Automated Decision-making in Hungary: Experiences of Selected Cases through the Prism of Rule of Law

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Abstract: As a hallmark of the Fourth Industrial Revolution, public administrative procedures are becoming increasingly automated. The EU has announced a digital transition, with the simplification of public services, digitization, and automated decision-making processes as key elements shaping the future. These developments, however, raise critical questions about the rule of law, particularly in ensuring transparency, accountability, and fairness in automated decision-making.

Through a focused period of research, I had the opportunity to examine recent judicial practices of the Administrative Tribunal of Szeged. This exploration provided insights into various cases involving the complete documentation of a case, starting with the automated decisions made by authorities, the claims brought against them, and the tribunal's approach to addressing these issues.

My presentation will discuss the common characteristics of these automated decisions, the legal challenges they present, and the regulatory framework within which they (should) operate in Hungary, highlighting key concerns under the rule of law. Although current legal practice does not (yet) rely on AI and profiling for automated decision-making, several concerning issues have already arisen, particularly regarding the simplicity and lack of individualization in such decisions. When algorithmic data processing results in a negative outcome for a client, the absence of necessary information—whether related to the factual background of the case or the lack of clear guidance on available legal remedies—creates an information gap that undermines the individual's rights.

While individuals have the legal right to seek judicial review of these decisions, the effectiveness of such reviews is questionable under current conditions. First, the client's lack of information often hampers their ability to exercise the right to legal remedy. Second, tribunals are frequently unable to assess the legality of public administration's automated decisions due to similar informational deficiencies. This limitation challenges fundamental rule of law principles, as it restricts meaningful oversight and the ability to correct potential administrative errors or injustices. As a result, automated decisions frequently represent unfair procedures that are ill-suited for judicial review—not solely because of their automated nature, but due to the lack of proper individualization in the decision-making process. For automated decision-making to be compatible with rule of law standards, it must ensure transparency, accountability, and individualized consideration, allowing for effective legal remedies and judicial review.