



The Hungarian Minority Self-Government System as a Means of Increasing Romani Political Participation

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I. Executive Summary

Report Rationale

Since the onset of Central and Eastern Europe's democratic transition in 1989, the disparity in living standards among Roma and non-Roma has progressively widened. Recognizing the need to close this gap to achieve broader prosperity and stability, most countries have established national action plans and special offices or institutions geared toward Romani political, social, and economic inclusion. While not designed primarily for Roma, or originally intended as a tool for integration, Hungary's minority self-government (MSG) system has become one of the more controversial mechanisms for protecting Romani rights, and promoting civic and political participation.

As other countries consider the use of similar systems, the National Democratic Institute (NDI or the Institute), with funding from the OSCE Office for Democratic Institutions and Human Rights, has assessed the effectiveness of the MSG system in Hungary in regard to its effect on Romani political participation. The Institute conducted this analysis to provide governments considering such measures with information on the system's impact in Hungary. The report also offers recommendations on how the MSG system and other mechanisms can be used to foster greater Romani political inclusion and input into the decision-making processes of national and local governments, one of the goals that the OSCE stated in its action plan on Roma and Sinti.¹ In addition to desk research, NDI anchored the assessment around a week-long trip to Hungary coinciding with the October 1, 2006 MSG elections. NDI's team met with the Office for National and Ethnic Minorities, the Parliamentary Commissioner for the Rights of National and Ethnic Minorities, Roma and non-Roma members of the Hungarian parliament, members of local Romani MSGs, the President of the national Romani MSG, local government officials, and NGO representatives.

Roma are Europe's largest minority, comprising a population of between 8 to 12 million across the continent. Impoverished on a wide-spread scale, they are living largely on the fringes of European society. The current European Union member and candidate states have recognized the need for greater Romani integration and have sought to address this challenge through a variety of different national action plans and special offices or institutions geared toward Romani inclusion.

Hungary was among the first countries to create a system to promote minority rights and its minority self-government offers a unique approach to fostering Romani participation. While some consider it a model for countries with significant Romani populations, many in the international community, and among Roma themselves, say that recent improvements to the system in 2005 have merely tinkered with a fundamentally flawed concept that offers the illusion of political power rather than genuine inclusion.

¹ OSCE Action Plan on Roma and Sinti, Chapter VI Enhancing Participation in Public and Political Life, clause 97. http://www.osce.org/documents/odihr/2003/11/1562_en.pdf

The MSG system in Hungary is not specific to the Romani community and includes 12 additional minority groups. However, NDI focused solely on the Romani minority self-governments, and in particular on how the system affects Romani political participation, due to the significant difference in the size and priorities of the Romani population compared to other minority groups. While other minorities are primarily concerned with protection of cultural and linguistic autonomy, the Romani population faces an almost opposite challenge, needing more integration to combat segregated education, discrimination, unemployment, and problems with housing and healthcare.

Hungary's Minority Self-Government System

Created in 1993, the MSG system in Hungary allows for any of the country's 13² recognized minorities to establish local, regional, and national self-governments. These elected bodies, which are parallel to mainstream institutions, have the right to make decisions in the areas of local education, language use in public institutions, printed and electronic media, and the protection of their traditions and culture. The local MSG representatives have the right to provide input on all public policy matters through guaranteed access to local council committee meetings, though they have no other special rights in this regard. In 2006, 1,118 local Romani MSGs were formed. For an MSG to be created, 30 people in a given municipality from the same minority group must register to participate in the elections.

At the outset, advocates, scholars and policy makers expressed concern about a separate government system for deliberating "Romani issues." Procedural problems also became evident after the creation of the MSGs. At a 1997 conference³ to assess Hungary's MSG system, co-sponsored by the Project on Ethnic Relations, the Council of Europe, the Office of the Prime Minister of Hungary, and the Hungarian National Roma Self-Government, participants identified many problems with system. These included unclear competencies, the lack of differentiation between various minority needs, deficiencies in financing, and voter enfranchisement regardless of ethnic affiliation. This latter problem, combined with abuses related to candidates seeking to represent minority groups to which they did not belong, resulted in cases, such as in the community of Jazsladany, of non-Roma being elected to Romani MSGs by non-Roma voters with the aim of limiting the effectiveness of the MSG.

In 2005, after years of negotiation, the Hungarian parliament passed a set of amendments to the MSG system to address some of these problems. The changes included a clearer

² The 13 groups currently able to establish MSGs are Armenians, Bulgarians, Croatians, Germans, Greeks, Poles, Romanians, Roma, Ruthenes, Serbs, Slovaks, Slovenes, and Ukrainians. Other groups can petition to be added, but must fulfill the following criteria stipulated in the 1993 Act on the Rights of National and Ethnic Minorities: have been living on the territory of Hungary for at least one century; represent a numerical minority of the country's total population, but whose members are Hungarian citizens; and are distinguished from the rest of the citizens by their own language, culture, and traditions, and at the same time demonstrate a sense of belonging together.

³ Report on the conference Self-Government in Hungary: The Romani/Gypsy Experience and the Prospects for the Future, by the Project on Ethnic Relations. Budapest, Hungary. May 9-11, 1997. http://www.per-usa.org/self_gov.htm

definition of the self-governments' competencies and relationship with the local government, as well as the institution of additional transparency and financial oversight mechanisms and a county-level MSG. The revisions also attempted to redress problems of MSGs being 'hijacked' by citizens not belonging to that minority group by requiring that candidates be nominated by a minority NGO and that voters register for the MSG elections by officially declaring their ethnicity.

Main Assessment Findings

While the amendments resulted in improvements to the system, they did not and could not address inherent problems in its design. The MSGs tend to marginalize Romani issues by depositing them in a parallel, fairly powerless, quasi-governmental structure rather than addressing them through established governing bodies. What is most needed in Hungary, as throughout Europe, is the broader promotion of Romani representation in mainstream electoral politics and effective outreach by legislatures and governments at all levels to Romani citizens.

The MSG system is inaccurately named- The local and national MSGs fall far short of the range of competencies that the title 'self government' implies. They lack the authority to take action outside of a very limited scope of issues and function more like NGOs than elected governing bodies. The use of the term 'self-government' is not merely inaccurate, but actually damages the credibility and legitimacy of the entire system among Roma, as it raises unrealistic expectations on the part of constituents regarding what they can accomplish through the MSGs. In truth, the very design of the system prevents it from having a significant impact on issues of greatest concern to most Roma and hinders political integration. This is due in part to the fact that these were not the government's initial aims in creating the system. Rather, its goal was to give minorities a safeguard for preserving their distinct cultural and linguistic traditions, and in the opinion of many whom NDI interviewed, to provide the means for encouraging neighboring countries to allow Hungarian minority communities the same privilege. Governance over socio-economic policy was never the intention.

The MSGs are inadequately funded- Particularly on the local level, MSGs lack adequate funding to carry out either socio-cultural projects, per the system's original intent, or additional projects to improve the living standards of community members. With a budget of approximately \$3,000 per year, with no consideration for the size of the town or Romani population, MSGs can not cover even a modest stipend for a part-time employee to coordinate the work of its elected representatives or implement projects. Among their activities, MSGs are permitted to run businesses and are charged with distributing scholarships, which have the potential to be a source of manipulation and misuse of funding, though NDI did not uncover evidence to confirm this type of abuse during its desk research or time in Hungary.

The MSGs have operational flaws- The MSG system also exhibits flaws in its practical implementation. During its assessment, NDI heard many complaints that both the national and local MSGs were not engaging in adequate outreach and as a result were not

in touch with the priorities of local Romani communities. This has further decreased legitimacy of the system among Roma, which in turn has lowered the credibility of the MSGs in their interactions with local governments. The relationships between MSGs and local governments vary widely from constructive to obstructive, with the level of cooperation generally corresponding with the history of ethnic relations in the area.

The MSG electoral system could benefit from reform- Despite the amendments in 2005, many problems remain with the MSG elections. Lack of voter education and registration, segregated polling places, and required declaration of ethnicity are all problematic. While the amendments may have resolved the previous problem of non-minorities "hijacking" the MSG system, they also seem to depress voter turnout and further de-legitimize MSG representatives who are elected by only a fraction of their community's voters.

Recommendations

While recognizing the inherent shortcomings in the design of the system as relates to Romani integration, NDI has offered some recommendations on how to improve the MSGs and Romani political participation more generally, based on current MSG structure and practice. These recommendations should not be viewed as solutions to these central problems, nor as an endorsement of the continuation of the MSG model, but rather as a means to improve the current system if it is to remain in place. Recommendations include the following:

To foster greater Romani political inclusion- A greater emphasis should be placed on recruiting more Roma to work for and partner with the local and national governments, join political parties and run as candidates for mainstream governing bodies. Romani NGOs should also play a larger role in monitoring the policies of local and national governments and use the MSGs as partners in carrying out this effort.

To increase the capacity of minority self-governments- The local and national MSGs can do more to increase their efficiency and confidence among the Romani and mainstream political communities. Most notably, these include improving their policy development capacities by recruiting more experts to serve on the committees of the MSG and increasing their outreach to constituents through more public events and visits to Romani communities. MSG members could benefit from governance training and increased interaction with their counterparts in neighboring regions. Increased financing for local MSGs, particularly in larger towns, should be considered.

To improve the electoral process for the minority self-governments- Relevant authorities should consider improvements to the electoral system for the MSG elections including reinstituting a single polling station for the mainstream and MSG elections, introducing the direct election of county and national MSG representatives, and lengthening the voter registration period. Increased efforts to promote registration and voter turnout should be encouraged.

II. Methodology

NDI's assessment consisted of desk research and data collection, followed by a week-long trip in Hungary anchored around the October 1 minority self-government elections. During the mission, NDI's assessment team met with Hungarian government officials including representatives of the Office for National and Ethnic Minorities and the Office of the Ombudsman, Roma and non-Roma politicians, members of the national and local MSGs, and civil society representatives.⁴ In addition to Budapest, the team traveled to other cities in north-eastern Hungary including Miskolc, Jaszladany, Salgotarjan, Eger and Debrecen to conduct interviews.

NDI's assessment team included the following individuals:

- Zuzana Dzurikova- Ms. Dzurikova, who led the assessment team, is NDI's Roma program director in Slovakia and has worked for the Institute in Slovakia and Montenegro since 2000. Dzurikova has worked extensively with Roma candidates prior to local, regional and parliamentary elections in Slovakia. Prior to NDI, Dzurikova was the co-founder of *Obcianske Oko*, a domestic Slovak election monitoring NGO, and is a lawyer by trade.
- Martin Demirovski- Mr. Demirovski is currently a political advisor to Els de Groen, a Dutch Member of the European Parliament. Previously he has served as a Roma Officer to the OSCE mission in Bosnia and Herzegovina and a consultant to the OSCE ODIHR in Warsaw. He began his involvement in the Roma movement as the founder of the first Roma youth organization in Macedonia *Anglunipe* and later as a local monitor for the European Roma Rights Center.
- Catherine Messina Pajic- Ms. Pajic, NDI's Deputy Director of Central and Eastern Europe, participated in the Budapest portion of the assessment. Pajic has more than 20 years of experience in democracy development work in Central and Eastern Europe and was instrumental in the creation of NDI's regional Roma initiative.
- Alice Ratyis- Ms. Ratyis was formerly NDI's political party program manager in Romania, and has served as a political consultant to both mainstream and minority parties throughout Central and Eastern Europe. Ratyis is currently an advisor to the speaker of the Romanian Parliament and is fluent in Hungarian.
- Megan Volk Unangst- Ms. Unangst is the Washington-DC-based manager of NDI's regional Roma political participation program. Unangst has been involved with NDI's Roma program since its inception and has traveled extensively throughout the region. She also has experience working on political campaigns in the United States.

This report is based largely on information gained through desk research and discussions with a variety of individuals active on Romani issues in Hungary. Given the lack of information on the activities of the MSGs and data sorted by ethnicity (this is illegal by Hungarian law), many of the conclusions in this report are based on anecdotal evidence and the Institute's observations.

⁴ A full list of NDI's meetings is included as an attachment to this report.

III. History of the Minority Self-Government System

Hungary's Roma Population

While Hungary has made great strides in its democratic development and citizens have seen an increased standard of living, like most countries in Central and Eastern Europe, Hungary's Romani population has largely been left out of the post-communist transition. As a result, the gap continues to widen between the overall material gains seen in Hungary since 1989, and the stagnant socioeconomic advancements among the Romani population. Human Rights Watch estimates that unemployment rates for Roma are more than 10 times higher than for non-Roma and that in some communities unemployment is close to 100 percent.

In Hungary's 2001 census, 189,984 people (or 2 percent of the general population) self-identified as Romani. However, NGO estimates place the figure between 400,000 and 900,000 (4 to 9 percent of the population), with most estimates close to 600,000. Using even the most conservative census figures, Roma comprise the largest minority in Hungary, with a population significantly larger than the country's second largest minority, the Germans (62,105 or .06 percent of the general population⁵). While Hungary's Romani population is spread throughout the country, Roma are typically concentrated in economically depressed communities, particularly in northeastern Hungary.

As with the Romani population throughout the world, Roma in Hungary are not one homogenous group. Most Roma identify themselves as belonging to one of the following three groups: Romungro, Vlach (or Olah/Olach), or Beash. While Beash Roma speak an archaic form of Romanian and Vlachs a dialect of Romani, the large majority of Roma from all three groups speak Hungarian fluently, and for many Hungarian is their first language.

Hungary has become sharply divided politically in recent years and Roma have not been immune to the polarization. Most Romani political parties and NGOs allied with the parties of the right or left. For example, the largest Romani party, *Lungo Drom*, is in close partnership with Fidesz, while the National Forum of Roma in Hungary (NFR), has been closely affiliated with the Hungarian Socialist Party (MSzP). However, in the 2006 local elections, the NFR did not sign a coalition agreement with the MSzP leaving open its potential political partnerships.

Roma in Hungary have had more success gaining representation on the national and international level than in other countries in Europe. Hungary currently has three Romani MPs in the national parliament representing Fidesz and had four in the previous parliament (three represented Fidesz and one the MSzP) elected in 2002. The 2002 parliamentary elections marked the first formal agreement between a major political party

⁵ 2001 Hungarian census

in Hungary (Fidesz) and a Romani party (Lungo Drom).⁶ The European Parliament has only two Romani members are from Hungary, Livia Jaroka of Fidesz and Victoria Mohacsi of the Alliance of Free Democrats (SzDSz).

The Creation of the Minority-Self-Government System

Created in 1993 as part of the Act on the Rights of National and Ethnic Minorities (hereafter referred to as the Minority Act), the MSG system allows for any of Hungary's 13 recognized minority communities to establish local, regional (added to the system through a 2005 amendment), and national self-governments. These bodies have the right to make decisions in their own spheres of authority within the areas of local education, language use, printed and electronic media, and the nurturing of their traditions and culture. In addition to establishing the MSG system, the Minority Act details the individual and collective rights of minorities and establishes mechanisms to protect minority rights such as the creation of the Office of the Ombudsman for National and Ethnic Minority Rights and the ability of local minority communities to choose spokespersons.

The government's stated purpose for creating the Minority Act was to assure the cultural autonomy of minorities and to fulfill international obligations regarding the protection of minority rights. However, another important factor in the development of the act was Hungary's desire to protect the rights of the large number of ethnic Hungarians living in neighboring countries. By developing the MSG system and other minority institutions, the government hoped to build leverage that it could use in bi-lateral negotiations with neighboring states on guaranteeing the rights of Hungarians abroad.

The Growth of the MSG System

Since its creation, the number of local Romani MSGs has steadily risen. In the first MSG elections in 1994, 477 Roma local MSGs were created. This figure rose to 771 in 1998, 999 in 2002 and 1,118 in 2006. This trend is true for other minority MSGs, with the exception of the Poles, Serbs and Slovenians. The total number of MSGs increased from 1,843 in 2002 to 2,045 in 2006. For an MSG to be created, 30 voters in a given town must register to participate in the elections. Prior to the 2005 amendments to the system, an election for a new MSG could be called if requested by at least five voters of the same minority in one municipality. The number of national MSGs has stayed constant with one MSG per recognized minority group.

This growth in the MSG system has taken place despite critiques of the system by many Romani activists. This paradox is likely the result of activists realizing that despite its shortcomings, the system is likely to remain in place for the foreseeable future, and offers some limited tools that can be used to try to improve their communities. Some candidates may also be motivated to create an MSG to gain influence within the community and benefit from the privileges that it could provide.

⁶ For more information on the 2002 Parliament Elections in Hungary please see OSCE/ODIHR's election report. http://www.osce.org/documents/odihr/2002/06/1430_en.pdf

Amendments to the System in 2005

Almost immediately following the start of the MSG system there were calls from minority representatives, politicians, and the National Ombudsman for National and Ethnic Minorities for comprehensive reform to address such shortcomings as unclear competencies and deficiencies in the financing system. Subsequent election cycles highlighted abuses related to the fact that neither candidates nor voters had to be affiliated with the minority group represented by a given MSG. In some cases, non-Roma were elected to the Romani MSG by non-Roma voters to limit the effectiveness of the MSG. Although the MSGs of other ethnic minorities were also abused in this way, the problem appeared to occur more frequently with respect to Romani MSGs.

The most extreme and well-known case of such abuse was in Jaszladany. A group of non-Roma, led by the wife of the mayor, ran as candidates for the local Romani MSG because it had been blocking the creation of a new private school for non-Roma children, which would increase segregation. Thanks to non-Roma votes, the mayor's wife and her allies were elected to the Romani MSG and the school was created.

In 2005, the Hungarian parliament attempted to address some of these issues by adopting a new law amending the Minority Act and other related legislation affecting election procedures for local and MSG elections. The amendments had been under consideration since 1996 and, according to Hungary's Ombudsman for National and Ethnic Minorities, it would not be an exaggeration to claim that since the regime change in Hungary, there has been no law whose creation was preceded by such lengthy drafting work.⁷ Revisions to the 1993 act seek to define more clearly the self-governments' areas of competencies, specify their scope of authority, and regulate the relationships between municipal governments and their minority counterparts. The revisions also attempt to redress problems of representation through the establishment of medium-level self-governments, the institution of stringent requirements for parties wishing to represent a given minority, and the creation of a registration list of minorities to prevent undue influence by non-minorities.

The most significant of the amendments made in 2005 include the following:

Registration requirements- Ethnic minority voters must now register with the local election office to participate in minority self-government elections. As part of the registration process the voters must explicitly state that they are members of a given minority community. To protect personal data, the access to this voters list is limited, and the list is destroyed after the results of the election are made final. Voters must re-register prior to each election. The registration deadline is approximately three months prior to the election date. After this time a person can not be added to the list. In the registration process ethnicity is self-proclaimed and can not be challenged. There are no legal penalties outlined for falsely registering as a minority.

⁷ 2005 Annual Report of the Activities of the Parliamentary Commission for the Rights of National and Ethnic Minorities.

Given sensitivities regarding Romani persecution in the Holocaust, much controversy has surrounded this amendment. The Ombudsman originally proposed that Roma register with their local MSG instead of with the local election office. The government accepted this recommendation but in parliament, Fidesz (whose support was necessary to secure the needed super majority) successfully advocated for the registration to be conducted by the local election office.

Candidate nomination- Candidates must now be exclusively fielded by minority civil society organizations that have been in existence for at least three years and whose statutes identify the organization as representing the given minority.

Introduction of Separate MSG polling places- Beginning in 2006, voters had to vote in one polling station for the MSG elections and another for the mainstream local elections. Separate election commissions were created for the MSG elections, to which the sitting MSG has the right to nominate members. Previously, all voters went to one polling place and received two ballots, one for the local elections and one for the MSG elections.

Establishment of county level MSGs- County MSGs consist of nine members elected by the local MSGs through an electoral list system. The county MSGs have the right to provide input on draft resolutions of the county assembly (or the government of the capital city) which affect minorities. They also have rights related to the management of minority education.

Increased specificity of MSG roles, responsibilities and oversight- While not addressing all the shortcomings of the initial law, the amendments provided needed clarification of the roles and responsibilities of the local and national MSGs, as well as significant financial oversight for the national MSG. Among the amendments were the following key provisions: a legal definition of the term “minority public affairs” thus further defining the mandate of the MSGs by specifying the areas in which they can act; regulations regarding the compensation of MSG representatives; rules regarding the functioning of the MSGs related to calling sessions, proposing resolutions, taking minutes, and establishing committees; and additional financial oversight through audits and greater transparency through the publishing of financial reports.

Removal of the minority beneficial mandate- Prior to 2005 a beneficial mandate existed to help minorities gain representation in local councils, which would otherwise be difficult in Hungary’s first-past-the-post electoral system. According to the original regulations, in settlements with populations under 10,000, which use a party-list system, a minority candidate for the local council could gain a seat if he/she received more votes than half of the smallest number of votes required to gain a mandate. In towns with a population of more than 10,000, which use a mixed election system, a minority candidate could gain a seat on the local council by receiving 25 percent of the votes that would otherwise be needed. This beneficial mandate in both systems could be invoked if no representative of that minority was elected in the general election. The Constitutional

Court found this law to be constitutional. Approximately 70 percent of Romani local councilors were elected through this beneficial mandate.⁸

In the 1998 and 2002 local elections, some non-minority candidates ran as minorities to increase their chances of being elected. In an effort to stop this abuse, the beneficial mandate system was changed in 2005, as part of the bill amending the MSG system. The new regulation stated that the member of the local MSG who obtained the highest number of votes in the MSG elections would become a member of the local council with full powers.

While the Act was passed by parliament, the President of the Republic did not sign it due to concerns that the changed beneficial mandate system was unconstitutional. The constitutional court agreed and struck down that portion of the act dealing with the beneficial mandate. The Court's rationale was that "the regulation is not the only possible solution for ensuring the representation of minorities, it differs from the principle of equality of election law stated in the Constitution, restricts the fundamental right to be elected into the representative body of those citizens not affiliated to a minority, and furthermore is not in line with the requirement of democratic legitimacy following article 2 of the constitution."⁹

Ironically, as a result of the amendments and court ruling, currently no beneficial mandate exists. After the Constitutional Court's decision there were efforts by ministries, members of parliament and representatives from minority groups to decide on a new structure for a minority beneficial mandate, but they have yet to reach an agreement.

IV. The 2006 Local Minority Self-Government Elections

The MSG elections on October 1, 2006 were the first to be carried out under the new regulations. During the registration period, which ended on July 15, 106,341 Roma registered to participate in the elections, comprising more than half of the total number of people included in the voters' register for all participating minorities (in total, 199,806 people registered). Census figures put the Romani population at 190,000, though many sources estimate it to be closer to 500,000 to 600,000. While it is hard to estimate what percent of Roma registered, using a Romani population figure of 500,000¹⁰ and estimating that 60 percent of those are of voting age¹¹, then approximately 35 percent of eligible Roma registered to vote. Of those Roma that registered, 63,655, or approximately 21 percent of those eligible, voted.

⁸ 2005 Annual Report of the Activities of the Parliamentary Commission for the Rights of National and Ethnic Minorities.

⁹ 2005 Annual Report of the Activities of the Parliamentary Commission for the Rights of National and Ethnic Minorities.

¹⁰ This figure is an approximation based on estimates by NGOs such as Human Rights Watch, as well as a study conducted in 2005 by Demos Hungary.

¹¹ The last Hungarian census indicated that of those people that registered as Roma, 59.7 percent were 18 or older.

The Office for National and Ethnic Minorities organized approximately 100 public meetings throughout Hungary and made announcements on radio and television stations to explain the registration process to voters. Other than this work, and efforts by the local and national MSGs, there were minimal efforts to encourage voter registration.

During a meeting with NDI, the president of the National Romani MSG, Orban Kolompar, expressed his satisfaction with the number of Roma registered, asserting that the National MSG worked hard to encourage the registration of as many voters as possible. Many of the Romani representatives whom NDI met on the national and local level believed that the requirement to declare one's ethnicity kept many people from registering, and that registering with the local MSG instead of the local election office would have increased participation.

Local registration campaigns varied widely. In some of the towns NDI visited, such as Eger and Miskolc, the percentage of Roma registered was very low. In some towns the MSG council was elected by fewer than 100 voters. In its assessment NDI did not learn of any NGOs running non-partisan campaigns to encourage voter registration. The Institute heard concerns that the incumbent candidates were the only ones working in this regard and were not conducting far-reaching registration campaigns because it was in their interest to have a low number of voters whom they knew would support their bids for re-election. The Institute also heard of instances of invalidation of registration forms because they had been filled out incorrectly. Some voters filled out the forms using their nickname, or the name they commonly go by, rather than their officially registered name.

In the 2006 elections many of the Romani MSG candidates were sponsored by one of two Romani NGOs, *Lungo Drom* and the National Forum of Roma in Hungary. *Lungo Drom*, which is affiliated with Fidesz, nominated 2,668 candidates and the National Forum of Roma in Hungary nominated 2,389 candidates. The national and county minority self-governments will be elected in March 2007 by new local MSG representatives.

While the registration process greatly limited the number of non-minorities voting for MSGs, abuses were still apparent. According to the Office for National and Ethnic Minorities, there have been complaints that some citizens still registered falsely as minority voters or issued false declarations to qualify as minority candidates. Some minority NGOs fielded non-minority candidates for the local MSG elections because they wanted more electors for the national MSG elections (the national MSG is elected by all local MSG representatives). While there are no stated penalties for these violations, the minority ombudsman and the president of the Office for National and Ethnic Minorities are of the opinion that violators could be brought before the court for electoral fraud and forgery of documents. However, to date, the courts have refused applications for remedy in cases where complaints were made in regard to candidates falsely declaring their ethnicity. The Ukrainian National MSG has filed a court case for such violations, and the Romanian MSG has lodged an official complaint to the ombudsman.

It appears that the removal of the beneficial mandate, which enabled minority candidates to be elected to local councils with fewer votes, had a severe impact on the number of Roma elected in 2006. While the exact number of Romani local councilors is hard to ascertain due to data protection laws, there was a significant decrease from 2002 to 2006. In 2006, 51 Roma were elected as local councilors on behalf of Roma parties and NGOs such as *Lungo Drom* and the National Forum of Roma in Hungary. NDI could not find data on the number of Roma elected with mainstream parties, but apart from cooperation between Romani organizations and mainstream parties, such as the *Lungo Drom/Fidesz* partnership, NDI identified little cooperation between parties and Romani activists. In 2002, in large part due to the beneficial mandate, 545 Romani local councilors were elected according to the National Office for Ethnic and National Minorities.

V. The Functioning and Structure of the Local Minority Self-Governments¹²

The Role of Local MSGs

The local MSGs are set-up as parallel institutions to the local councils. While the Minority Act clearly states that MSGs are not subordinate to municipal governments, in many settlements the MSG is heavily dependent on the local government. This is due in part to the fact that MSGs do not have an independent administrative infrastructure and rely on the local government to provide for their operational needs.

The MSG system was created to provide minorities with a mechanism to protect their cultural heritage and language use. The 2005 amendments to the MSG system kept to this scope of activity, but they provided more clarity on the rights and responsibilities of the MSG, as well as the local governments. The local MSGs have the right to ñconduct minority public affairs¹³ñ individually or in cooperation with state organs; approve any municipal government decree related to local media, education, the promotion of local traditions and culture, and language use; and appoint the heads of minority institutions. The municipal government may also transfer additional competencies to the local MSGs, upon the request of the latter. Some powers can not be transferred, such as duties in the field of public utilities.

¹² Unless otherwise noted, information in this section is from the amended version of the Republic of Hungary's Act LXXVII on the Rights of National and Ethnic Minorities which entered into force on November 25, 2005.

¹³ The 2005 amendments to the Minority Act defined minority public affairs as ñan affair related to the provision of certain public services to those belonging to minorities in the interest of the enforcement of individual and collective minority rights enshrined in this Act and the voicing of the interests of persons belonging to national ethnic minoritiesñ particularly in the field of the preservation, the safeguarding and the enrichment of the mother tongue as well as the implementation and the preservation of the cultural autonomy by minority self-governmentsñ and connected to the independent management of these issues and to the creation of the organizational, personal and financial conditions necessary for this purposeñ.

The Structure of MSGs¹⁴

The five elected members of the MSG comprise the MSG board and from among themselves they elect a president and vice-president. The board must meet a minimum of four times a year, and hold at least one public hearing annually. Sessions must be called if requested by two or more members of the board or by one of the MSG's committees. Decisions of the board are made by simple majority.

The MSG has the power to create committees to deal with specific issues. At least half of the committee must be MSG board members, and the committee must be chaired by an MSG member other than the president or vice-president. Other committee members need not be elected members of the local MSG. The board may delegate responsibilities to its committees and allow them to make decisions that are then reviewed by the main board. Local MSGs also have the power to form associations with MSGs in other municipalities and transfer some of their responsibilities and funds to the association.

The Funding of MSGs

The local MSGs have extremely limited budgets. Each MSG receives the same amount of money, regardless of the size of the town or its minority population. The annual budget of local MSGs in 2006 was 640,000 Hungarian forints (HUF)--approximately \$3,000 each. According to the 2005 annual report of the ombudsman for minority issues, the funds to MSGs were decreased by 10 percent for 2006, further limiting the amount of work the bodies can carry out. The funds are allocated by the central government, but the municipal government acts as the executive organ for the economic activity of the MSG and is responsible for distributing its funds (though it has no right to refuse funds or dictate their use). The MSGs can pursue external funding for projects from other sources such as the municipal government, national government, national MSG, or NGOs, though many do not. They also have the ability to create businesses and use the profits to fund their activities so long as the activity does not jeopardize the conduct of its duties under the law.¹⁵ The most common source of extra funds is grants from the municipal government to conduct small projects related to employment, healthcare and education. While the municipal government must provide the use of their premises for the operation of the local MSG and cover the costs of mailing, delivery, typing and copying, the small budgets of the local MSGs severely limit their potential to conduct activities.

Local MSGs have the ability to determine the financial compensation for board and committee members, which can be paid from the MSG's annual allocation from the state or other funders. To prevent the misuse of funds, the government included salary regulations among the 2005 amendments to the Minority Act. The honorarium of the local MSG president can not be higher than triple the base salary of civil servants. The honorarium for the vice-president must be lower than that of the president, and the board members' compensation can not be more than 25 percent of the president's honorarium.

¹⁴ Hungary's Act LXXVII on the Rights of National and Ethnic Minorities, Article 30/E,H and I

¹⁵ Hungary's Act LXXVII on the Rights of National and Ethnic Minorities Article 30/A (6).

In NDI's meetings with minority self-governments, many representatives indicated that, due to limited funds, they do not receive compensation.

The Functions of Local Minority Self-Governments

Advisory Capacity and Relationship with Local Governments

In the interest of conducting minority public affairs, the local MSG may initiate measures to be taken by, ask information from, and make a proposal to, state organs and municipal or regional governmental bodies with the appropriate powers and competence.¹⁶ That government office must deliver a judgment or issue a statement within 30 days of receiving the request.

For other issues outside this scope of work, the president of the MSG is entitled to the right of consultation in the sessions of the local council, though he is not given other special rights in this area. As previously stated, the local council can choose to delegate authority on other issues. However, in many communities the MSG representatives lack the experience or skills to provide concrete policy suggestions or an in-depth analysis of legislation. In the converse, the local MSG must invite the municipal government chief administrator to its meetings.

Representative Capacity

MSGs are obliged to conduct at least one public hearing per year. Through its assessment NDI learned of some MSGs that held such events on a more regular basis, but on the whole, MSG-organized public hearings do not appear to be widespread. NDI did not observe or hear of significant efforts by MSGs to conduct constituent outreach to educate citizens about the work of the MSG, or to solicit their input on policy issues. In some towns, when citizens approached the MSG with problems related to unemployment, housing and discrimination, the MSG played a role in negotiating with the local government, company or institution to try to find solutions to these problems. However, based on conversations and observations during the assessment mission, NDI noticed that local NGOs seemed more active and in touch with the needs of the local community than the MSGs.

Project Implementation Capacity

Depending on the skills and motivation of the members of the MSGs there is a wide range in the activities and services they provide. By law, the local MSGs do not have to conduct any projects or provide any services. Those projects that are carried out are most often small scale initiatives related to education, unemployment, healthcare and community clean-ups or cultural activities (i.e., many of these activities are in areas that technically, are supposed to be addressed by municipal governments). Greater and more carefully targeted activity of local MSGs might be fostered with more resources and better training and capacity-building for MSG members.

¹⁶ The amended version on the Rights of National and Ethnic Minorities, article 24/E

Transparency and Accountability/Oversight

The amendments of 2005 significantly strengthened the transparency of the operations of MSGs. Sessions are open to the public and minutes must be submitted to the administrator of the mayor's office, who then must forward them to the office of the public administration within five days. The minutes must be compiled in Hungarian, as well as the minority language if desired. Closed sessions can be called for purposes of elections, appointments, dismissals, the granting of a mandate of leadership, the launch of disciplinary procedures, and the impositions of disciplinary, though for closed meetings minutes must still be taken, with information related to the above exemptions removed from the public copy. All MSG resolutions must be passed by open voting with the exception of the cases listed above.

The revised Minority Act also prohibits against conflict of interest, specifying that if a board or committee member is personally affected by a matter the board is debating he/she is obligated to inform the board. The other board members must then vote on whether the member in question should be excluded.

The head of the office of the public administration for the county serves as legal control of the local and county MSG, examining the decisions of the MSGs solely from a legal point of view. The head of office must inform the MSG of any infringement of the law and offer a timeline in which the problem must be corrected. If the MSG does not meet the timeline, the head of office can initiate a judicial review of an illegal resolution, assemble the board to ask them to address the issue, file a lawsuit, and/or ask the National Audit Office to monitor the financial activities of the MSG.

Financial oversight mechanisms are in place for local MSGs, though they are not as stringent as those of the national MSG, which are described later in this report. The Act of Public Finances shall apply to companies, in which the local minority self government possesses the majority of shares and the business activities of the MSGs are supervised by the National Audit Office. Each national MSG must hire an internal auditor who is tasked with monitoring the activities of the local and county level MSGs, though this is a large task given that there are more than 1,000 local Romani MSGs.

Public confidence in MSGs

From NDI's observation and desk research, public confidence in local Romani MSGs is low. Few people understand the role of the MSGs, and know little about their activities. The use of the term "self-government" is confusing to citizens, leading many to believe that the MSGs have broader competencies than they do. This creates disillusionment among Roma and damages the legitimacy of the MSGs in the eyes of the Romani public. In some towns the MSGs have a low level of credibility due to the election of representatives without adequate education and skills to carry out their duties effectively. Many citizens have more trust in local NGOs and believe that they are doing more to improve their daily lives. The credibility of MSGs in many towns is further damaged due

to low registration, resulting in MSGs being elected by a very small segment of the community.

VI. The Functioning and Structure of the National Minority Self-Government¹⁷

Role of the National MSG

The role of the national MSG as stated in the Minority Act is to protect the rights of the minority it represents on the national level and on the regional level if the minority does not have a county-level government. The national MSGs have the right to establish businesses and to oversee the activities of minority institutions such as television and radio stations, secondary education institutions, theatres, museums, libraries, and publishing houses.

The national MSG must consent to all legislation on the pre-school, primary, and secondary education of those belonging to the minority it represents and the preservation of historical settlements and monuments of minorities, as well as all government decrees on the implementation of the Act on Public Education. According to the Minority Act, the national MSG also has the right to: state its opinion on bills affecting the minority represented and on Hungary's implementation of bilateral and multilateral agreements related to minorities; publicize information about the minority voters register; seek information from and submit proposals to public administrative bodies about issues concerning minority groups; and cooperate with state bodies in the supervision of primary, secondary and higher education of the minority it represents. Municipal governments may delegate additional responsibilities to the national MSG, through an agreement between both bodies.

The Structure of the National MSGs

The national MSG is made up of 53 members who form the general assembly, which must meet at least four times annually. These members are elected by the representatives of the local MSGs. The members of the national MSG then elect a president and deputy president(s) at the national MSG's statutory assembly. Each national MSG determines how many deputy president positions it will create. The current Romani MSG has two deputy presidents.

The national MSG has an office in charge of daily operations, which prepares and implements its resolutions. The national MSG must also create a financial committee, which is tasked with giving its opinion on the annual budget and annual and semi-annual reports, tracking transactions, and providing input into financial decisions. The Romani national MSG has also created an additional 11 committees focusing on a variety of

¹⁷ Unless otherwise noted, information in this section is from the amended version of the Republic of Hungary's Act LXXVII on the Rights of National and Ethnic Minorities which entered into force on November 25, 2005.

policy issues. Similar to the local MSGs, the national MSG can transfer many of its responsibilities to the MSG president, committees, or the association of self-governments.

In addition to these mandatory institutions stipulated in the Minority Act, the Romani national MSG has invested much effort into creating a regional network of 20 county bodies, 4 regional centers, and coordination points in 168 localities. In addition to this network, the president, deputy president, and representative of the national self-government may take part in the sessions of local MSGs.

The Funding of National MSGs

Each national MSG receives an equal annual budget from the central government, regardless of the size of the minority group. Thus, Roma, the largest minority group, receive the same amount of funding as Armenians, the smallest group. In the 2001 census, 1,165 people self-identified as Armenian, as compared to more than 200,000 people that self-identified as Roma (conservative estimates place the Roma population at half a million). In 2006, each national MSG received a base amount of 280 million HUF (approximately \$1.3 million) each for its operational and program expenses. In addition to this, the government must provide 150 to 300 square meters that can be used for the offices of the national MSG. A national MSG can receive additional money from the state if it runs cultural and educational institutions. Similar to the local MSGs, the national MSG can accept grants from external funders for its activities.

The national MSG also has the ability to run businesses and use their profits to fund activities, provided that these enterprises do not affect the conduct of minority public affairs. The Minority Act includes regulations outlining the reporting on these, and government funds which are detailed in the transparency and oversight portion of this section.

Similar to the local MSGs, the amendments in 2005 to the Minority Act instituted salary regulations for members of the National MSG. Each MSG can set its own compensation policy, but must abide by the following parameters: the president can not receive more than ten times the base salary for a civil servant; the deputy presidents can not receive more than eight times the base salary for a civil servant; committee chairs can not receive more than six times the base salary for a civil servant; and general assembly members can not receive more than two times the base salary for a civil servant.

The Functions of the National MSG

Advisory Capacity and Relationship with the National Government

In addition to issues of education and cultural preservation, on which the National MSG must be consulted, the NMSG has the right to give its opinion on legislation in other areas. The president of the Romani national MSG indicated that this cooperation with ministries takes place through regular meetings and the submittal of policy papers,

though the quality of cooperation depends largely on the individuals in power. During the assessment, NDI could not identify any concrete legislative initiatives that were created as a result of this cooperation. This could be partly due to the fact that the members of the national MSG do not have the necessary training or topical policy expertise to prepare strong policy papers or conduct impact assessments of legislation and partly due to a lack of receptivity on the part of the government.

Representative Capacity

While the national MSG has created a nation-wide network of contact points, NDI heard many complaints that the national MSG is not sufficiently in touch with local communities. This problem is likely exacerbated by the fact that representatives of the national MSG are not directly elected, and do not represent a particular constituency. As far as NDI is aware, members of the national MSG receive no significant training on public outreach and constituency services.

Project Implementation Capacity

Through its annual budget from the central government and proceeds from its business ventures, the national MSG can choose to fund projects of the local MSGs and other NGOs. From the information NDI received during its assessment, the national MSG has placed most of its recent efforts into voter registration for the MSG elections and the creation of its national network. The small staff of the national MSG limits the amount of direct program activity and local program monitoring it can conduct.

Transparency and Oversight

The amendments in 2005 provided much needed financial oversight of the national MSG. The economic activities of the national self-government and the use its government subsidies provided by the State are supervised by the National Audit Office. The MSG must hire its own internal auditor, as well as contract a legally-registered budget auditor. The national MSG must publish its budget and statutes in the official gazette of Hungary and on its website, and its annual cash flow report in the Gazette of Interior Affairs and the Gazette of Businesses. In its financial reports, the national MSG must state which proportion of its income was spent on operational expenses and which on conducting minority public affairs. In addition, the income and expenditures of the entrepreneurial activities of the national MSG must be registered separately and included in the annual report. To prevent conflict of interest, the representatives of the national self-government must declare their assets.

Similar to the local MSGs, the head of the office of public administration is charged with ensuring the legality of the national MSG's operation and legislation. If the head of office becomes aware of an infringement of the law, it is his/her responsibility to notify the national MSG and set a deadline for it to rectify the situation. If the deadline passes and inadequate action has been taken, the head of office may initiate a judicial review if the infringement is due to legislation, can call a meeting of the national MSG to discuss

ways to address the issue, pursue a lawsuit, or ask the National Audit Office to monitor the financial activities of the MSG.

Public Confidence

Similar to the local MSGs, Romani voters do not seem to place much trust or confidence in the national MSG. Few Roma appear to understand the competencies of the national MSG, nor do they know about its activities. Past internal disputes within the national MSG have led to disillusionment with the institution. However, the requirement that the government consult the national MSG on issues related to education, language and cultural autonomy helps to build its legitimacy on the national level among government officials and the public.

VII. Conclusions

The Design of the MSG System

Competencies. Hungary's MSGs fall short of living up to their name as a self-government. They lack the authority to take action on problems outside of a limited scope of issues and have minimal funds to address the needs of their constituents. The use of the term "self-government" is not only inaccurate, but harms the credibility and legitimacy of the MSGs among their constituents. Because of this term, Roma often approach their MSG expecting assistance related to a broad number of issues including housing, employment, discrimination and utility services. This problem is often exacerbated by many local governments which send Romani constituents to their minority self-government to seek help in areas where the MSG has no mandate. As a result, citizens often find no answer to their questions or requests and emerge from the process disillusioned with both their Romani and mainstream representatives.

This lack of authority leaves MSGs as a "half-way house" between a government institution and an NGO, with an undefined, under-funded mandate. Other than very limited government funding and the right to consent in issues of education, language, and cultural preservation, the MSGs have few advantages over NGOs. In fact, those MSGs that have the greatest impact function much like a local NGO, securing outside resources for small-scale projects.

Candidate registration. Despite being elected bodies, in the amended MSG system, political parties have no role in fielding candidates. The requirement that minority NGOs must nominate candidates was instituted to ensure that candidates were indeed representatives of the minority they were claiming to represent. While this decreased the number of non-Roma running as Roma, it resulted in the MSG system functioning even less like a political or governmental institution, prompting the question among those interviewed by the assessment team of why the MSGs are elected bodies.

Policy Development. The MSG system creates a parallel structure that separates and sidelines "Romani issues" from mainstream political debate. Instead of addressing policy

questions related to education, housing, unemployment, discrimination, and other issues that disproportionately affect Romani communities, local councils often try to transfer these concerns to the realm of the minority self-government, which does not have the means to effectively address them. This has two effects. First, it sidelines Romani constituents who don't enjoy the same access to their duly elected local representatives, and second, it leaves important issues unresolved.

Financing. The local MSGs do not have adequate funding to carry out any significant projects. With a budget of approximately \$3,000 per year, regardless of the size of the town or Romani population, each MSG can barely cover modest stipends for its elected representatives, let alone the salary of an employee to coordinate the work of the board, or carry out activities. As a result, most MSGs serve primarily as an advisor to the local government, a job that could just as easily be filled by local NGOs.

Potential for Corruption. The ability of the local and national MSGs to create businesses, the need for NGOs to sponsor candidates for elections, and the MSGs' distribution of a large number of scholarships all open the door to the possibility of corrupt practice. The multiple financial safeguards on the national level help to prevent this behavior, but these oversight mechanisms are not as stringent on the local level and could be strengthened.

The Minority Self-Government in Practice

Inadequate outreach. Throughout its assessment, NDI heard complaints that both local and national MSGs were out of touch with the needs of grassroots communities and that local NGOs were often better at representing the views of the Romani community. From what NDI observed, little training is available to MSG representatives to improve their public outreach and constituency services.

Relationships with local councils. The relationships between MSGs and local councils vary largely from town to town, ranging from contentious to positive, with most municipalities falling somewhere in the middle. In towns that have had historically good relations among the Romani and non-Romani communities cooperation is usually good, and conversely the relations are most strained in areas with higher ethnic divisions, which is precisely where minorities need the most protection.

The MSG system creates a natural partner for the local councils on policy development and community outreach. While in some cases this leads to increased cooperation between Romani and non-Romani communities, it often means that the local council communicates solely with the MSG, instead of reaching out directly to the Romani electorate or engaging Romani NGOs that might be better suited as partners and advisors on certain projects. In some instances, in particular involving European Union funds, the local MSG provides the "rubber stamp" necessary for the municipality to prove that a project is inclusive of minorities. In that way, the MSG can serve as an obstacle to inclusion and hinder genuine oversight of the local councils on minority issues.

As consultative bodies, the MSGs have not proven to be effective in promoting Romani interests on a broad array of mainstream policy debates. This is due partly to the fact that this was not an initial aim of the system. As a result, MSGs are not encouraged to engage on a wide range of issues such as larger economic development, security, or social issues that are not specific to Roma but also have an impact on them as Hungarian citizens or residents of their town or county.

MSGs as Vehicles for Increasing Roma Political Participation

As an incubator for political talent. During its assessment, NDI heard from many Roma and non-Roma that one of the advantages of the MSG system was that it served as a "training school" for up-and-coming Romani politicians, giving them skills that they can use in the mainstream political arena. Indeed, for those Roma who want to be politically active, the MSG system does represent an easier way for them to do so than through mainstream parties. However, because the MSGs function more as NGOs than as governments, Roma are not gaining the skills in electoral and legislative politics that they would need to compete in a mainstream campaign or to govern effectively. At the same time, since they are not true NGOs, Roma who are active in the MSGs do not necessarily become effective advocates, policy experts, or checks on the government, either.

Those skills that MSG representatives developed are gained through experience, rather than any formal training. During its assessment, NDI observed that the effectiveness of MSGs hinged almost solely on the abilities and motivation of the MSG representatives. Those representatives that are elected to an MSG with skilled leadership have the opportunity to learn good governance practices, but for those elected to lower performing MSGs there is little opportunity for mentorship or skills development.

The number of Romani MSG representatives standing for mainstream political office is hard to ascertain. A survey of local MSG representatives in 2003 by Emilia Molnar and Kai Schaft showed that a large majority planned to run for the local council or for re-election to MSG.¹⁸ During the assessment, many of the local MSG representatives whom the Institute met were running for the local council as well as the MSG. However, the removal of the beneficial mandate makes it considerably harder for Romani candidates to be elected to mainstream political office.

The beneficial mandate, while improving the chances for Roma to be elected, conditioned Romani politicians to target solely Romani voters. Now that the system has been changed, Romani candidates have not yet adapted their tactics to target not only their natural base, but all citizens in their community through campaigning not solely on Roma-related issues, but on common problems facing everyone. If Roma are to win office in this new system and become truly politically integrated they must broaden the targets of their campaigns.

¹⁸ Emilia Molnar and Kai A. Schaft. *Social Exclusion, Ethnic Political Mobilization, and Roma Minority Self-Governance in Hungary*. East Central Europe Journal, Vol. 30, part 1 2003.

The Electoral Process for the MSG System

The amendments to the MSG system in 2005 instituted a number of safeguards to ensure that MSGs were elected by the citizens they were tasked with representing. While these changes have helped to reduce the previous problem of non-minorities hijacking the MSG system, they also seem to have depressed voter turnout and further de-legitimize MSG representatives who are elected by only a fraction of their community's voters.

Registration by ethnicity. The form that the registration process took created additional problems that negatively affect voter participation. Roma must now register with the local election office approximately three months prior to the elections to be eligible to vote. While Roma are generally hesitant to register their ethnicity due to discrimination and memories of the Holocaust, registration rates would likely be higher if they were able to register with their local MSG instead of local government authorities. This model of registration was originally proposed by the Minority Ombudsman, but was blocked in parliament by Fidesz.

Registration deadline. The early registration deadline, which was July 15 for the October 1 elections, requires strong voter registration efforts to ensure that all citizens who wish to participate in the elections may do so. While the national MSG and the National Office for Ethnic Minorities launched a small-scale media campaign and held information sessions on the local level, NDI is unaware of any other large scale campaign aimed at explaining the changes to the MSG system to voters. Voters received an official letter in the mail detailing the changes to the law and a registration form, but many had trouble understanding the steps they needed to take to vote in the MSG elections. High illiteracy rates among Roma in Hungary further hampered this process. This registration process also hampers get-out-the-vote efforts, as in the months preceding the elections, candidates and NGOs can only target those who have already registered.

Segregated polling places. The change in the voting procedure that requires voters to travel to separate polling stations is problematic as it could dissuade voters from voting in either the general or MSG elections. As there is not a requirement that there be one MSG polling station for each regular polling station, some voters may have to travel significant distances to get to their polling station and face poor infrastructure.

VIII. Recommendations

An inherent problem with the MSG system is that it sidelines Romani issues into a separate system rather than dealing with them through mainstream institutions. NDI has offered some recommendations to improve the MSG system, as well as to increase Romani political participation, but notes that what is most needed is the broader promotion of Roma representation in mainstream electoral politics and effective outreach by legislatures and governments at all levels to Romani citizens. As previously noted, these recommendations should not be viewed as solutions to this fundamental shortcoming of the system, or as an endorsement of the MSG model.

To Foster Greater Romani Political Inclusion

Mainstream Roma within the political system- A greater emphasis should be placed on recruiting more Roma to work for and partner with the local and national governments. This trend has already begun with the creation of "Romani referees" in local governments, Romani contact points within the ministries and a Romani inter-ministerial committee that meets five to six times per year. In addition to these positions, the government should make efforts to integrate more Roma in other positions and departments that are not Roma-specific. Increasing the number of Romani government officials would allow Roma to give input from the "inside," which would likely have a greater effect on policies than creating separate Romani bodies.

Increase party outreach to Roma and recruitment of Romani candidates- Mainstream parties should make greater efforts to reach out to Romani constituents and voters, recruit Roma to join their membership, run Romani candidates in electable positions and address the priority issues of Roma in their electoral platforms. Some political parties, such as Fidesz, have increased their efforts to recruit Roma to the party, but much room for improvement remains. As part of their efforts to increase outreach to Roma, parties should identify effective MSG representatives that could be recruited to run for the party in general local elections. This would help talented Romani politicians make the jump from participation in the local MSG to integration into mainstream politics.

Romani activists should run for the local council and target non-Roma voters. A seat on the local council provides Romani leaders with a much stronger tool for fostering change in their community than focusing solely on the MSG. Since it is legal for a candidate to run for both the local council and the local MSG, serious candidates should consider running for both positions. Due to the abolishment of the beneficial mandate, Romani candidates should place a greater emphasis on targeting non-Roma voters in local election bids. In the course of NDI's assessment, the Institute observed very little outreach from Romani candidates to non-Roma voters.

Increase government monitoring- NGOs should play a larger role in monitoring the work of local and national governments and use the MSGs as partners in carrying out this effort. Given the limited power of MSGs to block decisions they disagree with and the inexperience of many MSG representatives, NGOs should place a greater emphasis on serving as watchdogs of the local councils, mobilizing public support for Romani-related policies and using the media to put pressure on governments. Whenever possible, NGOs should cooperate with the MSGs in these endeavors. Issue-based NGOs should consider lending their policy expertise to MSGs or training MSG representatives on policy development. NGOs should also take advantage of the requirement that local and national MSG meetings are open to the public and attend the meetings to share ideas and monitor the work and priorities of the MSGs.

To Increase the Capacity of Minority Self-Governments

Train MSG representatives- MSG representatives on the local and national level often lack the skills necessary to effectively represent their communities and interact with mainstream government institutions, particularly in the areas of policy development and constituent outreach. While increased training would not fix the inherent flaws of the system, it would allow MSG representatives to play a greater role in addressing their communities' needs.

Increase the budgets of Romani MSGs, particularly in larger towns- While NDI observed systemic flaws with the MSG system that can not be changed solely with larger budgets, if the MSGs are to have a significant effect, they need an increase in funding. Currently, all local MSGs receive the same amount of funds regardless of the size of the town or its Romani population. An annual, standardized budget equivalent to \$3,000 is not enough to hire an office coordinator, let alone organize and fund activities. Providing funds for at least one full-time employee would greatly enhance the ability of MSGs to communicate with citizens, develop project proposals to external funders, monitor the work of the local government and engage in policy dialogue. Along with increased funding, more oversight mechanisms should be considered on the local level to ensure funds are being spent appropriately. The amendments to the Minority Act in 2005 greatly increased the financial control mechanisms for the national MSG. However, there is still room for greater financial transparency of the revenue of the local MSGs, particularly related to their business ventures, such as mandatory audits. This is particularly vital if funds to the MSGs are to be increased.

Improve the policy development capacity of MSGs- The national MSG should dedicate more of its time and resources to recruiting Romani and non-Romani policy experts who can help develop policy proposals and conduct impact assessments of pending legislation. The national MSG should also consider hiring extra staff who would dedicate their time to national level advocacy. To date, the national MSG has focused its attention on broadening its regional networks, however, more emphasis is needed on using the information this network provides to influence policy on the national level. The national MSG already has topical committees in place, and could recruit more policy experts to cooperate with these committees. Local MSGs should develop similar capacities. While their small budgets limited what they can pursue, the MSGs could recruit local experts to provide pro-bono policy advice to the board.

Increase community outreach by MSGs- Local MSGs should place a greater emphasis on conducting outreach to the community to identify citizen priorities and inform them of its work. As part of this outreach MSGs should try to build stronger relationships with local NGOs to develop partnerships and maximize efficiency. This will build the credibility of the system and as a result give the MSGs more legitimacy in their negotiations with local officials. The national MSG should also increase its outreach to local communities through such mechanisms as public roundtables outside of Budapest and the creation of a newsletter detailing its activities and Roma-related developments on the national level.

Share experiences- Local MSGs should increase their communication with each other to share best practices or lessons learned. This could be done through events such as regional or national roundtables, possibly organized by the national MSG, to bring together chairs of local MSGs to highlight effective projects and facilitate cooperation.

To Improve the Electoral Process for the Minority Self-Governments

Place a greater emphasis on registration and turnout for MSG elections - In many towns a small percentage of Roma registered to participate in the MSG elections, and even fewer turned out on election day. The Office for National and Ethnic Minorities conducted approximately 100 briefing sessions in different areas of Hungary and made public announcements on Hungarian Radio and Television. Outside of these activities, the national and local MSGs were left to conduct the majority of registration awareness and voter education campaigns. This creates an inherent problem as it is in the interest of the local MSG to only encourage the registration of those voters who would support their re-election bids. As voters must re-register to participate in each election, the national government could increase participation in future elections by giving small grants to local NGOs to conduct registration drives.

Consider Reinstating a single polling station for the mainstream and MSG elections- The amendment to the MSG election rules that requires separate polling places for the MSG and local elections discourages voters from voting in both elections and should be repealed. In areas where discrimination is high, or where voters may have to travel significant distances to get to polling stations, many Romani voters may have to choose between voting for the MSG, which is only a consultative body, or a legitimate elected legislature which may not address their priorities.

Direct election of county and national MSG representatives- If future amendments to the MSG system are made, the government should consider instituting the direct election of county and national MSG representatives. The current system, in which local MSG members elect the county and national representatives, further distances these institutions from the citizens and decreases their legitimacy.

Lengthen the voter registration period- If administratively possible, the registration period should be lengthened. The closer to the elections voters can register, the higher registration figures will be. Currently, by the time election campaigns begin and awareness of the MSGs is heightened, voters have missed their opportunity to participate.

The presence of wide-scale discrimination against Roma and the growing economic gap between mainstream and Romani communities throughout Central and Eastern Europe illustrate that democratic transition does not guarantee the protection of minority rights or Roma integration. Governments must take special steps to ensure that disadvantaged minority groups benefit from their country's advances. In Hungary, the MSG system has helped Roma protect their rights in areas of culture and education, but additional efforts to promote broader Romani economic, social, and political integration are still needed.

Appendix A

NDI Assessment Mission Meeting Lists

Budapest

Budapest Minority Self-Government, District 7

Human Right Committee of the Hungarian Parliament-

Balogh Zoltan, Committee Chairman

Ilona Arczt, Senior Counselor of the Committee on Human Rights

Ministry of Health

Urmos Andor, Head of the Roma Office at the Ministry of Health

National Roma Minority Self-Government

Kolompár Orbán, President of National Roma MSG

Office for National and Ethnic Minorities

Paulik Antal, Head of Department

Kovács Árpádné

Office of the Parliamentary Commissioner for the Rights of National and Ethnic Minorities

Kaltenbach Jenő, Parliamentary Commissioner for the Rights of National and Ethnic Minorities (Minority Ombudsman)

Heizerne Hegedus Eva, Head of Department

Public Foundation for Comparative Minority Research

Törzsök Erika, independent researcher

Roma Press Center-

Lakatos Elza

Varga József, Roma Member of Parliament representing Fidesz

Eger

Geza Estefan, Eger Town Clerk

Jászládany

Kállai László, Chairman of the Jászládány Minority Self-Government 1998-2002

Matraderecske

Botos, Laszlo , Member of the minority self-government in Matraderecske

Miskolc

Váradi Gábor, President of the MSG in Miskolc

Dancs Mihály, Roma Civil Rights movement in Miskolc

Varga Krisztina, Roma referee within the Miskolc local government

Salgotarjan

Balázs Győző, President of Salgotarjan MSG

Prior to and following the assessment, NDI spoke with a number of people regarding the MSG system including: Professor Shlomo Avineri of the Hebrew University in Jerusalem; Claude Cahn, program director at the European Roma Rights Center, Budapest; Iulius Rostas, director, OSI Roma Initiatives Office, Budapest; Professor Kai Schaft of Penn State University; and Erika Schlager, Counsel for International Law at the Helsinki Commission in the United States Congress.

Appendix B

Information on the National Democratic Institute for International Affairs

The National Democratic Institute for International Affairs (NDI) is a nonprofit organization working to strengthen and expand democracy worldwide. Calling on a global network of volunteer experts, NDI provides practical assistance to civic and political leaders advancing democratic values, practices and institutions. NDI works with democratic reformers in every region of the world to build political and civic organizations, safeguard elections, and promote citizen participation, openness and accountability in government.

Democracy depends on legislatures that represent citizens and oversee the executive, independent judiciaries that safeguard the rule of law, political parties that are open and accountable, and elections in which voters freely choose their representatives in government. Acting as a catalyst for democratic development, NDI bolsters the institutions and processes that allow democracy to flourish.

Build Political and Civic Organizations: NDI helps build the stable, broad-based and well-organized institutions that form the foundation of a strong civic culture. Democracy depends on these mediating institutions—the voice of an informed citizenry, which link citizens to their government and to one another by providing avenues for participation in public policy.

Safeguard Elections: NDI promotes open and democratic elections. Political parties and governments have asked NDI to study electoral codes and to recommend improvements. The Institute also provides technical assistance for political parties and civic groups to conduct voter education campaigns and to organize election monitoring programs. NDI is a world leader in election monitoring, having organized international delegations to monitor elections in dozens of countries, helping to ensure that polling results reflect the will of the people.

Promote Openness and Accountability: NDI responds to requests from leaders of government, parliament, political parties and civic groups seeking advice on matters from legislative procedures to constituent service to the balance of civil-military relations in a democracy. NDI works to build legislatures and local governments that are professional, accountable, open and responsive to their citizens. International cooperation is key to promoting democracy effectively and efficiently. It also conveys a deeper message to new and emerging democracies that while autocracies are inherently isolated and fearful of the outside world, democracies can count on international allies and an active support system. Headquartered in Washington D.C., with field offices in every region of the world, NDI complements the skills of its staff by enlisting volunteer experts from around the world, many of whom are veterans of democratic struggles in their own countries and share valuable perspectives on democratic development.

NDI is located at 2030 M Street, NW, Suite 500, Washington DC, 20036 and can be reached at +1 202.728.5000.