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Government attacks against Hungarian NGOs between 2013 and 2016

Executive Summary

In August 2013, the Hungarian government began a series of PR-level attacks upon NGOs working in the country. Ultimately, these attacks took place in three main areas: communications, finances and legal action. Government communications consistently referred to “false” NGOs, which it alleged were actually political organizations supported by foreign funds. The organizations named by the government in this respect were ones that involved in protecting rights instead of working in the area of providing the civil society services expected by the government. Most of these organizations were beneficiaries of funding from the Norwegian Civil Society Support Fund (*Norvég Civil Támogatási Alap* - NCTA). The attribution of funds and the implementation of projects is performed by politically independent associations. However, the government attempted to place the NCTA funds under state control, which failed, due to the Norwegian party. This was followed by attacks through the press and other communications against the NGO managing the Fund and NGOs supported by it. In addition, the government announced that it would perform generalized audits in connection with the use of NCTA funds.

Although the Norwegian party and the NGOs disputed the jurisdiction of the Government Control Office (*Kormányzati Ellenőrzési Hivatal* - KEHI) responsible for making the audits, on the grounds that it did not have the jurisdiction to audit NCTA funds; audits were launched in June 2014 against the four implementing funds and 58 NGOs. Since August 2014, various legal proceedings have been underway. To begin with, the KEHI launched proceedings through the Tax Authority (*Nemzeti Adó- és Vámhivatal* - NAV) to suspend the tax numbers of the foundations taking part in implementing the NCTA. Meanwhile, an individual plaintiff lodged a complaint in connection with a suspicion improper use of the Norwegian funds.¹ As the investigation was launched against an unknown suspect, the parties presumed to be affected by the case were not officially notified. As part of the police investigation, the offices of the implementing foundations were occupied in September 2014 by investigators who seized documents and data storage devices.

In October 2014, the KEHI issued its final report closing the audits. Then, in January 2015, the NAV launched additional tax investigations, presumably based upon the KEHI report. Out of the 58 NGOs audited, seven were subjected to tax audits retrospective for the last three years, conducted by the NAV’s specialized tax department. At the same time, the

¹ <http://444.hu/2014/08/06/egy-belvarosi-fideszes-jelentette-fel-a-norveg-civil-penzeket-kezelokotars-alapitvanyt/>

Chief Prosecutor's Office also began investigations against seven organizations to inspect the legality of their operations.

In the summer of 2015, negotiations began between the Norwegian and Hungarian parties in order to resolve the issue of the blocked Norwegian funds outside of the NCTA. Negotiations continued until the end of the year and, according to the news published in the media, were closed in a manner satisfactory to both party. Meanwhile, between July 2015 and February 2016, all audits and investigations ceased. As it failed to identify any criminal offenses, NAV closed the investigations "received" from the National Bureau of Investigation (*Nemzeti Nyomozó Iroda - NNI*), the proceedings to suspend the tax numbers of implementing foundations were closed. At the same time, the tax audits of the seven NGOs ended without any further official measures and the investigations of the Chief Prosecutor were terminated as well.

Altogether, the KEHI audited 58 NGOs in the course of its proceedings. It attempted to suspend the tax numbers of four organizations over the course of 15 months, seven organizations were subjected to extended tax audits over the course of one year, while the NNI and the NAV conducted additional investigations on seven organizations due to charges levied by the Prosecutor's Office and by at least one individual. **Not a single one of these proceedings resulted in a conviction, and in at least one case, in connection with a search warrant, a court ruled that the measures had been ungrounded and unlawful. The tax (NAV) audits alone required the cooperation of two staff members from each organization for a period of 35-36 days, and approximately the same amount of time was demanded from the organizations on the other side as well.**

Overview of the events²

The "protégés" of George Soros

In August, 2013, an article published in Hungarian weekly, *Heti Válasz*, indicated that there was some sort of an international conspiracy underway against Hungary. The article claimed that certain Hungarian NGOs with aims and values in open opposition to the government's policies were the "protégés" of George Soros. The article also claimed that the Norwegian Civil Society Support Fund was distributing money to this group of organizations, and was acting as a "substitute for the EU funding agencies, practically a distributor of public funds". It also listed the names of 13 NGOs considered suspect.³ In October 2013, in reaction to the article, a response by the Norwegian ambassador vehemently denied the accusations of political meddling, and stated that grant recipients had been chosen through an open selection process managed by a consortium headed by the Ökotárs Foundation.

Two days after the article was published in *Heti Válasz*, Péter Hoppál – speaking at a press conference – called the NGOs receiving funding "false organizations", and alleged that they were being funded as a reward for taking an anti-government stance. The Hungarian

² Based on the summary presented in "Timeline of Government Attacks Against Hungarian NGO Sphere", an article authored by the Eötvös Károly Institute, Transparency International, the Hungarian Civil Liberties Union and the Hungarian Helsinki Committee.

³ <http://valasz.hu/itthon/soros-felmilliardot-adott-orban-ellenfeleinek-67174>.

Helsinki Committee, one of the organizations described as “false”, launched legal proceedings and as a result, the court of first instance held in July 2014 (later confirmed on appeal in July 2015), that the Fidesz spokesperson had infringed on the NGO’s right to reputation.⁴

An NGO connected to a political party involved in the Norwegian funding

On 8 April 2014, two days after the Fidesz-KDNP government was re-elected, János Lázár (Minister of the Prime Minister’s Office) wrote to the Norwegian government, complaining that the NCTA funds were being handled by an NGO which is closely connected to one of Hungary’s political parties, the LMP (green party). Deputy Secretary of State Nándor Csepreghy also added that if Norway failed to act as a partner in remedying the situation, Hungary would deem this to be interference in its internal affairs.⁵

At the 24 April elections, the Norwegian minister in charge of EU affairs, Vidar Helgesen, reiterated that the selection of the implementation consortium had been made through an open call for submissions, while the accusation of interference in Hungary’s internal affairs was both surprising and unfounded.⁶ Meanwhile, it surfaced that the “End of Century” Foundation, closely connected with the government, had also applied for a grant at the open call for submissions, but had been rejected by the Norwegian party when it learned that it had ties to a political party.⁷

Fast-track KEHI audits of the “Norwegian NGOs”

On 6 May 2014, János Lázár asked the Norwegian minister for EU Affairs to suspend the disbursement of funds from the Civil Society Fund until the “Ökotárs matter is resolved and a new implementing organization is selected”. Instead, on May 9, the Norwegian government suspended the payment of its larger subsidies to government projects, allegedly because the implementation of those projects had been transferred to the office of the Széchenyi Program without the consent of the Norwegian party. Then, on May 24, the Office of the Prime Minister announced that the government had ordered KEHI to proceed to extraordinary investigations of both the EEA/Norway Grants and the Norwegian Civil Society Fund.⁸

The FMO, a Brussels-based program office assisting in managing and monitoring the Norwegian funding, called the plans of the Hungarian government unacceptable, as the funding did not affect any Hungarian public funds. Despite this, KEHI began auditing immediately. It informed the Ökotárs Foundation leading the consortium of this decision in a letter dated May 26. In an attachment to the letter, KEHI requested data in connection with

⁴ http://index.hu/belfold/2014/07/07/megjarta_hoppal_peter_amikor_lealcivilizte_a_helsinki_bizottsagot/ and <http://www.helsinki.hu/jogeros-a-hoppal-ugyben-hozott-itelet/>

⁵ <http://mno.hu/belfold/lazar-levelben-tiltakozik-a-kulfoldi-beavatkozas-ellen-1220352>

⁶ http://www.regjeringen.no/upload/UD/Vedlegg/brev/svar_lazar.pdf.

⁷ http://index.hu/belfold/2014/04/11/a_szazadveg_akarta_a_norveg_penzeket/.

⁸ http://index.hu/gazdasag/2014/05/21/rakuldik_a_kehit_a_norveg_alapra/.

all grantees of the NCTA program, as well as all documents and accounting papers connected with Ökotárs' implementation activities.

Meanwhile, a public smear campaign was conducted, not only against Ökotárs and the implementing consortium, but also against grant recipients. Communications issued by the Office of the Prime Minister indicated that so-called "suspect" NGOs were also involved in the Norwegian funding. The list of these "suspect" NGOs was leaked by the 444.hu news portal, which showed that they were the same as the list of the 13 NGOs connected with Soros, published a year earlier.⁹

On-site inspections and criminal charges

On 2 June 2014, KEHI conducted on-site inspections at the offices of the Autonomy Foundation, the DemNet Foundation and Ökotárs. According to the agreement between the two countries, the NCTA audits ought to be performed by the Brussels-based Financing Mechanisms Office (FMO) and the organizations identified by it. Therefore, both the FMO and consortium leader Ökotárs made official statements to the effect that they dispute the legality of the KEHI inspections and will only partially cooperate with the KEHI; while Ökotárs wrote an official letter to KEHI requesting that it be informed of the legal grounds for the inspection.¹⁰

Meanwhile, the Norwegian government continued to express its serious concerns with regards to the Hungarian events, calling the measures taken by the Hungarian government as an explicit limitation of freedom of speech and made it clear that the suspended government project would only be continued if the KEHI inspections were terminated immediately. Instead, on 16 June 2014, KEHI requested the submission of further documents, and sent Ökotárs a list of the names of 58 grant-recipient NGOs in connection with which it was requesting information. As Ökotárs, in concordance with the opinion of the FMO, refused to deliver this information, the KEHI approached the NGOs themselves to obtain the documents.

At this time, after an article published in *Heti Válasz* on 25 June 2014 which referred to an Ernst&Young report commissioned by the FMO, Nándor Csepreghy claimed that it was also likely that Ökotárs was guilty of misappropriation of funds. Presumably based on this article and statement, István Tényi reported the Norwegian Civil Society Support Fund to the Chief of Police of Budapest's Fifth District on suspicion of misappropriation of funds, pressing charges against an unknown offender.¹¹ In fact, the Ernst&Young report cited, which had audited the Fund's 2004-2009 funding cycle, found both the implementation of the program and the related contracts to be in order.¹²

⁹ <http://444.hu/2014/05/30/itt-a-kormany-listaja-a-szervezetekrol-akik-miatt-nekimentek-a-norveg-alapnak/>.

¹⁰ <http://nol.hu/belfold/okotars-nincs-jogalapja-a-kehi-vizsgalatnak-1466411> and https://norvegcivilalap.hu/sites/default/files/dokumentumok/okotars_level_kehi.pdf.

¹¹ <http://444.hu/2015/02/11/tenyi-istvan/> and <http://444.hu/2014/08/06/egy-belvarosi-fideszes-jelentette-fel-a-norveg-civil-penzeket-kezelokotars-alapitvanyt/>

¹² <http://atlatszo.hu/2014/07/01/itt-az-ernst-young-jelentese-a-norveg-civil-alap-atvilagitasarol/>

Suspension of tax numbers, statement by the NAIH, police searches

In its 12 July 2014 letter, KEHI warned Ökotárs and the implementing foundations that their refusal to cooperate would lead to consequences, one of which would be the suspension of their tax numbers. On July 26, in a speech at the Tusványos summer festival, the head of the Hungarian state referred to certain actors in the country's civil society as "activists paid to serve foreign interests".

In early September, the National Authority for Data Protection and Freedom of Information (*Nemzeti Adatvédelem és Információszabadság Hatóság* - NAIH) issued a statement in which it condemned Ökotárs for refusing to release to the *Hír TV* station a list of refused grant applicants and their evaluations, citing its contract with the FMO.

On September 8, as part of the police investigations in connection with the accusation of misuse of funds (later replaced by a charge of unauthorized use of funds), police searched the offices of Ökotárs, DemNet, Ökotárs' bookkeeper, the office of an IT service provider and the home of one staff member. Based on the data and documents seized, it appeared that the police were attempting to obtain the information which KEHI was unable to obtain due to the limited cooperation of the NGOs involved.

On September 11, KEHI extended its investigation to include projects of the Swiss fund as well, and between September 18 and 24, it carried out its earlier threat, requesting NAV (the tax authority) to suspend the tax numbers of the implementing organizations. The organizations began by appealing this measure, and proceeded to challenge the decision in court.

On 22 October 2014, KEHI published its report¹³ and said that it would report further based on the results of the investigation.¹⁴ The Norwegian party however stated that it did not accept the KEHI report as a credible report, and that it would continue to monitor the use of funds in accordance with the contract and with its own methodology. It also stated that insofar and the Hungarian government would respect the independence of NGOs and terminate pending proceedings, the Norwegian party would also attempt to find a solution to continue funding the government projects.¹⁵

Extraordinary tax audits and investigations by the Chief Prosecutor's Office

On 12 November 2014, the media reported that KEHI had brought a complaint to the police against an unknown offender on the suspicion of unlawful use and disbursement of 250 million HUF, and that it had initiated extraordinary tax audits with the NAV.¹⁶ Meanwhile, the National Investigation Bureau also forwarded the charges of misuse of funds (also brought against an unknown offender) to the NAV's Department of Criminal Cases.

On 10 January 2015, the NAV's Department of Audits of Special Tax Subjects launched a series of extraordinary tax audits against certain NGOs having received grants

¹³ http://kehi.kormany.hu/download/a/51/c0000/NCTA_jelentes.pdf

¹⁴ <http://abcug.hu/kehi-feljelenti-az-okotars-alapitvanyt/>.

¹⁵ <http://www.norvegia.hu/Norsk/EEA-and-Norway-Grants1/EEA-and-Norway-Grants/The-Norwegian-response-to-the-KEHI-report/>.

¹⁶ <http://nol.hu/belfold/feljelentett-civilek-1497967>

from the Norwegian Fund. At the same time, the administrative law departments of the local prosecutor's offices also launched legal review proceedings against certain organizations. According to media reports, tax audits were launched against seven NGOs and investigations by prosecutor's offices were launched against another seven organizations.

Unlawful police searches and independent auditor's report

On 23 January 2015, the Central Court of Buda as court of first instance found the searches of the offices of Ökotárs and DemNet to have been unlawful, as it did not find grounds for the police to suspect a criminal offence.¹⁷

On February 11, the Brussels-based FMO published an independent report performed in the second half of 2014, which had found the implementation of the Norwegian Civil Society Support Fund to be completely in order, and the work of the consortium to be more than satisfactory.¹⁸ One month later, János Lázár stated that NGOs and their leaders would be required to comply with the same level of transparency as MPs, in terms of disclosing information about their assets.¹⁹

Over the course of spring 2015, in connection with the suspension of the tax numbers of the implementing organizations, the court having jurisdiction turned these proceedings over to the Constitutional Court for constitutional review, along with the Government Degree on KEHI that made these proceedings possible. **In March 2015, in connection with the Hungarian Civil Liberties Union (HCLU)'s request for information, the court of first instance ordered KEHI to release the data related to the fast-track investigations performed in connection with the NCTA, that is, exactly who had ordered the investigations and for what reason.**

Results of the investigation by the Prosecutor's Office

On 16 June 2015, the term of the criminal investigation was extended by two months.²⁰ In its communications released after the closure of the Prosecutor's Office's investigations in late June, the government stated that its suspicion of irregularities in connection with the use of the NCTA funds had been confirmed, as the Prosecutor's Office had found cases of violations at the seven NGOs inspected. **The truth however was that, of the 58 organizations initially reviewed, investigations by the Prosecutor's Office were only launched against seven NGOs. In three of these cases, only minor administrative errors were identified, while in another three cases, the NGOs in question had already terminated their operations or were in the process of doing so, and in the last case, the**

¹⁷ http://hvg.hu/itthon/20150129_A_birosag_helyt_adott_az_Okotars_panaszan.

¹⁸ Interim report of the Hungarian EEA/Norway Grants's civil society fund, <http://www.ngonorway.org/images/OutOftheBoxPart2COUNTRYREPORTS-1.pdf>,

¹⁹

http://index.hu/belfold/2015/02/20/lazar_a_civil_szervezetek_vezetoinek_a_szemelyes_vagyonukkal_is_el_ke_ll_szamolniuk#.

²⁰ <http://444.hu/2015/06/16/a-rendorseg-2-honappal-meghosszabbította-a-norveg-penzek-miatti-nyomozast>

NGO inspected had just lost its “non-profit public interest organization” status, thus removing the grounds for the investigation.²¹

Meanwhile, the Hungarian Helsinki Committee received a final court ruling, upholding its action against Péter Hoppál for his statements about “false NGOs”, made a year earlier.²² At the same time as these events, negotiations were being prepared at the government level through which Hungary and Norway would eventually “make peace” with one another, and after which the Norwegian party agreed to resume the grants suspended more than a year previous.²³

Settlement between Norway and Hungary

On 20 October, 2015, the NAV closed the investigation against an “unknown offender”, which in fact was affecting Ökotárs and 17 other NGOs against whom the KEHI had brought a complaint. In the words of news portal 444.hu, “it has been proven that Ökotárs as well as the foundations that had received grants had complied with all laws and all reporting obligations”.²⁴

Meanwhile, the bilateral negotiations that had begun in the summer between the Norwegian and the Hungarian party continued. Although Nándor Csepreghy made a statement on television on November 11 to the effect that the Norwegian party’s conditions amounted to blackmail, the basis of the agreement was effectively ready by November 23.²⁵ On 24 November 2015, at its annual session, the representative of the FMO agreed with the representative of the Hungarian government that the payment of the suspended Norwegian grants would be resumed. **An express condition of this agreement was that the Hungarian government cease all proceedings against organizations handling and receiving the grants, and that it provide a guarantee that it will not launch any more such proceedings against others.**²⁶

On 9 December 2015, Nándor Csepreghy made public the existence of this agreement, and that the Norwegian party had resumed its support of government projects.²⁷ Despite the agreement, in mid-December further critical statements were made against NGOs, with János Lázár at the Fidesz party congress continuing to refer to NGOs paid by and serving foreign interests.²⁸ He added however, that in the agreement between the two countries and according to the document released to the public by the Norwegian party, the Hungarian party had accepted and agreed to comply with the legal framework while implementing the NCTA program.²⁹ After the announcement that an agreement had been

²¹ http://mno.hu/magyar_nemzet_belfoldi_hirei/torvenyesen-mukodtek-a-civilek-1293023

²² <http://helsinki.hu/jogeros-a-hoppal-ugyben-hozott-itelet>

²³ <http://vs.hu/kozelet/osszes/lazarek-egy-ev-haboruzas-utan-bekulhetnek-norvegiaval-0610#is5>

²⁴ <http://444.hu/2015/10/20/nem-talaltak-semmit-megszuntettek-a-nyomozast-az-okotars-ellen>

²⁵ <http://444.hu/2015/12/22/titkos-alkut-kotott-a-kormany-a-norvegokkal-mindenben-engedtek-nekik>

²⁶ <http://www.politico.eu/wp-content/uploads/2015/12/Hungary-Annual-Meeting-24-November-20151.pdf>

²⁷ <http://vs.hu/kozelet/osszes/folytatodhat-a-norveg-alap-lehivasa-1209>

²⁸ <http://vs.hu/kozelet/osszes/a-norvegok-gyoztek-de-a-fidesz-nem-adja-fel-1215>

²⁹ <http://www.norvegia.hu/Norsk/EEA-and-Norway-Grants1/EEA-and-Norway-Grants/Lifting-of-suspension-of-payments-from-EEA-and-Norway-Grants-to-Hungary/#top>

reached, once again a flurry of articles broke out in the media about the details of the deal. The 444.hu news portal reported that, according to sources from Brussels diplomatic circles, the Hungarian government had agreed to all of the Norwegian demands, that they had promised to return the tax numbers to the implementing organizations and that they would not pursue any criminal proceedings against anyone involved. Hungarian government sources however claimed that in exchange, the Hungarian government had been given a veto right for the next selection process of implementing organizations.³⁰ **Although references to the Norwegian conditions are totally unequivocal, there are no mentions whatsoever of a Hungarian veto right in the above-cited reminder released on November 24.**

Results of the official proceedings

Extraordinary KEHI investigations

In its first letter to Ökotárs, dated 26 May 2014, KEHI wrote that the subject of the investigation was the “extraordinary investigation of the supervision of grants provided through the institutional system of the EGT and Norwegian Financing Mechanisms”. Its later request specified the 58 NGOs which it had also approached individually in summer 2014 as part of the investigation. The list was not published. Even in the section on “leaders of organizations investigated” at the end of its 38-page report, KEHI only mentioned the names of the four implementing organizations.

KEHI never officially notified the 58 NGOs or the four implementing organizations of the results of the proceedings which it had undertaken. In October 2014, it published a report in which it stated that out of 63 projects inspected, it had found 61 that presented problems. However, it did not name either the projects or those implementing them. The criminal proceedings mentioned on page 33 of this report extend to a pending police case, and grounds for other criminal offences are also mentioned, but without any other specific information. They also mention five cases in which “a suspicion of budgetary fraud has arisen” and in which further criminal charges have presumably been brought. However, there is no trace of these proceedings either at the foundations or in later media reports.

None of the affected parties received official notification of the termination of the KEHI investigation. It was only on the basis of media reports, when KEHI published its report on 15 October 2014, that it could be presumed that the investigations had ended. The only document that could be considered official to some extent was a letter by the chairman of KEHI, dated 28 January 2015, following the December 2014 session of the Equal Opportunity Round Table, in which Dr. Barna Szabolcs Gaál wrote, among others, that “the investigation of the grants disbursed by the Norwegian Civil Society Support Fund has been closed, and KEHI has published the investigation report – in accordance with the Government’s decision – on the KEHI website, where it is currently available (kehi.kormany.hu).”

³⁰ <http://444.hu/2015/12/22/titkos-alkut-kotott-a-kormany-a-norvegokkal-mindenben-engedtek-nekik> and <http://444.hu/2015/12/22/ujabb-reszlet-a-titkos-alkurol-a-norvegok-elengedtek-az-okotars-kezet>

Police investigation

In summer 2014, an investigation was launched in response to a complaint against an unknown suspect, by the District 5 police headquarters and later by the National Investigation Bureau, on suspicion of misappropriation of funds in connection with the Norwegian grants. According to media reports, the complaint was lodged by István Tényi, acting as a private citizen. In a parallel investigation, the National Investigation Bureau searched the offices of Ökotárs and DemNet on 8 September 2014. **The police searches of the offices was, beyond doubt, one of the most striking and intimidating elements of the series of attacks; however it was also this event that was the first to be condemned by a court as unlawful.**

In fall 2014, the National Investigation Bureau forwarded their investigation to the NAV, where, after several extensions, the investigation was finally closed in the fall of 2015 without having reached any conclusions. No official documents marking the end of the investigation (as it had been launched against an unknown suspect) was received by the affected NGOs.³¹ After the police search of the offices, the implementing foundations did not receive any more answers from the police, and were only able to follow the progression of events through the media.

Tax audits and investigations by the Prosecutor's Office

Of all of the proceedings, the NAV's audits in early 2015 were perhaps the best documented. According to media reports, the seven organizations audited (presumably on the basis of KEHI's report) received notification that the proceedings had been terminated and received an official decision closing their cases. The three-year retrospective audits were performed by the NAV's North Budapest Directorate for Special Tax Subjects, Main Audit Department.

In the course of drafting this study, we were able to identify six of the seven NGOs investigated. According to the documents ending the investigations of the six NGOs, each investigation lasted 35 to 36 days, and, besides examining the records of the organizations themselves for the years 2012, 2013 and 2014, the audit also extended to some subcontractors and employees as well. There were between five and seven related inspections for each NGO, primarily to inspect whether their invoiced activities had been performed according to contract. In this respect, in at least seven of the 33 companies inspected, the auditors found that there were insufficient documents available for the audit.

The written protocols closing the investigations against the NGOs all used the same text, in which the NAV announced that no further proceedings would be taken by the authorities. Another noteworthy aspect of the NAV audits is that, although officially they were supposed to audit all of the organizations' activities in 2012, 2013 and from January to October 2014, according to one NGO, the audit only covered the subcontractors involved in the so-called Norwegian projects. On this basis, it can also be presumed that, insofar as the

³¹ http://mno.hu/magyar_nemzet_belfoldi_hirei/brusszelben-targyalnak-a-norvegokkal-1290949#

KEHI investigations really were the basis for the NAV proceedings, the six or seven NGOs selected were selected from the initial 58 depending on where KEHI noticed a staff member reporting to the projects.

Even less documents and specific information are available with regards to the investigations by the Prosecutor's Office. Any connection between the organizations audited and the Norwegian proceedings are even more difficult to prove, and only three of the seven organizations named in the press were involved here, as three of the organizations which had received grants in the past ceased to exist either before or during the investigations. The investigations were connected with the "public interest" status and the reports of the NGOs concerned, and in all three cases, the investigations were closed (by December 2015 at the latest) upon the acceptance of their answers. Only minor violations were identified; for example, one NGO had failed to publish its public interest report on its website.

There is no information whatsoever available with regards to how or why the organizations were selected for these investigations. Only the 28 January 2015 letter (mentioned above) by the chairman of KEHI gives any explanation as to the organizations chosen for the investigation. The chairman writes that the NGOs and projects were selected based on a risk analysis methodology which is also statistically verifiable, taking five aspects into account. It adds that "the surveyed sample was selected based on the above-mentioned risk analysis layered with statistical sample-taking methodology, including random sample-taking".

Summary

Although this report began with the aim of summarizing the events of the “Norwegian NGO attacks” lasting nearly two years, very few documents were at our disposal in connection with these events. **Although news of all of the main events were published in the media, no data is available with respect to the specific reasons for these investigations, or as to who ordered the proceedings and how they concluded. Despite the fact that serious threats and accusations were raised during the investigations – unlawful financial activities, misappropriation of funds, embezzlement, falsification of documents, the inspection of the personal assets of NGO leaders, and the suspension of tax numbers – all of the investigations were closed without results.** No charges were filed as a result of the police investigations, none of the tax audits resulted in investigations by the authorities, and independent auditors found the operations of the Norwegian Civil Society Support Fund to be beyond reproach.

One tendency that was seen in the events was that all the main information was first published in the press, while affected parties were only officially notified later. Most of the time, even these official notifications were only issued on request, while the results or conclusions of investigations could either not be obtained at all or only to a very limited extent.

What emerged as a result of the attacks was that Hungarian NGOs could be artificially divided into “good” and “bad” organizations, the “good” ones being those that follow existing policies and, using state funds, remedy any loopholes left by the state and perform useful services for society; while the “bad” ones are those who see it as their duty to loudly proclaim their opinion and use their own system of values as a means with which to criticize the current government in power. Among others, independent UN expert Michel Forst also pointed this out in his 16 February 2016 report. According to the latter, Hungarian human rights organizations are forced to operate in an increasingly polarized and politicized environment, while the state attempts to discredit their work with fabricated criminal proceedings.³²

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³² <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=17037&LangID=E>