

Reformulating the Civil Code: Framework for Designing a Modernized Legal Draft

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Abstract

The theoretical and structural resolution of the wholesome reformation of the Civil Code is discovered in this study. It underlines the necessity of a modern legal system which acts in line with changing social, economic, and technological facts. On the basis of analysis of comparative legal systems, jurisprudential tendencies, and the state of national legislation, the study suggests a conceptual framework of composing a modern Civil Code. The model is progressive but not radical so that there is consistency with the constitutional ideals but infiltration of international best practices. The discussion emphasizes why clarity, accessibility, and flexibility are important attributes of codification in law to accommodate the demands of a changing legal order.

Keywords: *Civil Code reform, legal modernization, codification theory, comparative law, legislative drafting, legal reform framework, private law transformation, statutory coherence, legal system evolution, jurisprudential trends.*

1.Introduction

The codification of a civil code is not really a mere technical piece of legislation as it is more than an exercise involving the redefinition of structural underpinnings of the private legal order in terms of a nation. Hungary came to the dawn of the 21st century with the constraints of legal modernization, economic change, European integration and evolution of society as a whole demanding the rethinking of its primary system of private law in a comprehensive form: the Civil Code. The Act IV of 1959 had been long considered the groundwork of civil legal relations in Hungary. But in the wake of the political revolution of 1989/1990 in which a centrally planned socialist system was transformed to a liberal constitutional democracy and a market economy, the Code came to be confronted by severe restrictions in capacity to effectively regulate civil relations in an increasingly sophisticated, pluralist, and internationally connected manner⁽¹⁾.

To fill this gap the Hungarian government undertook a highly ambitious project in the late 1990s to re-write the new Civil Code so that not only should it amend archaic elements, but also should it re-arrange civil law so that it resembled a properly structured cohesive, forward-looking system of law. The work was aimed at not merely keeping pace with changing domestic social standards, economic activity, and institutional to ensure coordinating national law with corresponding European and international law. The renaissance of law would occur in a multi-step process, in which the first step will be what we call a high level Conception, by which we mean a detailed theoretical and policy oriented roadmap specifying the cardinal principles, legislative philosophies and scope of coverage to guide the eventual drafting of the new code. Such conception document became an intellectual preamble, a blueprint of legislation, which was discussed and revised upon the results of many professional consultations and of the comparative legal analysis.

In a nutshell, the project followed a unified ("monist") model of codification-breaking down the distinctions in the traditional, between civil and commercial law, and joining closely related fields of law, namely family law, company law, and imprecise areas of labor relations. This showed the wider theme in legal thought: the growing futility of dualistic applications where separate codes governed the dealings of a legal personality that had no commonality with other elements of the identical society: in which economic activities and social relations came together in highly difficult presences. Rather, the new model aimed at formulating a single, internally consistent code with applications to both personal and economic actors, thus laying waste to inconsistent provisions, redundancy and conflicts in meaning.

In order to establish this modern code in both comparative abundance and European orientation, the drafters have referred to inspiring foreign examples, such as the Dutch Civil Code, the German BGB, and principles adopted in European harmonization trends of private law, such as the UNIDROIT Principles of International Commercial Contracts, and the Principles of European Contract Law (PECL). Yet, instead of using these models as ready-

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made, and instead of conforming national legal systems and institutional realities to the models, the application to Hungary was to adapt doctrinal innovations and structural efficiencies selectively, and to the permanently unchanging national realities and legal traditions. The new Civil Code was intended, therefore, to be neither too revolutionary nor too experimental; intended, in fact, not to break the continuity of the law as founded on past usage (in respect of which, of course, it did not touch), neither to take away the cultural familiarity of the legal structure (or at least not too far) and at the same time to introduce into it the doctrine, the language, the order⁽²⁾. The proposed structure of the Code was one of the major inventions of the Conception. The cleaned up Civil Code would be split up into five separate Volumes--each dealing with one of the major spheres of private law: (1) Persons, (2) Family Law, (3) Law of Things (property law), (4) Law of Obligations (including contracts and liability), and (5) Law of Succession. This organizational structure was supposed to reflect logical and common sense arrangement of the relations of the law so that the code will be open to every jurist as well as the practitioner and the citizen. The presence of introductory rules (preliminary proceedings) and a preamble were a call to soft positivism by adding normative rules in the shape of a guiding principle as good faith, abuse of rights, and the duty of the judge to secure the individual rights.

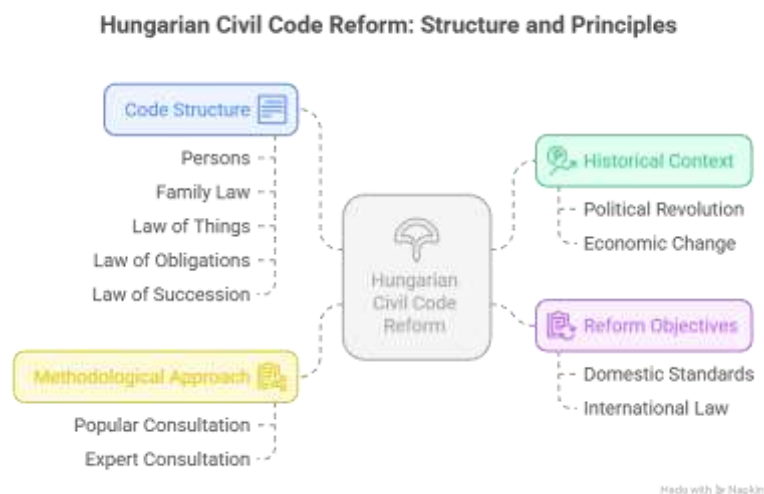


FIGURE 1 Hungarian Civil Code Reform: Structure and Principles

Most importantly the Conception also answered major arguments about whether to include the neighboring legal fields or not. On the one hand, family law was to be codified in its entirety, as (following a central theme of the Draft) there is an interdependence between the laws governing family relationships and the laws governing pecuniary relationships; on the other hand, such a categorization as intellectual property or private international law were deliberately not the subject of codification in the light of their special, changing nature, and their treatment already provided by other statutes and international systems of law. Part of company law and some aspects of the labor law were conditionally incorporated and were being reviewed structurally and harmonized with the policies. Such pragmatic division was meant to make a flexible code; not too comprehensive and overloaded, not much integrative but not too redundant.

The other major characteristic of the re-codification process was the methodological basis within its procedure; making use of both popular consultation as well as expert consultation. Analysis of present Hungarian legislation, judicial interpretation and comparative practices were done in great detail by various editorial subcommittees consisting of legal scholars, judges, practicing lawyers and governmental experts headed by a Chief Codification Committee⁽³⁾. The aim was not solely to carry out a textual reform, that is, to aim at conceptual clarity and functional coherence, as well as doctrinal integrity. This shared practice highlighted both functions of a civil code, its role as the catalogue of norms to be enforced, as well as a signifier of cultural and legal identity.

Jurisprudentially, there were even more fundamental philosophical issues with which the Conception was faced: What kind of compromise should traditional autonomy in the private realm and regulatory control undergo? What will the code do with the advent of globalization, changing technology, and changing notions of family, property and liability? The new Civil Code was also oriented toward dispositivity, that is, providing the parties with more freedom of contractual and organizational relations, but also expanded protection against vulnerable parties partly due to the new focus on consumer relations, employment, and family relations.

Finally, this exhaustive understanding tried to realize a number of long-term aims and expectations of legal predictability, harmonization of doctrines, economic effectiveness, social equity and resilience of the system. Conception was therefore not merely a plan of administrative reform but a kind of constitutional declaration in regard to the part to be played by the civil law in the systematisation of the fundamental relations of the private life--in ownership and inheritance, contracts and corporations, in the rites and duties of kinship.

That is the introduction, which preconditions a closer examination of each of the five volumes of the new Civil Code, and of the philosophical, institutional, and comparative legal reasoning behind its design. The following section will examine the areas respectively with a close focus on the radicalizing suggestions, its consequences, and the debate still tangling the legal professionals of Hungary and the rest of the European legal world.

2.The Modern Entity and Legal Persons: The Cornerstones of a Changing Legal System

The introductory part to the new Hungarian Civil Code, as it is the way it is presented in the Conception, creates the basis of a new and conceptually harmonized discussion of law subjects both of natural persons and juristic persons as well. As the changes in the provisions related to natural persons are rather stable and do not require profound doctrinal alterations, the most radical and transformative changes concern legal entities. The reform offered acknowledges the fact that legal entities, including associations, companies, cooperatives and foundations, have changed significantly in terms of their role, diversity as well as complexity in the last few decades. It had not been able to offer a theory general and flexible enough to accommodate these entities as part of the recognition of such autonomous rights and duties under law or to comprehend them through legal theories, which existed within the Hungarian law(4). Therefore, by writing down Volume One of the new Civil Code, it predicted systematic and unification of legal treatment of entities, its provisions provide a basis of definition, a uniform scope of criteria on legal personality and a contemporary regulation of the formation of entities, their functioning and their dissolution. Among the most important principles of the new Code, there is general definition and recognition of legal entities. The Conception holds that Hungarian law does not present a general conceptual system according to which a question of what a legal entity is can be settled. To this effect, the re-codification effort provides a new framework with a package of uniform general rules that an entity will become a legal person provided it has fulfilled the sub-provisions required of it, which include legal capacity, structure of holding assets and representation of himself. This scheme would cover every type of legal person, and would thus substitute the current, highly increased and frequently inconsistent justices of entities under the previous law. Most importantly, the Code suggests that any other legal entity can be created only using the laws that correspond to the following general requirements that guarantee systemic integrity and predictability.

The institutional innovation that stands out is introduction of a preliminary legal entity this is a construct based on pre-existing concept of preliminary associations. This enables transition between the establishment of the legal entity and its formal registration. Although this entity cannot have full legal capacity, it has a limited one whereas it allows this entity to form the relationships of the binding legal character and to expect its official incorporation. Legal personality upon registration is complete and any rights and of the preliminary entity are attributed retrospectively to the registered legal person.

The sheer fact of being registered is itself converted by the operation of law into a constitutive act: as only when a legal entity has been registered by the authorities, the state in charge of ensuring that this registration does not infringe the rights of others, will a legal entity become a legal entity. This change is a replacement of the old thinking that the formation or internal agreement of the entities make them legally effective, and hence there is transparency and public oversight. Moreover any amendment done to the charter of an entity including change of name, purpose or organization should be also registered to gain legality. The filing of an entity be it dissolution, merger or liquidation also should be in the form of a documentation and formalization by the cancellation of the entities with the register.

The Conception also greatly discredits the regulation on the charter documents that form the basis of law regarding an entity. No matter what kind of entity it may be, such as an association, company, cooperative or any other kind, foundational documents are obliged to contain compulsory set of key aspects: the identification of the founders, the title of the entity, and registered location, stated goals of the entity, contribution of assets, matters of management and the extent of authority and responsibility of its representatives. All these details cannot simply be seen just as a formality because they are a kind of protection in order to provide accountability, prevent abuses and safeguard the third parties who are dealing with the entity.

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One such progressive change is that of integrating general rules and special norms into one legal system. The new Code suggests an integrative model instead of having separate laws regarding the various types of legal entities (as it was previously the case of business associations or non-profits)(5). Uniform rules will be applicable to all entities, whereas specific regulations can be proposed to certain types of entities. Such vertical stratification increases the clarity of the doctrines and economy of the legislations. As an example, although every kind of legal entities is obliged to follow the rudiments of the general appropriate registration and person involved regulations, the particular sets put in place to regulate joint-stock companies or foundations may be assimilations instead of being legal islands.

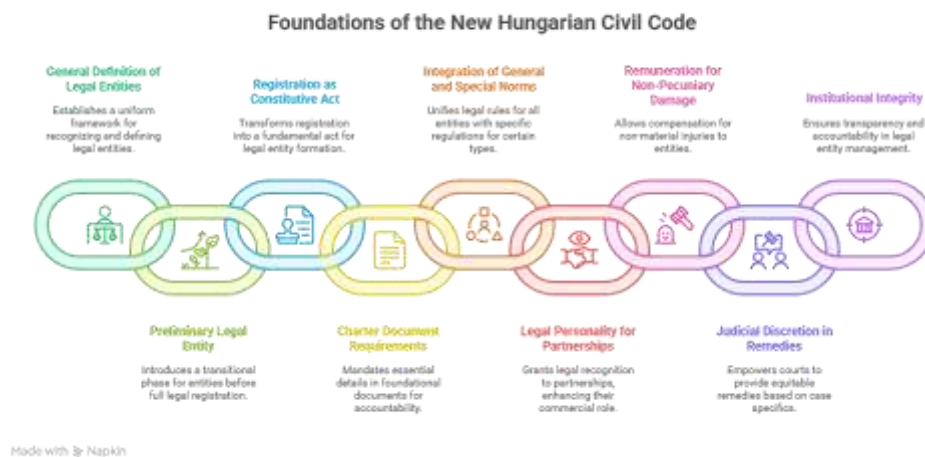


FIGURE 2 Foundations of the New Hungarian Civil Code

One of the longest standing uncertainties in Hungarian civil law was the legal capacity of some partnerships, in particular general partnerships and limited partnerships, which to this point were not recognized as 100 percent independent legal persons. These entities would under the new format receive legal personality, which would actually give them a true reflection of their role and an approach in the commerce. This reclassification helps them to own property, to sue or be sued in their own right and to enter into obligations in their own name rather than as extension of their partners.

The most radical idea in this collection of ideas is the introduction of the remuneration of him which cause damage to the entity, instead of the obsolete principles of non pecuniary compensation in the case of violation of privacy rules or violation of reputation. This is an innovation in law because it acknowledges that organizations, as well as individuals, may acquire non-material injuries, such as reputational damage or autonomy infringements. The proposed system will enable courts to award monetary remedies towards such injuries even in the absence of direct pecuniary loss thus achieving restorative justice and deterrence. Noteworthy, this compensation is independent of a traditional compensatory compensation and can be used as a sort of civil penalty, which is adjusted to the regulation of the severity of the wrong and the scale of culpability (6).

Additionally, the Code strengthens the idea of judicial discretion on evaluation of such remedies. Courts are allowed to provide both compensation on pecuniary loss and non-compensatory remuneration together or either without reference to facts. The directing objective is in giving proportionate, equitable, and good protection of the legal interests of bodies, whether the public or private, the business or the non-profit.

Lastly, the structure logics of Volume One indicates the result of a wider movement towards de-politicizing and de-centralizing the management of legal persons. Concentrating registration under judicial control, standardizing lower-level compulsions and setting a minimal assurance of operation (such as obligating responsible trustees in the management of any property), the new Code instills institutional integrity into the legal existence of any organization. It is also in harmony with the civil law tradition of Hungary with the European codification tradition of the modern - the Dutch and German - solution area, without compromising the local value of law. In short, Volume One of the new Civil Code establishes the redefinition of conceptual and operative identity of Hungarian legal entities. It forms a contemporary legal framework based on transparency, uniformity, and efficiency - which is able to sustain not only an active economy, but also a pluralistic civil society. The reforms contained in this volume are technical, to be sure, but they are also a reaction to more basic structural and philosophical questions

regarding the role played by law in defining and governing the collective action of organized legal persons in the 21 st century.

3.Integration, Protection, and Human Dignity

Incorporation of the family law into the new Hungarian Civil Code supposes a crucial modification in the philosophy and order of the law. It has been long understood that family law has traditionally been governed as a separate branch of law and thus one that has enshrined uncannily with peculiar societal values, cultural heritage, and moral structures and constructs. The Hungarian codification attempt however, realizes that a separation of private life and family relationships and the rest of civil law can not be isolated. The family law as part of the Civil Code, contributes to more coherence but is more in line with the changing perspective of the understanding and treatment of families as a relevant and equal object of law with structured and flexible protection. This combination is considered as the national ideology of maintaining social stability on the national level and the international one that ensures human rights and dignity regarding family(7).

Provisions of the re-codified family law are based on some general principles that do not correspond to the traditional assumptions of the notion of the private law. As opposed to general civil law where the autonomy of contracting parties, equality of the bargaining power, and formal agreement plays a decisive role, family law emphasizes emotional ties, relative strengths and weaknesses, and the responsibility of the state to insure a vulnerable party, in particular, children. Thus, the new Civil Code provides the basics of family law having its particular principles of interpretation of norms and establishment of relationships. These principles entail safeguard of marriage and family, equality of the spouses and the best interests of the child that were all echoed with the norms of the constitution and international instruments especially the European Convention on Human Rights and the United Nations Convention on the Rights of the Child (1989).

One of the most vital inventions in the new direction is towards the move in the centrality of the model of family regulation that shifts towards the family- and individual-centered mode. Traditional models of the family law have usually valued the interests of the state (moral or population interests) above the privacy and autonomy of the family. The new Code, on the contrary, repositions the legal relationship to a stability of rights among individuals living in families and a responsibility to autonomous movement. It is important to note that the principle that used to stress reconciliation of individual and state interests was substituted with an even more fitting commandment: the reconciliation of the interest of the individual and the family. In this change, the family is identified as a fundamental location of individual growth, other than a cell of civic stability (8).

In the marriage genre, the code makes a practical but high-minded stand with the reforms of matrimonial property regime. The existing regulations, based on the old assumptions regarding the dependence on the economy and role division in the household, are becoming more and more incompatible with the social reality of dual income-earner families, spousal entrepreneurship and changing gender roles. The new Code is an answer to this introducing a more sophisticated regulatory framework that enables spouses to regulate their property relations with a greater respect to freedom of decision-making, as well as guarantees third-party rights and focuses on promoting fairness in the event of an out-of-wedlock breakdown. Spouses will be allowed to enter marital property agreement, however, such agreement has to be formal based but could be modified to accommodate individual life situations. In addition, sans an agreement, there will be a default arrangement of community property or joint possession, but protection will be given to creditors and steady husbands.

Part of the most progressive and rights-oriented changes in the Code can be found in the section regarding the parent-child relationship. The philosophical background under the law is that children are not mere objects of parental power and are independent rights-bearers. This implies that the legal norms are supposed to be child-friendly whereby the best interests of the child are dominant in the determination of every decision, whether custody related, parental responsibility, or education. The Convention on the Rights of the Child is used in the Code that puts the right of the child to have personal relations with both parents (even after the divorce), and specifies that the decision on upbringing and place of residence should be made as far as possible with the voice of the child heard.

Moreover, the Code also recognizes that modern families show a variety of forms, not only the nuclear ones. Although marriage is a fundamental pillar, the principles of the Code are flexible and applicable in circumstances where the cohabitation occurs, blended families and non-marital relations between parents. It states fair regulations

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that run with these settings, like shared custody of the kid, access right of the parent, and obligation to pay upkeep. These changes are more than just a legal update but they are a culture modernization of the Hungarian family law. Within the section of guardianship and protective measures, the Code provides more stringent rules concerning the protection of minors and incapacitated ones. It specifies the role of both guardians and custodians, establishes more transparent procedures in case of a judicial review of the guardianship appointment, and provides the system of accountability in cases of gross abuse or ignorance(9). It is not purely protective in the sense of the goal, but protective and empowering: instead of a default to substitute decision-making when vulnerable persons cannot make recommendations, the legal framework is geared towards supporting autonomy and dignity to the highest degree possible.

Notably, the Conception does not resort to over regulation, or is ideologically biased in its legislation. Rather, it concentrates on flexible and open-ended system under which courts and professionals can adapt decisions to the realities experienced in the family level. By doing so, the Code places a lot of burden on the judiciary, as well as relatively clear normative points of reference. As an example, although the legal definitions of parental authority and custodial rights are stipulated, the judges are left to the discretion of becoming aware of what arrangements on custody should be decided, but there is always the general principle of welfare of the child in the background. The Code also satisfies cross border family affairs, including international adoptions, transnational child custody, and the enforcement of judgments of foreign family law. This is sensitive having in mind that Hungary is part of the European Union where free movement and trans-national families are the legal reality.

In a nutshell, the new Hungarian Civil Code Volume Two indicates a well planned and progressive renovation of Family law. It still has fundamental traditions that further family solidarity and unity and responds to a more modern issues: the equality of the sexes, children rights, economic empowerment in the marriage and pluralistic family structure. In making the family law a part of the Civil Code, Hungary sends a signal to the legal and social structure that the central position of family is something that cannot be considered fixed and frozen, but rather a dynamic and changing system of relationships. The new system guarantees legal security, guarantees the basic rights, and creates the culture of respect, protection, and mutual obligation in the private lives of the population.

4. Property and Possession in a Constitutional Market Order

The shift of the property law in Hungary by the new Civil Code demonstrates a key readjustment of ownership, command and accountability into a contemporary constitutional society of the market. The third-volume now called not Right of Ownership, but the Law of Things, lays stress upon the many-sided character of property, and its social consequences. Moving away to a limited notion of ownership, the modified construct can embrace all real rights (rights in rem), their content, restrictions and legal processes of conveyance and security. With the Hungarian economic/legal order making the transition to a market-based regime, and with seemingly unstoppable international influence on local law, a reconceptualized approach to property rights has not only become opportune, but now is necessary.

Among the radical changes seen in this volume is a confirmation of the fact that right to property should not be held absolute and should be placed in a larger legal, economic and social framework. The new Civil Code brings forth a series of basic principles against which the interpretation and application of the rules on property are to be done.

These include:

- the principle of legal exclusivity (rules of property must be found in the Civil Code),
- the inviolability of property despite party agreement,
- the prohibition of nationalization without fair compensation,
- the condition that expropriation can only occur on the basis of compelling public interest, and
- the requirement that any limitation of property rights must be proportionate, legally grounded, and financially compensated when appropriate.

These values are the normative guardrails which not only brings Hungarian property law in line with the constitutional protection of ownership but also makes sure that even after such an intervention the values of public interest and social fairness can still be achieved(10).

One of the important organizational novice in this volume is the introduction of the form of a legal organization called the structure of Volumes which is superior as far as accessibility and utility of such property law. The volume itself is set up to govern everything in the way of res (things) and rights in rem, but it is a comprehensive

and hierarchical structure. In this context, the Code includes legislation in the field of land and apartments (e.g. condominiums or blocks of flats), including corresponding registries, i.e. real estate and cadastre systems.

Some of the key changes that are going on include registering land procedures in court and not in an administrative manner. The Chief Codification Committee further recommended that property registration should be left in the hands of an independent administrative organization which acts under the supervision of the courts, so that there is a credibility, authenticity and a legal safety of the population. The measure is a result of decades of jurisprudential ambiguity, and unwary application, which have frustrated both personal contract and public infrastructure building.

A new expanse of the conceptual domain of property and modifying of sources of ownership in the re-codified Civil Code results in the displacement of the exclusive focus on the owner and extension of its realm to a wider range of rights. Property is no longer regarded as such a monolithic right but as a bundle of rights and claims as usage rights, usufruct, servitudes, liens and mortgages. There are two broad categories of these:

property rights of use (e.g. easements, person servitudes).

security rights in assets (e.g., pledges, mortgages).

This difference allows better understanding and more exact legal organization of the transactions connected with property.

Noteworthy, the new Civil Code does not treat state and municipal property as an exception but makes it a part of general private property. Using the example of the civil law of the West, any property (state, municipalities, corporations, and individuals) is regarded as private, until specified otherwise. Government property, thus, shall not be controlled unarbitrarily, nor at whim, but in accordance to the rules of public finance, and on behalf of the people. The assets of the state will be separated between strategic holdings which are long-term and venturing capital which can be sold and privatized or handed over to the public sector where it is in the interests of public policy and financial economy.

Nevertheless, the Code also ushers in the notions of limitation in transfer and commercialization of some property owned by the state. Natural resources, infrastructure that play a major role in the welfare of the people as well as items of national heritage shall be mentioned as the non-negotiable or partially restricted property. Likewise, only state services that are exclusive and are presumably defense, or public utilities or energy control may also only be allocated on a concession basis and only to the extent concession has been legalized.

Regarding the ownership in the private form, the Code supports the principle according to which ownership includes rights and responsibilities. The owners are subject to a duty to exercise their rights without breach of others or of the general interest, and sometimes without infringement of easements or regulatory restrictions (e.g. zoning or environmental regulations). This enunciation parallels the German idea of socially-required material possession, the ownership is accompanied by social responsibilities and not rights.

The other aspect of modernization is the demystification of rules on co-ownership, condominium rules and development of real estate. Uniform national standards will be applied to areas where previously there had been underregulation or where there had been inconsistent local practices. Other examples of condominium, association will be placed under a predetermined system of governance where they must be open to a system of fair representation with resolution procedures. This is highly important given that the rate of urbanization is increasing and residential real estate is emerging as the most influential asset type.

The Civil Code in its re-code version endeavors to make changes in the security rights particularly among credit and financing. The legal system of mortgages and liens is extended to refer not only to the tangible but also to the intangible immovable property in such a way that protections of the creditors comprise with the protection of the debtors. The framework is aimed to be in harmony with EU principles of financial collateral, bank lending and consumer credit, and hence, the framework will facilitate access to finance as well as fair treatment in enforcement. With regard on the legal solutions and enforcement of the law, the Code strengthens the judicial protection of property, providing restitution and injunction mechanisms and compensation. Further, the volume provides alternative dispute provisions in the form of mediation and arbitration with possible capability of settling the use of apartments or buildings dispute especially in commercial and condominium planes.

Finally, the Code recognises emerging facts of digital property ownership and environment management. As a category, digital assets are still quite young and thus the reformed property law pre-conditions the future identification and regulation of non-physical property interest, like virtual goods, cryptocurrencies, and data rights. Besides, environmental property principles conform with the principles of the public interest which makes it

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possible to implement protective covenants, ecological servitudes, and other devices to conserve biodiversity, control land use and pollution.

Conclusively, the new Hungarian Civil Code Volume Three in the interpretation of property law turns property law to a contemporary, harmonious, and comprehensive legal framework. It has an ethic of private ownership but places it within a structure of civic responsibility, of constitutional compatibility, and of fiscal viability. The new approach guarantees the property rights can also sustain the development of individual autonomy, creation of wealth as well as social justice and economic resilience of any nation in a globalized world.

5. Conclusion

Re-codification of the Civil Code of Hungary is a crucial point of the development of the country in the sphere of law and its establishing. It is much more than a mere technical re-write of old statutes, the drafting of a new Civil Code brings a complete reconsideration of the basis of the private law, intended to build a new legal framework that will be structurally consistent, philosophically balanced, and adapt to the requirements of the XXI century. It is a legal nation-building action which connects the tradition with transformation.

The new Civil Code contains, in essence, a dream of a constitutional market economy: one in which rights of the individual are safeguarded under the law, economic vitality achieves support, and social stability is promoted. All the volumes of the Code, Persons, Family Law, Property (Law of Things), Obligations and Succession, have been drafted in an intelligent way according to this balance. The structural movement towards monist approach that incorporates other formerly fragmented contexts of commercial and civil law confirms the fullness of legal unity as a provider of predictability, accessibility and equality before the law.

Volume on Legal Persons will also modernize the legal identity of individuals as well as institutions hence ensuring that the legal entities are governed by clear, uniform and accountable rules. The Code promotes entrepreneurship, civil society, and institutional reliability, which are the pillars of a rule-of-law state by upholding the legal capacity, registration and internal governance.

The incorporation of Family Law into the Civil Code is an indication of the fact that the development of the Civil Society must be based on a formulation of the process that is attributable to the Family aspect which must be allowed freedom and protection within the civilized society. The focus on child welfare and marriage equality as far as legal pluralism (recognizing a wide array of family forms) are also in conformity with the European and international human rights standards with the Hungarian law.

The Law of Things rewholesomely puts property as a stagnant privilege in a new light; that is, as a socially based institution which is based on relations. Property law has come to accommodate constitutional values including the interests of sustainable development as well as realities of modern finance, real estate, and asset utilization. The changes in this sector balance the divinity of property with stewardship, transparency and justice.

Although not yet restated here, the Law of consequences is important to entrench freedom of contract and responsibility. Its contemporary principles of liability, the formation of the contract, its invalidation, and consumer protection is so that the civil law is capable of modifying both the historical forms of non-state agreement and the new forms of non-state agreement in a vibrant market.

Procedural and institutional developments outlined in the Code, like court-supervised registration, formalization of foundational documents, and standard implementation criteria indicate the attempt at establishing not only efficient, but also credible legal infrastructure. With such, the Code renews the position of the private law as an instrument of justice as well as economic predictability and democratic ideals.

Notably, the project of re-codification is not just an undertaking of an abstract idealism. It has a strong connection with the Hungarian legal practices, traditions, and legal philosophy, on the one hand, and comparative and European law, European legal harmonization efforts and the transnational developments of law, on the other hand. This twofold orientation guarantees that the legal system of Hungary will be both nationally distinctive and adaptable (or harmonisable) to a more extensive legal culture of common shared values.

The Civil Code is the first law book that gives a reflection of the society and the new legal era that Hungary is entering, it is both a symbol and means: presentation of values, the authorization of governance, justice and development. It confirms that the rule of law has to change alongside the society but has to also stabilize it with clarity, dignity and fairness. The new Civil Code is not a simple law - it is a legal constitution of the individual life of the modern European state.

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Conflicts of interest

The authors have no conflicts of interest to declare

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