



BALÁZS & KOVÁTSITS
LEGAL PARTNERSHIP



Dear Readers,

It is my pleasure to inform you that in our present Newsletter we will highlight some of the hottest issues our Legal Partnership has been dealing with nowadays. Energy Law, Data Protection Law and Construction Law are some important fields of our expertise, so we will present some aspects of these fields of law in our articles. In our Guest Page you will have the opportunity to have an insight into the association Eastern Europe Business Club; Mr. Miklós JASPER, President of EEBC will introduce the objectives, activities of the club giving us an insight into why it is important to organize a club like that in Hungary, Central Europe.

Finally, let me call your kind attention to the registration of the new Polish-Hungarian Chamber of Commerce, which was (re)established in Cracow on 21 November 2019 and will be registered in Hungary soon with the consultancy of our Legal Partnership and Dr. Tamás BALÁZS Managing Partner was elected as the consultant of the chamber.

Should you have any remarks, questions regarding the articles presented in our newsletter or the activity of our Legal Partnership, please do not hesitate to contact us.

Éva SÁNDOR
Marketing Manager

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IMPORTANT CHANGES IN THE CONSTRUCTION PROCEDURES FROM 01 MARCH 2020 IN HUNGARY

In each administrative procedure which will be commenced after 29 February 2020 the opportunity of submitting an appeal against the decision in first instance of the Authority is cancelled. It means that in Hungary the administrative procedure will only have one unique instance from 01 March 2020. Construction procedures as administrative procedures are concerned by the new rules.

In construction procedures which are commenced until 29 February the clients have the opportunity to submit an appeal against the decision in first instance and these procedures can be continued in second instance at the Authority also after 29 February 2020.

In construction procedures which will be commenced after 01 March 2020 the client has to submit an action against the decision in first instance of the Authority and the competent Court will make a final and definitive decision in the matter. With regard to the difficult rules of court procedures, after 29 February 2020 the clients will need the professional assistance and expertise of the construction lawyers in larger extent.

Dr. Tamás BALÁZS
Managing Partner
Attorney at law



EMPLOYERS, EMPLOYEES AND DATA PROTECTION

The introduction of GDPR in 2018 has affected employees and employers alike; after all, employees, as natural persons are data subjects as their employer handles a considerable amount of their data – names, addresses, bank accounts, and sometimes even their most sensitive personal medical and legal data. In addition, a large amount of this data gets processed by contracted partners: HR advisories and recruiting companies, auditing and law firms and, cloud service providers, webhost companies etc. just to name a few.

Data protection starts even before the would-be employer signs a contract for employment and has its own pitfalls – for example, posting anonymous job offers (without declaring the hiring company's name) may violate data protection regulations as any applicant who submits a CV may not be able to practice his or her rights of the protection of personal data granted by the GDPR, or seek legal remedies - if it is not clear who is handling that personal data, and how long it may be kept – along with that of several dozen applicants - even after the job has been taken, 'just in case', it is almost guaranteed to invite the disapproval of data protection authorities, often materializing in considerable fines.

Similarly, should an employer consider controlling e-mails, use of computers or other devices or measures, or decide that it would be nice to have surveillance cameras everywhere, any such decision should be very carefully considered and consulted with a data protection specialist first. Exercising such control at a workplace has strict limitations and requirements, and must comply with legal guarantees and must be within legally permissible limits of control and privacy, which in turn requires that its details are to be carefully worked out, laid down in internal data protection and surveillance policies and strictly followed through in practice. Any employee's personal data that is being handled by the employer must have valid reasoning in order to be handled by the employer, another employee or a contracted partner. The employees must know how and why their personal data is being handled, for what duration and by whom.

Care should be taken not to try and circumvent the issue or try to 'solve' it by asking employees to just sign and give consent to whatever kind and extent of handling of their data and surveillance measures that happens at the company. This is poor business practice, as it involves high risk that the data protection authority and/or the court will dismiss that 'voluntary' consent as entirely null and void and will simply assume that it was a result of passive or active coercion by the employer, given out of fear from possible consequences of denying consent, due to the asymmetry of negotiating position between the employee, its supervisor or employer. Consent that might not have been entirely voluntary worth almost as much as having no consent at all.

We have trust that this short summary on the most important aspects of Data protection for employees and employers shall help our existing and future Clients to orient themselves in the rapidly changing legal environment of European and Hungarian data protection, and that they shall continue to place their trust in the expertise of BALÁZS & KOVÁTSITS Legal Partnership in the field of data protection and data protection compliance.

dr. Ádám MILLEI
Attorney at law





THE MOST IMPORTANT STEPS OF SOLAR POWER PLANT INVESTMENT IN HUNGARY

In recent times the Hungarian government has attempted to diversify Hungarian energy production. In order to reduce energy dependency and with regard to the environmental aspects, a tender was invited at the end of last year for the financial support of green energy production by constructing new power plants. The tender has been already ended but foreign interest for the solar power plant investment in Hungary has not been fallen. Therefore, it seems to be actual to summarize the most important steps and aspects of the solar power plant investment in this article.

THE ADVANTAGES. On the majority of the territory of Hungary (more than 2/3) the annual number of hours of sunshine is more than 1,900. In the middle of the country and in the west, the annual number of hours of sunshine is about 2,000. Nowadays, economic and tax environment is very beneficial for the economic operators. Currently, corporate tax is just 9% and the assets which are necessary to the solar energy production have better value for money than in Western-Europe.

THE TECHNICAL ASPECTS. If there is an area which is suitable for solar power plant investment, a claim has to be made to the local grid operator in which – inter alia – the land register number, the nominal performance and the type of the solar power plant shall be indicated. Based on the claim filed, the local grid operator examines where and how the solar power plant can connect with the public grid. After the examination, the local grid operator informs on the possibility and the way of connection with the public grid and on the connection point. If it is necessary because of the nominal performance or the type of the solar power plant or the status of the public grid, the public grid will be technically modified by the local grid operator. The technical modification will be done based on the request of the claimant and after payment of the costs of the modification. If the local grid has at least 120 kV, a feasibility study has to be submitted to the local grid operator. After that, a connection plan shall be prepared which the local grid operator approves.

THE PERMITS. After receipt of the approved connection plan, the construction permit can be requested. At the same time, the permit of the energetic authority shall also be obtained. If the nominal performance of the solar power plant is higher than 5 MW or the public grid has at least 120 kV, the permit of the national grid operator has to be acquired.

THE CONDITIONS OF PRODUCTION. The next step is the concluding a public grid connection contract with the local grid operator. After that, the construction of the solar power plant can be initiated. At the end of the construction, the construction authority examines the implementation of the solar power plant and the local grid operator checks the appropriateness of the connection with the public grid. In order to avoid the fluctuation of the energy production, the solar power plant shall join a system which can balance the fluctuation of the electricity production.

THE PROFIT. Solar power plant investment is one of the best ways of exploitation of the area, its return is relative fast and sure, furthermore, the realizable profit is higher than other ways of exploitations of the area.

If you are interested in solar power plant investment in Hungary or you have questions, please do not hesitate to contact us.

Dr. Károly BAGÓCSI
Lawyer



KELET-EURÓPA ÜZLETI KLUB BUSINESS CLUB

Our Business Club has been operating in Hungary for 25 years as a non-profit association, as the only non-governmental organization in Hungary, developing of business cooperation between Hungarian and Eastern European companies, organizations.

We have organized dozens of memorable business programs every year over the past three decades. These include thematic business conferences with wide international participation such as on business cooperation with CIS countries in 2015, on promoting innovation in Eastern Europe in 2017 and Business Forums promoting business relations in Russia and Belarus in 2019.

In addition, we have held several business Club events (e.g. on Russia, Belarus, on Ukraine, on the Kazakh Republic and on Moldova) on business opportunities with individual partner countries, on business opportunities from the EU and UN international business organizations, and corporate b2b and group business forums.

Our past and present goal has been to promote the business access of interested Hungarian companies in the Eastern European countries, primarily the members of the Club, and the development of business relationships between companies in these countries.

Currently we nearly have 30 affiliated companies as members, most of them are long-term partners or sympathizers, who do business in Eastern European countries. The owners of these companies are registered Hungarian and foreign private and legal entities.

Eastern Europe Business Club remains open to Russian and Belarussian, Kazakh, Ukrainian and other Eastern European-owned businesses and individuals, and we welcome them to our club events and as members.

This year we intend to organize a major international conference on Ukraine which will be supported by the Hungarian Federation of Entrepreneurs (VOSZ) and the Embassy of Ukraine in Hungary.

Eastern Europe Business Club events and programs will be updated on the website of the Club: www.eeb-club.hu

We are available on Facebook as well: <https://www.facebook.com/keleteuropa.uzletiklub>

We invite and welcome you to the Eastern Europe Business Club events and to be our members.

Miklós JASPER, President

Kelet-Európa Üzleti Klub



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