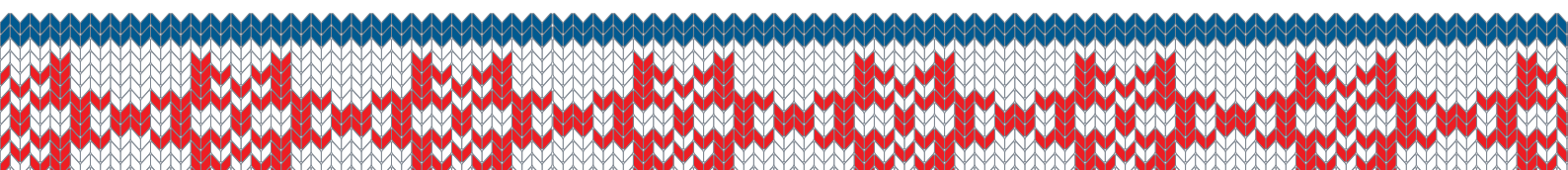# 4 YEARS, 448 PROJECTS

Evaluation of the EEA Grants NGO Programme strengthening civil society in Hungary

CONTENTS

Executive summary

The EEA and Norway Grants represent the support provided by three European countries that are not members of the European Union but are part of the European Economic Area (EEA), and thus enjoy the common political, economic and social benefits of the Union without contributing directly to its development and maintenance. The EU and these three countries, namely Norway, Iceland and Liechtenstein established the EEA and Norway Funds in order to support the reduction of economic and social inequalities in 16 less developed countries that have joined the EU since 2004.

The second NGO Programme of the EEA/Norway Grants in Hungary (NGO Fund) held its opening conference on the 12nd February 2013. The four-member consortium (Ökotárs, Autonómia, DemNet and Carpathian Foundations) responsible for the implementation of the programme announced seven calls for applications in total until December 2015. 2767 civil society organizations (NGOs) submitted 3859 proposals which would have been implemented in 629 different settlements of the country. This evaluation examined the data of these proposals, and amongst them the 460 selected projects of the 407 project promoters (including the 430 successfully implemented ones), as well as the opinions of the applicants formed on the domestic civil sector in Hungary.

Our main conclusions are as follows:

The opinion of the applicants and project promoters of the NGO Fund about the civil sector in general has deteriorated. During the four years that passed since the start of the NGO Fund, the legal and economic environment influencing the operation of the NGOs has permanently been worsening. The re-assessment of the concept of public benefit status, the insecurity concerning the financial liability of the leaders of these organizations, the possible introduction of a law condemning the beneficiaries of foreign funds, or the unproportionate restrictions in access to public information all had negative impacts on the organizations. The service provider organizations have experienced disadvantages when compared to church organizations supported by the government; the prime winners of the calls announced within the centralized educational, health care and social support system have been these latter. According to the opinions, politics does not intend to leave the sector at its own so that it could develop, organize and grow its pillars independently, it instead introduces tighter and tighter restrictions and decreases the resources. The NGO Fund project promoters and the Fund Operators themselves have been unable to make the majority of the Hungarian society understand what they do and why it is important.

The NGO Fund has a partial and indirect impact on the whole of civil society. Some reasons of this had already been visible prior to the start of the programme, while some others evolved during the programme period. One of the former ones is that a programme, limited both in finances and time, that offers the possibility of a 33-month development process as a maximum, will be unable to exert an immediate impact on the whole of the sector. Of the latter ones, it has been the general governmental pressure put on the civil society organizations and the deterioration in the legal-financial environment that have had the greatest impact. (Also including the intense negative communication and the official examinations conducted against the Fund Operators and the advocacy NGOs in general.)

The features of the organizations that had applied to and been supported by the NGO Fund quite precisely reflect – with some differences – the statistical picture of the Hungarian civil sector. Almost half of the granted projects were implemented in the capital, and while most of the projects took place in cities, it must be emphasized that organizations operating in small settlements were also successful in applying to the fund (despite the conditions set in relation to the project size and the applicant's capacities). The rate of the applications submitted from the less developed North-Eastern part of the country was rather high. The majority of the applicants and project promoters had started their operation during the latest decade.

In their projects the project promoters achieved, and in most cases even over-performed, the (obligatory) indicators committed. Owing to the diversity of the objectives, the target groups and the methods set, it is hardly possible to make general conclusions supported by "hard" data concerning the social impact of the projects. However, exactly for this reason, based on the analysis of the projects, we can get a picture of a very colourful and active circle of NGOs who react to real problems. Another visible phenomenon was that some of the organizations, taking the application procedure as a learning process, drew the lessons from the rejection of their former application(s), and making use of the consultation possibilities offered by the Fund Operators, they reshaped their plans several times if it was necessary.

The applicants and project promoters of the NGO Fund make sharp distinction between the evaluation of their own organizations and the sector as a whole – they have a much better opinion about the previous. The reason for this might be that most of the organizations address a narrow community, thus, while dealing with an issue in a (geographically or thematically) smaller community, they fail to pay attention to a wider social support of the organization and the cause.

The applicants and the project promoters of the NGO Fund consider the thematic areas and priorities of the programme (gender equality and the situation of women, youth and the Roma) as being more and more important, however, they assess the balance of the past four years as negative. Most of the governmental institutions addressed in the projects (like schools) refrained from cooperation (there were some counterexamples though). This fact obstructed the project promoters' activities aimed at changing social attitudes. The number of the organizations doing professional work in the field of women's and the youth affairs is small, and the NGO Fund has been unable to bring about a decisive change in this; it is, however, worth mentioning that the projects of the women's organizations moved beyond the borders of Budapest and the big cities. At the same time "aggressive" sexism has grown stronger in public speech and political communication. Relying on the experiences of the youth projects, within the NGO Fund, too, we have experienced the trend of the youth withdrawing themselves from the public political sphere; they do not participate in public affairs, while advocacy and participation are "taught" practically only by NGOs; however, the operation of these (owing to their institutionalized form) is not attractive for the younger generations. At the same time, the NGO Fund projects have achieved good results in addressing the youth. Similarly, the projects that have dealt with Roma integration showed strong performance in the field of involvement; while they gained positive community feedbacks at the local level, they mentioned the lack of a political vision aiming to improve the situation of the Roma as a very negative factor on the societal level. This topic has even been pushed into the background during the program period in the political arena, and the projects of the NGO Fund promoters have not been able to change this trend.

The applicants and project promoters think that the supporting systems that are independent of the state and party politics, focus on professional fields but are still flexible, i.e. react to real needs and give space to learning processes, are of outstanding importance. Funding mechanisms similar to the NGO Fund may be able to provide effective help to the issues (or at least keep them on the agenda) that are difficult to address because of the inflexibility of the institutional systems (e.g. penalty enforcement), the contradictory political will (e.g. drug usage) or the misinformation and lack of information in the society (e.g. gender equality). Therefore, they suggest other (potential) grantmakers to consider the methods and procedures used by the NGO Fund – not neglecting further development and soft tuning, of course.

Introduction

The NGO Programme of the EEA and Norway Grants in Hungary (NGO Fund) held its opening conference on 12nd February 2013. As the representatives of the donors stated at this event, the comprehensive objective of this financial programme that is part of the EEA and Norway Grants aimed at reducing the disparities of the less developed members of the European Union (EU) and was provided by Norway, Iceland and Liechtenstein, with a grant budget of € 11.6 million, was to *"strengthen the development of the Hungarian civil society and to enhance its contribution to social justice, democracy and sustainable development"*.

Also *"the NGO Fund paid special attention to human and minority rights (based on ethnical, religious, language or sexual orientation), to good governance, transparency, combating racism and xenophobia (including hate speech and hate crimes), the activities against discrimination, social inequalities, poverty and exclusion as well as to gender equality, including sexual and family violence"*.

Of course, the aims like the termination of social injustice or the effective reduction of xenophobia, which is historically coded and artificially regenerated from time to time, cannot be realistic objectives for such a short program. It can, however, be sufficient to make people sensitive, to help maintain the existing values, and to offer alternative solutions to problems that can be used by the concerned social groups after the program is closed.

As the Fund Operators of the NGO Fund, in 2014 we launched a programme evaluation exercise with the aim to review the negative or positive shifts compared to the above objectives through the work of the genuine advocates of the exposed social groups, i.e. the NGOs who had submitted project applications to the Funds.

> *The NGO Fund aimed to strengthen the development of the Hungarian civil society and to enhance its contribution to social justice, democracy and sustainable development.*

I. What is the NGO Fund?

We have already referred to the origins of the long name of the NGO Programme of the EEA/Norway Grants in Hungary and the bigger financial mechanism in its background. In order to make clear the reason why the Grants provided their support exactly at this time and in this form, it is necessary to draw a short sketch of the international framework that had brought the NGO Fund to life.

The EEA and Norway Grants represents the support provided by three European countries that are not members of the European Union but are part of the European Economic Area (EEA), and so enjoy the common political, economic and social benefits of the Union without contributing directly to its development and maintenance. The EU and these countries, Norway, Iceland and Liechtenstein (as donor states) established the EEA Grants and the Norway Grants in order to support the reduction of economic and social disparities in the 13 less developed countries, including Hungary, that have joined the EU since 2004 (as well as in Portugal, Spain and Greece). The social and economic problems take diverse forms in these 16 countries, therefore the donor and the beneficiary states agree on the most important fields of support for the given country in a Memorandum of Understanding in each case.

Based on such agreements, Hungary received a total of € 135 million between 2004 and 2009 within the frames of the first EEA and Norway Financing Mechanisms. This included the € 6.5 million budget of the first NGO Fund, as well. The second period started with negotiations again, and as a result, the new NGO Fund program was started in late 2012; it is closing in 2017, and it has had disposal of € 13.5 million (app. HUF 3.5 billion) from the € 153 million (app. HUF 40 billion) allocated for Hungary within the EEA and Norway Grants.

The governments agreed upon some obligatory frameworks in relation to the NGO Fund, as well. One of these was that the Fund Operator would be selected in an open tender call and with the consent of the governments; the operators were to be independent of the central government and had to be experienced in grant-making to NGOs. The winner of this tender was the Fund Operator consortium of the first programme period, composed of Ökotárs - Hungarian Environmental Partnership Foundation, as the leader, Autonomia Foundation, the Foundation for Development of Democratic Rights (Demnet) and Carpathian Foundation-Hungary that was contracted to fulfil the operator's tasks. As part o these, they have implemented this programme evaluation in line with their original work plan.

A. The objectives and the position of the NGO Fund in the civil sector

Reacting to the general situation of the Hungarian NGO sector and the Hungarian society (see the details in the next section), the NGO Programme of the EEA/Norway Grants in Hungary was established with the comprehensive aim to *"strengthen the development of the Hungarian civil society and to enhance its contribution to social justice, democracy and sustainable development"*.[1]

Consequently, the NGO Fund set the following objectives:
- promote the democratic values, including human rights;
- develop advocacy and watchdog roles;
- foster active citizenship;
- develop netwoesk and coalitions of NGOs working in partnership;
- strengthen the capacities of NGOs, promote an enabling environment for the sector;
- increase the contribution to sustainable development;
- provide of basic welfare services to defined target groups;
- empower vulnerable groups.

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[1]   Cited from the call for proposals of the NGO Fund. https://norvegcivilalap.hu/hu/palyazati-dokumentumok-utmutatok-segedletek (27.02.2017.)

In order to achieve these, the NGO Fund only supported activities that aimed at measurable (provable) changes or impacts in these fields (i.e. owing to the implementation of which something became different and better than before) and that undertook to maintain the impacts after the projects would be closed which meant achieving some concrete afterlife of their work is done.

Kiírás	Projekttípus	Eljárásrend	Kiírás indítása	Támogatási összeg	Támogatási keret	Támogatott projektek[2]
1.	Macro project	Two-round	12/02/2013	Field I. max. € 120 000 Field II. max. € 140 000	€ 2,696 million	23 projects
	Micro project	One-round		max. € 10 000	€ 0,86 million	105 projects
	Scholarship program	One-round		€ 1500/month	€ 150 thousand	12 apprentices
2.	Medium project	Two-round	13/01/2014	max. € 70 000	€ 4.34 million	47 projects
	Micro project			max. € 20 000		89 projects
	Youth study tours			max. € 3000		9 couples
3.	Medium project	Two-round	01/09/2014	max. € 50 000	€ 3,6 million	56 projects
	Micro project			max. € 15 000		90 projects
4.	Action project	Two-round	Permanent from 2013 until December 2015	max. € 5000	€ 0,285 million	50 projects

Table 1: The calls and allocation of NGO Fund and the projects selected for support

The applications were supported according to the project types presented in Table 1 and within the frames of open calls for applications in the seven thematic areas listed below. According to the agreement concluded between the fund operator consortium and the Financial Mechanism Office, gender equality and the improvement of the situation of youth and the Roma were given special emphasis.

· **Thematic area A** – democracy and human rights
· **Thematic area B** – gender and equal opportunities
· **Thematic area C** – community and organizational development
· **Thematic area D** – youth and children issues
· **Thematic area E** – environment and sustainable development
· **Thematic area F** – provision of welfare and basic service to vulnerable groups
· **Thematic area G** – empowerment of vulnerable groups, including Roma

Thematic area A – democracy and human rights. This thematic area concentrated at the development of advocacy, including (ethnical, religious, language and sexual) minority rights, combating racism, xenophobia and antisemitism as well as promoting attitude changes in order to raise awareness concerning hate speech and hate crimes.

Thematic area B– gender and equal opportunities. This thematic area supported activities combating gender discrimination and violence, sexual persecution and human trafficking or promoting political advocacy and participation in favour of fighting family violence, prostitution of children and youngsters, the enforcement of reproductive rights and health and the establishment of signalling systems.

Thematic area C– community and organizational development. This thematic area was aimed at supporting local cooperation, networking and partnership in general. As for macro projects, the additional requirement towards national NGOs was to have their responsibility and roles redefined, with special respect to cooperation with smaller local and regional organizations in order to improve the community embeddedness and participation of these organizations in forming public policies.

Thematic area D – youth and children issues. This topic covered the development of the active citizenship and the readiness of the youth to participate is social affairs, the promotion of diversity, intercultural dialogue and equality, drawing people's attention to the importance of acting against social exclusion, racism, xenophobia, hate speech and actions of hatred, the building of all these topics into youth work and the provision of information for the youth and youth policy.

Thematic area E – environment and sustainable development. This topic was primarily aimed at enhancing the advocacy and networking capacities of the "green" organizations and inciting the support and implementation of community initiatives building the sustainability principle into everyday life at the level of practice while strengthening the relations between the NGOs and the local communities.

Thematic area F – provision of welfare and basic service to vulnerable groups. This thematic area covered the support of the fight against social inequalities, poverty and exclusion, with special respect to addressing rural areas and small settlements, the protection and enhancement of human rights, including minority rights (ethnical, religious, language and sexual, as well).

Thematic area G – empowerment of vulnerable groups, including Roma. This thematic area aimed to provide support for local communities in establishing alliances and working groups to analyse their problems and their short- and long-term solutions, for Roma participation in cooperation and joint projects improving mutual trust and acceptance as well as the credibility of these groups, thereby creating a basis for further common work.

Covering all these unique thematic areas, an additional instrument named **Action Project Call** offering an continuous opportunity to apply offered support to organize and implement short-term of campaigns, mobilization and advocacy actions (occasional coalitions) exclusively in affairs striving to achieve changes in the thematic area of one (or more) of the horizontal aspects of the NGO Fund. These were:

· enhancingdemocratic human, citizen and minority rights (primarily owing to ethnical, religious, language or sexual orientation), i.e. equality of opportunity;
· promoting good governance[3], transparency and participatory democracy;

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2   The numbers of this column include all the projects that were selected for support within the selection procedures of the NGO Fund. However, in case of some organizations selected for support, during the contracting process, either the organization or the fund operators resigned from concluding the contract (cf. data of Table 8 in Point B of Chapter IV.)

3   The six principles of **good governance** are: (1) it builds on participation and inclusion, (2) it is accountable, (3) transparent, (4) responsible, (5) effective, and (6) keeps to the law. Zero tolerance towards corruption, the consideration of the opinions expressed by minorities and the inclusion of the most vulnerable social groups into decision making all result from these.

- combating racism, xenophobia, antisemitism and behaviour patterns and extremities of homophobia ;
- strengthening tolerance, multi-culturalism, social inclusion and diversity to replace discrimination and exclusion and getting acquainted with and accepting the differences between cultures;
- understanding, easing and solving the problems arising from poverty and social inequality (with special respect to the situation of the Roma population);
- promoting the gender equality as well as combating sexual and domestic violence and human trafficking;
- developing the cooperation between the NGOs operating in networks and alliances;
- activities planned to enforce the aspects of environmental and social sustainability.

The so-called **macro project** call announced in the first year of the Programme, similar to the action call, did not intend to contribute to the development of the civil sector in specific professional areas but in a comprehensive way. This call allowed the NGOs, and this one time nonprofit corporations, too, to apply in two broad fields alloying thematic areas A, B, C and D.

The two complex thematic fields:

Field I: long-term development of the human rights and advocacy organizations working on the national or regional level, improving their strategies and capacities, supporting their own work AND the transfer their knowhow, experience and skills to other organizations of the sector in the thematic areas of (1) democracy and human rights, (2) gender and equal opportunities, (3) youth and children issues's rights.

Field II: long-term development of the organizational and community development civil organizations working on the national or regional level, improving their strategies and capacities AND the transfer of their knowhow, experience and skills to other organizations of the sector in order to renew the civil sector.

In both fields, the applicants were obliged to undertake to transfer their knowledge and experience to smaller local/regional civil organizations or groups within the framewor of their projects, and in order to do so, to initiate training, mentoring, coaching etc. programs. In Field I, each applicant had to cooperate with at least 10 other organizations, while this number was 15 in Field II.

II. Main frameworks and limits of methodology

The evaluation was based on the following methods:

1. Research of the literature on the civil sector and the thematic fields and areas of the NGO Fund.

2. Online survey amongst the organizations that submitted applications to the Fund. The surveys were sent to all organizations registered in the applicants' database via email twice: first in pring 2013, during the period of the evaluation of the proposals submitted to the first call, and second, in the summer of 2015, after the last call was announced.

   a. The aim of the first survey was to collect information about the characteristics and knowledge of the organizations thatg applied to the (then) new grant programme and to get to know their opinions on the programme. The organizations had the opportunity to fill in the form between 8th May and 15th June 2013 which was the period succeeding the deadline of submission of the first call, and preceding evaluation and the publication of the results. 550 forms were filled in by those registered on www.norvegcivilalap.hu – 1838 persons and organization – which meant that app. 30 percent of the potential respondents sent their replies. The form that included 55 question groups was divided into four sections: (1) the general data of the organizations; (2) their knowledge concerning the grant programme; (3) their previous expectations concerning the programme; (4) evaluation of the programme, initial experience.

   b. The aim of the second survey was, in addition to reviewing the characteristics of the applicant organizations, to get to know their general views on the civil sector as well as to assess the impacts of the grant programme approaching its final phase. The survey was released subsequent to the evaluation of the third (last) call for applications and the announcement of the winners, in the summer of 2015 (the query was open from July until September 2015). Of the 451 respondents who submitted analysable forms, 209 (46.3 percent) had not received any type of financial support, while 242 (53.7 percent) had been given some type of support during the surveyed granting period of the NGO Fund. he survey that contained 47 question groups was again divided into four sections, slightly differing from the former structure though: (1) data related to the organizations, (2) opinions on the nonprofit sector; (3) experiences of the projects planned (supported / rejected) within the framework of the programme; (4) survey of the impacts achieved by the NGO Fund.

3. 14 focus group interviews conducted with external (independent) experts, the project evaluators and the representatives of the project promoters (by thematic areas) in the spring of 2016:

   a. two focus groups involved external experts (researchers, grant makers, experts in welfare services) and concentrated on the nonprofit sector;

   b. two groups included the experts who participated in the evaluation of and decisionmaking about the applications submitted to the NGO Fund (evaluators and external Selection committee members);

   c. eight groups involved the project promoters by thematic areas;

   d. two were conducted with young workshop leaders who participated in a project, and

   e. six workshops were held with project promoters within the frameworks of regional events.

4. Creation and analysis of databases containing the information gained from the application forms, the main data of the supported projects and the evaluators' opinions.

5. Analysis of the reports on the progress of the supported promoters' projects.

6. 16 case studies made by interns about the projects assessed as the most successful ones by the Fund Operator.

7. Analysis of the media appearances collected by the FO staff and related to the NGO Fund (and primarily the *"Norwegian affair"*).

8. Personal interviews with target group members having participated in the projects.

Owing to the physical limits of this study, several complimentary components and data, e.g. the summaries of the granted projects, a part of the case studies or some sections of the comparative analysis that may be of interest but are not of prime importance are not included in this study but in the annexes of the electronic publication published on the official website of the NGO Fund (www.norvegcivilalap.hu).

The selected methods were adequate to help us probe into the opinions on the general situation of the civil sector and the NGOs and the views of the applicants and project promoters on the sector and their own organizations. At the same time, from the very beginning we had to face problems of comparison which meant that although the NGO Fund fixed objectives to be supported and thematic fields to be financed (these will be exposed in detail later), we also asked each applicant to interpret these in accordance with their own problems and situation.

Thus, the NGO Fund tried not to set unreasonable limits to the proposals, but the possibility for everyone to find the place for their ideas within the thematic fields was opened wide intentionally. This resulted in the fact that the proposals submitted to the certain thematic areas were not written along the same patterns but were very diverse in their objectives, target groups, methods and expected results. Consequently, much of the application data, primarily the objectives, the implementation methods and the results showed as many possible interpretations as many applicants we had.

> " *The NGO Fund tried not to set unreasonable limits to the applications.*

In order to be able to make an analysis, we were, therefore, forced to arrange the really variable data into uniform categories, but in the cases when this was not possible, or this solution could have distorted in content the opinions formed by the primary data sources, the organizations and their target group, we presented the views on the certain question by citing the opinions word by word.

The intention behind this methodological decision and limitation was to introduce the opinions of the civil sector and within that, the applicant organizations of the NGO Fund and the communities standing behind them instead of reflecting the experiences of the Fund Operator and a narrow expert group.

III. The civil sector in Hungary

Regarding the fact that the NGO Fund can achieve its aims by providing financial support to Hungarian civil society organizations (mainly associations and foundations), it is of basic importance to have a clear picture of the general situation of these organizations in order to be able to evaluate the proposals and projects. In the evaluation, we strove to find the answer to two complex questions.

a. In what ways have *"conditions in Hungary"* changed during the latest years, and what are they now?

b. What impacts has the NGO Fund have on the general Hungarian situation (primarily the situation of the target areas and target groups)?

A. The status of the civil sector prior to the start of the NGO Fund

The situation of the civil sector – with special stress on gender equality, youth and the Roma that were defined as priorities by the NGO Fund – can be summarized relying on the Fund Operator's proposal written in 2012.

Legal, economic and social background

During the latest decades, the Hungarian civil sector has walked a variable way of development. After a dynamic development phase, from the millenary app. to 2010, processes stabilized, development gradually slowed down, and the sector, the diverse activities of which were the most visible in supplying services, became stagnating. The development was the result of the relations between several inter-connected factors. First of all the transition of 1989-90, which on one hand brought about the evolution of the legal and political background necessary for the evolution and operation of the civil society, and resulted in the establishment of various public foundations and nonprofit corporations by the Parliament and other state organs in order to fulfil public tasks on the other.[4]

The new legal background established in the transition period, which allowed civil nonprofit organizations to apply internationally acknowledged standards, was permanently changing (e.g. the act on public benefit status in 1998, the National Civil Fund Program in 2003 and the act on volunteering in 2005). The new civil law, Act No. CLXXV of 2011 on the Freedom of Association, on Public Benefit Status and on the Activities of and Support for Civil Society Organizations came into force after more than a year's preparation, on 1st January 2012, just before the start of the NGO Fund.

The law can be credited with the introduction of several new tools adapting by this to the practical demands and conditions; two main sections, however, remained strongly queried: the re-regulation of public benefit status and the reshaped and centralized operation of the National Cooperation Funds (NCF) that replaced the National Civil Funds Program.

The weakest point of the operation of the Hungarian civil sector has been, from the very beginning, its financial background. Formerly, the major part of the financial goods was concentrated at pubic foundations and nonprofit corporations, while the incomes of the *"real"* civil organizations (associations and foundations) decreased.

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4   János Bocz: Structural transformations of the Hungarian nonprofit sector from the early 1990s to the mid-2000s. PhD. dissertation, Budapest, 2009

In 2011, financing was narrowed down again, governmental support dropped practically to half of that in the preceding period, and it was not replaced by company or private donations. The NCF has remained the only governmental source allowing covering general operational costs; ministerial supports allocated upon individual decisions can be used only for concrete projects and special tasks.[5]

The grants provided by the Structural Funds of the European Union were available only for the bigger and institutionalized organizations, and in some cases the problems brought about by them were bigger than the financial advantages for reason of the excess administrational requirements partly ordered by the state and the errors in payment. These problems could have been solved by the system of *"indirect support"* known and acknowledged by the EU, as well, however, the decision makers seemed reluctant to delegate the tasks of grant allocation to external and independent grant allocators over whom they did not have a direct control.

The retreat of the foreign private foundations from Hungary practically finished by 2012, so the grants provided by them were unmeasurable in that year at the sectoral level.

To sum up, we can say that by 2012 the Hungarian NGOs were unable to get access to EU-resources at the rate they would have deserved according to the roles they played in the society;[6] and very few calls for proposals were available for civil organizations.

By 2012, more than two decades after the start of the transition, i.e. the democratic change, it became clear that the internal values characterizing an open and democratic state had not become internal in our society, thus in the political elite, either. At the beginning of the program, public politics was still rich in unsolved problems, public political thinking was still engaged by certain unsolved questions of societal importance, e.g. the lack of transparency in party financing or forcing back corruption. All these factors promoted the evolution of corrupt connections in almost each field of the society, which in many cases, directly or indirectly, reached civil organizations, as well. In the Corruption Perceptions Index of Transparency International, Hungary took the 54th place of the 183 countries.[7] Some corruption affairs dragged the civil sector into suspicion, as well: the organizations attacked in the Zuschlag scandal[8] shaded the whole sector. These and other factors resulted in the decline of public trust, which brought about a serious reduction in the readiness of the society to participate in public politics.[9]

Of course, this phenomenon, too, contributed to the low level of general public trust; most of the public institutions, including the Parliament, the politicians and politics in general, lost the citizens' trust.

Theoretically, in Hungary the social organizations possessed a legal background strong enough to have the government accounted for. The Act. no LXIII of 1992 on the protection of personal data and the publicity of the data of public interest guaranteed access to data of public interest, and after 2005 the ministries, too, were obliged to release the materials of legal preparations on their web pages. At the same time, the violation of

the regulations on publicity did not bring about any sanctions, thus the enforcement practice of these rules varied by ministries, and the violation of the regulations or the neglect of the opinions formed in relation to some regulatory plans was not unusual. All this was further rendered by the practice of building new *"strategic partnerships"* by which the ministries narrowed the channels of social dialogue even more – (most of) the civil organizations that were experienced in sectoral policies were neglected and replaced by chambers, churches and other organizations.

Practice showed that in 2012, governmental bureaucracy was still taking social participation and advocacy as a bother[10] and consequently, advocacy was a lot weaker in the fields depending on state support. The small rural organizations depended on local municipality supports and local leaders who, in many cases, perceived advocacy efforts as personal attacks.

In the rapidly changing and less and less controlled environment, it was a challenge to achieve long-term sustainable results; according to the general views of that time, the rapid changes in political interests and the dominating ideologies might have a diminishing impact on the results achieved by civil organizations before. At the same time, as an interesting new trend, more and more spontaneous citizen organizations relying on community media were forming (neglecting institutional frameworks).

Before 2012, it was the service supplier organizations that had the greatest capacities within the sector; their activities satisfying social needs had a really wide spectrum: search for jobs, social fields, disability, equal opportunity, education, culture etc.

Unfortunately, the number of the services provided earlier by civil organizations (with governmental or municipality support in most cases) was decreasing, and the state did not always replace the ceasing services by new ones. Consequently, more and more fields of deficiency with unsatisfied social demands appeared, and this had a negative impact primarily on the socially vulnerable groups (e.g. the Roma and the homeless).

The "sub-sectors" of the civil society taken as priorities by the NGO Fund in 2012

Gender equality, the "gender" topic was still rather unknown in 2012, and academic researches, too, failed to discuss it in sufficient details and depth[11] so only scarce data were available on the forms of the appearance of gender-based discrimination and the harms it caused. This was a very heavy problem also because the civil organizations who had understood this situation lacked the necessary resources (or in some cases the access to the necessary data) to conduct in-depth researches, for example in the field of child prostitution or family violence.

The problem was further aggravated by the fact that the number of the organizations acting for women's rights and advocacy as well as their membership was low, and they practically were only present in big cities, and did not reach rural areas. This was a cause and effect at the same time, but both were connected to the low rate of women's presence in public life (e.g. at that time, women gave nine percent of the members of

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5   The governmental regulation No. 292/2009 on the operation order of state finances

6   The relevant statistics of the National Development Agency were re-edited after the Agency had been dissolved on 1st January 2014, and they are currently available on these web pages: https://www.palyazat.gov.hu/ and http://www.euter.nfu.hu/

7   Corruption Perceptions Index 2011, (p. 6.) Transparency International, December 1st 2011. https://issuu.com/transparencyinternational/docs/ti_cpi2011_report_print?mode=window&backgroundColor=%23222222 (27.02.2017.)

8   Politician János Zuschlag was arrested for fraud committed in organized crime after the prosecution, having examined the economy of 15 civil organizations, had come to the conclusion that the NGOs gained or used grant money through the politician and his fellows.

9   Ferenc Péterfi: Public trust at an extremely low level – Rapid report 2009, Hungarian Association for Community Development, http://kozossegfejlesztes.hu/ (31.01.2017.)

10   NOSZA Public Benefit Association for the Rights of Nonprofit Organizations http://www.jogalkotas.hu (27.02.2017.)

11   Working groups dealing with gender studies: CEU Department of Gender Studies; Centre for Gender and Culture at the Corvinus University of Budapest; Gender Roles, Gender Medical Working Group of the Institute of Behavioural Sciences at Semmelweis University; Department of Social Politics at the Eötvös Loránd University of Budapest and some researches of the Central Statistical Office and the Institute of Social Research.

Parliament which was very low as compared to the EU average). The country was in the lowest tenth in an international survey examining the political participation of w omen.[12]

In accordance with the content above, the operation of the women's rights and advocacy organizations was especially endangered by financial problems; the members who were constant but few in number and also overburdened (staff, activists etc.) were not able to provide a sufficient background either from a supporter (e.g. membership based operation) or an administrative (e.g. implementation of EU projects) aspect.

Furthermore, in spite of the international, e.g. UN warnings, the state failed to treat the problem adequately, the cooperation of the social care network and the criminal investigation organs was incidental, and both allowed only a peripheric participation of the civil organizations possessing decade-long past and relevant experiences. One reason for this diverging cooperation might be the lack of a governmental office or organ responsible for this field.

Regarding the youth, a very similar picture to that painted of the society in general could be drawn, i.e. their participation in public affairs showed a declining tendency. The main reason for this was that the *"institutionalized world"*, including the formal civil organizations focusing at the youth, was unable to address them.[13] In youth policy, there was an enormous gap between the available services and the real needs of the youth,[14] therefore youngsters were rather the audience than the active participants of the programs meant to be implemented with

and for them. Promoting their participation was further obstructed by the fact that some of the experts working in this field lacked the competencies necessary for involvement and the facilitation of real participation. The advocacy of the youth organizations was one of the worst, and they had the weakest connections to the central government and the local municipalities.

This situation was also burdened by the fact that only few of the civil organizations set as an objective the mobilisation of the youth as well as encouraging them to volunteer and participate, and the greatest problem of the existing umbrella organizations, too, was their failure to involve youth organizations as their members.[15]

WWW-Literature Foundation

Meanwhile, child poverty, youth unemployment, early school dropout affected a growing part of the population, and inequalities and social exclusion strengthened. It was mainly the poorer and Roma youngsters who had a dark picture of the future, and this situation was not at all improved by the governmental plans aiming to decrease the age limit of compulsory education, the transformation of the VET system or the cut down in the number of the places in higher education.

Obviously, a more active advocacy and activity was needed to make the youth able to face these challenges.

From the aspect of the **Roma population**, the transition failed to come up to the expectations, and by 2012 the Hungarian population became one of the most negative in this field in Europe. The lower middle class,

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12   World Economic Forum, Global Gender Gap Report 2011, (p. 23.) Country profile page Hungary: (pp. 194-5.) http://www3.weforum.
      org/docs/WEF_GenderGap_Report_2011.pdf (07.02.2017.)
13   Youth Policy in Hungary 2008 http://www.youthpolicy.org/national/Hungary_2008_Youth_Policy_Review.pdf (27.02.2017.)
14   Szabó, A. – Bauer, B. (Eds.): Youth 2008, Rapid Report
15   Youth policy in Hungary 2008.

who made the major part of the society and was gradually ousted from the possession of goods and impoverished, became more and more hostile against those poorer than them, and witch-hunt strengthened. One of the extreme manifestations of this phenomenon was the series of attacks against Roma population in 2009 in which seven people, including a five-year-old child, were killed.

The changes in the social attitudes and the tensions between the social groups helped the enhancement of the anti-EU autocratic groups of the extreme right in political life, as well. Unfortunately, all this, i.e. the lack of solidarity, xenophobia and intolerance appeared as a major challenge in each democratic state of the EU.

Meanwhile, each political force agreed (although suggesting diverse solutions) that settling the situation of the Roma was one of the greatest challenges in the country. In their culture, the Roma population was not uniform, many of them did not speak the Roma dialects, they had no Roma identity, thus for them, after having been ousted from the radically changing labour market, there was no preserving power left. Many families experienced multi-generation unemployment. Most of the Roma people had no access to basic social allowances, and were negatively discriminated in each field of life. The responsible governmental organs fulfilled their tasks at a minimum level, and this, in many cases, might not be the responsibility of the implementer organ. Beside them, there was a circle of civil organizations possessing a relatively uniform base of values and social vision and, exactly for this reason, being able to act against poverty and inclusion.

Hungarian Jewish Social Support Foundation

As a general summary, we can state that the nonprofit sector faced serious disadvantages as compared to the governmental and the business sector.

The organizations had problems of living: many of them, mainly some of the bigger ones, arrived to an *"institutionalized dead point"*, their original activities and mission were pushed into the background by the efforts aiming to maintain the organization. They were fighting a serious value crisis, like the whole society, and the governmental organs did not send them positive feedbacks concerning the decade-long efforts they had made.

Consciousness and a generally accepted picture of the sector and its operation was lacking as well as system-level thinking. The basic condition for this would have been an increased attention of the organizations possessing strong legitimacy and of the less formal groups paid to each other, and the involvement of their local communities and audiences into planning and implementing their work.

The role of the NGO Fund, evaluation of its objectives and the efficiency of the calls

We asked the participants of the focus groups and the respondents of the queries about the civil sector and the program, as well. According to the query taken in 2013 on the reputation of the NGO Fund, most of the respondents had some knowledge of the Fund, they gave proper answers to the questions about its activities and objectives. The reputation of the NGO Fund achieved

" The NGO Fund kept alive and generated new cells in topics that would have had no other financial possibilities except for foreign private donations.

a high mark in the query taken in 2015, as well, while the respondents had less knowledge of the EEA and Norway Grants (without the civil funds).

We asked the organizations about the objectives of the NGO Fund in the query of 2015. In most cases they agreed with the statements saying that the objectives, the expected results and the fields of support of the Fund were adjusted to the current relevant social problems, and that the results and impacts achieved by the projects would be sustainable and perceivable after the projects are closed. Fewer respondents thought that the aims and the expected results of the NGO Fund can be achieved within the frames of other grant programs, as well, and that the activity fields supported by the NGO Fund are supported by other grant makers, too.

According to the opinions declared in the **focus groups**, the NGO Fund kept alive fields and generated new cells in topics that would have had no other financial possibilities except for foreign private donations. These topics stand close to (public) politics, and would definitely not be supported by the current power. *"These programs intend to teach the NGOs a function – how this can be done and how to involve others. Currently, this is not a government-compatible element."*[16] The biggest part of the grants was allocated to the most important fields: *"It is not by chance that the activity of the NGO Fund is attacked; several activities have stepped into a gap in the most important fields. So from this aspect, I think, this has really been a really well undertaken thing. And probably, well prepared on what we currently need in Hungary where democracy is dying."*[17]

Several of the **evaluators** keep the NGO Fund the last resource independent of the state and political direction; when it was started, it was just one of the several, but during the latest years, it has remained the only one. Specifically, this support represents a much bigger proportion in the income structure of the organizations of the target groups than, for example, the 1 percent personal income tax, and for many organizations, it meant survival itself. According to them, the NGO Fund is one of the most outstanding ones as far as the methodology of evaluation is concerned, if only because of its high-level of independency, and it is also important that the grants are utilized by a really active sub-sector.

The **project promoters** agreed in the opinion that the NGO Fund is a stopgap resource, one of the few independent and impartial ones available in Hungary. The Fund (also) dared to support affairs that were impossible to be financed from other resources, and this had a mainstreaming impact and a message. According to the feedbacks, real calls for proposals were announced with real objectives. The project promoters assessed very positively the fact that the call adapted to their basic activities, so they were not forced to reshape them just for the sake of the announcement. They did not have to press their activities or target groups into the call, they were able to go on with the work they had organized for and what was really necessary; concerning many grants, this is not the picture one can see. (There were though some opinions saying that the description of the targets *"was a bit too elastic".*)[18] In the lives of many small organizations, this grant had a decisive impact – they received employees, they started using methodologies, and became able to apply for other grants.

> " *The project promoters assessed very positively the fact that the call was adapted to their basic activities, so they were not forced to reshape them just for the sake of the call.*

Many of the **project promoters** spoke positively of transparency and the partnership relation formed with the

fund operators saying that the operators were really eager to understand professional implementation, and did not only follow the budget. Owing to in-depth monitoring and the capacity building efforts, the starter organizations were able to learn the techniques of proposal writing and implementation, as well. Earlier, they met this type of grant maker attitude only in relation to Western private donors who *"were happy to have the possibility to help".* One of the participants called the online interface exemplary as well as the fact that everyone was sent professional feedbacks on their proposals. Any question they had, the grant makers responded them with outstanding flexibility, striving to find a solution. This point was mentioned in many positive feedbacks from various points of the country. The video that presented project planning and was available on the web page was emphasized, too.

The project promoter participants of the focus groups assessed outcome centricity, the fact that the grant maker did not primarily keep the eye on what the organization did but the results it achieved, as positive. One of the project promoters highlighted the usefulness of Annex 1 in which the applicants worded the project themselves, and so the main stresses became clear for them. Many of the organizations made a good use of the complementary grant, in the case of a beneficiary it even took over the leading role.

In the project promoters' focus groups participants said the system was good as a whole, and they did not mention points to be developed in relation to the certain topics. One of the project promoters called the grant maker's culture attitude forming, because the problems could be talked about in a partnership relation and a respectful manner, and so even the organizations that had earlier been timid later dared to communicate about their projects sincerely. They also highlighted the fact that a civil organization as the fund operator meant a great advantage and that *"there was a person behind the proposal"* who had real experiences about civil life and had real interest in the project.

The project promoters estimated highly the preparation events organized by the fund operators as well as the importance of personal meetings that brought the formerly isolated organizations together. Some of them even thought that participation at such events should be made compulsory because the information released there was so essential. According to another feedback, it would be worth organizing more capacity building trainings for the project promoters. The community organizers suggested that the grant maker could prescribe as a condition the level of education of the applicants. According to them, the capacity building of the target groups should be given a greater stress because many of them lack the key competences necessary for cooperation, especially in case the target group is not homogenous.

At the same time, a group supported by a community development **macro project** highlighted the fact that it was very important for them that they had the opportunity to act as an initiator group. A *"Norwegian"* group of the organizations evolved which had both good and bad effects. For example, some organizations were developed by four macro projects, which, according to them, meant a kind of isolation. Another interpretation of this phenomenon is that the topic is dealt with very few organizations, so the circle of the organizations possible to be involved is limited, as well.[19] At the same time, we were told that *"Macro is an absolutely stopgap form. When we saw the announcement, we had a very comfortable feeling. Formerly, we did all this in our spare time; this way we were able to continue this work in a much more organized and conscious way. This seems something unique to me; finally, we did not have to write a proposal about something we had never done before. This was a kind of an acknowledgment of our professional work, too, it gave us prestige, and reacted to the existing demands very well."*[20]

Concerning the impacts of the certain thematic areas of the NGO Fund, the respondents of the second query in most cases expressed a positive opinion. The highest honour was given to the enforcement of democratic

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16   Cited from the focus group session of the evaluators.

17   Cited from the focus group session of the evaluators.

18   Cf. introduction of the typical goals of the project promoters in Part B of Chapter IV.

19   Cf. applicants' number introduced by topics in Table 2 in Part A of Chapter IV.

20   Cited from one of the project promoters' focus groups.

values, including human rights, and the development of civil organizations in general; the lowest mark was given to active citizenship amongst the youth, the promotion of good governance and transparency and the social assessment of the civil organizations.

Concerning the judgement of the grant system, the majority of the respondents of the two queries said that the announcement was clear and easy to understand, it was easy for them to decide whether their project plans suited the call and the thematic areas to be supported were clear, as well. Most of the organizations thought the application form was easy to be filled in, and a similar proportion of them thought that the budget was easy to be planned, the obligatory indicators easy to understand and the amount of the grant possible to be applied for enough to implement the project.

According to the respondents, the rules and aspects of evaluation were adequate, and the feedbacks and expert opinions on the submitted proposals were comprehensible, relevant and acceptable, the information necessary for project planning was easy to access and the time available for writing the proposal was enough. The respondents rather agreed with the opinion that the staff of the fund operator funds provided sufficient help during the process of proposal writing, they kept to the deadlines, efficiently helped their search for partners, mainly from the donor states, as well as the transparency of the procedure of grant allocation, although non-supported applicants agreed with this point at a lower rate; they objected primarily to the rules and aspects of evaluation and the feedbacks from the evaluators.

In both queries, many respondents suggested points to be developed in the announcement, the application form, the financial frameworks, the assisting role of the fund operators' staff, the granting procedure, implementation, the objectives, the expected results and the thematic fields supported.[21] As a whole, however, the applicants' content concerning the NGO Program of the EEA Norway Grants in Hungary shows a positive result in relation to both queries, with a considerable difference between the respondents who were supported and those who were not.

Some negative aspects were mentioned concerning the communication with the organizations not supported: *"I think that to allow that in case of an almost winning number of points it is written that it has not won, and when the organization would like to get information on the reason why, and then from their high horse they even tell you what to do in other ways, while you are the expert – well, this is a bit strange. I think, this had a bad message."*[22] According to one of the evaluators, when the applicant does not accept the reasoning of the rejection, it would be important to have the possibility of a further step – e.g. to sit down with the expert, and talk through the questionable points.

Someone worded a critique that only few of the supported projects focused at small settlements, and that it would be worth giving a greater stress to the importance of this aspect in the announcement[23]

In addition, several project promoters mentioned as a fact that it is difficult to achieve spectacular results within a short project period; still, many of the participants evaluated the existing frameworks highly. *"I keep three-year projects a great success. What we are used to is one-year projects at a maximum. This has a brutal destructive effect. (...) This is why the Norwegian is a great thing for me, it thinks in the long run"*[24]

The opinions formed on the supported thematic areas

Concerning the thematic areas and the civil organizations dealing with the them, there were great differences between the opinions of the project promoters of the certain thematic area, but the general picture drawn

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21 See the development recommendations in Chapter V.

22 Cited from the evaluators' focus group session.

23 Cf. Part A of Chapter IV the text in relation to the data on the distribution of the applicant organizations by settlements

24 Cited from one of the project promoters' focus groups.

was rather challenging than positive. This sentence gives a proper description of the situation: *"It is a miracle that the civil sector is still existing, and the question is: what happens after now."*[25]

Democracy, human rights and equal opportunity

The evaluators drew the attention primarily to the problems of the thematic area. Hungary is lagging behind in the fields of culture, institutions and other factors that sustain democracy, including the economic transparency and incorrupt operation of the NGOs. According to an evaluator, as a result of democracy deficit, civil groups seem to be ignorant about what advocacy and legality mean and why these are necessary. The applicants did not have a system-level change in mind, and there was no cooperation within the thematic area.

This thematic area was the one most affected by governmental torture – several evaluators mentioned this fact. Most of the project promoters became subjects to the investigations by the Government Control Office.[26] According to some, this was a deliberate crusade against NGOs in which the worst factors were incalculableness and insecurity. The accounting of the NGO Fund by the police was conducted in the time of releasing the last two-turn (i.e. the third) call for applications, and this time surprisingly few proposals were submitted.

> " *The results achieved with advocacy tools brought about improvements in the whole field.*

The evaluators mentioned as a positive fact that more and more organizations have been able to organize street actions in an increasingly professional way. According to one of the evaluators, the current situation may strengthen the civil sector, urging the organizations to take up another type of legal consciousness: *"What I can see at the moment is that everyone is fighting to survive, so this is conscious work in the long run. Meanwhile, many of them let their organizations go, and if this continues further, I will feel or I feel something like a bad crash, because I follow up the organizations I have evaluated, the things they do, and many of them are set to conduct a fighting-combative life."*[27]

NANE Women's Rights Association

One of the project promoters of thematic area A said that the results achieved with advocacy tools brought about improvements in the whole field – two badly needed and important institutions were established (drug professional Ombudsman and the Civil Co-ordination Board of Drug Affairs). Concerning information accessibility (e.g. in the case of Paks2), however, democratic rights are seriously curtailed and the legal possibilities are narrowed. The act on information freedom was changed, and the range of limitations and classifications was grown. Since decision-making competencies were taken away from the municipalities, it is very difficult to work at the local level. The deadlines of reporting opinions make the work of the advocacy organizations difficult, in many cases they are given 24 hours to report on proposals, which is obviously merely a false possibility of voice. One of the participants said they felt as *"bio-sceneries"*.

The project promoters of the women's equality topic highlighted the fact that the reports, shade reports and proposals have been in vain, because the government signs but does not ratify the

> " *In the public discourse women are often spoken of as irresponsible, selfish and unable to fulfill tasks.*

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25 Cited from one of the project promoters' focus groups.

26 Cf. 'The Norwegian Case'

27 Cited from the evaluators' focus group session.

agreements. It means a problem that there is no capacity building and a signalling system and that women's labour market positions are disastrous. The disadvantages of the women are further increased in case they have an impaired child. Governmental communication, too, has declined during the latest years: *„In addition to "kind" sexism having existed so far, aggressive sexism has also appeared. Today, in public speech women are often spoken of as irresponsible, selfish and unable to fulfil tasks."*[28]

Concerning children, the situation is worsening, primarily owing to the extension of drug usage. The schools and the signalling system do not cooperate. Teachers are obliged to report the problems, still they do not. The fact that one of the project promoter s was able to get their workshop dealing with aggression into the schools only after naming it an assertive communication training and internet usage, indicates the rate of neglect; at the same time, in these educational institutions the proportion of the children harassing others or being harassed is around ten percent. Some of the advocacy organizations said that the police are just forbidden to cooperate with NGOs, while this would be very important in the field of victim protection. Another project promoter said that there is a will to learn professional knowledge at the institutions maintained by local municipalities, so there is an existing demand for the knowledge of the NGOs, especially in rural areas.

Community and organizational development

The evaluators said they did not allocate the available money willingly in each case. Although the demand in the community development thematic area exceeded the available money several times, the quality of the initiations was not balanced at all. It was visible that at that time there were no programs supported in the countryside that could, adjusting to a useful structure, offer possibilities and chances to get information and a better level of living for everyone. Local collaboration was in many cases a bit paternalistic.

According to some opinions, organizational development has totally shifted over to the business sector. It is hardly present in the civil sector, although this would be very important because in addition to the lack of financial resources, organizational culture itself plays a decisive role in the fact that NGOs practically go bankrupt, are terminated, fight problems of replacement etc. It has been a problem that the space where communities could be developed, is missing. Especially concerning macro projects, it was shocking to see that organizations seemed absolutely unable to renew. By today, many of the organizations have moved far from reality and the communities providing background and power.

Traditional Association for the Youth of Mosonszolnok

Prior to the program start in 2012, there were youth centres and information suppliers that existed at the county level and organized the NGOs, and they played a decisive role in organizational development and advocacy at the small regional and the county level, as well. Today, these tasks are intended to be fulfilled by the Civil Information Centres (CICs). However, the CIC network (except for a few exceptions) does not at all carry on with their ancestors' stopgap work.

It is a positive development that we can see a kind of a shift amongst the youth at the local level, and some new social enterprises giving ground to various community programs and initiations have been established. The changes of the latest years are well visible, many other community development circles are moving in the country. It is clear that the initiations that are definitely movement like, build their social base and are

somehow connected to each thematic area, have strengthened. At the same time, the young people who have borrowed their names and faces to one or another of the bigger initiations, have learnt a lot and became stronger on one hand, but are facing burnout because in many cases they lack the supporting background.

„Some new initiations and ideas were formed, but they fail to break out from this primary environment; as we have seen it at some proposals, too, there is a small region or a smaller unit where three proposals are written, and in case these tasks would have been put together, it offered a much stronger and well-based possibility for them. Networking, the distribution of information which means a bit of opening the narrow circles as well as including this into their local life is less usual."[29]

According to the project promoters of this thematic area the definition of community development, community organizing and civil organization is a current problem as well as the lack of conceptional differences (and so the differences of content). One of the project promoters suggested that the announcement should use the term social development instead of community development. The target groups (developed organizations) in many cases hoped to get financial support from the developers, so at first they had to understand what community development was and why it was important to strengthen their social base. The time-consuming nature of this work was problematic, as well. Many project promoters were of the opinion that one year was at the best enough to lay the bases, which was not more than building trust. At some places, it took two years for the local group to realize what this work was about and to see that they had the chance to continue their initiation. The developed organizations achieved self-organization but not sustainability. It was very difficult to keep the volunteers who play a decisive role in this field. Many left the country or started volunteering in other fields (like the support of refugees), or just dropped out. The fact that it was difficult to harmonize volunteer work and community services appeared as another obstacle.

> 66 *...at first they had to understand why it was important to strengthen their social basis...*

Youth and children issues

According to the **evaluators**, there were times in the 1990s when enormous amounts were spent on youth proposals, when bottom-up alliances were built; by today, the circle of the winners of the narrowing resources has also narrowed. Currently, fewer organizations gain support, and those refused are not given a reasoning of their failure. Formerly, a settlement youth conference, where best practices inspiring the youth communities regularly (which direction to take or how to start mobilizing the community) were presented, was held every year. Today, organizations are not given methodological help, either. Even in the cultural sector, there are less and less institutional networks of this kind, and young people are searching the places they can go to at all. The organizations that dealt with the youth and were strong

Foundation for Democratic Youth

earlier have been pushed into the background while the government has established its own youth organization strategy and resource allocation. *„Besides the one seen so far, there has been another one established."* There is a strategy existing, and *„the strategy itself is good, I only cannot see it implemented at the level we have set as a target; we cannot see the indicators we expect concerning an application – to see what and*

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28   Cited from one of the project promoters' focus groups.

29   Cited from the evaluators' focus group session

when it intends to achieve."[30] According to the evaluators, plenty of proposals were submitted to the call, but not all of them reached the required level concerning novelty.

According to the **project promoters**, there is no clear direction in the youth field. One of the participants said that youth policy was dealing with the pervious twenty years instead of the future. Although there are one or two very strong organizations existing, civil masses, just like in other fields, are incidental, their work is not coordinated, everyone is fighting for survival, and so it is difficult to establish long-term cooperation. The field totally lacks dialogue, and the organizations cannot see who the partners at the decision making level could be. Can they find anyone, they will have to start form the bases. Youngsters generally do not speak up since advocacy of their interests is not taught at schools, it is only NGOs doing such work and a few teachers. Thus, preparing teachers is of basic importance. According to another observation, children possess outstanding readiness to communicate and advocate for themselves, but no one is interested. Space, opportunity and knowledge must be created because neither the children, nor the teachers are used to speaking sincerely. According to others, it is not only that no one is interested what the children have in mind, but their environment does not even put the question of what they could be able to achieve.

„We teach them to ask. They experience this in a situation where they can express critiques; then they go back to school where this is a sin. This can be very difficult to bear with as a child, and it is very questionable what the long-term impacts of this can be. Parents, too, are surprised that their children have their own opinions. At the event of the school of a settlement, in a segregated institution, we created a spectacle with the children. It was annoying to see the parents' reactions. They were crying and hugging the children because they would have never thought their children could do this."[31]

Environment and sustainable development

According to the **evaluators**, the green movement has got into a crisis during the latest several years. This has several reasons. One of them is that environmental and nature protection itself has no governmental weight – this has also been stressed by the representatives of the project promoters. This field was split up, thus for the moment, environmental and nature affairs belong to three or four ministries instead of the former single ministry. In addition, environmental protection was more and more pushed into the background by the growing demand for foreign capital flow and the press to withdraw and spend as big amounts from the EU funds as possible. For example, the authorities issued construction permits to protected (Nature 2000) areas, and those protesting were dragged into long legal procedures, were threatened to be arrested, trying to intimidate the criticizers of the prioritized state investments this way.

Round the World! Association

Negative social impact was increased by the low rate of environmental organizations within the civil sector and the growing shortages in financial resources.

Environmental resources have been restructured since we became EU members. The amount and measure of the resources available for civil organizations have considerably decreased, the number of the organizations able to write and implement a project worth HUF a hundred or fifty million has permanently been lessening. The organizations say that the money allocated to this field is spent without transparency, and in the preparation of legal regulations civil voices have been fading away.

Another cause of the crisis is that owing to the professionalization of some topics, some organizations have drifted away from society. Even the project promoters themselves say that the NGOs do not have memberships and databases through which they could be able to address people although this could help build their supporters' circles. The representatives of the project promoters had deviating opinions on whether the society has interest in the topic. One of the project promoters said that this has absolutely disappeared by today, another said that sustainability was a trendy and important topic, the question was the next steps to be made.

Apart from all these and despite the low participation at the common annual meetings[32], it is positive that the green organizations, building on their internal network and cooperation system, have established the 20-member Coordination Council (CC) that, according to the plans, will coordinate their communication and make decision-making faster in the periods between the annual national meetings. According to both the organizations and the CC, one of the greatest challenges is rejuvenation, although the number of the factors attracting young people into other directions is permanently growing. In addition, *"for the green movement it was a great loss that many people who were good in their profession and in community building, as well, moved to politics"*[33]

It is notable that despite the low rate of the green organizations within the sector[34], the number of the proposals submitted to this thematic area was third in the row.[35] One of the evaluators highlighted the fact that for the NGO Fund professional content was of real importance and that in case someone had a good and creative idea, and its real sense was clear, it was surely given some support. One of the participants assessed it as a positive impact of the NGO Fund that renewal would be of vital importance in the green movement, and thanks to the winner applications, something has in fact started. *"In case there will be a new Norwegian turn, and it will be allocated similarly, according to performance and creativity, there will be a chance that the tendency of improvement goes on. But I do not say that a serious renewal is possible because the cross wind is very, very rough."*[36]

Provision of welfare and basic service to vulnerable groups

In the **evaluators**' focus group, the main focus was on social politics. According to the participants, the situation has got worse recently: *"everything that we imagined, thought over, built up and made the foundations of during the establishment of the welfare system during the political transition from communism is now collapsing like this."* [37]

One of the paradigms in social policy during the political transition from communism was enablement; however *"enablement is not visible, making people vulnerable is much more visible in social policy, concerning each level and everyone."*[38] The profession itself – including those working in NGOs – is vulnerable and is struggling to survive. It is precisely those principles that the NGOs working in the social sphere were created for that cannot prevail: to respond to the needs of local, small communities.

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30 Cited from the evaluators' focus group session.

31 Cited from one of the project promoters' focus groups.

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32 The green movement and organizations have organized the National Meeting of Environmental NGOs each year since 1990.

33 Cited from the evaluators' focus group session.

34 See Table 2

35 According to the data of the Central Statistical Office, the number of the nonprofit organizations registered between 2005 and 2015 increased from 52 476 over 66 thousand at first (by 2009), then, showing a declining tendency, it decreased to 62 152. Meanwhile, the rate of the environmental organizations amongst all of the NGOs rose from 2.4 percent to 3.4 percent, moving by this from the eleventh place of the 18-element list to the ninth. https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpg004.html (15.02.2017.)

36 Cited from the evaluators' focus group session.

37 Cited from the evaluators' focus group session.

38 Cited from the evaluators' focus group session.

As for the **Roma issue**, they have stated that it has been taken out of the discourse; the Gypsies are no longer mentioned in the ministerial political speeches. There have been a lot of debates on the question whether the institution of the Roma minority government is adequate; it is no longer visible at all, the nation-level government does not work, and the EU grants have been harmful in this circle, too.[39]

According to the evaluators, the situation will not improve in the future either, because even the basics of essential home assistance are changing for the worse in 2017, as well as the availability and the structure of the service, and it's impossible to foresee the consequences of the restructuring of the financing system. In the grants system, the system of so-called high-priority proposals is going to take over, where the call is intended for a particular organization, which receives the entire support.

> " *Gypsies are no longer mentioned in the ministerial political speeches.*

No change can be expected as long as the target group and the profession tolerate this. As long as public discussion or the attitude that we are responsible for each of our fellow-citizens are missing, civil society will not necessarily consider this their most important task, either. The attitude of the majority society would need to be changed somehow, which is only possible if the NGOs affected speak as a uniform group, with a joint voice. The great powers behind the government, the media and political rhetoric express something completely different from what the European Union is saying.

Uccu Roma Informal Educational Foundation

The **project promoters** have highlighted that *"no one cares"* about marginalized target groups such as criminals or drug users; the responsibility of society is not acknowledged by anyone. Nevertheless, this latter area cannot be ignored; in the opinion of experts, the spreading of designer drugs might have grave consequences, and they already affect a wider circle of the society. Similarly, the society of people with no hearing impairments is not conscious of the society of the deaf and the hearing-impaired. There is a higher level of social sensitivity towards the ill. However, there are fewer and fewer physicians and nurses, there are no sufficient instruments. As a result, more and more services and resources would need to be provided to hospitals, but the civil society is unable to undertake these issues. Burnout and an excessive workload only make the situation worse, which is also shown by the fact that organizations attend one another's events with decreasing frequency – especially in the countryside – despite the fact that there would be a great need for cooperation and learning about each other's work.

One of the evaluators of the NGO Fund has noted that the number of organizations that dare to submit proposals for social projects in the face of local power holders has also been decreasing, as it has become highly risky for an NGO operating in a small settlement to apply for, get funding for and implement such a project since 2010. In the social field, contrary to European Union projects, where the indicator has always been specified on a participation basis (*"per capita subsidy"*), in the calls published by the Fund, a requirement for effect- and result indicators has appeared beside participation indicators. Instead of counting the participants, measuring the impact on the participants has become the focus. However, it was very difficult for the applicants to meet these requirements. In the proposals *"the applicants also pretended as if there was an institutional system that cares for vulnerable groups, to which civil society only add their part, while in reality it does not exist."* [40]

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39   Cf. contents of Part A of Chapter III Part on the legal, economic and social background.

40   Cited from the evaluators' focus group session.

The "Norwegian Case"

AThe Government has been harassing and threatening the fund operators and the project promoters of the EEA/Norway Grants in Hungary, first through the press and then via various state bodies, starting with the spring of 2014. First, the Government Control Office carried out (at the Prime Minister's direct command) a lengthy audit and investigation (which was unlawful based upon the international agreements signed by the EEA and Norwegian Financing Mechanism Hungary) at the organizations that operate the NGO Fund, and at 58 project promoters as well. Having no opportunity for legal remediation, the given organizations were compelled to fulfill the demands of the GCO. Following this, the Prime Minister's Office accused the operators with numerous legal transgressions from embezzlement to misappropriation of funds, etc. In August they started talking about starting police investigations, which culminated into the search of the premises of the Ökotárs Alapítvány and its partners in September, and during which documents and laptops were seized. Besides, the VAT numbers of the four fund operators were suspended with reference to the lack of cooperation with the GCO. In late October the GCO published a report which was supported by facts and data only poorly, and which contained numerous severe accusations, such as misappropriation of funds and budget fraud.

At the end of January 2015 the Court condemned the search carried out at the Ökotárs office in September 2014 as unlawful, but the harassment did not stop. In January and February the Government ordered the tax inspection to be carried out at 7 organizations funded by the EEA/Norway Grants in Hungary. No transgressions were found, and following an agreement between the governments of Norway and Hungary – which included the termination of the harassments against the operators of the NGO fund – the procedures against the organizations were closed.[41]

During the focus group discussions, the issue of the conflict that arose around the NGO Fund in 2014 was unavoidable,[42] although to varying extents in different fields. Although earlier only certain organizations had been attacked, now the whole sector was targeted. A distinction between *"good NGOs and bad NGOs"* was set up; and as a result, anyone wishing to keep their independence cannot work together with the municipal governments, for instance. *"Today the Government explicitly opposes the priorities of the proposal. If we work towards such things, we not only lose support but expose ourselves to being explicitly targeted, which is now true not only of advocacy, but of the supportive fields as well."* [43]

The inspections took a lot out of the organizations, especially those that did not have paid employees – or the ones they had were employed to carry out completely different tasks. This enhanced the feeling of burnout for many, which is already a problem.[44] These organizations employ professionals who were not prepared for cooperating with the media or a confrontation with politics.

As a result of the lack of trust that was created, numerous potential partners and media representatives refused to cooperate with *"the blacklisted"* organizations. This was sometimes only implied through commu-

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41   The summary of the "Norwegian Case" is based on the writings of the Ökotárs Foundation published between 2014 and 2016 in the Hungarian chapter of the report on the sustainability of non-governmental organizations published annually by the United States Agency for International Development (USAID).

42   The case lasted for several years, with a hectic intensity. This study does not aim to discuss this process; however, this case affected the work of project promoters fundamentally and thus the reputation of the nonprofit sector, as well as the situation and the reputation of certain fields. For this reason we cannot ignore this case in the present study, as it provides a context. We are only giving a short summary of the case here, and for the sake of clarity, a chronological document that presents the details of the case is attached as an appendix to the electronic version of the study.

43   Cited from one of the project promoters' focus groups.

44   Cf. the contents of the item „focus group and survey opinions" of part B of chapter III

nication, while in other cases it meant outright rejection and withdrawal, regardless of earlier good relations or the extent of the need for certain services, and their quality.

"The Klik[45] gave us trouble. We had no experience. In the beginning we wrote a press report and we did not know what words we shouldn't be using and municipality learnt about it very fast. The Deputy Manager of Klik called us and shouted over the phone for half an hour because we shouldn't have used the word *„pover-ty"*, but luckily, it was important to the manager for some reason. What really held us back me was the fear of schools. Everything had to be discussed with the Klik. It could be solved but was not easy. People's subsistence can depend on it. The scandal also had some effect, but it didn't lead to anything extreme. I didn't feel that the school was a sovereign institute, they don't dare to do anything. At best they won't go against you, but you can't hope for anything more, and this is really tragic. This way they cannot put anything into it because they are afraid of making a mistake. They weren't of the theatre but when they heard that the theatre would be done by the children, about the problems, the tension was nearly tangible. They got very scared of having the focus on the problems." [46]

At the same time, a number of positive effects were also mentioned regarding the situation. Those working in the human rights and women's rights fields especially expressed that (political) challenges and the social support they ignite has a motivating, inspiring effect on them. Conscious participation and involvement in society appeared as new elements. Many new people started supporting certain organizations with money and voluntary work – according to a survey by Átlátszó, the 1% income of each of the 13 blacklisted organizations increased from 2014 to 2015. As a result of the *"Norwegian Case,"* civil society tightened its ties rather than falling apart – several cooperation forums were created, including MACI (Magyar Civilszervezetek – Hungarian NGOs), which aims to present the work of Hungarian NGOs with a strong communication strategy at a national level, and CÖLÖP, which gathers mainly NGOs working in the field of advocacy and those attacked in the case, and certain projects resulted in such collaborations where a school with a Christian spirit and Labrisz Lesbian Association were able to work together.

However, the evaluators have raised it as an issue that the human rights field already involves a conflict with the present government, and this has made other project promoters vulnerable as well – if they implement a project with the help of the NGO Fund, it implies a certain political orientation, even though they look at it only as a resource. Organizations in the countryside have reported that municipal governments started terminating long-established cooperation agreements with them. Some of them believe that for this reason it would be better if the Fund would appear as a less identifiable grantor, which would make it easier for rural organizations to apply. Some thought that the support was over-politicised and reached openly anti-governmental or oppositional groups as well.

According to an evaluator, the fact that no irregularities were found despite the immense will and ambition to find anything and everything is in itself a huge result. However, the communication of NGOs was inappropriate according to certain evaluators: *"Their communicate is very bad; this whole conflict with the government was definitely tragic, they communicated in a haphazard way, stuck in the role of the victim, instead of addressing Hungarian society, and acting hurt...if there is a government that gives them this opportunity, that starts to harass a part of this sector on an obvious political basis and clearly unfairly, then this could be used as an opportunity to express our own views and our agenda."* [47]

The case in the media

Between August 2013 and November 2016, over 700 media releases were collected by the staff of the operators' consortium relating to *"Norwegian case"* and the NGO Programme of the EEA/Norway Grants in Hungary. The primary focus of the collection efforts were the articles published by the online media, but numerous appearances in television and abroad were also recorded.

On 8th April 2014 the Magyar Nemzet published the warning of János Lázár, Head of the Prime Minister's Office who urged supporters to rethink the operation of the NGO Fund. On the 30th of the same month, Nándor Csepreghy Deputy Secretary of State called the consortium a club of cheap swindlers. This was the point when media coverage started to become more intensive. The search conducted by the police on 8 September 2014 in the offices of Ökotárs, their accountant and IT service provider, as well as in the office of another member of the consortium (DemNet) and in the home of an employee was the event that stirred up public opinion the most, which is reflected by the outstanding number of releases. Based on the news that appeared in the media, the Central Hungarian Regional Law Enforcement Directorate of the National Tax and Customs Office closed the investigation against Ökotárs by way of Resolution no. NAV KMRBI 60300-4334/2014 on 19 October 2015, as *"no crime was committed according to the investigation data".*[48] Some more articles were published about the aftershocks of the case, but in the following year the Fund was not mentioned. What surfaced almost a year later, in September 2016 through the lawsuit of TASZ was that KEHI started the investigation against NGO's funded by the NGO Fund on the command of Prime Minister Viktor Orbán and not the Head of the Prime Minister's Office János. No more press coverage has been released on the *„Norwegian case"* after this.

There were nearly 640 online articles published in Hungarian between August 2013 and November 2016. The vast majority of these, 602 releases were published between 30 April 2014 and 20 October 2015. The *"Norwegian case"* was covered most intensively by the following media: Index.hu, 444.hu, VS.hu, MNO.hu, ATV.hu, Valasz.hu, HVG.hu, NOL.hu, Híradó.hu, Magyarhírlap.hu, Népszava.hu. Additional articles were published on websites Gepnarancs.hu, Magyarnarancs.hu, Mandiner.hu, Varanus.blog.hu, Hírhatár.hu, Véleményvezér.hu, Átlátszó.hu, 24.hu, Galamuscsoport.hu, pestisracok.hu, Origo.hu, Figyelő.hu, Napigazdaság.hu and Hír24.hu.

Between June 2014 and July 2015 some 50 television releases were collected by the operators. Most of these were broadcast by ATV, but TV2, RTL Klub and Hír TV also reported on the case regularly. (Numerous radio interviews were also conducted in this topic, primarily in Klubrádió, but these were not collected.)

The following international media have also published one or more articles on the case, or mentioned it in their publications between May 2014 and June 2015: Norway News, Reuters, The Local (NO), Human Rights Watch, Libération, Der Standard, The Economist, Aljazeera, New York Times, Huffington Post. In total, 21 publications were collected by the operators.

The overall conclusion is that although the media nearly never reported about the activities of the NGO Programme of the EEA/Norway Grants in Hungary, after the attacks it was in the focus of attention for over year, and then was forgotten again after tensions had calmed down.

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45   Klebelsberg Institution Maintenane Centre (Klebelsberg Intézményfenntartó Központ). i.e. KLIK (after 2016 only Klebelsberg Centre, Klebelsberg Központ, KK) fulfils the 'management and administration of education' under the supervision of the Ministry of Human Capacities at a national level and in this function it is also the operator of certain schools.

46   Cited from one of the project promoters' focus groups.

47   Cited from the project evaluators' focus group session.

48   An article by ATV news television http://www.atv.hu/belfold/20151020-megszuntettek-a-nyomozast-az-okotars-ellen (20.10.2015)

B. The status of the civil sector in 2016 at the time of closure of supported projects

Legal, economic and social background

The number of registered NGOs in Hungary dropped from 65 000 to 62 000 between 2012-2015, according to data from the Central Statistical Office.[49] The rating of Hungarian NGOs on the yearly USAID sustainability index also dropped by 2016 by 4 decimal points compared to the 2012 rating (3.0).[50] This was the largest drop on this index for Hungary since the both socially and economically difficult decade – the 1990s – following the change of political system, in the period between 1998 and 2001.[51]

The recent yearly reports by USAID have described a series of negative trends.[52]

The **legal regulatory environment** is generally corrupted, and in the period examined major changes took place in two significant fields.

One of the operational regulations, the new non-profit law (coming into force as of the 1st January 2012[53] evoked increasing uncertainty among these organizations. The above mentioned reshaping of *„public bene-fit status"* (widely criticized all through the regulation procedure), explicitly slowed down the processing of claims despite the fact that a deadline (2014) was set for this by the law. The organizations had difficulty adjusting their annual reports to the new standards required by the regulations from 2013. The modification package handed in to Parliament at the end of 2013 harmonized the non-profit law with the new Civil Code coming into force from 2014, though the changes brought on by this step were only partially favorable. The rules about closing an organization were further detailed, and the amount allowed to be used for operational costs from the personal income tax 1% offers became limited.[54] Also, the modification maintained the wrong interpretation of the public benefit status, i.e. it suggested that this is the equivalent of fulfilling state functions, this way *„nominally"* depriving groups of citizens (e.g. NGOs) of being able to define what they consider as important tasks for society and for themselves.

In 2014, presumably as a result of realizing how busy the court system was, the government extended the deadline for NGOs until 2016 for the supervision of their founding documents (This was made compulsory in 2012, since then this deadline has technically ceased to exist.) The interpretation of public benefit status has still not been changed though, and the promised new, simplified registration system has not been set up. The situation became even more difficult in 2015, because although the long awaited online system was launched, it –instead of making the procedure simpler – actually ended up making it more complicated: filling in the form became difficult and required the uploading of more data than before. Despite previous hopes the

administration procedure did not become faster, and it remained a problem that the same kind of claim could be assessed differently in each county[55] due to the fact that without a position statement from the National Office for the Judiciary or some other competent authority, each judge will interpret the legal requirements differently. *„Since the legal environment is not favorable for the founding of NGOs, more and more informal, unregistered organizations are formed."*[56] The technical changes introduced by the Civil Code, such as the continued financial responsibility of an NGO's leaders following the closure of the organization, contributed to the increase of uncertainty.

Beyond the restrictions in the general operational framework, in the autumn of 2013 the right wing political party, Jobbik, handed in a proposed law which – primarily following the example of Russian regulations about *„foreign agents"* – suggested that all NGOs receiving more than 1 million HUF funding from outside Hungary should be listed as *„ foreign agents"*. Finally Parliament did not take the proposal for discussion, but *„NGOs feel they are exposed to more and more different official inspections, and it sometimes happens that the reports of state supported projects (closed a long time ago) are re-examined. What is more, it seems that the number of these inspections is increasing. Many civil organizations believe that these are part of a revenge from the government for their actions and activities it   disapproves of."*[57] According to the USAID report it is possible that, *„ this is due to a problem in the administration: because of frequent and rushed reorganizations a lot of the documentation got lost so the authorities were unable to find certain data."*[58]

By 2014 it became clear, that the theory blaming the chaos resulting from the reorganizations may be valid, still the administrative harassment of NGOs created an increasingly threatening atmosphere.[59]

Meanwhile the Prime Minister and various other members of his government *„made several threatening statements about civil society"*, especially about interest representative and *„watchdog"* organizations. In his yearly speech in Romania (in **Baile Tusnad**) in July 2014 the Prime Minister spoke about *„groups disguised as NGOs, serving foreign interests, funded from abroad"* evoking Jobbik's proposal from 2013. In an interview given to Bloomberg News in December the PM said referring to an American procedure, that *„he would happily support a separate registration of NGOs receiving funding from outside Hungary"*, stating that it is worth being aware of *„who are"* behind these groups".

In the past 2 years statements of this kind have become more frequent. High ranking government officials have explained publicly several times that they would welcome a regulation obliging leaders of NGOS receiving foreign funding to hand in an asset declaration. This idea is not new, already according to the current regulations *„...the leaders of those civil organizations which receive significant, i.e. over 50 million HUF per year state support (as defined in the Civil Law 53. § (7)) are obliged to hand in an asset declaration as defined by the Law on Asset Declarations/2007. Supplement CLII)"*[60], and this declaration needs to be then sent to the editorial office of the Civil Information Portal, where it is deposited and *„the fact and the date of the deposition is published on the Civil Information Portal"*.[61] The proposal is not new (though the implementation

49   The main characteristics of the nonprofit sector, 2015, Central Satistical Office http://www.ksh.hu/docs/hun/xftp/stattukor/nonprof-it/nonprofit15.pdf (02.02.2017)

50   About the background of the sustainability index of nonprofit organizations: https://www.usaid.gov/europe-eurasia-civil-society (14.02.2017)

51   The Index – since 1997 – measures on a 7-point scale the factors influencing the operation of NGOS. 1 score refers to the highest, 7 refers to the lowest level of development.

52   USAID Civil Society Organization Sustainability Index 2015 http://okotars.hu/sites/default/files/downloads/civil_szervezetek_fenn-tarthatosagi_indexe_2015.pdf (16.02.2017)

53   Act CLXXV of 2011 on the freedom of association, legal status of public benefit organizations, operation and support of civilian organizations

54   USAID Civil Society Organization Sustainability Index 2013 http://www.okotars.hu/sites/default/files/downloads/hungary_usaid_jelentes2013.pdf (16.02.2017)

55   Research Report - Some aspects of the functioning of NGOs, 2013 cic.ckh.hu/sites/default/files/hirek/kutatasi_jelentes_130327_vegleg.doc (20.02.2017)

56   USAID index 2015

57   USAID index 2013

58   USAID index 2013

59   See Chapter The „Norwagian Case".

60   Civil Information Portal http://civil.info.hu/letetbe-helyezett-vagyonnyilatkozatok (14.02.2017)

61   The Civil Information Portal is a website launched and maintained by the Ministry of Human Capacities with the aim of gathering publicly available information relevant to nonprofit organizations published by ministries other organs of the state administration system.

of the current regulation is questionable, and no traces of it can be seen on the Civil Information Portal), yet the extension of the group of people expected to do an asset declaration is especially worrying in the light of recent statements by various government members about the „sweeping away" of certain civil organizations (the ones they „do not like", selected according to criteria unknown to the public).

Above all this the 2015 amendment of the Act on the Right of Informational Self-Determination and on Freedom of Information radically raised the charges for data requests. The new regulations allow the holder of the information to „state the production and collection costs of the requested data" and charge this amount to the person requesting the data. If the data requester should not be able to pay this fee, the holder of the information can legally refuse to provide the data in question.[62]

The economic framework and background has also become more difficult for NGOs not handing in data requests. The above mentioned service providing organizations are at a serious disadvantage compared to others maintained by churches and receiving state support: these latter ones are the beneficiaries of the centralized and partially nationalized educational, health and social care system's grants. The amount set aside for public welfare in the state budget has also dropped significantly. „Despite the challenges these civil organizations continue to provide their services to marginalized groups and for those with a difficult background, but with more and more difficulty"[63] because typically the target groups of these services are not financially solvent. Additionally, non-profit groups generally would not charge a fee for their services to those in need, and when they are able to find EU funding to cover these costs, then the regulations often stand in the way by not allowing them to charge for their services. Additionally the grant opportunities have become scarce, partly due to the former unfavorable processes continuing, partly because the announcement of calls for proposals opening the operative programs of the 2014–2020 EU-programming period and the evaluation of proposals was significantly and unjustifiably delayed (e.g. the talent support project for disadvantaged children). The fear that NGOs may not be able to meet (at all, or only with difficulty) the requirements (such as with own contributions) of calls of proposals has been proven true, and there have hardly been any calls for proposals targeting NGOs.

There has been no progress in the field of taxation and entrepreneurial revenues, and there are no efforts to increase the willingness of private donors, and companies are granted benefits primarily for supporting the so called „visually attractive" sports (football, handball, basketball, waterpolo and ice hockey).

There has been a significant setback in the democratic structure of the Hungarian society after 2012. The modification of the freedom of information law means a major restriction of access to data of public interest, which – together with the classifying of state documents creates a strong obstruction to the transparent operation of the state. Transparency is reduced and the government is getting rid of related international obligations, quitting for example the Open Government Partnership[64], which Hungary joined in 2012 with the aim of – as the government stated at the time – „improving the efficiency of governing, in-

> „ *It is a significant setback in the democratic structure of the Hungarian society.*

creasing public participation, elaborating and carrying out new undertakings and spreading new ways of social partnerships."[65]

Compared to the data published in the Corruption Perception Index of 2012, Hungary dropped down to being the 57th in the ranking by 2016 (from being the 54th in 2012), while in comparison to EU member states it is the 24th (together with Romania).[66]

The increasing centralization decreases the scope of decision making of local governments, which makes the establishing of local contacts difficult, because local issues cannot be dealt with anymore just through local officials. Instead negotiations have to be done with the clumsy and top-down directed central state administration. At the same time the legislative process has not been improved, and the reduction of deadlines for providing opinions has become common practice. This is not only true in the case of civil organizations but also the cooperation of state players has become looser, generally one institution not being aware of what the other one is doing.

Despite all of this or perhaps because of this, general trust towards NGOs has increased[67], though this does not necessarily mean a more active participation of people in public affairs.

The "sub-sectors" of the civil society taken as priorities by the NGO Fund in 2016

„Gender equality" or the notion of gender itself did not become much more widespread in 2016 than before. The number of scientific research groups dealing with „gender" issues has not increased, though there are initiatives to expand these. ELTE University plans to – providing there are enough applicants - launch a Masters course on „Gender studies" in the 2017 Autumn semester[68], and the announcement of this course triggered significant criticism from right wing and conservative political parties.[69] There is still not sufficient up-to-date data on gender based discrimination in Hungary, and NGOs have very limited financial resources for this kind of extensive research especially. The low rate of participation in public affairs has not improved, the 2014 reform of Parliament did not deal with this problem, and what is more, there are no women at all in the current government. Hungary ranks 101th on the Global Gender Gap Index among 144 countries examined as part of the World Economic Forum in 2016, the country has slipped two places lower compared to 2015, having dropped altogether 16 places in the last 5 years. This tendency is the combined result of the setback in women's values and of the increasing of men's values. Though Hungary's indicators are reasonably good in the fields of education and public health, the gender based pay gap may be as high as 50%, making Hungary „the country with worst performance in the region in terms of the elimination of the gender gap."[70]

NGOs representing women have a relatively narrow but stable social base, and their yearly demonstrations do not attract significant crowds. This weak position is due to a low rate of political participation among women. The proportion of female MPs (10,1%) is very low in the European and international perspective, Hungary ranks as the 153rd out of the 196 countries examined.

62 USAID index 2015

63 USAID Civil Society Organization Sustainability Index 2014 http://okotars.hu/sites/default/files/downloads/usaid_jelentes_magyarorszag.pdf (27.02.2017)

64 1719/2016. (XII. 6.) Government decree on Hungary quitting the Open Government Partnership Hungarian official Journal No. 192/6 December 2016 http://www.magyarkozlony.hu/dokumentumok/c987f692090322170cb9e5bd405ff0c27f1a76ec/megtekintes (28.02.2017)

65 Ministry of Justice: Unconventional forms of public participation (lecture) http://korrupciomegelozes.kormany.hu/download/4/d8/70000/OGP%20prezent%C3%A1ci%C3%B3.pdf (28.02.2017)

66 Corruption Perception Index 2016 (p. 6) Transparency International https://transparency.hu/wp-content/uploads/2017/01/A-Korrupcio-Erzekelesi-Index-es-a-korrupcio-jellemzoi-Magyarorszagon-2016-ban-1.pdf (28.02.2017)

67 Ferenc Péterfi: The public trust towards nonprofits keeps growing , in: Közbizalom 2015, Hungarian Association for Community Development http://reszvetelhete.hu/wp-content/uploads/2011/08/K%C3%B6zbizalom-2015.pdf (14/09/2016)

68 Eötvös Loránd University, Faculty of Social Sciences http://tatk.elte.hu/mesterszakok/tarsnemek (24.02.2017)

69 Association of Young Christian Democrats http://www.iksz.net/hirek/nyilt-level-mezey-barnanak-az-elte-rektoranak-2692 (24.02.2017)

70 Global Gender Gap Report 2016 (p. 19.; p. 30.)

Violence against women has not ceased to be an important problem, and it enjoys priority in the agenda of legal organizations, even though in recent years some legislative efforts have been made to reduce it (e.g. the introduction of restraining order and the reform of the part of the Penal Code dealing with sexual crimes). Though Hungary signed the Istanbul Convention in 2014 2014-ben, this has not been ratified since [71] so the measures listed in the document have not been carried out. The National Crisis Management and Information Services (Országos Kríziskezelő és Információs Szolgálat, OKISZ) is a helpline where help is available for women in need in a so called *„halfway house', a protected shelter. There are 15 crisis centers in the country, to which the Ministry of Human Capacities plans to add ten more centers and 40* „halfway houses" in 2017, and it has promised financial support to OKISZ – yet these intentions are not reflected in the country's budget for this year. Formerly some women's advocacy NGOs organized trainings for policemen and judges about domestic violence, but without financial support these trainings are rather haphazard despite the increasing demand.

Currently there are no specific government bodies dedicated to women's issues. State support is much less than would be necessary for e.g. providing services needed by victims of domestic violence.

Patent Association Against Patriarchy

The government does not take a significant role in providing services, though according to rulings by CEDAW (Committee on the Elimination of Discrimination against Women) and by the European Court of Human Rights in Strasbourg the state should be providing a care system of this kind.

Also, reproductive rights became a central issue following the modification of the Constitution, which now contains a sentence about the protection of fetal life. Women's organizations are concerned that this sentence may make way in the future for the creation of a stricter law on abortions.

As for data on the attitude of young people two main sources is available: the Hungarian Youth Report 2016 (Magyar Ifjúság 2016) and 2015 data from the Central Statistical Office. Already surveys in 2012 described how young people are turning away from an active participation public life, from community issues and from informal organizations. By now reports not only mention the passivity of younger generations towards the above, but they also introduce an expression referring to them as the *„new, quiet generation". „The attitude of today's young people can be summed up as characterized by conformity, not wanting to change the status quo, mostly accepting their parents' ideals. Uncertainty can be felt among them, and often a lack of dedication, a lack of goals, and they are aware that this is their generation's' problem, yet at the same time they are longing for structure and order. The passivity of 15-29-year-olds has increased in recent years, and civil activism is mostly absent from their lives, they are apolitical and they approach public issues with reservation. They often spend their free time at home in front of various screens, their lifestyle can be characterized by a lack of movement and a stagnating deviant behavior."* – state the authors of a study with the title *„Second hand experience – The Youth in Hungary"* (Másodkézből – Magyar Ifjúság 2012.)[72]

Several European surveys have shown that compared to their peers across the world or in the EU, the organizational activity of Hungarian young people is especially low. While an overall 52% of young people living in the EU have taken part in the activities of various organizations, the same figure for Hungary is only 40%

(making the country the 24th out of 27[73]). This is confirmed by the European Commission's Flash Eurobarometer 408 European Youth survey's summary (a small sample representative survey) published in April 2015 (using data from December 2014), which showed that the voluntary activities of the Hungarian youth are way behind the similar activities of their peers in other member states of the EU.

It is important to note though that –as it was recognized by the members of the Hungarian Youth 2020 working group –, young people in Hungary are not by nature indifferent towards the cause of community participation, it is rather that they do not find involvement in formal organizations suitable. This is confirmed by a new trend: young people seem to primarily take part in two kinds of community actions: one off demonstrations organized for one particular cause, and in groups which do not have an identity-forming influence.

There has not been a regularly repeated survey of the characteristics of youth organizations, so during preliminary preparations for the Fund we used the most up-to-date surveys available and publications mostly relying on the Central Statistical Office's data from 1995 and 2005 for analyzing their situation[74]. Currently the above mentioned Hungarian Youth (Magyar Ifjúság) 2016 and the Central Statistical Office's 2015 data are at our disposal about non-

Fine Art Cultural Foundation

profit organizations, and the above mentioned surveys and publications, also some fresh data can be found in a study edited by Ádám Nagy and published in December 2015 (A report on the youth/ *„Miből lehetne a cserebogár? Jelentés az ifjúságügyről"*)[75].

Based on all this it can be stated that the situation of youth NGOs has not improved significantly in the period examined, in fact in many respects it has deteriorated.

These organizations targeting or created by young people make up a very small proportion of all NGOs (only a few percent),[76] and even though their number has increased since the 1989 changes, their membership and the intensity of their activities has dropped, partly due to the changes in the Civil Code and in other relevant regulations related to civil organizations (increased administrative tasks).

According to their activities, the majority of NGOs targeting the youth are societies focusing on student sport and leisure time activities (near 75%), and a significant number of foundations deals with advocacy for children and the youth. There are hardly any organizations aiming to improve the public participation, voluntary activities, active citizenship of young people.

Budapest and the country's central region (mostly urban areas) seem to gather the majority of NGOs. Among the organizations examined by the Central Statistical Office it is the youth NGOs which have the smallest income, and they are among the ones with the smallest income per organization. Also, compared to other NGOs, salaries at youth organizations are below the average in the civil sector, though they attract more volunteers than any others.

71   The Ministry of Justice published the proposal about the ratification on 14 Febuary 2017. http://www.kormany.hu/download/1/a6/f0000/20170214%20El%C5%91terjeszt%C3%A9s%20az%20Eur%C3%B3pa%20Tan%C3%A1cs%20n%C5%91kkel%20szembeni%20er%C5%91szak%20%C3%A9s%20a%20kapcsolati%20er%C5%91szak%20elleni%20k%C3%BCzdelemr%C5%91l%20sz%C3%-B3l%C3%B3%20Isztambuli%20Egyezm%C3%A9nye%20kihirdet%C3%A9s%C3%A9r%C5%91l.zip#!DocumentBrowse (27/02/2017.)

72   Ádám Nagy – L. Székely (editors) (2014):„Second hand experience – The Youth in Hungary" (201p.)

73   Hungarian Youth 2012, (p. 304)

74   Ádám Nagy – Levente Székely (2008) The youth segment The Young civil world, (In Új Ifjúsági Szemle, 1-2, pp. 132-148); and Ádám Nagy – Levente Székely (2008) Civil organizations for young people (In Új Ifjúsági Szemle, 2-3, pp. 183-293.)

75   Ádám Nagy (editor.): A report on the youth/ „Miből lehetne a cserebogár? Jelentés az ifjúságügyről"). 2014-2015

76   Levente Székely – Ádám Nagy (2010): Civil Society, – The establishing of circumstances necessary for youth services NGOs to be able to become part of the basic services providing network, including experiences from yout organizations and members of this generation, representing the unique perspectives of young people in the state's decision-making procedures, 2010 and Nagy – Levente Székely (2008): The youth segment In Civil Szemle 2008/1-2 pp. 132-148.

In Hungary the money allocated to youth issues has been shrinking for years, subsidies are haphazard, unpredictable and (despite the fact that by now there is an official youth strategy– under the title Hungarian Youth 2020/ Magyar Ifjúság 2020). The majority of grants and support for youth organizations and initiatives targeting young people come from foreign donors (Youth in Action, Erasmus+ etc.), and only a fraction of the total support comes from domestic sources.

It should be noted that already in late 2015 a study[77] referred to the EEA/Norway NGO Fund as one of the more significant non-governmental sources (together with the Swiss-Hungarian NGO Grant and Scholarship Fund).

The lobbying power of youth NGOs is rather weak, and it has been weakening significantly for 15 years, the government does not hold real negotiations with experts and youth NGOs about youth issues, these organizations have weak foundations in society and their voices are not heard.

The summary of the period from 2012 paints a rather negative picture from the perspective of the Roma population. Society seems to be increasingly backing the views which severely marginalize disadvantaged people. Extreme right political groups openly campaigning with such views and their discriminative ideas are more and more popular, and this trend was amplified by the government's communication about the migration crisis. The lack of solidarity and xenophobia has not dropped in other EU member states either, and as a result of the crisis this situation is getting worse.

BAGázs Public Benefit Association

Meanwhile in Hungary – as always before – all political groups agree that the situation of Roma (and in general of people living in severe poverty and with a disadvantaged background) is not solved, and that it is an increasing problem.

Besides the formerly also typical difficulties– search for identity, problems with finding employment, discrimination in education – the reduction in the services provided by the social care system and the fact that accessing these is becoming increasingly difficult makes it even harder for those in need. At the same time the economic dimensions of organizations providing social and educational services (e.g. talent programs) has been reduced due to a drop in state support and the reduction of available grants. In May 2016 the EU started an infringement procedure against Hungary because of the segregation of Roma children in schools. Unfortunately this was not a unique occasion; there are several similar ongoing procedures, among others in Slovakia and the Czech Republic too. In the case of the National Roma Self-government there has been a new scandal about the use of funds, triggering several official investigations: it is suspected that hundreds of Hungarian forints' worth state subsidy may have been misused.

At the same time Roma advocacy NGOs are in a difficult position. In 2016 four major Roma organizations (Romaversitas Foundation/Romaversitas Alapítvány, A Chance for Disadvantaged Children Foundation/(Esélyt a Hátrányos Helyzetű gyermekeknek (CFCF) Alapítvány, The Ethnic Minority Legal Aid Office/ Etnikai Kisebbségi Jogvédő Iroda (NEKI) and the Roma Press Centre/Roma Sajtóközpont (RSK) announced that due to a lack of resources they will soon be forced to stop their operation. (Three of them have been awarded an EEA Norway Grant since 2013!)

The general situation of the civil sector, based on the data from questionnaires and focus groups

The general situation of the civil sector

Most experts see the situation of the nonprofit sector as negative, as one of the participants put it: „Well, to put it briefly, it is tragic. To describe it with more detail: it is very difficult."[78] The changing world and transforming surroundings are mentioned, and that many of the researchers were looking at the sector in a different way from what it has become. Many believe that the nonprofit organizations have achieved less than what could have been possible with their means, e.g. no general or field specific cooperations have been formed, no powerful

" Most experts see the situation of the nonprofit sector as negative...

umbrella organizations were created. There is a lot of feeling of helplessness and a lack of foreseeability – it does not seem to be worth planning ahead for more three years (when planning development), but there are very few grant programs available for a period of at least this length. Some of the participants said they thought Hungary's situation is not the best in Central and Eastern Europe. There were some participants who argued that the changes in the last 15 years have not been all that significant, others stressed that the current situations is a wonderful opportunity as well.

Experts highlighted the paternalistic, dependent character of civil organizations and the whole sector: „In the 90s the task was to find the function of the civil sector. To do some community development, to make up for the missing services, to control the state. These have now all been taken from us. They (the government) seem to be suggesting to us: do not build a community, the state will take care of it all.... by now civil organizations have no roots, functions, prospects."[79] – stated one of the participants. Someone who acts out of civil consciousness is a dissident citizen and from that moment he or she secedes from his or her institution, workplace or a given community. The participants believe the question is often asked in connection with civil activist: „and they want to get paid for it?!"

According to the experts the sector has several poles which in a normal situation would arrange them according to what the relationships of different interest groups, scopes of interest are to the particular issue, while now the context is more static, positions are fixed. Among the organizations there are good and bad examples, survivors, some organizations are lost, there are newly started ones, optimists and pessimists. There are some which live happily in the current context, while others only just vegetate, some were formed and then with some sort of paternalism from the late Kádár-era they expect someone to subsidize them, and there are those which in some way nuzzling up to politics, exploit the sector through gaining some political advantages.

How do the applicants view this issue? The first applicants to fill in the questionnaire in 2013 identified with the Fund's general aims in the development of the nonprofit sector. Most of them agreed with the statement that in the local communities there are many opportunities to build on which have not been made use of so far, and many of them thought that to make the projects more efficient there is a

" ...in the local communities there are many unused opportunities...

need for a suitable communication of the project's social values. They are convinced that the advocacy and watchdog role of NGOs need to be strengthened to make state institutions more transparent and accountable. They believed that in Hungary the situation of vulnerable, disadvantaged groups need to be improved. They

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77   Ádám Nagy (editor.): A report on the youth/ „Miből lehetne a cserebogár? Jelentés az ifjúságügyről"). 2014-2015

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78   Cited from the experts' focus group session.

79   Cited from the experts' focus group session.

agreed with the idea that the efficiency of civil society can be increased by applying the principle of good government, and with the statement that the increasing of transparency contributes to the development of the Hungarian civil sector. Their large majority agreed with the fact, that through a mutual understanding between civil organizations and local governments better solutions can be found for various social, economic and environmental problems.

The applicants filling in the second questionnaire in 2015 thought that the role of NGOs is especially important in advocacy and empowerment, in the democratic operation of society, in the issue of participation in the shaping of public affairs, and they found its role was the least important in ensuring (public) services not catered for by the state or by the market, in taking over tasks, in the supporting of the welfare institutional system. When evaluating the situation of the nonprofit sector the scores were generally not so high. The highest scores were given to cooperations, the sector's international relations, its social acceptance, whilst the sector's legal environment, its relationship to the central administrative institutions and organizations, the sector's role in ensuring a control by society over the state, the sustainability of the sector and the security of its financial resources were rated lowest.[80] (See chart 1.)
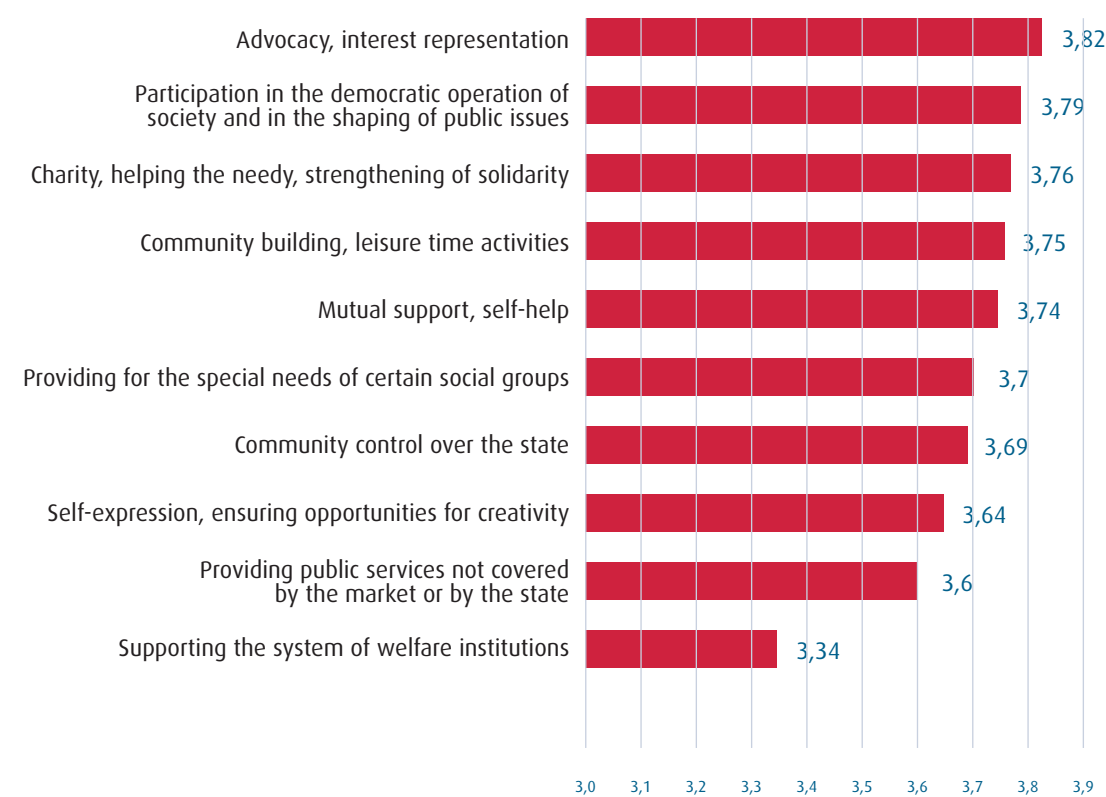

Chart 1: The different roles of the Hungarian nonprofit sector and the ratings of their importance

Relationship with the state, legal environment

As it was stated in the general description, the relationship with the state is characterized by a loss of independence – though there were some experts who noted that this sector had never been truly independent.

Besides dependency there is a lack of willingness to cooperate, and state authorities seems to rule in a one-directional, dictated way: all the roundtables, forums which used work beside ministries, local councils and other institutions have now been reduced: *„The social, the health and the educational sectors are all built*

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80   Respondents had to indicate the importance they gave to each item on a scale of four: 1= not important at all, 4= very important.

on finding what does not work well, what is lacking, and they make up for these. This is why I am stressing that the institutionalization and equality of the cooperation with the state is a crucial question, so that the allocation of funds is decided in a way independent from politics."[81] There seems to be no intention on behalf of the state to cooperate with the civil sector, the communication could be better.

The relationship between the nonprofit organizations and the state has changed. Earlier at least there were some negotiations held – though the proposals of civil organizations were not taken into consideration, but at least they sat down together for some discussions, but even this does not happen anymore. Following the 1989 changes the slow withdrawal of the state seemed insufficient, and by now this trend has been reversed, the role of the state has strengthened, partly in areas given up on by NGOs struggling with the lack of funding, even though the reduction of state subsidies is the very reason for civil organizations abandoning these areas.

The sector itself was created in a paternalistic environment: its beginnings were paved by politics and politicians and its creation was not the result of an organic development, because there was always a government organ standing behind it. This development process was split by the structural system changes in 2010. *„A sector in its adolescence, just about to grow up was dumbed down back to childhood."*[82] There are no other sectors which could have stood up representing its core interests against a state machinery of this kind, and in a situation like this, cooperation becomes very difficult.

The government does not seem to have a vision about what role the civil sector should have, and its attitude towards the sector is not supportive. *„The government has a vision and this is reflected in all the regulations, measures and support policies… They also state that there are too many organizations, there should be fewer, and there is the requirement of economies of scale too, I have heard the state secretary refer to this, and that they will tell us what the role of this sector is. And if we allow them to get away with it, they will tell us."*[83] Local governments have become weaker, and the Church seems to dominate the field of supportive community cooperations. Previously conflicts arose more along the countryside- Budapest activities, while now these happen along different political views. The services provided by NGOs on behalf of the state are not paid for in time, and though some autonomy ensured by foreign grants makes the state subsidies avoidable, the state is not happy about this at all.

The changes in the relationship of civil organizations and the state are indicated by the changing of the legal environment. Recent modifications of the regulations have brought a significant loss of autonomy and a tendency to formalize. The political authority is not willing to leave the sector be, to develop independently, to organize itself, to find its own pillars: *„I will take their resources away by setting up new restrictions. I am a controlling, regulatory, interfering state."*[84]

There is positive change too: in the part of civil law which is not under direct political influence there is some progress: the new Civil code has solved some problems. The number of organizations granted the so called *„public benefit status"* has been significantly reduced, and the re-definition brings along a *„cleansing"* of the profile in many organizations.

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81   Cited from the experts' focus group session.

82   Cited from the experts' focus group session.

83   Cited from the experts' focus group session.

84   Cited from the experts' focus group session.
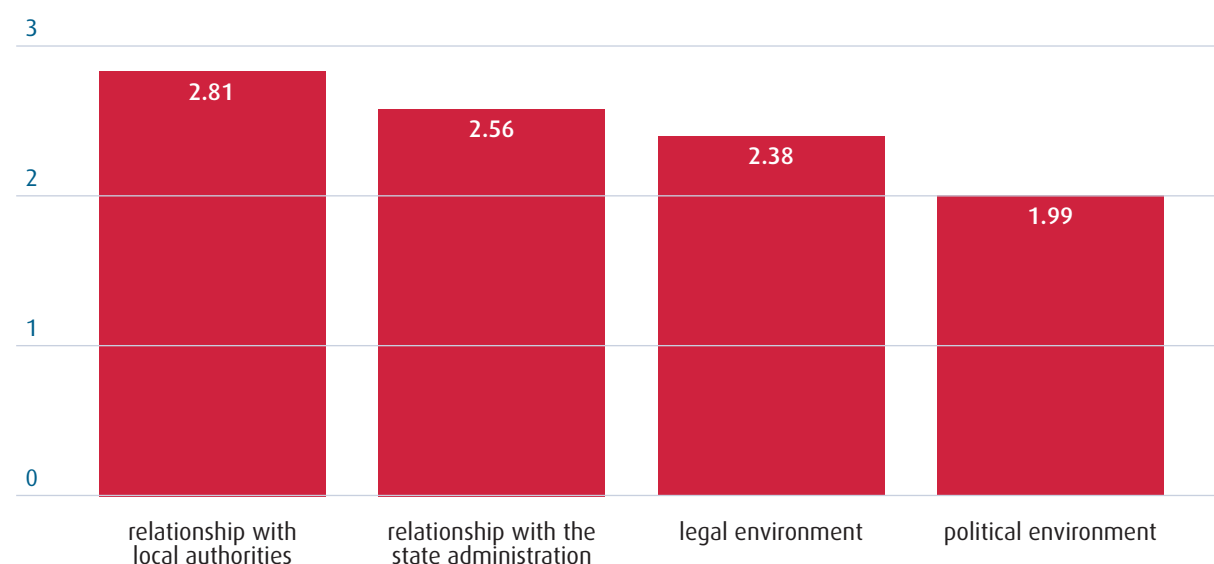
Chart 2: Opinions on the relationship between the organizations and the state, on the strength of the legal and political environment, based on all the answers

The answers from applicants in 2015 were partially diverse. [85] Those organizations which did not win the grant they applied for considered their own relationship to their local government or to the state – with all their answers – seemed a bit more positive, and their views on their legal and political environment was more optimistic. (See chart 2) The question remains though if – and there is no answer for this based on the data of the impact assessment –, the reason for them not winning the grant was the fact that the EEA Norway Fund system gives priority to those organizations with a weaker contact system, or whether their relationships (to the state and to the local governments) are better because of the fact that they were not awarded a grant by the Fund.

The answer to this is rather complex: partly because the Fund supported the establishment and strengthening of intersectoral cooperation, so probably those applicants which did not wish to take part in this because they thought this was already functioning well, perhaps were less likely to be awarded a grant than those which – with a similar scope of activities – were keen to improve these relationships too as part of the project in question. Also the Fund made sure that the supported projects were not the ones taking over tasks from the state or from local governments, but rather the ones which add to these, or improve the quality of state or local services by encouraging advocacy and empowerment process-es. Based on the different opinions from applicants, project promoters and experts it is clear that organizations which were originally interested in some kind of services (typically cultural or social) must have had stronger ties to the state and to the local government, because from the answers it looks that those organizations which were not on good terms with the state or which had voiced critical opinions were excluded from these services. This also means that those who wanted to remain or be on good terms with the state and the local government was less likely to adopt a watchdog role encouraged by the Fund.

> " ...those who wanted to remain or be on good terms with the state and the local government were less likely to adopt a watchdog role encouraged by the Fund.

As it is shown on Chart 3, respondents were mostly satisfied with their local relationships, and this seems to be genuine satisfaction, since based on the answers from all the organizations (excluding the ones going for the „I do not know/I do not want to answer„ options) they find their organization's relationships to their respective local governments rather good (71,6% from which 52,3% good, 19,3% very good).

They seem less happy with their relationship to state administrative bodies and institutions, though the majority seems still fairly satisfied: based on the total answers they find it rather good (52%) or rather bad (31,4%).

The opinions on the legal environment is much more diverse, though there are still more organizations which seem definitely satisfied, than the ones definitely not satisfied, and the smallest group of them is the ones which have a mixed opinion about this (14,4%).

Finally, the worst scores were given to the political (policies and party politics) environment: out of the total answers it was given 1,99 points and the organizations found the political environment surrounding their organization rather bad (72,6%, of which 41,7% bad, 30,9% very bad).

From all of the above it looks that applicants are definitely relying on their local contacts, and they believe that politics is the cause of their organizational difficulties.
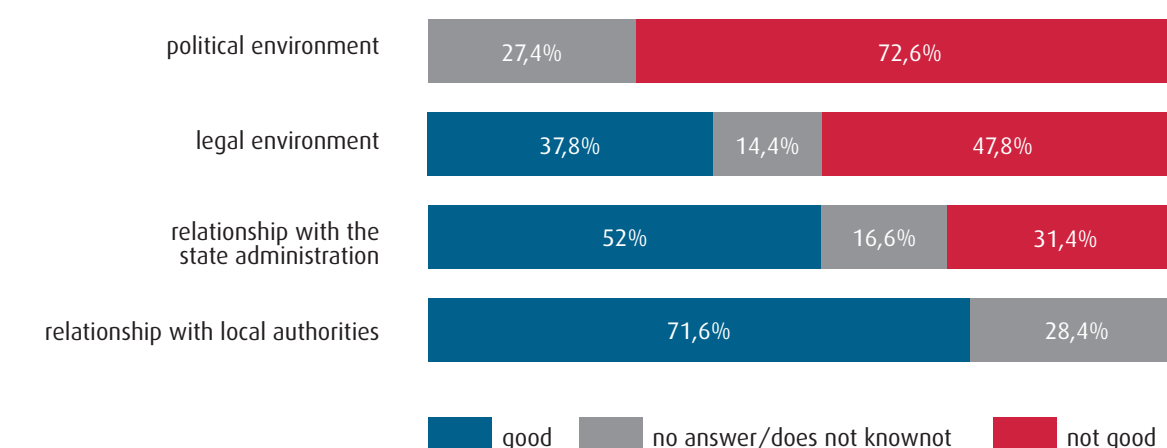
Chart 3: Relationships with the state, opinions about the legal and political environment

The sector remains bureaucratic as before: „people who love administrative work gather into civil organiza-tions, while others get together in pubs to discuss the matters of life."[86] When mentioning the word „civil" many people associate it with the word „difficulty", or they simply think of a bunch of swindlers.

Organizational operation, human resources

The responding **experts** believe that the majority of these organizations do not do too well from a structur-al- organizational point of view, and this could be improved internally. The sector lacks structure because the organizations have no idea about where they come from, what their vision is, who their helpers are.

Being under-financed is one of the sources of problems for the civil sector: it is difficult to find excellent pro-fessionals to employ. There are no donors who would be too happy to pay for a professional marketing expert for example. In Hungary there are problems with the attitude to work and efficiency in general, though some

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85   Respondents had to indicate the importance they gave to each item on a scale of four: 1= not important at all, 4= very important.

86   Cited from the experts' focus group session.

Western European countries are worse in this respect: „*we need to be more skillful to be able to survive at all, because there is an incredible degree of multi-tasking required.*"[87]

The financial bureaucracy is also a problem. Experts believe that a lot of the power from voluntary helpers cannot be made use of because an invoice or receipt has to be attached to everything. *"And if he says, look, I can do this, but then in exchange subsidize my operation. Then the answer is no, because we cannot give you money for this. Alright, then I will get someone else to pay for it.* "[88] So in numerous situations the organizations would need money for their general operation (instead of inviolable tasks and itemized task based payments), because they would be happy to do some tasks on a voluntary basis relying on the dedication of their members, their staff, their activists. But this is all vain if only paid work – and not voluntary work – can be accounted for in projects and the organization itself is struggling to survive because they are unable to cover their overhead costs.

The **applicants** themselves painted a much more positive picture than the experts did. According to 2015 questionnaire respondents, the majority of the organizations consider their organization's human resources and the prospects for hiring suitably qualified professionals good (52.4%), and only 29.4% consider their situation bad.

There is, of course, no contradiction here. On the one hand, it underlines the oft-repeated fact that many work on a voluntary basis. On the other hand, it also highlights that unless organizations are able to secure additional sources of funding, they may have difficulty retaining experts. The challenge of the forthcoming period will be that organizations will no longer be able to employ professionals relying on the usual sources of funding. Professionals will be forced to seek employment in the public or private sector for the sake of their livelihoods, and the non-profit sector will turn into a *"hobby sector"*. As it stands, the establishment of a professional non-profit sector is conceivable either on the basis of foreign funding (cf. the government's plans to regulate the operation of organizations that accept foreign funding), some kind of private sector coalition, private donations or a combination of these. *"Doing quality work with volunteer professionals after business hours... so as I've just said, the brain drain is beginning. This funding was aimed at this too, but to be honest I feel that this perplexity and lack of direction has only grown worse by the end of the project. How are we supposed to move forward? Is it worth doing this? Nobody seems to have the energy to think about this together, talk to others as well, have some sort of conversation about it, everyone's burned out. Big organizations involved in social development have no idea what they should be dealing with and how, who they should be working with and where they should be getting the money for it. The organization is on the verge of becoming completely voluntary, and not just ours. I know of enough others in the same boat to be able to say that this is a significant shift in the sector. I think we're at a critical moment."*[89]

Cooperation within the sector

According to the focus group of experts, the past year has spurred some within the sector to reach out to each other. The organizations targeted by the government crackdown began to explore how they should proceed given that it was indeed possible that the foundations of their existence may be compromised.

> " *...better cooperation was generated within the sector... but high level of mistrust can also be detected.*

While there are examples of cooperation, a high level of mistrust can also be detected. There's a reluctance to cooperate with certain organizations in the sector, and even the partners of these organizations. If there are any instances of cooperation, they are never sector-level. There are a few positive examples that we can hold up as a beacon - such as the informal social movements that represent a considerable mobilising force, a whole new arena -, but these are incapable of creating synergies that pervade society as a whole. *"The problem is that these advancements are sporadic and isolated. These informal social movements exist, but they don't foster the kind of mentality and deliberation that could get the wider society engaged. Like in say, Western-Europe, where the middle class was able to "pull" those at the bottom, because everyone aspired to belong to the middle class. The positive examples don't have a similar effect on other organizations in Hungary because of the deeply entrenched divisions and bunker-mentality."*[90]

Public relations

"The sector was always expected to be impeccable and upstanding, fighting the good fight. Those who don't live up to this and get involved in shady business, tarnish the reputation of the whole sector."[91]

The public has been relentlessly brainwashed over the past years, successfully reintroducing the notion that being an active citizen and voicing an opinion is something to be suspicious of. Initially, the political elite seemed to dominate everything, not allowing the public to recognize what democracy actually entails: that in a democratic system, the political elite does not have unbridled control. All affected citizens can have their say, and it's not enough for those in power to merely tolerate this, they also need to take notice. *"In the early '90s, those in local government, everyone, basically said that 'we're the ones in charge, civil society needs to pipe down, leave the politics to us'. A similar atmosphere is spreading again... within the target audience as well, or those who could be potential partners, within the private sector and the general public too. So there's this withdrawal, because 'this whole thing is just dodgy'."*[92] The organizations singled out by the government were unable to explain to the majority of Hungarians what it is that they actually do and why it's important.

Today, foundations have no foundation (no equity), associations have no membership. If they do have members, they don't contribute more than a symbolic membership fee. Thus, both foundations and associations are ill-equipped to provide independent representation for a given cause or group. Interest is growing, however, and so is the number of volunteers.

Non-profit organizations generally have a narrow thematic focus and are targeted at relatively small communities. This probably has something to do with why they fail to place emphasis on building public support for themselves while working for the cause they took up.

Public support was measured in two ways in the 2015 questionnaire: applying NGOs were asked to assess the extent of public awareness of their organization and the level of social acceptance of it. (see chart 4 and 5). Successful and unsuccessful applicants had slightly different answers here as well, however, both groups perceived the level of public awareness and public recognition as either good or very good.

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87   Cited from the experts' focus group session.

88   Cited from the experts' focus group session.

89   Cited from the experts' focus group session.

90   Cited from the experts' focus group session.

91   Cited from the experts' focus group session.
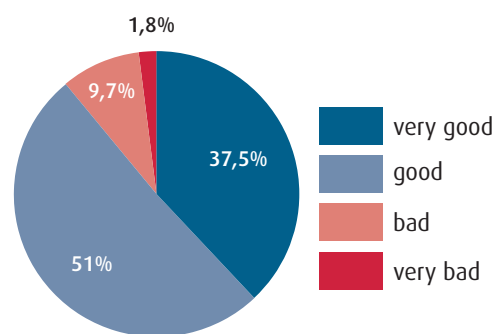
92   Cited from the experts' focus group session.
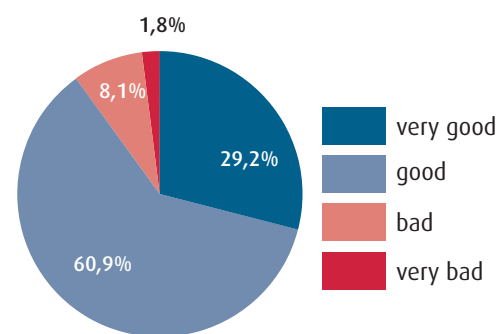
Chart 4: Public awareness of organizations

Legend: 37,5% very good, 51% good, 9,7% bad, 1,8% very bad

Chart 5: Social acceptance of organizations

Legend: 29,2% very good, 60,9% good, 8,1% bad, 1,8% very bad

The experts and the grantees evaluate public support differently or they mean different things by it. The reason for this may be that while the experts think in terms of wider public support, individual organizations judge based more narrowly on their specific target audience and immediate environment (local and/or professional communities)[93], and do not take the whole sector or subsector into consideration.[94] Evidence of this two-way thinking can also be seen when comparing the data from the 2015 survey on the social acceptance of individual organizations with that of the sector as a whole (see chart 6 and 7).
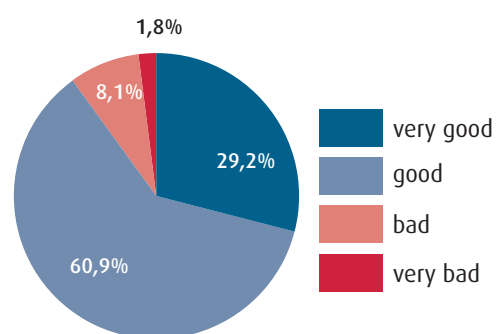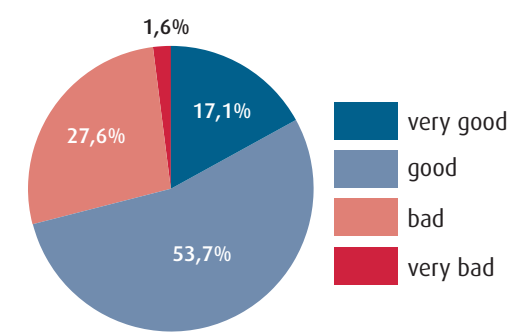

Chart 6: Social acceptance of organizations

Legend: 29,2% very good, 60,9% good, 8,1% bad, 1,8% very bad

Chart 7. Social acceptance of the sector

Legend: 17,1% very good, 53,7% good, 27,6% bad, 1,6% very bad

The respondents evidently consider the social acceptance of their own respective organization stronger than the sector's in general. This further reinforces that sector-consciousness is non-existent, individual organizations are not really aware of the sector as a whole, or even just a particular subsector. If the social acceptance

> **❝ NGOs are popular among those who are familiar with them and their activities, however, relatively few people make up this group.**

of all NGOs was as satisfactory as how each organization evaluates its own situation, this would presumably have to be reflected more distinctly in the social acceptance of the entire sector (the sum of these organizations). A reason for this duality might be that organizations are popular among those who are familiar with them and their activities, however, relatively few people make up this group. The feedback they receive is positive, but comes from only a handful of people.[95]

93   Cf. Economic environment, financing, Chapter III, Section B.
94   Cf. Subsectors prioritized by EEA/Norway Grants, Chapter III, Section A.
95   NGOs and politics: we trust NGOs, but expect solutions from politicians Publicus research, 2016. http://www.publicus.hu/blog/ civilek_es_a_politika/ (24.02.2017)

Economic environment, financing

According to the discussions in the focus group of experts, the sector is historically characterized by dependence from an economic standpoint as well. The dependence on grants can be traced to the mid-1990s and is closely linked to the transfer of American management know-how. Organizations were striving to adhere to priorities of the funders and paid little attention to strengthening ties with institutions, municipalities and the public.

Grants

Funding opportunities that take the form of non-repayable grants are becoming scarce, which has put NGOs in jeopardy and abruptly exposed how vulnerable the whole sector is. Funds awarded from state funding schemes (NCA-NEA[96]) are lower than previously and the allocation mechanisms of these schemes have become more state-controlled. It has also become more difficult for NGOs to access EU funding. Some grant schemes became more clientelistic: *"At the end of each operational program (were talking about 6 OPs here), the members of the consortium that will manage it are listed. It's obvious that the goal is to dress up the awarding ministry with preselected ecclesial and civil society partners. Until now, these things were what guaranteed some level of freedom and opportunity for innovation and adaptation in the civil sector via the EU. Whether in education, or welfare, or even rural development, grassroots initiatives at least had a fighting chance. Now, what you see is that they're launching big, sector-wide programs that span 6 years, for example in the 'human capacities' area conjured up by the government. So there are no smaller subunits: a timeframe of 6 years and an allocation of 300 billion forints. That's the scale they're doing it at."[97]*

The experts say that the NGOs are unable to join forces and exert pressure in order to be able to claim these funds. To add to this, organizations in the sector don't have strong relationships with local municipalities and state bodies, not to mention corporations.

In this changed environment, the organizations that are having the most difficulty are the ones that have been relying solely on a single type of source to finance their operation. In the case of many of them, this was funding from grants. *"What I see is that there are some who are as successful as previously, some who have been able to adapt to this new environment, and some who just seem to be stuck repeating 'but there aren't any grants, but there aren't any grants' like a mantra."[98]*

Virtually all the participants of the grantee focus groups mentioned the drying up of funding opportunities as one of the biggest challenges. It was also stated however, that the lack of funding opportunities available to the sector doesn't affect everyone to the same extent. It depends on the thematic area: LMBTQ issues, drugs and women's issues are neglected for example, but huge amounts can be secured for other areas of focus. This is why the EEA/Norway Grants funding was especially important for supported projects in the A – democracy and human rights and B – gender and equal opportunities thematic areas. There are few counter-examples as well though: *"What we were doing was only supported by the Norway Grants scheme, and then the Ministry of Interior issued a call for proposals at the same time and we received funding from them. So there are exceptions as well. They told us there that the situation with them is that the Ministry of Interior and the National Crime Prevention Council are different, but there are renegades everywhere in the government sector who can be potential partners. We need to seek them out and gather them together. If they don't allow it at the leadership level, we need to switch to guerrilla tactics."[99]*

96   National Civil Fund, National Cooperation Fund
97   Cited from the experts' focus group session.
98   Cited from the experts' focus group session.
99   Cited from one of the project promoters' focus groups.

Another participant reacted by declaring that these existing connections are to be handled with utmost discretion, and *"even their names are now unmentionable"* regardless of how much their past benefits. Personal connections are also vital in the education sector. This is especially problematic however in the health and social sectors, where institutions and homes must keep up their operation in the face of dilapidated resources. Constant changes mean resources have in recent years become more difficult to access, especially with the changing behavior of donors.

Resource scarcity is exacerbated by a project-based financing system, which obstructs the work process. Often even the basic resources for covering operational costs are lacking, putting monthly survival at risk. This is the reason why many organizations work exclusively with volunteers and have no means of hiring employees,

> " *Resource scarcity is exacerbated by a project-based financing system.*

and while many utilize personal savings to weather the liquidity crisis, a significant number of them end up bankrupt. This is typical of those long established organizations which initially had far better access to grant resources, and failed to adapt to their presently diminishing availability. Younger organizations tend to be more cautious and forgo planning for project-dependent wages in the first place, opting instead to work voluntarily. The payoff is that their personal wellbeing remains independent of projects and the organization. Recently surfacing hot topics, for instance refugee issues, have so far not been covered in generally accessible, thematic awareness-raising project calls toward NGO's, and this in turn has contributed to the prevalence of volunteerism.

Only NEA grants offer support for basic operational expenses, but these resources are not accessible to all, and are often insufficient to maintain an organization on. To utilize other relevant, predominantly EU resources require human resources and excess generally beyond the means of most Hungarian NGO's. Smaller grants are accessible on a local level, though these require exceptional relations with authorities. Once such a cooperation is grounded, it's easier to follow up as local supporters will also encounter these issues.

The availability of refugee related grants has improved compared to earlier years. But project promoters report a foreseeable major cutback in resources for disabled persons. A select circle of Hungarian NGO's have good access to international grants, but most NGO's do not. International foundations have moved East from Hungary, to provide aid where it is needed most. Embassies tend to support organizations by providing venues and/or catering for their events. Some organizations attempt to harness their international partnerships to gain resources, with far more available grant money available for NGO's in Slovakia for example. This can only offer a partial solution, with only a trickle of these international resources actually making it to Hungarian NGO's.

Private donations

Experts agree that while certain wealthy Hungarian individuals have set up foundations, but to a far lesser extent than Poland or the Czech Republic. According to the project promoters, there are many private foundations offering grants in the USA, while in Hungary there are none. Even if there were, most organizations would lack the capacity for continual Fundraising.

One project promoter reports a Fundraising conference report stating that people's attitudes are slowly changing, and even if Fundraising were to triple, private donations would only constitute 6% of total resources. Even the most successful organizations peak out at 10% of total income, which is why no major organization in Hungary can run on private donations alone.

Yet some remain hopeful. *"It's true, donor culture is very poor here. But we neglected to compile databases and maintain our networks, even with a lot of addresses we could write to. Private Funding has enormous*

potential, especially in Budapest. We have received some positive feedback too. Greenpeace have been successful, but only through investing heavily."" [100]

The active public protests for Budapest parks demonstrate how private individuals can become involved. Crowdfunding too can cover an event or Micro project, to the extent of a few hundred thousand forints at least, and this tendency is setting a trend.

Experts agreed that the optional 1% income tax donation to NGO's has proved an internationally viable system.[101] Project promoters however perceive that only a few large organizations receive most of this support, while small organizations get close to nothing. Environmental and Roma issues are especially challenging topics to publicize; these organizations can't compete with more popular issues like child welfare or animal conservation.

Corporate donations

Though corporations do tend to support individual issues, this too falls short of corporate Funding in other countries. Corporate social responsibility appeared in Hungary during the 2006-2007 period before the crisis. Multinationals were centralizing their resources, and decisions were for the most part made outside Hungary. Donations were targeted at sectors already under state influence, the Hungarian commercial sector itself permeated with Hungarian state commissions.

One project promoter whose project involved linking nonprofit NGO's and for-profit organizations reported a high success rate. Others claim that while businesses too are struggling to stay afloat and lack capacity to donate, the only way to secure their Funding is through personal connections.

Corporate donors' concerns of becoming indispensable the same as other grants, is justified: cutting off the supply line will end the project. *"Then there are sustainability issues. What to do about organizational culture, transparency, communication, Fundraising activities, services, and self-generated income, to amount to a mature and independent organization. And everyone seems to be pushing toward selling, to demand money for what we've been providing free. But that may not be the best way to go… The big question is, when we propose to operate the same as a financially managed organization, aren't we losing sight of our focus issue?"* [102] The question is where to draw the line. According to this participant, the system should be organized around the organizations, rather than expecting them to start acting like HR professionals. Then again not all services are readily marketable, and some areas would be negatively impacted by this trend.

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100 Cited from the experts' focus group session.

101 István Sebestény: Introduction of 1% system in Hungary. development of "activating". In Assessment of the Impact of the Percentage Tax Designations: Past, Present, Future Boris Stre čansk ý and Marianna Török (edited) (p. 56.) http://taxdesignation.org/hungary/ (24.02.2017)

102 Cited from the experts' focus group session.

Services

For a number of reasons, providing services is difficult. For one, clientele are accustomed to free services, then there is the abovementioned dilemma of what can or should be marketed. According to one project promoter, authorities aren't keen on encouraging these changes either: *"Lawyers warned me that even though we're licensed to engage in commerce, this is frowned upon by the state and we will be subject to extensive scrutiny. It's one possible way to go, and companies shouldn't take our free services for granted. It would also give us dignity. We need to prep ourselves a lot to stand up to the tax authority and demand our rights."* [103]

Another issue is the type of service in question, and we must distinguish at least two types. Social services mainly target socially disadvantaged groups, and as such they have been and will remain free of charge. The other type of service relevant in terms of Fundraising is the dissemination of knowledge accumulated by decades of specialized organizational work. Another area to consider is the hiring of skills developed especially for profit gain, whereby an organization would be a paid consultant or subcontractor.

One of the difficulties to face is that corporations often consider NGO's exclusively as beneficiaries, not as service providing partners. Even when NGO's could provide necessary services like social awareness raising training, these would typically be commissioned to other companies instead, by default.

According to one project promoter, developing most products and services takes an especially long time, as does establishing trust, or kickstarting employment. Yet it is essential to have services and products to market, to assure long term sustainability and stability. Most organizations however cannot access this option, on account of their goals and activity.

Applicants' assessment of their economic standing

We only surveyed organizations' financial situation in our second questionnaire, and comparing these results with expert reports we came to the following conclusions.

In terms of annual income for 2014, 25% of organizations had 1 850 000 Ft or less, half had 6 700 000 Ft or less and 25% had 24 000 000 Ft or less. Winners had a far higher income on average than non-winners. (See chart 8.)
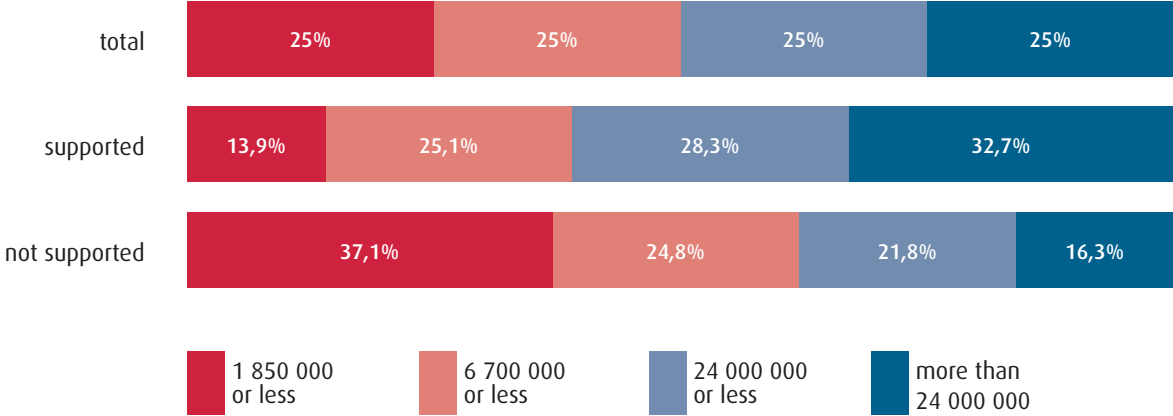
> **"** *Did they not win because they have other funding anyway, or did they need to search for other funding after being rejected by the NGO Fund?*

Chart 8: Organizations by annual income, 2014

	1 850 000 or less	6 700 000 or less	24 000 000 or less	more than 24 000 000
total	25%	25%	25%	25%
supported	13,9%	25,1%	28,3%	32,7%
not supported	37,1%	24,8%	21,8%	16,3%

An optional question surveyed the sources of income, and most respondents reported income from tax 1% donations, with 70% receiving such tax donations, which for the most part didn't exceed 30% of their annual income. Winners tended to have a larger proportion of tax donation income.

The majority, 58.9% of respondents reported receiving individual support besides 1% tax donations, for the most part constituting less than 30% of total income. Most respondents (67.3%) have membership fees, for the most part constituting less than 30% of total income.

Looking at these three individual donor sources, we find that while 8.7% of respondents have access to none of these, 24.4% access one type, 42.9% access two types, while 24.1% access all three types.

As for legally guaranteed normative state support, it is a less typical income source, with 86.9% reporting no such support. The share of non-normative state support is also low, with 64% reporting no such income, yet in cases of such support non-winners gain a significant income source of over 30% of total annual income, while winners gain a lower share of income. This poses a dilemma: did they not win because *"they have state Funding anyway"*, or did they apply for state Funding after being rejected by the NGO Fund?

One of our evaluation criteria was examining whether applicant organizations have appropriate capacity as well as financial and administrative knowhow to implement their outlined project. Another criterion was examining the specific form of excess available, based on applicants' self-report as well as the relevant published data from applicants as well as Hungarian and EU grant sources. One basic policy was that if applicants were found to receive support overlapping the proposal's subject matter, they were required to unambiguously clarify that the overlap does not constitute cross-financing, and how NGO Fund support achieves synergy.

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103   Cited from one of the project promoters' focus groups.

Therefore we can rule out the possibility of NGO Fund support withheld on account of pre-existing sources, including state subsidies. The two alternative reasons for being rejected for NGO Fund support would be

  a) pre-existing support not cleared of cross-financing, or

  b) despite having no parallel support, NGO Fund support wasn't granted.[104]

Local municipal support was not accessed by 61% majority of respondents, and those with access had only a moderate share, under 30% of their annual income. Therefore, state resources overall are not typical of respondents, with 41.1% accessing none of the three types, 39.2% accessing one, 16% two, and 3.7% all three types of Hungarian state grants respectively.

EU support was similarly sparse, 56.8% report no such income. Those who had however, benefited to a major degree, in excess of 30% of annual income. Winners tended to have better access to EU grants. Other non-Hungarian sources were likewise a low percentage, with 75.9% reporting no such income, and winners showing above-average access to these sources, but to no major degree in terms of annual income. 67.9% of respondents report no support from other Hungarian nonprofit organizations, and the rest gained less than 30% of total annual income. 61.8% reported no corporate support, with winners receiving above-average support, but all fell under 30% of total income.

50.1% of respondents reported no income from their basic activity, and those that do reported this to fall under 30% of their total income. Commercial income is less prominent (70.8% have none) and those that do reported this to fall under 30% of their total income. Money market related income (interest rates, market activity) are also of minor significance, with 73.9 reporting none or no major income. 61.7% of respondents reported no further sources of income, and the remainder reported no major income.

On average, organizations marked 5 different categories of income source. This poses a number of questions, all beyond the scope of this impact study. For one, if most organizations can claim 5 types of income, this constitutes a shift toward a more balanced financing. This implies the organizations are in no immediate danger even in the face of the further depletion of grant access. Of course, the proportional share of these varied resources is a crucial issue, and one must also note that financing an organization's basic operation does not guarantee feasible activity. In light of the above data, we might also ask how with all these varied resources so minor, how do the organizations manage to even stay afloat? Based on our expert and project promoter reports, the answer may be volunteer work, that is: they do everything that's possible using their own resources, and once that is not enough, for lack of other resource they will suspend the activity, at least until the next grant application.

Winners' proportional income ratio of NGO Fund Funds exceeded 30% in 29.8% of cases, did not exceed 30% for 32,6%, and about a third, 37.6% did not have such income in 2014. Annual income growth between 2013 - 2014 was reported by 43.8% of respondents, 31.3% reported no major change, and 24.9% reported decrease. Winners reported income growth in a larger proportion (48.7%) than did non-winners (38%). (See chart 9.)
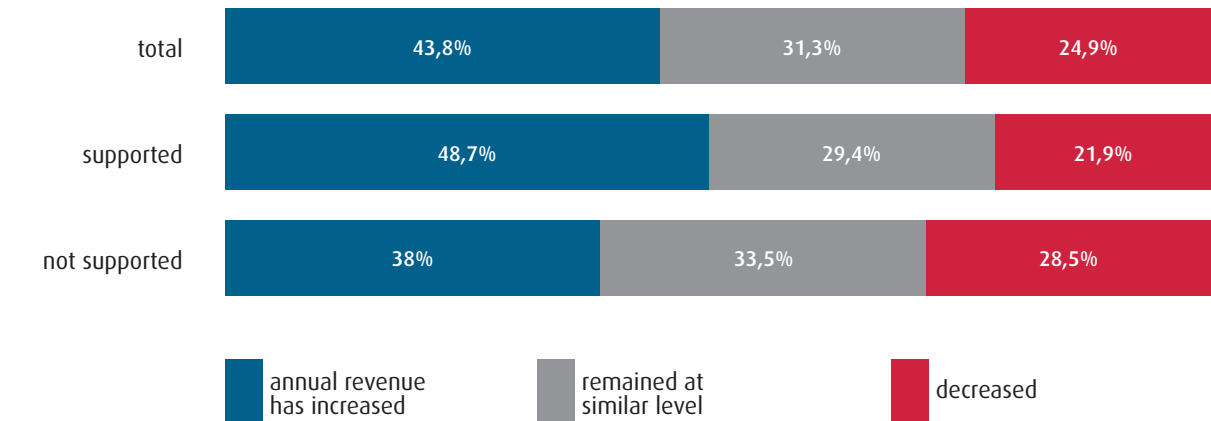
Chart 9: Organizations' annual income change in 2014

For the year 2015, non-winners were more likely to predict income decrease (42.3%) than winners (27.4%). Generally all three options had a one-third share in responses.

To summarize the above data, winners tended to have significantly higher income than non-winners, therefore their NGO Fund support was an irreplaceable part of their budget. Typical organizational income sources were 1% tax donations, individual support, membership fees – all residential resources -, yet all these amounted to only a minor share of annual income. Central state subsidies, municipal and EU Funds, corporate or other sponsorship, as well as service and commercial activity income were less typical for most organizations. The few that did have such resources reported it a major share in their annual income.

Collaboration with other organizations is reportedly a widespread practice, mostly of NGO's collaborating among themselves, but also with municipalities and welfare institutions (e.g. education, social, health, housing, environment) as well as professional networks and umbrella organizations.

The most frequently reported difficulties were financial and financing problems, overworked associates and volunteers, daily operational issues like for instance the lack of office infrastructure, as well as burnout. [105]

104   Cf. Chapter III section B under the heading relationship with the state, legal environment.

105   Cf. Chapter III section A under the heading dealing with opinions on supported topics.

Evaluating their own organizations, most respondents gave positive mentions of professional reputation and significance in their sphere of activity, public acceptance, efficiency in alleviating the social issues they address, and sector-specific cooperation. Negative mentions were most frequently of the political environment, financial resources, financing stability and the organization's legal environment.

According to respondents, the key to success is transforming the resource structuring, to ensure more stability and avoid dependency. It would be very useful if individual donors could get tax write-offs after their donation – in 2010 this was repealed. Innovative models and accessible EU Funds are also needed. It was also clear that NGO Fund support had a major role in the finance of winners, and they have no outlook for similar support after the project is concluded. [106]

IV. Applicants and supported organizations

A. Overall applicant characteristics

Data regarding the applicants for NGO Fund in 2013-2015[107] was collected using the online application forms, the online application database, and online surveys conducted in 2013 and 2015. During the first call of the NGO Fund a total of 2767 applicant organizations submitted a total of 3859 proposals in the 7 thematic areas, for projects targeting 629 settlements. The database comprises data of 460 supported proposals from 407 organizations. The proportion of NGO Fund project promoters among applicants is 14.71%.

Respondents to the 2013 survey mostly applied for micro projects, and a small number for macro projects. We involved all earlier applicants in our 2015 survey, too. By then, most proposals were submitted for the respective micro project calls of round 1 and 2, and the most popular thematic area was community and organization development, followed by youth and children issues, environment and sustainable development thematic areas.

> " *2767 applicants,*
> *3859 applications,*
> *629 settlements*

Applicant motivation in 2013 included finding resources for realizing an idea, finding an appropriate form of addressing a social issue. According to the 2015 survey, applicant motivation was likewise finding an appropriate form of addressing a social issue, improving the lives of their respective target groups, and securing funding for implementing their idea.

> " *The proportion of*
> *NGO Fund project*
> *promoters among*
> *applicants is 14.71%.*

At the start of the cycle, the applicants' most common desired impact was to improve the lives of their respective target groups, broadening the scope of their organization's activity, introducing good practices to Hungary, revitalizing education, innovation opportunities and the renewal of their specialty field. 20.4% of proposals were for projects of national scope.

Based on 2015 survey responses, most NGO Fund supported implemented projects succeeded in improving the lives of their respective target groups, improving their public recognition, and a majority reported improvements in sustainability, sectoral networking, new activities and innovation, as well as broadening the available financial resources.

> " *...to improve the lives*
> *of their respective*
> *target groups...*

Two categories and thematic area C especially, had far more applicants than any other topics (see table 2). The thematic area of community and organization development was available to applicant in three calls for proposals. Its popularity may be due to the broad interpretation of its subject matter.

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106   Cf. Chapter III section B on economical background.

107   The database contains all application data submitted and evaluated during the application period. Scholarhip program grant proposals are an exception, as applicants are individuals rather than organizations, therefore their data is not comparable with organizations' and was excluded.

Thematic areas	Number of proposals	Share of proposals (%)
A) Democracy and human rights	235	6,09
B) Gender and equal opportunities	184	4,77
C) Community and organization development	1023	26,51
D) Youth and children issues	671	17,39
E) Environment and sustainable development	572	14,82
F) Provision of welfare and basic service to vulnerable groups	540	13,99
G) Development for socially vulnerable groups, focusing on Roma integration	413	10,70
Action projects	221	5,73
Total	**3859**	**100**

Table 2: NGO Fund thematic areas and number of respective proposals

Most of these categories are known to regular civil sector applicants from previous calls for proposals. Based on the high number of proposals and their scope, we may observe that the Fund had managed to cover in seven thematic categories most of the Hungarian civil sector, mobilizing organizations active primarily in education, culture, sport and recreation, public information, heritage, social and community organizing and development, advocacy, and environmental issues. Technically, to apply for NGO Fund funding, previous experience in any Hungarian or EU project planning or implementation was sufficient. The high number of proposals also indicates that NGO's were not forced to stretch beyond the field of routine activity which typically defines their resources, just in order to access the Fund's grant. [108]

> " NGOs were not forced to fundamentally stretch beyond the field of routine activity which typically defines their resources and capacities, just in order to access the Fund's grant.

In terms of organization **legal type**, most respondents in 2013 and 2015 were associations, and to a lesser extent foundations, while alliances, social cooperatives and nonprofit businesses remained a small minority. Proportionally, foundations produced more winners than associations.

According to **areas of activity**, most organizations in 2013 specified culture, social services and environmentalism (more than one option was applicable), and many also specified education under *"other"*. 2015 respondents specified culture, education, social services, recreation and environmentalism. The 2015 survey also revealed that the most frequently specified organization types were cultural, arts and community recreation organizations, service providers, advocacy groups, and *"other"*. Respondents' target groups are primarily children, young people, students, local communities, NGO's, people in deep poverty, Roma minority, and the general Hungarian public.

In terms of **employment and volunteerism**, nearly half, 49.1% of 2013 survey respondents, had no employees (full or part time), while in 2015 this proportion was 36.6%, with 48.8% of non-supported organizations and 26.2% of winners. NGO Fund support therefore enabled hiring the necessary expertise, and experts agree that outside sources are necessary to keep professionals working in this sector. [109] As for volunteer work, only a small minority of organizations had no volunteer basis, most reported working with 1-5, 6-10 or 11-15 volunteers.

Applicant organizations by type of settlement.

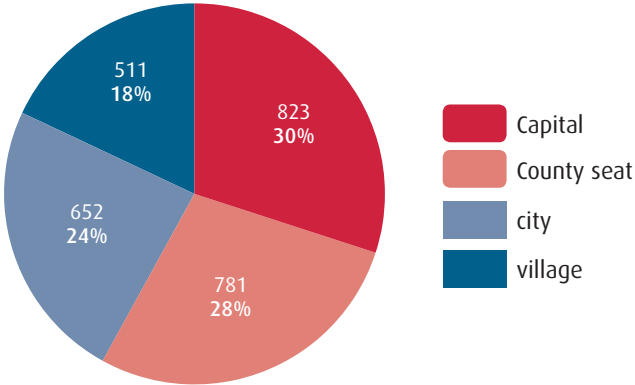Chart 10 shows the proportion of organizations by location type.

Chart 10: Organizations by location type, according to four legal categories

The chart clearly shows that locational legal status is in direct proportion to the number of applicant organizations. There were more urban based applicants than rural ones. Still, it is important to note that nearly one fifth of applicants are located in rural settlements. This data is somewhat in contrast to official central statistical data (See table 3).

Settlement type	Foundations		Associations		Total	
Capital	6 077	27,7	8 947	21,3	**15 024**	**23,5**
County seat	4 879	22,2	8 500	20,3	**13 379**	**20,9**
Other town	6 740	30,7	13 065	31,2	**19 805**	**31**
Village	4 258	19,4	11 428	27,2	**15 686**	**24,6**
Total	21 954	100	41 940	100	**63 894**	**100**

Table 3: Legal status of Hungarian nonprofit organizations (From Hungarian Central Statistical Office KSH, 2014)

According to this table, the majority of NGO's are not located in the capital. It is also apparent that unlike NGO Fund applicants, the entire Hungarian civil sector is not dominated by higher legal status locations (towns including county seats and the capital). The Other town category has the largest share, and nationally significantly more are listed as village located compared to NGO Fund data. There are multiple factors behind this discrepancy. Foremost of these would be the parameters and requirements of project standards which require a populous location with access to a wide target group, a location favorable for coordination work. In case of macro projects, a wider implementation level was requisite, while for medium projects the expected outcomes and communication tasks required this. **It is therefore a good result that despite these high professional standards, outcome and scale requirements, the programme succeeded in involving several village-based organizations.** These were for the most part intervention plans aiming to achieve measurable change in the life of one or more villages.

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108   Cf. Chapter III section A on the role and goals of NGO Fund and grant support efficiency.

109   Cf. Chapter III section B on organizational operation and human resources.

One must also note that in the years that call for proposals were issued (2013-2015) other available NGO resources were scarce, and this also had a profound influence on the circle of applicants.

Several proposals lacked appropriate data for measuring the geographical area of impact. One explanation for this is that some call texts did not address the question of geographic scope; but also that most applicants failed to sufficiently specify their area of implementation, giving general responses like *"multiple areas"* or *"regionally"*.

We examined a total of 2902 proposals' area of implementation. We found that settlement-level proposals (including multiple settlements and neighborhoods) is the most prominent (43.31%) category.

Implementation area types	Number of proposals	Share of proposals (%)	Cumulative share of proposals (%)
Neighborhood	79	2,72	2,72
Settlement	846	29,15	31,87
Multiple settlements	332	11,44	43,31
Micro region	138	4,76	48,07
Multiple micro regions	43	1,48	49,55
County	413	14,23	63,78
Multiple counties	62	2,14	65,92
Region	157	5,41	71,33
Multiple regions	172	5,93	77,26
National	592	20,40	97,66
International	68	2,34	100,00
Total	**2902**	**100**	

Table 4: Implementation levels of applications

Based on table 4, the fact that about one third of proposals aimed for one or multiple regions or the entire nation can be assessed as a significant impact. The high share of national level proposals (20.4%) also demonstrate the programme's high impact, though we must note that medium and macro projects were required to involve other NGO's for a broader outlook.

This is what makes their proportion in the total 3859 proposals attention-worthy. In total (1368), macro and medium proposals (180 and 1188 respectively) constituted 35.4% of all proposals. Of all proposals, 56.69% aimed to achieve an impact broader than local, settlement level. This shows how micro projects and action projects also can have a broader outlook. Comparing the above data with settlement scale distribution will yield deeper analysis..

" *The NGO Fund was able to stimulate NGOs working in small settlements to plan applications, too.*

Applicant organizations by settlement and regional scale

Examining applicant distribution by Hungary-specific settlement categories, the share of populous towns appears high. (See chart 11.)
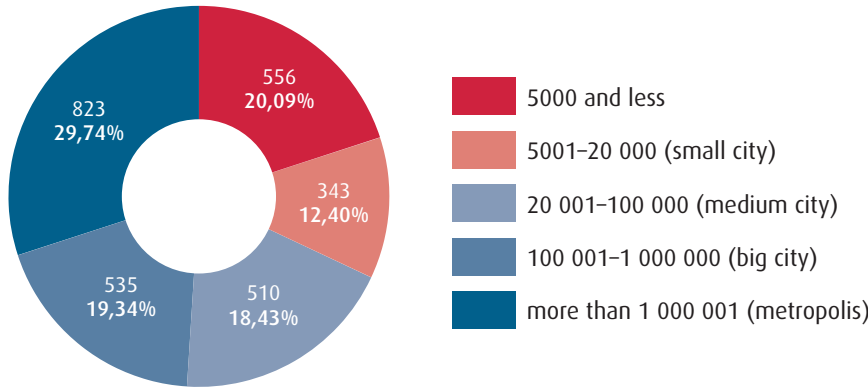

556
20,09%

343
12,40%

510
18,43%

535
19,34%

823
29,74%

- 5000 and less
- 5001–20 000 (small city)
- 20 001–100 000 (medium city)
- 100 001–1 000 000 (big city)
- more than 1 000 001 (metropolis)

Chart 11: Applicant location distribution by settlement population

Population	NGO Fund I. 2008–2011	NGO Fund II. 2013–2015
under 100 000	48%	51%
over 100 000	18%	19%
capital	34%	30%

Table 5: applicants' settlement distribution during NGO Funds' program periods

During the two programme periods respective categories were not entirely identical. Still table 5 shows there is no significant difference, with only a 3% increase in the under-100,000 settlement share, and 1% for over-100,000 settlements. Budapest shows the biggest decrease, but even that number is a low 4%. The reason behind this may be a scarcity of available funding: everyone eligible applied, and in the larger the settlements more information and resources applicants have available, amounting to a significant competitive edge. In any case, we must again underscore that even with a slight increase in the proportion of large settlements, the NGO Fund supported 556 village based organizations, and through its call criteria has achieved a manifest willingness to achieve change and development as well as effective intervention.

All this can be interesting compared to the results of our 2015 survey, where the settlement type distribution of applicants also favored the capital (33.0%), especially in case of supported applicants (44.2%) and least was the share of all village based applicants (15.7%) and supported village applicants (11.6%). The proportional composition of all applicants is notably similar to 2015 survey numbers and 2016 summary data, yet the winners' data in itself also supports the hypothesis that organizations based in more populous settle-

ments have better access to information and application resources, presenting them with a competitive advantage over small settlement applicants. This is also supported by 2015 data, with national scope organizations at an advantage over local ones, followed up with international, regional and finally *"other"* (county, micro regional).
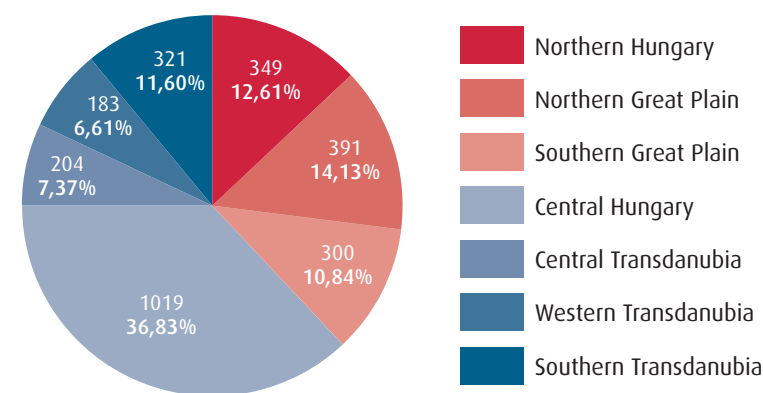

Chart 12: Applicant organizations by Hungarian region

Notice the prominent share of applicants based in Central Hungary on chart 12, and the relatively high proportion of organizations based in disadvantaged regions, while the proportion of more favorable central and western Transdanubian regions is low.
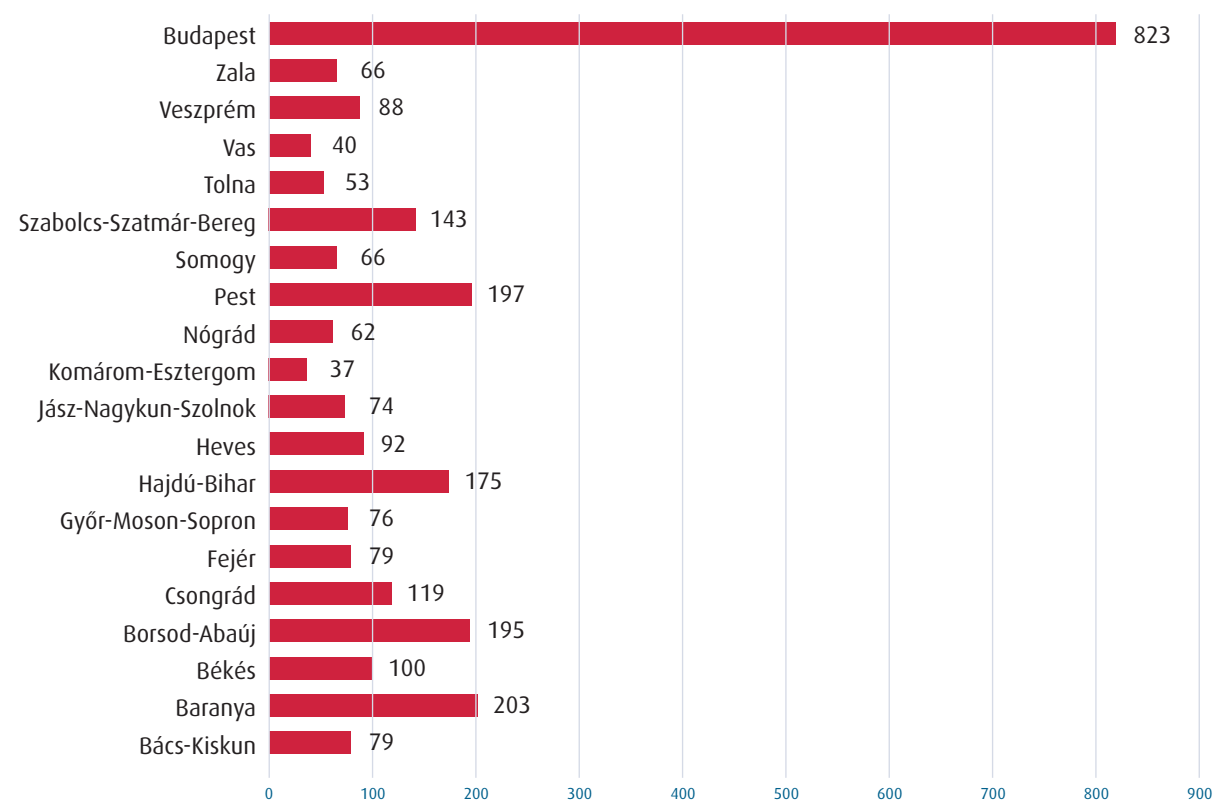

Chart 13: Distribution of applicant organizations by Hungarian county

Comparing the NGO Fund proposals submitted for the 3 call for proposals in 2008-2009 to those submitted for 2013-2015 calls, we see that the Budapest and Pest county ratio is disproportionately high, compared to the relatively even distribution of other Hungarian regions. Variation compared to the earlier cycle is slight, with

Heves, Baranya, Hajdú-Bihar and Szabolcs-Szatmár-Bereg having higher than average shares, and the currently concluding cycle's numbers reflect a similar tendency, in the proportion of the relatively higher number of NGO's based in the capital, Baranya, Pest, Borsod-Abaúj-Zemplén, Hajdú-Bihar and Szabolcs-Szatmár-Bereg counties. (See chart 13.)

The nature of these calls for proposals poses a dilemma: are these patterns of location distribution general, or is this anomalous? If organizations based in higher legal status settlements have better access to resources, is this true for the whole Hungarian civil sector?

Based on the data published in 2014 by KSH, there is no disproportionality in organizations' resource access by settlement type. According to the data, the Hungarian NGO grant system is overall not consistent with or contributing to existing geographic inequities. It is notable that according to the statistics 23%[110] of all Hungarian NGO's had received some form of grant support in 2014. The same proportion applied to NGO Fund project promoters is 14.7%. This disparity is not considerable if we remember that all NGO Fund calls had a significant overdraft.

Age of applicant organizations

Allotting applicants by their age, we notice that the youngest and oldest organizations are both far fewer in number than the in-between categories. The mean average age of applicant organizations is 5 years, with over 200 applicant organizations founded in 2011. The number of applicant NGO's registered between 2004-2011 has been over 100 in every call during the period. Applicant NGO's registered between 1989-2003 numbered about 40 in each call, while pre-1989 founded organizations have a low share (3.6%) among applicants. (See table 6.)

The table's cumulative proportion values show that nearly half of all applicant organizations were founded in 2006 or later, less than a decade ago.

> *The proportion of NGOs based in disadvantaged regions is relatively high compared with the number of those based in the more better-off Transdanubian regions.*

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110   It is unclear why KSH includes organizations irrelevant to grant applications in its analysis. If we were to include organizations from tha „has income and expenses" category only, the proportion of project promoters would be 25,3%.

Category	Number of organizations	Proportion of organizations	Cumulate proportion of organizations
2014 or later	32	1,2	1,2
2010-2013	605	21,8	23
2006-2009	602	21,7	44,8
2002-2005	353	12,8	57,5
1998-2001	457	16,5	74,1
1994-1997	281	10,2	84,2
1990-1993	338	12,2	96,4
1989 or earlier	99	3,6	100
Total	**2767**	**100**	

Table 6: applicant distribution by organizations' age, in 8 categories

Organizational age distribution was also part the impact study of the previous NGO Fund (2008-2009). Comparing available data, we find the applicant organizations of the two cycles greatly similar.

Both preriod's applicants show a low proportion of pre-1989 organizations (3.5% and 3.6% in respective cycles). Both cycles show a major proportion of NGO's founded just after the 1989 system change (12.2%) as well as a spike in the early 2000's.

For the previous period, applicants were typically predominantly younger organizations founded within the decade before 2009. This holds true for this cycle as well, though the past 6 years have obviously produced changes in organizational age trends.

The circle of *"young"* organizations (then 8-10 years old) has shifted completely since the 2008-2011 period. Applicants for the period ending now were most frequently marked 5-12 years old (as per 2016), and the previous cycle's most frequent year of founding 2005 has moved on to 2011. The reason that applicants *"keep getting younger"* may be accounted for by new organizations' comparative enthusiasm toward activity and proposal writing.

Factors determining the chances of success of applicant organizations (correlations between variables)

The correlations between the coded data of applicant organizations and their proposals have been analysed in an SPSS program using the cross-table analysis method. The main characteristics of applicant organizations (regional and local characteristics of the towns and settlements where organizations are seated, lifespan of organizations, number of proposals made by organizations) and their proposals (topic/field) have been identified, as well as the correlations with having a successful proposal. Another goal of the analysis was to establish the differences between organizations whose proposals did and did not succeed, with the help of cross-tables. As a result, it has become clear that the chances of success of the applicant organizations of the Fund have not been affected by regional or local characteristics, just as in the case of other funding opportunities assessed by KSH. It has also been confirmed that the age of organizations does not, whereas the number of proposals submitted does affect the chances of success.

Correlations between the number of applications made by applicant organizations and successful applications

			Number of applications		
			1 application	2 or more applications	Total
Supported application	No	Number of organizations	1772	588	2360
		proportion within non-supported applicants	75,10%	24,90%	100,00%
		proportion within number of proposals category	91,50%	70,80%	85,30%
	Yes	Number of organizations	164	243	407
		proportion within supported applicants	40,30%	59,70%	100,00%
		proportion within number of proposals category	8,50%	29,20%	14,70%
Total		Number of organizations	1936	831	2767
		proportion within total number of organizations	70,00%	30,00% 100,00%	100%
		proportion within number of proposals	100% 100,00%	100%	

Cross-table 7: Correlations between the number of submitted applications and supported applications

The considerably strong correlation between the number of applications submitted and successful applications is demonstrated by the numbers shown in the highlighted cells of cross-table no. 7. Thus it can be confirmed that **the number of organizations with a successful proposal is approximately three times higher among organizations submitting two or more proposals than among those submitting only one.**

Given that organizations that received funding were not allowed to submit new proposals until their supported projects were closed and reported, only the 105 supported organizations of the 2013 micro project calls had the opportunity to respond to two calls (not action projects). Out of these, 21 organizations submitted one more successful proposals within the same (19) or a different (2) topic later on, and then one of them succeeded a third time as well. These 21 organizations are the 39.6% of all the supported organizations that submitted multiple proposals (53 total). Since each organization was allowed to submit only one proposal per call, the above analysis demonstrates two things. On the one hand, it confirms the phenomenon whereby some organizations, considering proposals as a learning process, drew the lessons from previous unsuccessful proposals, and making use of the consultation sessions offered by the Fund Operator, rewrote their proposals up to several times. On the other hand, those who had previously succeeded with a certain topic had a higher chance of receiving funding to continue within the same field, to develop the original concept further (not to maintain it), or to implement new ideas.[111]

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111   Cf. Chapter III section B on economic environment and finances.

Conclusion: As for the headquarters of organizations, nearly one quarter of the organizations participating in the 2013 survey were seated in the capital. The examination of the database of applicants has also shown that the proportion of organizations seated in the capital, in county capitals or in municipalities with a higher population is higher among applicant organizations than within the whole of the sector. The Northern Great Plain region is characterised by an extremely low rate of applicant organizations with a successful proposal, whereas the Central Hungary region has an outstandingly high rate of applicant organizations with a successful proposal.

The examination of the database of applicants has also shown that usually there is a high rate of younger organizations among applicant organizations, while in the case of successful proposals there was no correlation found with the organizations' age. On the other hand, there was a relatively strong correlation found with having submitted several proposals – successful or not - which means that those who made more than one proposal had a higher chance of receiving funding.

B. The characteristics of successful proposals

Beside proposals, the impact assessment of the Fund was also extended to the analysis of the so called *„Appendix no. 1"* documents of funded projects, as well as the final evaluation documents created based on their final reports. The appendices were created before the implementation of projects, in the phase of the conclusion of funding contracts, and consisted of the refined descriptions of the goals, target groups, activities and results undertaken in the project. The evaluation documents made at the closure of projects contained the output values related to the goals and results.

Tématerület	Projektméret	Támogatott projektek száma
Thematic area A – democracy and human rights	A micro	26
	A medium	18
Thematic area B – gender and equal opportunities	B micro	22
	B medium	16
Thematic area C – community and organizational development	C micro	50
	C medium	18
Thematic area D – youth and children issues	D micro	38
	D medium	14
Thematic area E – environment and sustainable development	E micro	41
	E medium	11
Thematic area F – provision of welfare and basic service to vulnerable groups	F micro	42
	F medium	12
Thematic area G – empowerment of vulnerable groups (focus: Roma integration)	G micro	37
	G medium	12
Action projects		50
Macro projects topic I.		14
Macro projects topic II.		9
Total		**430**

Table 8: Breakdown of projects that received EEA/Norway Grants by thematic area and project size

Based on a brief content analysis of short-term and long-term goals, direct and indirect target groups and activities it has emerged that the successful proposals specified nearly two thousand concrete, that is, short-term objectives, over a thousand general goals, nearly four thousand different activities and over five thousand different indicators. Through the examination of the above it has been found that the goals to be reached and the activities planned had a very similar wording in several cases, for instance a goal: *"the organization of interactive activities for children"* and the activity: *"organising and holding interactive activities [...] in schools."*

" *Nearly two thousand short-term objectives, nearly four thousand different activities and over five thousand different indicators.*

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Because of this and the great item number of activities, as well as the subjectivity of the methodological descriptions of activities, this research does not include the objective analysis of activities. Target groups were not analysed either, for similar reasons; 67 categories have been established here, however, such a high degree of overlapping has been found among them that it has made the likelihood of an objective analysis questionable.

There was often no intention found to measure general goals, which means that the organizations usually did not examine the extent to which reaching the direct project objectives would bring them closer to achieving their long-term or general goals. There were 1286 items here which were put into 30 categories, but due to the lack of measurements, implementation was not examinable.

The objective of the research was the examination of correlations in two cases: short-term, that is, concrete objectives, and the *"compulsory topic indicators"* specified by the principals of the Fund.

Based on the documents reviewed, the short-term objectives of the projects contain 1985 goals, which were put into 30 category groups.[112] (See table 9.)

Category groups	no. of projects	%
Development of non-governmental organizations, networking, professional dialogue, enhancing cooperation, training of professionals	264	13,3
Sensitisation, awareness raising, reduction of prejudices	212	10,7
Development of knowledge, skills, competences within a concrete field (not primarily for professionals)	156	7,9
Active citizenship, democratic values, participation, volunteering, movement	133	6,7
Development of methodologies, curricula, models and good practices	124	6,3
General education, knowledge distribution	114	5,7
Actions, campaigns, demonstrations, awareness raising	95	4,8
Development of own organization or project, increasing its visibility, strengthening social base	95	4,8
Improvement of living conditions, quality of life and environment	82	4,1
Strengthening advocacy	82	4,1
Enhancing receptiveness, rapprochement	75	3,8
Establishing, developing and enhancing cooperative relations	71	3,6
Community development	58	2,9
Equal opportunities, reduction of inequalities	50	2,5
Personality development, improvement of self-esteem, emotional support	46	2,3
Establishing and developing community spaces and professional spaces	42	2,1
Exerting pressure, lobbying, policy recommendations	38	1,9
Enhancing communication	32	1,6
Economic and enterprise development, product development, local economies	31	1,6
Community events	30	1,5
Social dialogue	27	1,4
Surveying, research, obtaining information	26	1,3
Promotion of employment, extra income and further studies	25	1,3
Strengthening of identity, transmission of values	19	1
Promotion of sustainability, engagement of supporters	15	0,8
Harm reduction, crime prevention, prevention	12	0,6
Combating social exclusion	12	0,6
Strengthening personal relationships	12	0,6
Conflict management	5	0,2
Other	2	0,1

Table 9: Breakdown of goal categories specified in NGO Fund calls

Examining and breaking down by topics the concrete objectives specified by successful applicants and comparing these with the goals indicated in the topic/field specifications section of the proposal, it is clear that a substantial proportion of successful applicants were able to determine their own specific goals based on the programme goals.

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112 It must be noted that during the conclusion of funding contracts, direct goals and their exact meanings have been clarified, however, the specifications of NCTA intentionally did not specify strictly defined goals. Therefore, applicants were expected to interpret and create their own real project goals based on their own circumstances. As a result, even though we have made an effort to put goals into objective categories, these still cannot be considered clear-cut categories.

The 44 successful applicants of thematic area **A – democracy and human rights** have set themselves altogether 300 different kinds of goals, which is nearly 7 goals per project (6,82 goals/project on average). Nearly a third (28%) of these are related to the *sensitisation, awareness raising, reduction of prejudices* target group category. The second most prevalent objective within this thematic area was the *development of non-governmental organizations, networking, professional dialogue, enhancing cooperation, training of professionals* (15.67%) category.

Among the 38 successful applicants of thematic area **B – gender and equal opportunities**, none of the goal categories have emerged this clearly. The three most prevalent objectives appear with a similar rate. The categories of *development of non-governmental organizations, networking, professional dialogue, enhancing cooperation, training of professionals* (17.54%), *sensitisation, awareness raising, reduction of prejudices* (15.13%) and *enhancing advocacy* (14.29) were followed by *development of knowledge, skills, competences* (10.92) and *enhancing receptiveness, rapprochement* (9.66%).

Within thematic area **C – community and organizational development**, again, a certain objective category emerges: the field of *development of non-governmental organizations, networking, professional dialogue, enhancing cooperation, training of professionals* constituted 20.41% of the goals of the 68 projects examined, while each of the other 23 goals were chosen with a rate of less than 8%.

Within thematic area **D – youth and children issues**, six objectives emerge as most prevalent. Number one was *development of knowledge, skills, competences* (16.06%), followed by *active citizenship, democratic values, participation, volunteering, movement* (13.14%) and *sensitisation, awareness raising, reduction of prejudices* (11.68%). These preceded the three categories of *enhancing receptiveness, rapprochement; general education, knowledge distribution; and development of methodologies, curricula, models and good practices*, all with a rate of 8.03%.

The rates are rather similar within thematic area **E– environment and sustainable development** as well: *general education, knowledge distribution* (12.54%) is followed by the categories of *actions, campaigns, demonstrations, awareness raising* and *active citizenship, democratic values, participation, volunteering, movement*, both at 9.4%.

The most popular topic within thematic area **F – provision of welfare and basic service to vulnerable groups** was *development of methodologies, curricula, models and good practices* (12.7%), followed by *active citizenship, democratic values, participation, volunteering, movement* (9.52%).

The choice of goals is rather fragmented within thematic area **G - empowerment of vulnerable groups (focus: Roma integration)** as well, and on top of that, this is where the highest number of different goals can be found – 26 out of thirty. Two of them emerge as somewhat more prevalent: *development of knowledge, skills, competences* (13.3%) and a*ctive citizenship, democratic values, participation, volunteering, movement* (9.01%).

Chart 14 shows within which thematic area the choice of goals was the most varied. Whereas thematic area G houses the highest number of different goal categories (26), thematic area A has the lowest number of them (18). It has also emerged that on average, the lowest number of goal categories also denotes the highest number of goals set per project, considering the average of the projects of a thematic area. Thus it can be concluded that the stricter framework and the stronger focus on a given topic was set by a call, the more of its sub-goals were attempted to be understood by successful applicants within their projects.
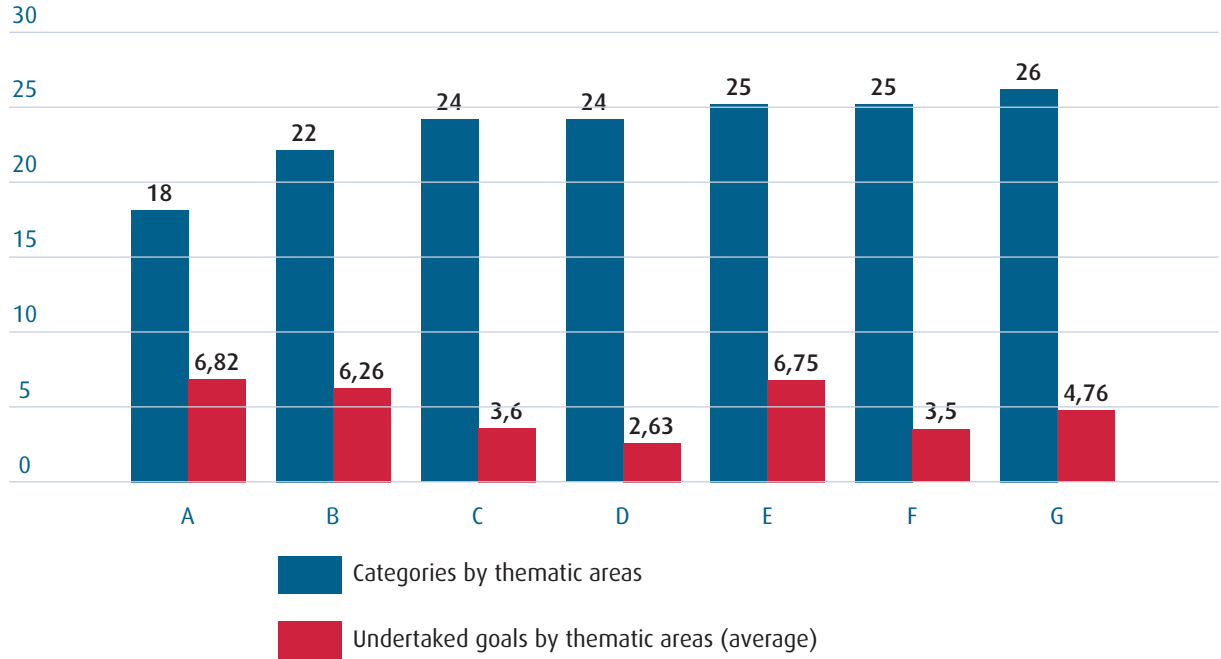

Chart 14: The emergence of the categories of goals set in NGO Fund calls and the number (proportion) of goals undertaken in projects broken down by thematic areas

Within each thematic area, beside the goals specified in proposals, so-called **compulsory indicators** also appeared. Projects had to be designed in a way that the realisation of goals, the achievement of results could be measured in a concrete way – this was the basic requirement of sponsors as well. Therefore, the foundations carrying out the implementation specified compulsory indicators for each sub- thematic area. Considering the large variety of projects and activities, these had to be interpreted flexibly, adjusted to the characteristics of each proposal.

In the case of indicators, calls for proposals did not specify compulsory minimum values or percentages to be achieved: these had to be determined in each case by the applicants, based on their particular project to be implemented. Moreover, during the closure of a project the values achieved were also provided by applicants themselves, but these results and the disparities to those undertaken were verified by staff members of foundations carrying out implementation for the Fund. Thus the indicators appeared in each thematic area and project, and therefore the achievement rates can be compared.

Compulsory indicators specified in proposals, broken down by thematic areas

Thematic area A– democracy and human rights

A/1 – the number of concrete matters, campaigns, actions related to human or civil rights;

A/2 – the number of individuals having suffered (human or other rights) infringements supported or reached by the organization.

Thematic area B – gender and equal opportunities

B/1 – the number of concrete equal opportunities and advocacy cases or actions managed by the organization;

B/2 – the number of individuals having suffered infringements (victims) reached and/or supported by the organization.

Thematic area C – community and organizational development

C/1 – the number of individuals (members, volunteers, supporters) newly joining the work of the organization and/or becoming active within the community;

C/2 – the number of newly formed relations established with collaborators, partners, organizations, institutions.

Thematic area D – youth and children issues

D/1 – the number of campaigns or actions organised aimed at raising the awareness and enhancing the participation of youth;

D/2 – the number of youth (members, volunteers, supporters) newly joining the work of the organization and/or becoming active.

Thematic area E – environment and sustainable development

**E** – the number of new environmental actions, campaigns, activities organised by the organization.

Thematic area F – provision of welfare and basic service to vulnerable groups

F – the number of new recipients of the services (females/males).

Thematic area G – empowerment of vulnerable groups (focus: Roma integration)

G/1 – the number of individuals (members, volunteers, supporters) newly joining and/or becoming active in the community;

G/2 – the number of new recipients of the services (females/males).
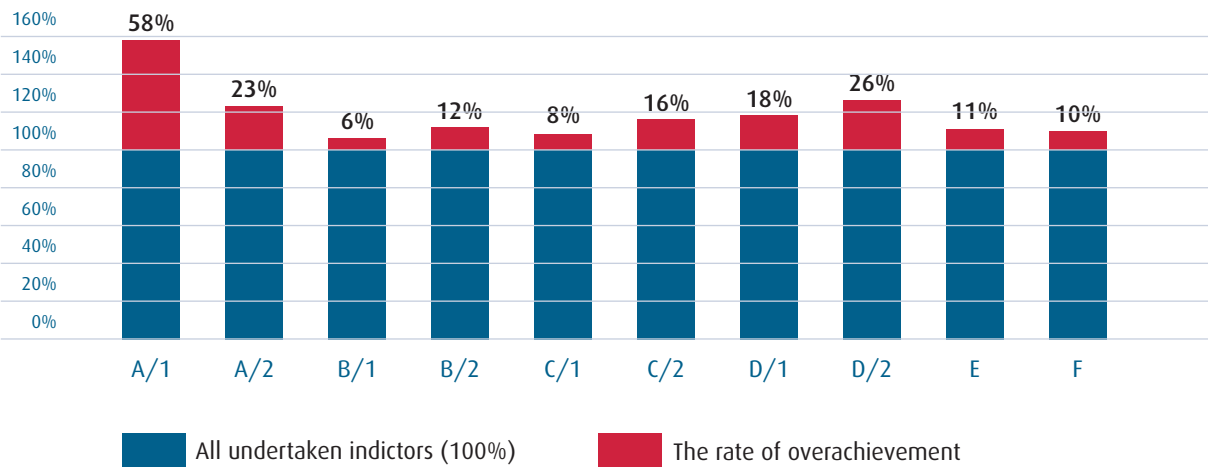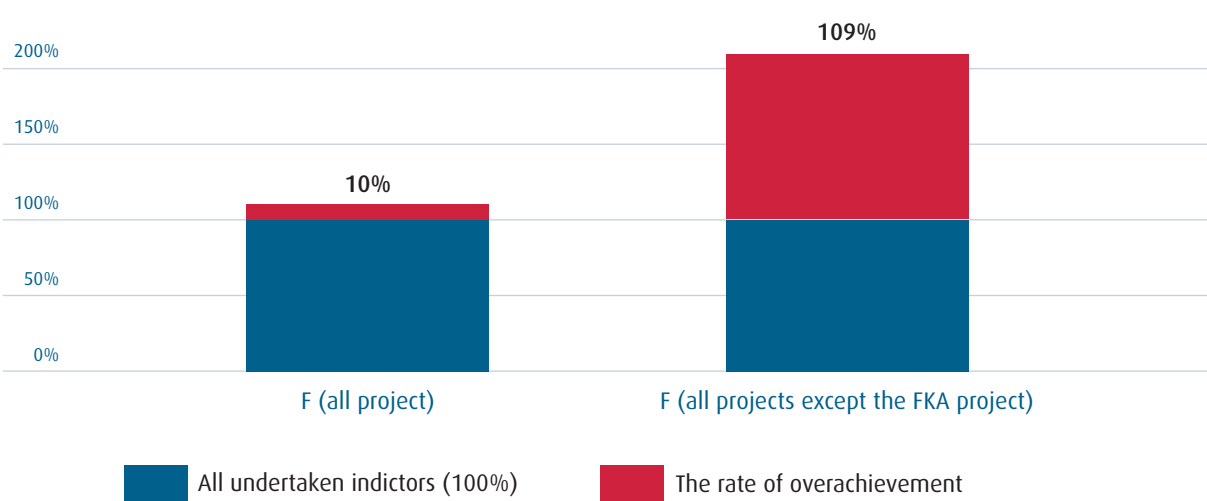

Chart 15: The rates of overachievement within the indicator values achieved in projects supported by the Fund

Chart 15 shows that the projects overachieved in all indicators within thematic areas A-F. At first sight it may seem that the projects of thematic area A – democracy and human rights were the most successful (with an overachievement rate of 58%), however, the charts of thematic area F – provision of welfare and basic service to vulnerable groups and thematic area G – empowerment of vulnerable groups (focus: Roma integration) require further explanation.

Within thematic area F, in one of the examined projects (let us call it project FKA) the number of planned service recipients was 48 000 people, while the number achieved came out as 158 798, these charts, in the case of this one project make up the 45% of the total undertakings (106 711) of this thematic area and the 75% of all of the achieved indicator values (223 651), therefore
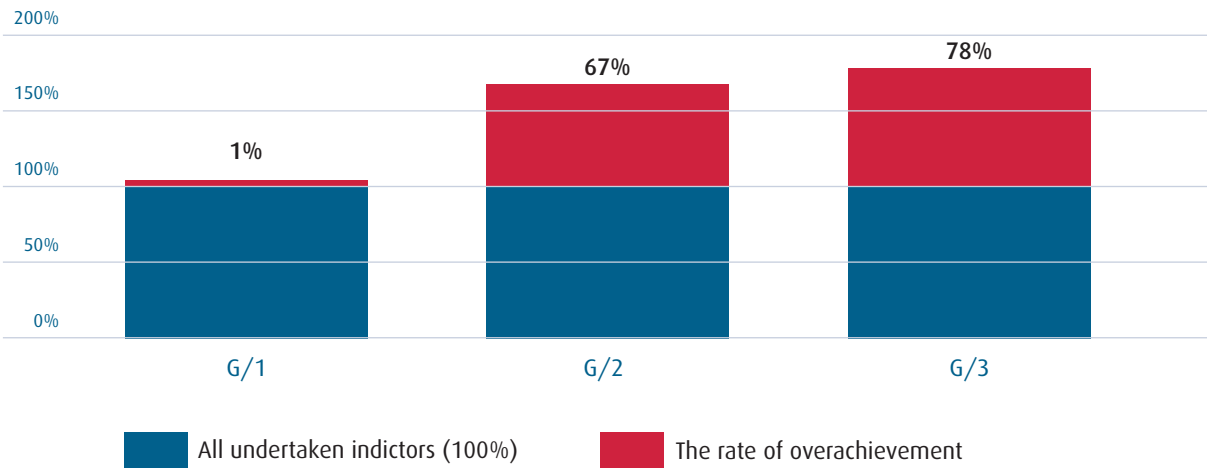
> *" The projects overachieved in all indicators across thematic areas A-F.*

this in itself distorts the rates of the thematic area indicators substantially. For this reason, we have chosen to show two different data in this thematic area. (See chart 16.)

Chart 16: The rates of overachievement within the indicator values achieved in projects supported by the Fund in thematic area F

Within thematic area G, when providing the compulsory indicators, several projects did not provide separate data for G/1 – the number of individuals (members, volunteers, supporters) newly engaged and/or becoming active in the community, and G/2 – the number of new recipients of the services (females/males). Instead, they created a consolidated indicator: G/3 - *"the number of individuals engaged, of the recipients of services".* (See chart 17.)

Chart 17: The rates of overachievement within the indicator values achieved in projects supported by the Fund in thematic area G

In the case of the interpretation of achieved (admitted) indicators, there was no timeframe available for clarification, such as in the case of the determination of direct goals for instance, during the contract conclusion period. Thus the analysis of these data was carried out with a degree of reservation, because the interpretation of indicators could vary from project to project. This was implied in the written descriptions supporting the figures of the results and effects included in the reports made by project promoters. For instance, project promoters could interpret actions, campaigns and events differently, as well engagement and the activation of individuals. As a result, the perfect accuracy of the indicator values provided by project promoters and shown below is to be doubted, however, it is important to note that the above mentioned possible differences

in interpretations would not mean drastic differences to the rates detailed above. That is because during the verification of final reports, the staff members of the operators made clarifying questions to justify the proposal and rates of indicators that did not seem (well) supported. (See table 10).

Description of compulsory indicators	Value undertaken	Value achieved
The number of individuals having suffered infringement helped by the organization	101 785	125 684
The number of concrete legal cases managed by the organization	584	921
The number of concrete equal opportunities cases managed by the organization	936	990
The number of individuals having suffered infringement (victims) helped by the organization	7833	8793
The number of individuals (members, volunteers, supporters) newly joining the work of the organization and/or becoming active within the community	2584	2784
The number of newly formed relations established with collaborators, partners, organizations, institutions	930	1081
The number of individuals (members, volunteers, supporters) newly joining the work of the organization	3939	4640
The number of campaigns or actions organised aimed at raising the awareness and enhancing the participation of youth	520	657
The number of new environmental actions, campaigns, activities initiated by the organization	609	674
The number of recipients of the services (females/males)	106 711	223 291
The number of individuals newly joining and/or becoming active within the community	4324	4359
The number of new recipients of the services	15 757	26 250
The number of individuals engaged, receiving the service offered	3141	5580

Table 10: The aggregates of indicator values undertaken and achieved in projects supported by the Fund

For the interpretation of data, it must be highlighted that the number of individuals or cases reached or engaged etc. does not necessarily or primarily determine the effects of a project. For instance, the people engaged could connect to a certain project or enjoy the benefits of its results in various ways. The above indicators give the same value to someone who attended one project event and to someone who actively participated in a project for several months. The project had an effect on the lives of both individuals, to different degrees though, evidently.

In order to illustrate the great variety of the target groups engaged by the supported organizations and their opinions, which constitute the indicator values, we have attached the case studies of the projects and the summaries of interviews made with members of target groups in the appendix.

Successful goals and activities

Within the thematic area of democracy and human rights, project promoters gave accounts of several successes at the focus group session. New transparency tools have appeared, and citizens' rights have increased. Citizens themselves have become much more active, more campaigns were organised than previously. Citizens are still afraid of asking questions from the state, but this fear has decreased. The state

" New transparency tools have appeared…

has not become transparent, but important matters have surfaced. A 100% of inquiries for public information submitted in the past two years demonstrated the requester being right, not the data handler. The reaction to the case of László Kiss[113] within public policy was regarded as positive by participants; it was probably partially a result of the work of project promoter organizations working within the *"women's field"*. The situation is not exactly ideal, but this reaction still seems somewhat different form what it would have been like 3 years ago.

At the same time, in the thematic area of gender and equal opportunities, the tendency of those in power to fabricate enemies is still very strong: there are still many homophonic statements, and it is also evidenced by the anti-immigration billboard campaign. Activism has improved in the countryside as well, unlike professional competence. The public policy statements of organizations are arbitrary, there is no strategy behind them, no structured recommendations that could be received by the administration if it was receptive. The primary need is not for street activism, but for the transmission of professional knowledge. It would be crucial for the many intimidated and wounded individuals to communicate their cases with calmness and structure, and not aggressively, on an emotional basis.

Association of Multiple Sclerosis /MS/ Patients in county Csongrád

To support this, one project promoter has told us that they have made it from the local city level to a national level, what's more they started to be mentioned at international forums. Furthermore, organizations interpreted the increase of the faith and strength of those engaged, of target group members (SM patients, for instance) as a success. Target group members talked more about issues (domestic and school violence, for instance), their need for self-expression has increased, and they got to learn about their options and rights, as well as one another, which helps them accept others more.

" … upgraded to the national from the local city level…

In the thematic area of community and organizational development, one participant has highlighted a project through which a community of 50 people has been formed who do volunteer work at a radio and have created an organization. In another project, with the help of the school new and old worlds have been successfully connected, creating true neighbourly relations between the wealthy, recently arrived and the original, disprivileged residents. Another organization has successfully managed to raise the awareness of their target group of pensioners to the importance of using computers. Open community events were received well – shared celebrations, community discussions, shared meals, neighbourly gestures – but on the other hand, the target group did not always see the point of community trainings and education. According to one project promoter, offline features worked better, while another participant had the opposite experience: they highlighted that it was very difficult for them to meet their target group of youth in the offline world, while it was easy to keep in touch with them with the help of facebook. Still, there seemed to be an agreement about the fact that online communication may only complement personal meetings, as it is not suitable as an all-encompassing solution.

Several project promoters in the thematic area of youth and children issues considered the increase in relations as a success – this was regarded as a successful activity in the thematic area of the empowerment of vulnerable groups as well – as well as the sharing of experiences, organization development, websites, and the press coverage of their activi-

" …the networks were extended…

113   László Kiss, coach of Hungary's national swimming team was sentenced to imprisonment for gang rape in 1961, over 50 years ago, during his years as a swimmer. The case received public attention due to 2 other scandals related to the Hungarian swimming association, stirring wide-spread social controversy about the condemnation of sexual violence.

ties. The improvement of the self-awareness, self-esteem and future visions of the target group was also mentioned among the successes achieved. Some of the youth participating in a camp organized by one of the projects have held workshops on human rights for several classes in their schools. This has come to be specifically requested by teachers, as it isn't only useful if these ideas are presented to students by one of their peers, it also brings a *"good atmosphere"*. Not to mention the fact that it does not cost anything. In another case, members of the target group initiated things independently of the project: *"It is very personal that in one of the settlements a few 14-year-old kids came together to start an NGO to help children like themselves who are left alone, mixing this with animal protection. We helped them create press coverage and then adults also offered help. I think it is huge that 14-year-old children could believe that if they start something, and they want it, they can do it."*[114]

In the thematic area of **environment and sustainable development** forums, mobile exhibitions and competitions for children were regarded as successful tools, as well as redesigning, which was very popular - a short film made about it was broadcast by three different TV channels.

In the thematic area of **provision of welfare and basic service to vulnerable groups** methodological developments and workplace and institutional (such as hospitals) integration were cited as successes beside the

Society of the Blind and Weak-sighted of Borsod-Abaúj-Zemplén region

establishment of new relations and the stabilization of the organization. A project promoter working with disabled people regarded it as a success that they managed to raise the attention of the local press and residents to their programme and got them to participate in indicating inaccessible spots – they have created a watch service. They have achieved that if a development is planned somewhere, they are given enough notice, and so they can earn the support of residents. They have also managed to get a little closer to the market sector. One project promoter highlighted that a policy recommendation was written up during their project which was then submitted to several ministries, and they are hoping new calls will be based

on it. Another project promoter considered their biggest success the fact that already existing organizations operating community spaces are to be included in the city's new civil framework. Another success and the result of another project is the achievement that the local equal opportunities programme was re-written with the involvement of the affected group (deaf persons). Some projects considered the engagement of the local municipality as their biggest success.

In the thematic area of the **empowerment of socially vulnerable groups** smaller successes were highlighted: as an after-effect of a programme closed in 2013 the organization are employing one person, and two other individuals managed to find employment elsewhere. The project promoter considers the change in values as most significant. The mayor stigmatized one of the project hosts as *"a Gypsy programme"*, but now an increasing number of children are joining the programmes from non-Roma families as well. Another success in

> **"** *Thorough preparation, need assessment, and the right timing and scheduling are crucial.*

this thematic area is the accreditation of a protocol and training programme developed in one of the projects. The same project promoter has highlighted that their colleagues have thanked them for the training, while that is not customary among the target group. Another project promoter reported that it took them three years to come to an agreement with the leadership of the national law enforcement body. As a result, even law enforcement institutions started to show interest towards the programme.

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114   Cited from one of the project promoters' focus groups.

In the case of **action projects**, the improvement of the communication capacities of organizations has been mentioned. One project promoter employed a PR professional, which resulted in more press coverage. Some could feel the effects of the project in their communication with decision makers – they have become braver. Others highlighted that the target group responded to their campaign very well.

Overall, the project promoters considered the sentiments of the power of the community and cooperation, the establishment of new relations, the conquering of stereotypes and the engagement of wider target groups as successes.

Project promoter organizations summarized the keys to success at the 2016 regional meetings as follows: Thorough preparation, need assessment and the right timing and scheduling are crucial. Approaching people personally, keeping regular, continual contact with target group members is also vital, allowing the affected parties to have an insight into what is happening behind the scenes and into decisions (which

> **"** *It is also important to rely on local values and knowledge.*

may even be made with their involvement). The same goes for raising the interest of target group members and awakening their creativity, processing conflicts, nonviolent communication, communication that focuses on partnership and solutions instead of pity and vulnerability, and communication personalised to the affected parties. It is also important to apply the local values and knowledge, the rely on the strengths of vulnerable groups – to rely on the experience-based expertise of target groups, and on their responsibility and competence in decision-making and in other active roles and creative processes. The encounters between and shared experiences and successes of different (for instance healthy and disabled) individuals, making connections between organizations, individuals and communities, networking – these can also contribute to success, just as using high quality, like-new tools and equipment which are needed for the development of the competences of employees and affected parties as well as for the establishment of new services. As a result, the creation and dissemination of tangible, shared end results – high quality value/product collections (such as publications, recipe books, exhibitions, lectures), services – are also important for achieving success. For media success, one could make an event more alluring by involving celebrities, telling personal stories, or by pairing less appealing social topics with more popular ones. Beside all of the above, the project promoters also highlighted the importance of an experienced, devoted and persistent leader who follows through with what they started, who has faith in what they are doing and who is able to pass on this faith to their team as well. Shared spaces were also listed as a key to success, such as community gardens or other community spaces. They have also highlighted an experience-based approach, safety, and authentic examples as the features of a successful project. And last but not least, success was supported by a stable financial background as well.

NEKEM NEM MINDEGY, HOGY MILYEN ORSZÁG EZ.
WWW-Literature Foundation

V. Development recommendations

Recommendations for the whole of the sector

According to experts, it would be wise to expand volunteering options at NGO's, and make use of the voluntary work potential seen at large companies. *"And this has produced a group within society who would like to do volunteer work, and maybe even pay a membership fee, ten thousand Forints a year. But they don't know where they could volunteer, where they could find a pro-*

" *... to expand the opportunity of volunteering...*

gram to join for a day, a week or on a regular basis, unless they know that one particular organization, which... But what I hear from them is that the demand is big, and in truth they are not satisfied. They would like to volunteer more for example, or find channels through which they could support organizations on a pro bono basis, as experts, lawyers, or accountants."[115]

In the view of experts, at some organizations there is a need for enhancing business skills and for business development. It would also be important for organizations to put more emphasis on attracting sponsors and on building a community base. The idea of creating a *"wikipedia of civil society"* also came up, for the sake of wider knowledge sharing within the sector, maybe even internationally.

" *...to put more emphasis on attracting individual donors...*

One expert has also suggested changing the lack of cooperation on the part of the state as a goal: *"If not through a revolution, then through systematic pressure and advocacy, using the tools of the remaining public sphere... And one element of democracy is enforcing the principle of participation even in such small things as how schools are operated."*[116] A website should be created for example that would collect all law

" *...to build a community basis...*

drafts, for the sake of developing the formulation of professional opinions on legislations.

What project promoters would do differently

A general opinion that many organizations have formulated in surveys was that if they could start over, they would dedicate more time to the implementation of a project, and would take up less activities. At the regional meeting, one project promoter concluded that they would build a stronger project crew in order to take the burden off the back of the creator of the project. According to the experiences of the representative of one green organization, external players

" *...to improve internal and external communication...*

should not be trusted to keep to their commitments, thus it is best to create at least two timeline versions for each project in the cases that are reliant on external players.

The improvements of internal and external communication were both mentioned; some would employ a marketing expert, others would put more emphasis on internal discussions. For the sake of improving relations, the importance of mutuality has come up – that it is better to offer something first, and ask afterwards.

One participant would make more effort while planning the measurement of effects and results. Some would put more emphasis on internal capacity building and trainings. Supervision would also be important for dealing with excessive emotional involvement.

The ideal funding system

It would help project promoters greatly if their operation was predictable, and if they didn't need to come up with something new in each project. Projects come to an end, but the work of organizations is needed continuously, their operation is important. Naturally, development is also important, but even that is only possible if the operation itself is secured. *"We always feel like we must come up with another special act in order to get the funding. It makes it difficult to plan ahead, things working well are not welcome, only innovation. As if novelty stood beyond everything else."*[117]

Most calls for proposals only welcome new things, while funding would be needed for continuation as well. With project funding available, many activities can only be started up, although they would need a much longer time, up to 10 years, to fully unfold and take effect. The projects that have been financially closed are either put on a hold or run on a voluntary basis, but this is not a foundation to build on, as the publication of calls is not predictable.

One participant would choose 10-15 NGO's that have proven their reliability and run with a good degree of efficacy, and would give them long-term funding to prevent their results from being lost. Organizations would be given the opportunity to commit to a certain cause, and instead of having to adjust to the particular terms of a call, they could tailor their activities to real situations and needs. Smaller organizations would also be given opportunities, without asking them for their own financial contribution, as this is completely impossible for many. Some have also found it important for organizations to avoid becoming entirely dependent on funding.[118]

Participants expect the donor to be flexible and to treat them as partners. They would like to feel that their activities are important for the donor as well. They would expect a strong presence and a professional dialogue. It would be important for the donor to keep in mind that no project is perfect and there will always be pitfalls, and it should not be assumed that the project promoter intends to misuse the funding. It would be important to decrease the amount of administrative tasks as much as possible, to avoid *"having to produce papers"*.

Implementation and administration

Nearly all participants were very satisfied with the flexibility of the Fund Operator and the system, one of them even called it unmatched. One participant expressed this by saying that the consortium does have a culture of managing proposals and projects. At the same time, the administrative side of the process received a lot of criticism. Many project promoters noted that the staff of the consortium was noticeably overloaded, and they sensed an overall insufficiency of human capacity at the operator. They also pointed out the fact that small organizations may even go bankrupt if payments are postponed. One of them said that, in their opinion, they started the project very responsibly, created a reserve, but even this was insufficient. Many have expressed that only membership loans have saved their organizations. Some also expressed some self-criticism as well. *"It's a bit of a Hungarian thing, that we do not read the instructions, we procrastinate, and panic at the end. If something is compulsory, it has to be over-emphasized."*[119]

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115   Cited from the experts' focus group session.

116   Cited from the experts' focus group session.

117   Cited from one of the project promoters' focus groups.

118   Cf. item "organizational operation, human resources" of section B of chapter III.

119   Cited from one of the project promoters' focus groups.

Positive feedback was received regarding the reporting obligations as well, as this has motivated project promoters to think over and discuss the progress of the project. They especially highlighted the usefulness of the question *"What would you do differently?"*. It has also been mentioned that compared to many other funds, the financial system is simple.

On the other hand, a lot of feedback was received about the fact that the administrative obligations of micro and macro proposals are nearly equal, while the micro ones do not dispose of the (same amount of) funds, and thus the human capacity needed for these activities. For this reason, many have expressed that in the future they would like to be able to plan a higher amount of costs for administrative and financial expenditures, and they have even expressed the need for planning a potential *"mobile budget"*, as it is difficult to foresee and plan the exact amount of expenditures years in advance.

It was also mentioned that the promoters of macro projects found the number of organizations to be developed excessive. The reason for this is that there are target groups that are much more difficult to find in the countryside, either because they move to Budapest, or because they are hiding – such as the group of LGBTQ individuals. As a result, organizations that did not really want to participate had to be involved, which scattered the energies of developers, and reduced the amount of work done with organizations that did wish to be part of the development. The problem was aggravated by the fact that many organizations were being developed by several project promoters at the same time. The multiple developments were a burden for the organizations involved, which could have been mitigated by a higher degree of coordination between the activities of macro project promoter organiztions, or if they had had more time for the developments.

Another difficulty faced by macro project promoters were the obligatory capacity assessment to be carried out among the organizations developed, using the methodology and survey provided by the donors. This was a great burden for them, because, among other reasons, they did not feel competent – according to some of the feedback received. Several project promoters expressed that they were unable to interpret the capacity assessment survey, which was not tailored to NGO's, and a result, was entirely irrelevant for the organizations involved. In addition, project promoters received the assessment matrix only after contracts were concluded, the aim of which was already unclear to them at that point.

In the thematic area of the empowerment of socially vulnerable groups, many have expressed that they had difficulties with indicators because *"it is difficult to measure anything in the emotional sphere"*, and because they concentrated more on quality, and spent more time with their target groups than planned. They considered the operator's attitude flexible in this case as well.

Development recommendations for the Fund

Goals – calls for proposals

The importance of strategy and vision was highlighted in the **expert** focus group: *"I would tell the donor to give us something inspiring here, to keep the flame alive. What it could be is a good question, but it should show why we should get through this, why we should want to survive. What comes after? That would be very important. Because then you can adjust yourself to survival."*[120]

Connecting certain fields – such as environmental protection and community development – would be practical, according to the discussions at the **evaluators**' focus group. Besides, calls for proposals should be more focused. The staff of the Fund Operator could provide more details about what can be applied for, and some

have come up with the idea that categories could be defined by activities and methods instead of thematic areas or topics.

One expert has emphasized the independence of professions and local communities, the strengthening of their autonomy, and enabling long-term programs with as long a time frame as possible. Some have also considered inviting civil consortia to submit proposals, and that calls for proposals could be aimed at making better use of multiplier mechanisms.

Experts and the staff of the Fund Operator have unanimously recommended involving target groups in the preparation of calls, so that *"They wouldn't write what we would like to hear but keep it honest."*[121] One evaluator has noted about the macro projects that it would have been much better if organizations had been given the freedom to decide for themselves what measures they apply to reach a given goal, instead of struggling with fully irrelevant compulsory activities.

In the view of another evaluator, collaborations could be stimulated substantially with a *"map of good practices"*, so that organizations working in different fields could see others who do the same activities at a county or national level. This way they could, beyond getting to know each other, start some level of collaboration. It would be beneficial to allocate funds to support the creation of these ties, and of a database that could help organizations find one another in subsequent funding cycles. *"This is how all that knowledge could be added together. The fund could support projects where multiple organizations apply with a concept. That collaboration was not well thought over, not the organizations, the contacts, or anything."*[122]

Another important feature to be enhanced further is visibility and wider social communication. Evaluators found the pressure to communicate very useful in the case of action projects, because the sector is invisible. The majority of organizations do not use communication platforms, or are only trying to learn how to engage wider populations beyond their direct circles. At the same time, one evaluator found the efficacy of scholarship recipients insufficient, and that feedback and sharing should be improved. The staff of the Fund Operator have also agreed that the communication activities of organizations need to be improved, and to this end, the issue should be better emphasized at applicants' preparation sessions (and in the calls for proposals). They have also considered obliging project promoters to create a separate website or sub-page for the project.

Watchdog activities have also been mentioned among the highlighted fields by evaluators. One expert called for thinking about what could be done for the protection of watchdog organizations, what additional effort could be made, or in what way they could be supported in their role, *"to hold a safety web under those on the very frontline."*[123]

In the surveys conducted with **applicant organizations** in 2015, the respondents have denoted the capacity development of NGOs (65.56%), the alleviation of social inequalities, poverty and social exclusion (63.8%), and supporting the self-organization of local communities among the primary fields to be supported in the subsequent funding cycle. The majority of the rest of the answers denoted the field of environment and sustainable development. In the project promoters' focus group, some would extend the proposals to social cooperatives as well.

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120   Cited from the experts' focus group session.

121   Cited from the evaluators' focus group session.
122   Cited from the evaluators' focus group session.
123   Cited from the experts' focus group session.

From among goals, results and supported fields, most applicant organizations would change the target group. Several of them found that the support of certain social groups has received excessive attention. The spectrum of supported fields considered important is much broader. Several organizations have highlighted that they would put more emphasis on the development of democracy, on the social visibility of NGO's, including a wide range of supported fields such as environmental protection, disabled people, the employment of addicts and the acceptance of immigrants.

Several applicants would welcome simpler proposal data sheets that are easier to interpret and which would also give bigger freedom to the person filling it in, or if there was more space to elaborate on a given topic. Micro projects find it especially difficult to provide concrete data and indicators, as smaller funds entail a lower degree of measurability and smaller target groups. Many would urge a more concrete, clearer wording, and the definition of proposal activities and target fields is not clear for some, either.

As for the application procedure (deadlines, communication with the operators, two-phase procedure, etc.), several respondents would prefer a single-phase process, especially for micro projects, just as the staff of the Fund Operator have also suggested – that the first round would only mean the submission of a project concept, the same way as in the case of action projects. There is also a need among applicants to raise objections after the first round, that is, to be able to respond to the comments of the Selection committee members.

Evaluation

Regarding the scoring mechanism, one evaluator said that *"Many times I found myself in the position that if I am to be totally fair, I must award a score, even though the proposal in question should really not be supported."* A wider scale could be used for the scoring. The Selection committee that also read the proposals and examined all the evaluations altogether, attempted to correct any inconsistencies arising from the scoring system (such as the differences between scoring and written evaluation). In the case of bigger variances, a third evaluator needed to be involved, but even this solution left certain questions unclear.

Beside evaluation factors, several respondents would make changes in the Selection committee as well. They highlight the importance of selecting the right experts, and of their professional expertise.

According to the staff of the Fund Operator, there should be even more focus than previously on the training of evaluators and committee members, so that scoring and written evaluations are in better accordance, among others. More time and higher remuneration would be needed for higher quality evaluations, for instance for a more thorough examination of the coherence between activities and budgets.

Budget

One evaluator expressed that in the case of medium projects the maximum budget should be reduced, so that more proposals can be funded. Evaluators and the staff of the Fund Operator have both highlighted that organizations should pay more attention to the coherence between budget and activities, because often there was no cost assigned to an activity, or no activity assigned to a cost.

Many respondents of the 2015 survey would make changes to the financial rules of the programme (such as budget lines, own contribution, size of grants) and the financial administration. Many would make the system more simple and flexible because they thought it was too detailed and meticulous. The budget table was found too complicated, and they felt that the frequency of financial reporting was too burdensome and unnecessary. They found it difficult to follow a double financial budget (Forint and Euro) and to report in Euros. They have expressed several needs related to the own contribution. Some of them think that it would be best if there was no need for an own contribution at all; while others would reduce the amount, or make

it increasable during the course of the project. Several respondents would increase the size of grants, would expand the range of possible uses of the funding, highlighting operation-related support and the support of investment and building type projects.

Many have complained that they suffered great losses through the conversion of the grant from Euros to Forints, and that they would have preferred not having to convert the grant amount. *"I find this unspeakably unfortunate, very bad economy. As if we were to make the banks richer. We had to reduce the budget by 30%, which was very difficult."*

Certain project promoters also had major difficulties with the – otherwise positively regarded – indirect costs, when certain lines to be modified involved the own contribution as well – because indirect costs could not be accounted for as own contribution.

Capacity building

The staff of the Fund Operator have expressed that videos and info graphics could be used more widely during the preparation for proposals, and they would even organise online webinars for applicants that cannot attend preparatory workshops. All agreed that financial preparation needs even more focus than previously.

According to experts, it would be beneficial to make the programme even more people- and organization-centered. There is a need for stronger professional follow-up and mentoring, which was not available until now, due to a lack of capacity. This echoes the opinion of the respondents of the 2015 survey, many of whom would change the quality of the cooperation of the Fund, and would call for the strengthening of personal, direct connections, and for more information events in the countryside. At the same time, one expert expressed that it would be important to see to what extent applicants can be left alone, to motivate applicants to be a little more independent.

Development is especially important in the case of organizations that are really beginners and are just starting out, in order to support proposals with a real community behind them that only lack professional experience. At the same time, it would be beneficial *"to distinguish in some way the very small and very cute small ones with a big need for support and mentoring from the small ones that are a bit bigger."* The interruption of a learning process causes huge damage, thus support would need to be continuous.

According to one expert, beside mentoring and financing it would also be beneficial to train NGOs in the fields of business models, fundraising and PR. *"A comprehensive training program should be considered where you train everyone in these various spheres, and take some examples from abroad as well."*[124]

The future

According to experts, the traditional culture of donating will be important again in the future – classic donations are the future. Every good example around us demonstrates this, and there is indeed openness on the side of private individuals. Additionally, there are new kinds of initiatives starting up as well – there are very exciting possibilities in the sphere of social enterprises still in the *"sprouting"* phase. Civil society would need a greater degree of cooperation and stronger lobbying in order to reach out to other sources of financing.

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124   Cited from the experts' focus group session.

"I'm not sure if there is life after grants."[125] Perhaps this remark demonstrates best the sentiments about the future at the project promoters' focus groups – a lack of funding is the most prevalent theme. The majority of organizations are already unable to spend on anything beyond survival. There are many new ones among them as well, who are unable to move on or find it difficult. One of them expressed that *"We already wouldn't be here without the Fund"*.[126] And as legislation is changing continuously, doing development would be difficult even if there was enough funding and capacity.

In the opinion of one project promoter, public matters would need public funding, but this is less and less likely. Another project promoter has the definite experience that the state it withdrawing and is impossible to rely on, so they need to move into the direction of advocacy. This may activate a higher degree of involvement from citizens, that for example middle class people start attending to poor children, or the spreading of long-term voluntary work, which is less known in Hungary.

Many have mentioned burnout and fluctuation as one of the big challenges of the future, since it is difficult to remain motivated while staff members are struggling for survival. It is especially true of rights' protection organizations, because their *"militant"* activities require even more motivation.

Participants had a gloomy vision of the future in the thematic area of gender and equal opportunities as well: *"Things will get worse. The same is happening in Poland, both in women's and LGBT matters. This is a flashback form the middle ages. The Fund should take into account the environment, that it is nearly impossible to scrounge up the own contribution, and that we are going directly against the politics. The goal is survival."*[127] On the other hand, there was one project promoter who really appreciated the small progressive steps achieved in the field of birth rights and matters. Another participant was similarly optimistic about the spreading of atypical forms of employment.

According to the project promoters of the action projects, the effects of campaigns and social actions and their role within civil society will get stronger in the near future. To this end, campaigns should also be thematized. Participants thought that ongoing, continuous application opportunities were very good, and they believe that this would be important in the future as well.

In contrast, the NGOs at the 2016 regional meetings were outright optimistic about the future: they expected the ties established to keep going and get even stronger in the future, that organizations would receive an increasing number of requests, and that the target groups engaged would become more and more integrated into the lives of the organizations. Awareness raising has a long-term effect in society, with an increasing degree of integration the population can be better involved in activities; the products, activities or brands created will live on, and the tools and equipment will continue to be available. Several participants expressed plans of presenting their results at international fora. They are planning to ensure sustainability through fundraising, the introduction of for-fee services, membership fees, grants, and the reduction of their expenditures (through several organizations moving under the same roof, for instance).

Appendices

The summaries of case studies and interviews made with target group members

- Autistic Art – Mosoly Otthon Közhasznú Alapítvány (Smile Home Foundation)

- Bagázs Egyesület (BAGazs Public Association)

- Európai Roma Rendvédelmi Bajtársi Egyesület (Fraternal Association of European Roma Law Enforcement Officers - FAERLEO)

- Pro Cserehát Egyesület (Pro Cserehát Association)

- Zachor Alapítvány a Társadalmi Emlékezetért (Zachor Foundation for Social Remembrance)

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125   Cited from one of the project promoters' focus groups.

126   Cited from one of the project promoters' focus groups.

127   Cited from one of the project promoters' focus groups.

Autistic Art – Smile Home Foundation

Project title: **Autistic Art art programme II.**

Thematic area: **provision of welfare and basic service to vulnerable groups**

Duration of project: **01. 08. 2014 – 30. 04. 2016**

Grant amount: **EUR 65 034,06**

Project goals, summary of activities: Their primary goal is improving the quality of life of people living with autism in residential homes, expanding the range of their daily activities through workshops with special methodologies provided within the project. It is important for autistic youth to be able to see the results of their work, to be able to enjoy the fruits of their efforts through exhibitions, products and self-books, each of them according to their own intellectual capacities. In the 6 residential homes involved, 61 young people participated in regular workshops with the help of 17 professionals. During the course of the project 5 exhibitions and 2 charitable auction events were held, and a collection of 9000 drawings was created.

Autistic Art – Smile Home Charitable Foundation was founded in 2006 with the intention of helping people living with autism create the conditions for a dignified life. The organization works with 4 permanent and a few occasional employees. Their goal is to support the survival of civil-run residential homes for autistic people and familiar homes, to help them in their operation and with the services they provide.

To this end, the foundation has organised charitable auction events and exhibitions to support the residential homes of the autistic every year since 2008. At the first charitable auction event of the foundation titled "Take me in!" contemporary fine art pieces were offered for auction and the money raised was used to support civil-run residential homes for autistic people. Initiated by one of the artists, Hajnalka Tarr, an art programme was launched in 2010 where autistic youth living in homes supported by the foundation were given the opportunity to draw and create art, and it highlighted the talent of a few outstanding autistic artists. As a result, from 2010 on the works of autistic artists were also featured at the auction events, beside the pieces made by contemporary artists.

The project itself is about the art programme, while the foundation was created to improve the situation of people living with autism, focusing primarily on residential homes. One of the main goals of the projects of the foundation supported by the NGO Fund was to ensure the survival of homes. The low level of

awareness in wider society of autism, and the consequent rejection of the related behaviours, as well as a similar general attitude and prejudice towards disabled people and difference is a significant problem, which makes the engagement of volunteers and supporters difficult.

The works of talented youth were presented to the wider public at charitable auction events, exhibitions and on different products. This helped strengthen their supporter base, and they were able to provide stable funding to support residential homes. The facilitators of the art workshops, coming from various professional fields, were able to share their experiences and develop themselves at regular workshops held specially for them. Additionally, several exhibitions were held on the national and then international level, promoting a shift in social attitudes.

Four products were created thanks to the art activities of Autistic Art, which were developed with the help of a textile artist, a designer and a fashion designer. It was highly important for them to produce premium quality, unique designer products from the graphic art pieces made by autistic people – surpassing the limitations of a disability.

Activities carried on after the closure of projects. Art therapy workshops are still being held in residential homes, there will be more auction events and exhibitions held, and Smile Home Charitable Foundation will soon introduce new products as well.

Thanks to the projects, those closest to autistic youth could learn about the talent of their children and the people in their care, they could feel proud about them.

The Tata-based For the Rainmen Association (Esőemberekért Egyesület) was created by affected parents, with the involvement of autism professionals. Erika would like to provide the highest possible quality of life to the residents of the home, both as a parent and as the leader of the institution. According to her, one of the highlights of the art project supported by the NGO Fund was that residents were able to work with good quality tools, which are not available to everyone. The involvement of professionals and the methods applied also contributed to the success of the project. *"There are people with outstanding artistic skills among the disabled as well, but even those without outstanding talents could find a communication method that they didn't know before – which is a huge step forward for us. As we know, the outer appearance of autistic people doesn't always reflect their internal state, (...) but the colors and shapes help us learn a lot about how they feel, and about their internal worlds. It provides a lot of information to professionals as well, and helps their understanding, which is the biggest problem in autism – understanding, and the lack of it."* (Erika, affected parent and chairwoman of For the Rainmen Association.) Both Erika and Vali, a caretaker working in the institution emphasise the success of the

auction events, and the uplifting moments residents and their parents experience when they can hold the final products in their hands, because *"wherever in the world these products may go, I think people everywhere will be amazed because I don't think you can find products with such quality and such a set of colors – they are so beautiful and creative."* (Vali, a caretaker for 15 years.)

Katalin, who holds visual workshops in the Tata-based institution, held similar activities for the youth living in the home even before the project supported by the Fund was implemented. The tasks she undertook within the project were documenting the works created, making reports and participating in workshops, which provided her with a lot of methodological experience. As she puts it, she did not feel pressured during the project: *"I didn't feel any pressure, I didn't sense any expectations. What I sensed was that the whole project was about what is the speciality of autism – waiting patiently, and both Hajni and Zsuzsa had a supportive and encouraging mentality, they never demanded anything or questioned why there is only one drawing instead of more, so there was acceptance."* (Katalin, expert consultant for 13 years, with the specialty of visual development.)

Katalin believes that the project has had a huge impact on the awareness of wider society, which would be crucial to keep even after the closure of the project. She finds the mentality and humility of the organizers especially important, as it enabled everyone in every work process to provide real value, and to take part in the joy and appreciation that could be felt during the charitable events as well: *"this is what made it wonderful, that the products were presented in a dignified way, which is very important for me and something that recharges me, and not because of the amounts raised."*

BAGázs Public Association

Project title: **Excellent in the classroom and on the football pitch**

Thematic area: **Empowerment of vulnerable groups, including Roma**

Duration of project: **01. 08. 2014 – 30. 04. 2016**

Grant amount: **EUR 19 892**

Project goals, summary of activities: The long-term goal of the project is to reduce prejudice against children living in the Bag Roma settlement in the school. Its short-term goals are to improve the children's adherence to rules and their school performance, to engage the under-educated parents of the settlement in the activities and give them tools with which they can develop their children at home, and the promotion of social responsibility among secondary school students. 58 children living in the settlement were involved in the programme, 50 of which attended the activities regularly. The participation of children

surpassed expectations, proving that it is filling a gap and that both children and parents have a real need for volunteers to tutor the children on a regular basis. As a result of the recruitment events held in schools in Budapest, 21 new secondary school students volunteered to mentor children. The association puts great emphasis on visibility in all of its programmes, and they successfully engage new participants and supporters through their facebook page, the blogs of various projects and at professional events.

Bagázs Association started working at the Bag Roma settlement in 2010. The main target group is the underprivileged people living there, from kindergarten age all the way to adults. One of their main principles is that they do not provide aid, they do not want to create dependency, they consider the people living here as partners. The goal of the project supported by the Fund was the development of basic skills and emotional development, and providing general support through the community of the football team.

Their work is supported by secondary school and university students. Their programme Excellent in the classroom and on the football pitch, which was in part built on the experiences of the micro project of one year earlier – also supported by the Fund – started in August, 2014 and lasted all the way until the end of April, 2016, thanks to the complementary support. The primary goal of the project was to support the various development needs of kindergarten and school children living at the settlement, therefore the initiative was able to indirectly contribute to the improvement of school work, performance and results. Their additional goal was the real sensitisation and immersion of volunteer students, and the creation of the well functioning, effective model of the SCS-programme, and the documentation and dissemination of its work.

One of the highlights of the project is the SCS – School Community Service, through which secondary school students and adults volunteered to hold development workshops for the children living at the settlement. Another important element of the programme was BAGázs FC, the football team founded in 2012 through local initiative, which contributed mostly to community building and the creation of the spirit of team work. According to the project host, one of the most successful facets of the programme was that they managed to involve many secondary students and their parents, to learn about the programme and the activities of BAGázs. Some of the parents now support the association on a regular basis, and a few of them have joined other BAGázs programmes as well, as volunteers. The effectiveness of the work done is demonstrated by the fact that the progress journals filled in at the end of each activity are showing a tendency of improvement. And thanks to the project, the people living at the settlement as well as wider circles have come to learn about the methods and results of BAGázs. Another important result is the fact that thanks to the project, the local coordinators' commitment to work has improved. The association currently has one occasional and three permanent employees in Bag.

"All our programmes continue!" - says Petra Bálint, who believes that the sustainability of the project is not jeopardized. This is ensured in part by the constantly increasing number of volunteers who contin-

ue to participate in the life of the settlement enthusiastically even after the closure of the programme. The consistent presence of the organization has also contributed to good relationships with local institutions (municipality, school, kindergarten), which also helps to prevent the interruption of the programme.

The target groups reached through the project are the residents of the settlement, and the secondary school and university students who volunteer. Typically, the Bag students involved in the programme first participated in other activities offered by Bagázs, such as playing football, and were offered the opportunity to study with a mentor there. The students asked greatly appreciated the support received. They highlighted that they enjoy each activity and that they have developed close relationships with their mentors, because they feel that they can discuss anything with them. Parents can also see the changes in the children since they started participating in the programmes organized by Bagázs. *"The children are very happy about the SCS, if their homework is not done, they tell me and go to the container to study, play and draw. They have changed a lot through the SCS, before, they preferred to play at home, but now they lend a hand and they are more obedient, and this is true of all the children in the settlement – they are more motivated and ambitious."* (Melinda, 29, mother of 4 children.) Parents need to give their consent to let their children participate in workshops, and from time to time, mentors discuss the progress and issues of the children with them. They also mention the activities that parents could join in. Melinda highlights that both the debt management and the housing programmes are of immense help to the residents of the settlement, as well as the community garden and the workshops for the children, although due to a lack of time, she is unable to participate in these.

The tasks of volunteers are varied. University students are the supporters of secondary school students doing community service, they help them plan and hold workshops. Experience shows that the volunteers of the programme are happy to continue volunteering even after they have completed their compulsory community service. Nonetheless, sometimes a new volunteer does withdraw from long-term involvement, which poses a difficulty as things need to be

reorganized, and also because it affects the child in question, since such a confidential relationship takes time to develop. The development of the children is most visible if someone works with them on a long-term basis. *"About a year and a half ago we had them write an essay about what they want to be when they grow up. I remember that when I started working with them, all of them had the attitude that they won't be able to achieve anything, apart from public work and giving birth. And it was fantastic to see that now they write that they want to become a waitress, or a hairdresser, which means that now*

they have a vision of the future, and some level of self-confidence as well, which is great feedback to us that yes, we are progressing." (Eszter, 2, a volunteer of Bagázs for 3,5 years.) Volunteering and participating in the activities of Bagázs plays a very important role in Eszter and Peti's life. Eszter can even feel a change in the attitudes of her friends, as a result of her telling them about her experiences with Bagázs. Peti says that *"It was Bagázs what made me interested in pedagogy, and what made me start working with children in other places and situations as well (such as AVM, Auróra children's programme). It is still what I spend most of my time doing outside of school, and you can learn such a huge amount of professional things from Bagázs, which are super important if you would like to work with children."* (Peti, 16, a volunteer of Bagázs for 2,5 years.)

Fraternal Association of European Roma Law Enforcement

Project title:	IInitiative for developing the management of hate crimes by law enforcement, and for the development of preventiong
Thematic area:	Democracy and human rights
Duration of project:	01. 08. 2014 – 31. 10. 2015
Grant amount:	EUR 60 108

Project goals, summary of activities: The goal of the project is the conscious preparation of active police superintendents and providing them with practical knowledge for the proper handling of ethnic conflict and provocation, as well as conveying a positive image about the social responsibility of the Roma and the work of Roma policemen. A concrete product is the creation of a professional protocol for the management of such incidents by law enforcement. The shared work – of the police, the association and the representatives of Roma minority governments – further strengthens the cooperation between law enforcement bodies and Roma communities, and it also highlights the importance of the matter, which is then further enhanced by the campaign planned within the project. A long-term goal is to motivate an increasing number of Roma youth with an openly
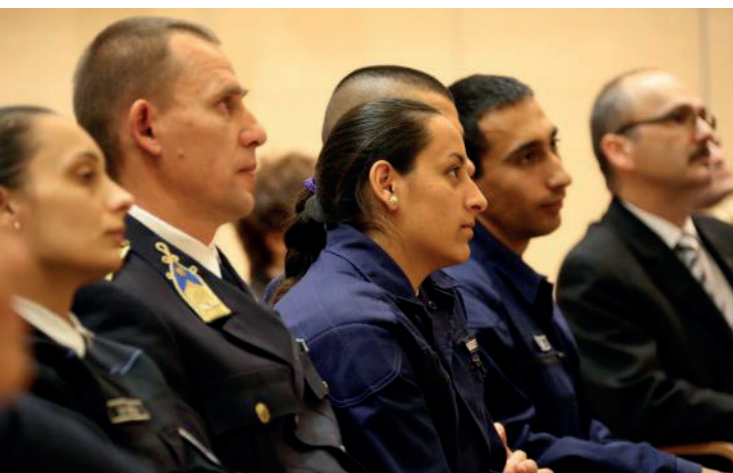
admitted identity to apply for the scholarship programme of the police, and to join the police force later on. 3 individuals from Budapest and from each county participated in the 6 police trainings implemented. As a result of the project, 21 Roma youth have entered into a scholarship contract and further 28 participated in the preparatory programme of the Ministry of Interior.

The creation of the Fraternal Association of European Roma Law Enforcement was inspired by the experiences of a study visit in the United States. The launch of the FAERLE, founded through the cooperation of six European states (Bulgaria, the Czech Republic, the United Kingdom, Hungary, Romania and Slovakia), was supported by the Ministry of Justice and Law Enforcement (at the time), the Open Society Institute

and the National Black Police Association of the US and the UK.

This was the second time that the FAERLE received support from the Fund. In 2013, through their project named Roma Law Enforcement Club they worked to build trust towards law enforcement in underprivileged, mostly Roma youth living in Budapest. After convincing police leaders and professional representatives about the importance of the subject, they submitted another proposal in 2014, where they focused on the handling of hate-provoked incidents, an area that had been left relatively untouched for a longer time.

The 2-year project had three main pillars: developing a professional guide for the more effective handling of hate-provoked incidents, reducing the prejudice towards the Roma in wider society, and recruiting Roma youth to join the forces of law enforcement bodies. Another part of the project was the theoretical and practical training provided to shift commanders of county police departments. The training programme was run by a professional trainer, but there were various professionals among the training team, such as law enforcement professionals, human rights experts, Roma police personnel and a police psychologist.

Police personnel, Roma minority governments, Roma communities, and the representatives of the Working Group Against Hate Crimes (collecting the experts of five Hungarian NGO's) were all involved in the development of the professional protocol. Throughout the development of the guide, the goal was creating a protocol that includes the opinions and suggestions of the parties involved in its development, with the consideration of national professional recommendations.

The biggest success of the project lies in the strong, active involvement of the affected parties and the participants, which resulted in the production of a unique guide. Thanks to this guide, now the police is able to act much more effectively in the case of hate-provoked incidents, than it could before the project was implemented.

In terms of sustainability, it's important to note that the training held within the project has received

accreditation from the Directorate of Public Service Staff Development of the Ministry of Interior, thus if needed, it can be repeated any time.

Informational short films, pamphlets and posters were produced within the campaign for the reduction of social prejudice and the promotion of Roma law enforcement, and there was a strong focus on media coverage as well.

The individuals working towards the national-level implementation of the project were selected for the various tasks by György Makula. The interviewees unanimously agreed that the police training had a visible, positive effect on participants; they were provided a lot of useful theoretical and practical knowledge, and despite the fact that many seemed skeptical about the training in the beginning, they gave very good feedback and they were thankful for the opportunity. Before the development of the material of the training, a background study was conducted, which evaluated the similar programmes implemented in recent years. The trainer expressed that during the training it was important to emphasize the importance of keeping a positive spirit. *"Our aim was not to shape their personalities, that cannot be the goal of a 2x1 day training. We highlighted that they can profit from the proper professional handling of this phenomenon in different ways, which they received very well. One participant prepared a fantastic full-on presentation about their own experiences for the second session and amazed all of us with the interest and commitment that he was showing."* (Zsolt, trainer.)

The ability of the project to shape opinions is evident among patrol personnel, shift commanders, crisis working groups as well as among staff members working in different facets of the project, such as recruitment or the development of the professional protocol. *"This helped me a lot in seeing things differently, and I'm trying to raise my kids in the same spirit, that they shouldn't speak badly of the homeless for example, because they don't know how and why they got there, they don't know their life story. This project has changed me a lot as a person, and the trainings, too. I could see the attitude of the people when they arrived, that oh, no, another training, and then I saw the change when they left – which is an awesome feeling, it recharges me."* (Judit, minority contact person.)

Interviewees also highlight the fact that during the implementation of all project elements, they put a big emphasis on the communication between different participants, and that the presence of Roma liaisons was of immense help both during the recruitment of youth and the development of the professional protocol, because *"my Roma background helps this work greatly. As a police officer and a Roma person, this task is not a burden, and neither a secret, in my case. (...) This is one of my primary tasks here in the county, and since Gyuri included me in the national project, I can say that to some extent I consider it mine on the national level, too."* (Zoltán, Roma liaison.)

Pro Cserehát Association

Project title: **Hejő–Sajó: Let's Cook Lecsó Together! The settlement cluster along the Hejő-Sajó Rivers for sustainable municipal farming.**

Thematic area: **Environment and sustainable development**

Duration of project: **01. 03. 2015 - 30. 04. 2016**

Grant amount: **EUR 43 061,00**

Project goals, summary of activities: Within the *"Hejő–Sajó: Let's Cook Lecsó Together"* project, Pro Lecsó has extended its pesticide-free, communal farming programme from a municipal level to a subregional level. Beyond this, the goal of the programme was the activation of the decision makers and residents of the participant settlements, and strengthening the commitment to sustainable development. As a result of the project period, 4 communal Pro Lecsó gardens were established, and gardeners produced nearly 10 tons of pesticide-free vegetables. Residents had the chance to learn about the basics of healthy eating and an environment-conscious lifestyle at awareness raising and communal events. Thanks to the cooperation established between municipalities they have successfully laid down the foundations of a Hejő-Sajó network, so that its members can continue on the path of sustainable development mutually supporting one another. The project started with the involvement of 7 new municipalities; 2 gardens from earlier also joined the programme; and 4 municipalities joined during the course of the project.

The mission of Pro Cserehát Association is to alleviate unemployment and the subsequent poverty and food poverty at small settlements suffering from depopulation. The organization started its work in 2008 and is working with a small team – currently there are five employees working for the Budapest-based association. They developed a programme for the establishment of an organic farmers' organization on the request of the municipality of Hernádszentandrás, in 2009. The implementation of their project present-

ed here, the Pro Lecsó Programme – supported by the NGO Fund – started in 2013, and its goal is the implementation of an ecological farming programme combined with sustainable community development in various settlements within Borsod-Abaúj-Zemplén County.

The Pro Lecsó porgramme aims to respond to the poverty, vulnerability and consequent issues present at small settlements through the production of pesticide-free food. Their goal with the production of vegetables is to alleviate hunger and, not less importantly, to develop communities. It is important that participants be able to work locally, within a given settlement, in order to prevent the depopulation of smaller villages.

The programme offers extra income primarily to underprivileged, Roma and non-Roma residents. An important goal of Pro Lecsó is for participants to be able to farm their own gardens beside the community ones – to this end, they are provided with seeds and agricultural equipment. Community gardens are usually established on unfarmed land owned by municipalities. A local educator appointed by the association is a key figure in the successful implementation of the project. Their task is to pass on farming skills with informal methods, with the help of a textbook specially developed by the association. The programme is always adjusted to the needs of a given settlement, and its positive effects on neighbouring municipalities are clear – more and more mayors contact the association with the intention of joining the project.

The project promoters would like to expand further and create a national network. In their view the most practical option would be if 3-4 settlements in each county decided to cooperate and join the programme together, because this way they could easily support one another locally and on a network level. Developing and transmitting knowledge are a vital element of the project. One the one hand, the educator participates in farming-gardening trainings on a regular basis, and on the other hand, learning from one another is another important facet of the programme: participants enjoy both when they receive guests

from neighbouring settlements, and when they can go and visit other places.

An implementation-related issue they face is operating within the timeframes set by the project, as the work of Pro Cserehát Association is seasonal.

All of the interviewees of the target group highlighted the community building effect of the project, such as the opportunity to get to know fellow residents and the joy of shared work. Everyone, even the mayors participated in farming the lands, and took the opportunity to enjoy the practical training. Many of them highlight the implementation of the Pro Lecsó market as their best experience within the project. *"When I stopped at the stands, in a central spot, and took a look at the products of all the settlements, which were tangible, spectacular and beautiful, it was then that I truly realised how big an achievement this is."* (Judit, local coordinator.) According to coordinators, both the production process and the market event gave even underprivileged families a sense of success and a chance to prove, while the mayor noted that the formation of a community has also had a beneficial effect on the public work programme, and created a successful cooperation between the residents of villages.

As described in the organization's case study, interviewees also noted that the strict project deadlines did not consider the schedules of farming, which was a problem; but they were happy about other opportunities provided by the project. For instance one mayor highlighted the chance to go to Italy on a study visit, while one of the coordinators told her team happily about her success at the cooking competition. *"I do pedicure, and my clients often pay in kind. I was given 3 little pigeons, we cleaned them together with the other women, and made a soup from them; we also made a mint beverage with the mint from the herb garden, and then guess what, we won! I told the women that we are only there to participate, Senye is such a small village that we cannot win, but when we did, everyone was very happy and enthusiastic."* (Zsuzsa, local coordinator.)
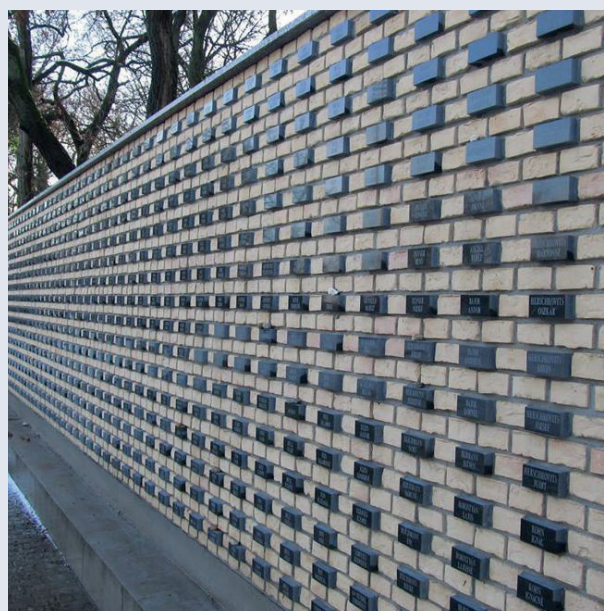
Zachor Association for Social Remembrance

Project title: Historical remembrance and authentic historical sites – Visual encounters with
                      survivors and witnesses, along local Jewish history walks in provincial towns:
                      an interactive programme for Holocaust education and the promotion of active
                      citizenship in youth

Thematic area: **Youth and children issues**

Duration of project: **01. 03. 2015 – 30. 05. 2016**

Grant amount: **EUR 47 267**

Project goals, summary of activities: The Zachor Association for Social Remembrance would like to contribute to future generations that are more sensitive and open to the acceptance of others. To this end, modelled by the organization's earlier local history walks in Budapest based on video interviews (also supported by the NGO Fund), they have put together walks in the countryside as well, using excerpts from video interviews with Holocaust survivors and witnesses. The programme was implemented in five cities, Aszód, Békéscsaba, Miskolc, Pécs and Szeged. As part of the preparation, nearly 100 students had the chance to visit Budapest and participate in the interactive historical walks that they could use as examples. They were involved for several months, and took an active part in local history research and the creation and facilitation of the walks: they guided their peers and teachers through Jewish historical

sites with the method of peer-to-peer guiding. During the project period they gave 34 guided tours to 450 people altogether. Students who walk the tours understand the significance of a shared past within the history of a city's everyday life, through the interpretation of the personal stories of former local residents. The staff of the foundation held local trainings about the experiences, results and methodological perspectives of the programme in all the participant towns, engaging nearly 80 teachers.

The Zachor Association for Social Remembrance non-governmental organization was founded in 2007 by practicing teachers with the aim of assisting their colleagues in educating students about the Holocaust and other issues related to ethnic or religious minorities. The organization has one part-time

and two full-time employees, and their work is assisted by many external colleagues in the projects. Czech, Polish, and French organizations can also be found among their partners. In the beginning, the organization edited and published the memoirs of Holocaust survivors, edited educational material and trained teachers. Beside international organizations, they also cooperate with national bodies; recently they conducted a national survey about the current situation of the Hungarian education system, together with the Hungarian Institute for Educational Research and Development.

This project was based on the walks in Budapest – existing good practices were implemented in other cities. Al the education materials build on personal stories, and bring historical facts closer to students by presenting individual lives. Their project of interactive Holocaust-education and the promotion of active citizenship in youth implemented the good practices of historical walks in Budapest in five other cities. The student guides of the walks were chosen by teachers. Teams were made up of the students of one class, or in some cases, of several classes. The launching meeting of the project was held in Budapest where all the student guides were invited to go for a local walk, and then discussed their experiences in a processing workshop. After the closure of the research phase, the staff of the foundation participated in each walk, and supported the students with their advice. The students, realising that the events of the Holocaust took place in their cities, their schools – in their immediate environment – started to feel a sense of responsibility to deal with these past events and keep their memory alive.

The success of the project is demonstrated by the fact that inspired by the programme, many schools continue to organize walks from their own funds; they made them a part of their educational programme in some way. The sustainability of the programme is ensured by having chosen younger students who are not about to leave the school and thus the walks will surely continue for a few more years. The programme was covered by the local press, and due to the participation of two Evangelical schools, even the press of the Evangelical community reported about the project.

The biggest problem was that it was difficult to predict the number of participants at events, as it could not be foreseen during the planning phase. In one school, due to the lack of support from the directorate – who thought that the topic was receiving too much attention – the appointed teacher had to look for a new school, and the distance between the students and the organization made keeping contact and communication more difficult.

The students who went on the walks were happy about the opportunity and enjoyed the walks, even if until then they were not interested in the history of the Jews or in the subject of history. *"It gave me something, because we didn't learn about the Jews of the Csaba region, only general things, but at the walk we learnt about what they were doing here, which houses they lived in, which happened to be houses we pass by every day, only we didn't know that they had such historical relevance."* (Ákos, 19, whose favorite subject is geography.) The teachers who accompanied the students on the walks were also enriched with new experiences and considered them useful from a professional point of view as well. *"The children were phenomenal, they acquired such impressive skills – standing in front of strangers and telling them what they learnt, and connecting everything into one thread during the walk. Not to mention the preparation process which lasted from the beginning of September to the spring break, which they spent reading, discussing and researching – in my opinion, especially as a history teacher, we couldn't ask for more."* (Nóra, history and media teacher.)

According to Erika, the coordinator in Békéscsaba, nearly all the teachers were supportive and cooperative throughout the organization of the walks. Several of them felt like they were lacking the right tools to discuss the heavy subject of the Holocaust, which motivated Erika to contact the Zachor Foundation. She is still in contact with them, and is currently working on the English language version of the walk. Erika found the walks productive: *"what I can see among my students is that even those who used to withdraw when such topics as open antisemitism and Holocaust denial came up, are now a bit more skeptical towards those who say such things."* (Erika, English teacher.)

Students guided the walks in pairs. Anna and Adrienn, who were interviewed, lead five walks each. They have both highlighted that they got to know many new people from their school, and learnt many new skills. They enjoyed both the preparation and the guiding of the walks so much that they are now taking part in the planning of the English language walks as well. They highlighted that the

majority of the feedback they received from their peers was positive, and some students even attended the walks in their free time, not as part of a lesson. During all the walks, there was only one student who was not only uninterested, but did not even want to attend. According to their class teacher they were eventually convinced because they went to the same athletics class as the guide of the walk, where they became friends. Another accompanying teacher said the following about the same walk: *"the children were being difficult, there were a lot issues with them and I was afraid that this walk would be quite difficult, that they would mess around or ask questions that would embarrass the other children or the audience on the street, but in the end it turned out to be a very positive experience – they followed through the walk nicely, had a look at and listened to everything, and asked many questions."* (Andrea, geography, biology and English teacher.)

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