise or teach one's religion and beliefs in public or in private, either individually or with others, through religious acts and ceremonies or in other ways.

The constitution separates church and state. The state should remain neutral in matters concerning ideology; however, the state has a duty to ensure the possibility of freely forming personal convictions. Citizens also have the right to sue the government for constitutional violations of religious freedom.

The criminal code has a provision on the "Violation of the Freedom of Conscience and Religion," which states that whoever restricts another person by violence or threats, or prevents another person from freely exercising his religion by violence or by threats, commits a crime, which is punishable by up to three years' imprisonment. If a person abuses someone because of his or her affiliation with a religious group, the crime is punishable by five years' imprisonment.

There is no state religion, and under the law, every registered religious group is entitled to the same rights. The four "historic" religious groups (Roman Catholic, Reformed, Lutheran, and Jewish) receive 93 percent of state financial support provided to religious groups. All registered religious groups also receive advantageous tax treatment.

Relations between the state and the Roman Catholic Church are regulated by the 1990, 1994, and 1997 Vatican treaties. These agreements also served as a framework for regulating state relations with other religious groups.

Citizens may donate 1 percent of their income tax to the religious group of their choice and receive a tax deduction. This provision applies to every legally registered religious group. In addition to taxpayer contributions, the government allocated public funds to registered religious groups. Under the present regulation, the state commits to match the amount of the individual taxpayer contributions up to a ceiling of 0.5 percent of the total income tax revenue. The state funding of
churches significantly decreased in 2010 to three billion forints ($14 million) from 9.8 billion forints ($47 million) in 2009.

Additional government funding to religious organizations is provided for a range of activities, such as the maintenance of public art collections; support for religious instruction, education, and culture; annual compensation for nonrestituted religious property; and assistance to church personnel serving the smallest villages. In 2010 this financial assistance decreased to 15 billion forints ($71 million) as compared with 18.7 billion forints ($89 million) in 2009. Also in 2010, due to fiscal constraints, the government discontinued its previous practice of allocating financial support for reconstruction and renovation of religious institutions. However, the 2011 budget passed by parliament on December 23 reinstituted this practice.

The 1990 Act on the Freedom of Conscience regulates the activities of, and the benefits enjoyed by, religious communities; it also establishes the criteria for legal designation. County courts implement the registration of religious groups. To register, a group must be founded by at least 100 individuals and have a charter and elected bodies for administration and representation. The court determines whether the new group complies with constitutional and legal requirements; if so the court cannot reject the registration request. While any group is free to practice its faith, formal registration grants rights, imposes obligations on operating educational and social institutions, and provides access to several forms of state funding. All registered groups have the same rights and obligations.

The law provides registered religious groups with the right to assume operation of municipal schools through a formal agreement with the central government. Municipalities, churches, or school boards can initiate such transfers. Churches maintaining public education institutions are entitled to receive a "supplementary subsidy" as well as the general "normative subsidy" provided to educational institutions by the state. A law on public education passed on June 8 altered the system so the national government, rather than the municipality, funds the "supplementary subsidy," thereby providing additional incentive for municipalities to initiate such a transfer.

Registered religious groups have the right to provide religious education in public schools if requested by the students or parents. Religious instruction was not part of the curriculum in public schools, but the government permitted primary and secondary school students to enroll in extracurricular religious education classes. Optional religious instruction was usually held after the normal school day and
taught in school facilities by representatives of various religious groups. While the
government made provisions for minority religious groups to engage in religious
education in public schools, the four historic groups provided the majority of after-
hours religious instruction. Private schools were not obligated to ensure religious
education.

The government observes the following religious holidays as national holidays:

The state operates the army chaplain service for the four historic religious groups.
Free exercise of religion (not only in private but also in public) in the military is
ensured for every denomination. The Ministry of Defense funds and maintains the
chaplain service. The Ministry of Public Administration and Justice regulates a
similar system for the provision of religious services in prisons.

Restrictions on Religious Freedom

The government generally respected religious freedom in law and in practice. The
government's level of respect for religious freedom improved during the reporting
period. The new government began a broad dialogue with the "historic churches,"
committed to providing equal funding to church-run social and educational
institutions, and agreed to compensate those institutions for financial support
withheld in past years.

Churches remained generally critical of how the government distributed EU
subsidies allocated for school reconstruction and infrastructure development. They
claimed the selection of recipients was discriminatory because a disproportionately
low number of religious schools received funding compared to state or locally
operated schools.

Church leaders continued to object to delays and reductions in state financing for
the maintenance of public art collections and other public services. Many church-
run art collections were closed in the past few years due to lack of state financial
support.

The government continued to facilitate the restitution of religious properties
confiscated by the state during the communist era and ensured equal opportunity
for all religious organizations to regain control over their former property. In 2005
the government adopted a resolution making it possible to accelerate property
restitution negotiations and close outstanding claims in 2006 instead of by 2011 as
the original law had established. Three religious groups (Roman Catholic, Jewish, and Budai Serb Orthodox) chose to use the new procedure; the Reformed and the Lutheran churches did not.

Property claims can be settled in four ways. These include direct agreement between the owner (municipality) and the respective religious organization on the transfer of real estate property or by a government resolution on the transfer. Claims may also be settled by financial compensation granted by the government, if the religious organization prefers to invest in new construction. Finally, the outstanding property claims may be transferred into an annuity, which can be used exclusively for financing religious and other public purpose activities of the church.

Between 1991 and the end of the reporting period, the government and the municipalities restituted 3,688 pieces of real estate to religious organizations through one of the four methods prescribed in the law. A total of 1,071 properties were restituted by direct agreement between the government and the claimant. An additional 1,302 cases with a total value of 68 billion forints ($324 million) were resolved with the government authorizing transfer of the buildings to the religious organizations as well as compensation to the municipalities to relocate the occupants. In 1,315 cases, the government paid financial compensation totaling more than 43 billion forints ($205 million) in lieu of transfer of ownership. In 1,770 cases, the value of the claimed property was transferred into a fund that pays a fixed annual dividend to the religious organizations.

The Catholic, Protestant, and Lutheran churches had 59 outstanding claims at the end of the reporting period. Participants generally considered the procedure satisfactory.

Members of the Jewish community viewed the restitution process for communal property as generally fair, but they wanted compensation to be paid for the estimated 430 billion to 3.44 trillion forints ($2 billion to $16.4 billion) worth of heirless Jewish properties specifically excluded from the communal restitution process. Discussions were ongoing between the government and Jewish communities concerning restitution for heirless Jewish properties.

The Constantinople Patriarchy Hungarian Exarchy (the Hungarian branch of the Greek Orthodox Church) continued to contest the restitution of property that the Russian Orthodox Community has occupied since the 1950s. When Hungarian courts dismissed the Greek Orthodox community's claim to the property, the
Community turned to the European Court of Human Rights. The case was pending at the end of the reporting period.

There were no reports of abuses of religious freedom in the country, including religious prisoners and detainees.

Improvements and Positive Developments in Respect for Religious Freedom

Shortly after taking office in May, the new government began a dialogue with the "historic churches"--Roman Catholic, Hungarian Reformed, Lutheran and Jewish--in order to implement a strategic church-state partnership, especially in preparation for Hungary's EU Presidency starting in January. The government reactivated the Vatican-Hungarian Joint Committee in October, following three years of inactivity.

On August 25, State Secretary for Church, Civil Society, and Nationality Affairs (Ministry of Public Administration and Justice) Laszlo Szaszfalvi met with the heads of the four historic churches. During the meeting, Szaszfalvi reinforced the government's commitment to compensate churches for financial support withheld in past years as noted in the 2008 State Audit Office (SAO) report on church financing. The SAO report found that the educational support paid to church schools in 2005-06 violated the law governing church financing as well as the government decree on public finances and the regulation on implementation of the annual budget. According to the church financing law, educational and social institutions maintained by registered religious groups are entitled to receive the same public support as institutions maintained by the state or municipalities. State Secretary Szaszfalvi and other government officials promised to begin gradually paying in 2011 the more than four billion forints ($19 million) in subsidies to church schools that were not paid by the former government. Churches welcomed the government's acknowledgment of the SAO report.

The government continued to process petitions under Act XLVII, which allowed compensation claims from individuals whose immediate relatives were killed in the Holocaust or in Soviet forced labor camps; lost their lives between 1939 and 1989 due to politically motivated despotic action of government authorities; or performed forced labor due to racial, religious, or political discrimination during World War II. Eligible individuals could apply for a lump sum of up to 400,000 forints ($1,900) for each spouse, parent, or child; a lump sum of 200,000 forints ($950) for each sibling killed; and compensation notes or a monthly life annuity for forced labor. More than 97,600 claims from 60 countries were submitted to the Separate Compensation and Documentary Department of the Central Office of
Justice by the December 2006 deadline. By the end of October, 96,644 decisions had been issued and three billion forints ($14.3 million) transferred to eligible applicants.

On June 24, Foreign Minister Janos Martonyi attended the unveiling of a memorial plaque in Washington, DC in memory of Carl Lutz, a Swiss diplomat who rescued over 3,000 Jews in Budapest during World War II. In his speech, Martonyi stated, "The government stands up to all forms of racism, anti-Semitism, hate and discrimination, whether it be on the basis of ethnicity, race, religion, social class, language, gender, or political conviction."

On July 4, Minister of Defense Csaba Hende gave remarks at the commemoration ceremony of local victims of the Holocaust in Szombathely. He stated, "The government does not tolerate any manifestation of vile ideas and deploys all political and legal means against them in all walks of life."

On July 12, Minister of National Resources Miklos Rethelyi gave remarks at the opening ceremony of the Centropa Summer Academy and emphasized that Hungarian children should be made aware of what happened during the Holocaust. Centropa is a center created for the research and documentation of Jewish life in Central and Eastern Europe during the 20th century.

On September 3, Budapest Mayor Gabor Demszky and Cardinal Peter Erdo attended the naming of a school in Budapest's 12th district. The school was named after Gennaro Verolino in tribute to the Vatican diplomat serving in Budapest during World War II, who saved several thousand Hungarian Jews from the Holocaust.

On September 5, Deputy Prime Minister Zsolt Semjen and Cardinal Peter Erdo attended the opening ceremony of a nearly 150-year-old Obudai Synagogue in Budapest. Israeli Ashkenazi Chief Rabbi Yona Metzger presided over the reopening of the renovated synagogue, which had been used as a public television studio for 50 years.

On November 2, Deputy State Secretary of the Ministry of Foreign Affairs Janos Hovari gave remarks at the opening of a seven-day Holocaust education seminar for educators. This "train-the-trainers" seminar organized by the Budapest Holocaust Memorial Center is the first element of a three-year educational program directed at revising Holocaust education in Hungary. The United States Holocaust Memorial Museum; the Task Force for International Cooperation on Holocaust
Education, Remembrance, and Research; and the Hungarian Ministry of National Resources are the major sponsors of the program.

On November 11, Interior Minister Sandor Pinter and Israeli Ambassador Aliza Bin-Noun distributed Yad Vashem "Righteous Among the Nations" certificates and the Medal of Bravery of the Republic of Hungary to 17 Hungarian families for their active role in rescuing Jews during the Holocaust.

On December 1, at a candle-lighting ceremony marking the start of Hanukkah, Foreign Minister Janos Martonyi stated, "Jewish people must live without fear, in full safety, freedom, and justice."

Section III. Status of Societal Actions Affecting Enjoyment of Religious Freedom

There were reports of societal abuses or discrimination based on religious affiliation, belief, or practice, and prominent societal leaders took positive steps to promote religious freedom. Jewish organizations expressed serious concerns over a perceived increase in the public's tolerance for anti-Semitic remarks in public discourse. The success of the radical right-wing political party, Jobbik, in the April national elections and its representational gains in parliament also raised wide concern, particularly among the Romani and Jewish communities.

On July 6, unidentified people damaged three monuments dedicated to victims of World War II in Szekesfehervar. The vandals poured red paint over separate memorials of soldiers and civilians killed during the war, anti-fascists, and victims of the Holocaust. The police failed to find the perpetrators and closed the investigation on August 28.

On September 1, the Szeged Court of Appeals sentenced a man who murdered his girlfriend in Kalocsa in April 2009 to life in prison. The man, a member of the banned far-right paramilitary group Magyar Garda, stabbed his victim numerous times, carved a swastika into her back, and draped her body in a flag bearing a Nazi symbol.

On November 8, during a parliamentary discussion on the adoption of the EU-Israel Association Agreement, Jobbik chairman Gabor Vona spoke about the "Holocaust Industry" that "unfairly charges Jobbik with anti-Semitism." MSZP President Attila Mesterhazy noted in his remarks that under the law even the "relativisation of the Holocaust" constitutes a crime.
The weekly magazine *Magyar Forum* continued to publish anti-Semitic articles. The official publication of Jobbik, the weekly magazine *Barikad*, continued to publish openly anti-Semitic content. There were also numerous far-right Hungarian language Web sites, many of which were openly anti-Semitic. Nongovernmental organizations (NGOs) reported that the government monitored these publications' Web sites for content, because the law prohibits public display of symbols such as the swastika, hammer and sickle, and red star.

Between July 1 and October 31, the police closed investigations in 136 cases of vandalism or burglary in Jewish or Christian cemeteries.

The Jerusalem-based office of the Simon Wiesenthal Center (SWC) continued to criticize the country for failing to bring Nazi war criminal Sandor Kepiro to justice. Kepiro was convicted in 1944 and 1946 by Hungarian courts for his role in the January 1942 Novi Sad massacre in Serbia in which more than 1,200 persons were killed, most of them Jews; however, his punishment was never carried out. In 2006 Kepiro was discovered living in Budapest by the SWC, and in 2007 the Prosecutor's Office opened a new case against Kepiro after the court ruled that the records related to the verdict had been lost, and thus the sentence could not be carried out. Serbia provided legal assistance to the Hungarian authorities upon their request seeking relevant records and evidence kept in Serbian archives. Investigation of war crimes charges against Kepiro continued during the reporting period. Kepiro's countersuit was dismissed on December 16 by the Pest Central District Court.

Christian churches and the Jewish community continued to organize events under the auspices of the Christian-Jewish Society, which brings together religious academicians for discussions. Religious groups also demonstrated strong willingness to work together across a wide range of areas to achieve common social and political goals.

Section IV. U.S. Government Policy

The U.S. government discusses religious freedom with the government as part of its overall policy to promote human rights. The ambassador and other embassy officials met with prominent religious leaders to discuss religious freedom concerns.

The U.S. government discussed religious freedom with members of parliament, political party leaders, and representatives of local and international NGOs that
address matters of religious freedom. U.S. embassy officers closely tracked anti-Semitic incidents and regularly consulted with leaders of religious groups to assess the threat.

The embassy continued to speak out against anti-Semitism and hate speech and urged all parties to do the same. Embassy officials regularly discussed with the government the issue of anti-Semitic public incidents organized by extremist groups. Throughout the reporting period, the ambassador and other U.S. embassy officials attended various events to honor Jewish culture and commemorate victims of the Holocaust.

On November 2, the ambassador gave remarks at the opening ceremony of a seven-day Holocaust education seminar for educators. The ambassador emphasized the importance of integrating Holocaust education into secondary and university programs and allowing teachers to develop more robust curricula. The ambassador applauded the Budapest Holocaust Memorial Center for launching this three-year educational program aimed at countering hate and intolerance.

On November 9, the ambassador hosted an interfaith dinner in the honor of Greek Orthodox Metropolis of France, Metropolitan Emmanuel. Participants included Apostolic Nuncio Julius Janus, Cardinal Peter Erdo, State Secretary for Church, Civil Society, and Nationality Affairs Laszlo Szaszfalvi, State Secretary for Social Inclusion Zoltan Balog, as well as representatives of local Jewish, Reformed, Lutheran, and Greek Orthodox churches.