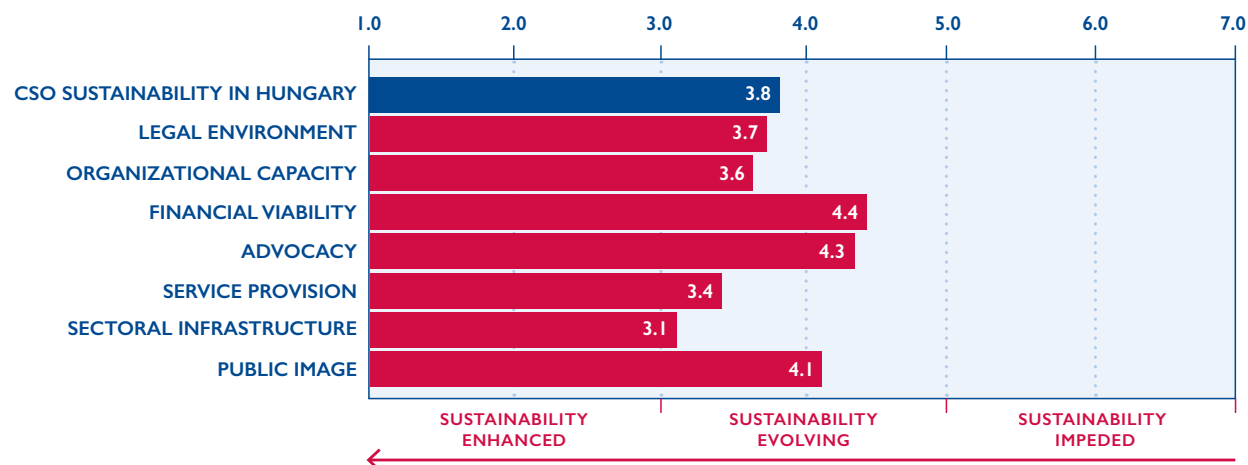


HUNGARY

Capital: Budapest
Population: 9,850,845
GDP per capita (PPP): \$29,500
Human Development Index: Very High (0.836)
Freedom in the World: Free (72/100)

OVERALL CSO SUSTAINABILITY: 3.8



Democratic practices in Hungary have been continuously deteriorating for the past few years. This trend—never before seen in a member state of the European Union—has manifested in many areas of public policy, including media regulations curbing press freedom, efforts to weaken the judiciary, and increased central control over public education. These efforts continued in 2017.

Although general elections are not scheduled to take place in Hungary until April 2018, 2017 was characterized by continuous political campaigning and increasing political clashes. In this atmosphere, CSOs came under increased pressure again after a somewhat quieter 2016. Especially during the second half of the year, government propaganda singled out philanthropist George Soros and his “network” (i.e., organizations supported by or linked to the Open Society Foundations) as the proclaimed “enemy” because of his alleged plan to introduce millions of immigrants to Europe, thereby threatening the integrity of the nation.

In April, in the course of just a few days, the government pushed through parliament an amendment to the Act on Higher Education that threatened to shut down the Soros-founded Central European University (CEU) of Budapest by prescribing obscure conditions that are impossible to meet. This, together with the government’s increasingly hateful and fear-mongering rhetoric, triggered a wave of mass protests in the spring, with several demonstrations and marches bringing tens of thousands out to the streets, mainly in Budapest. The harassment of and restrictions on civil society were among the many themes of these protests. However, as the summer holiday period approached, the protests dried up, continuing only on a much smaller scale. CEU continued to operate at the end of the year, although its future remains uncertain.

In addition to the “Soros campaign,” preparations for the 2018 elections dominated public discourse in the fall. The government launched a “national consultation,” sending questionnaires to all citizens of voting age purportedly to ask their opinions on immigration. The wording on the questionnaire, however, was strongly distorted to support the government’s anti-immigration stance and included leading statements and lies, some of which affected CSOs. For example, it stated that Amnesty International and the Hungarian Helsinki Committee

want migrants to receive lighter sentences for the crimes they commit than Hungarian nationals. At the same time, the five opposition parties on the left side of the political spectrum were engaged in infighting, reducing their chances to achieve meaningful results in the elections, which require them to cooperate and agree on joint candidates.

The economic situation improved somewhat compared to previous years, with growth reaching almost 4 percent. In some sectors, there is even a lack of available workforce due to emigration. Real income also grew. At the same time, large clusters of the economy—including energy services, the media, banks, tourism, and construction—are either nationalized or owned by a handful of businessmen loyal to the government. This not only eliminates competition, but facilitates corruption, as these businesses win practically all government procurements.

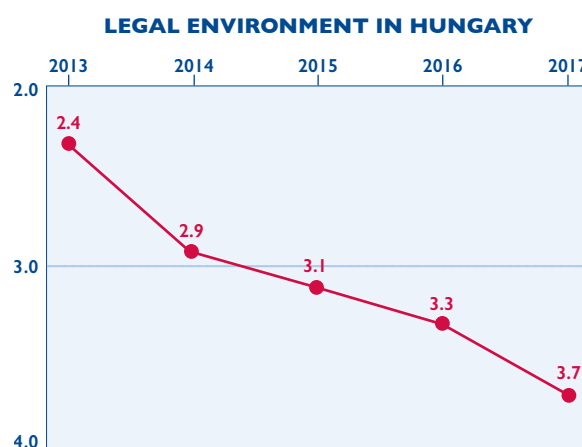
The unemployment rate is only 3.8 percent, but this is distorted by the extensive public works schemes that involve approximately 200,000 people. At the same time, poverty is still prevalent. According to the Central Statistical Office, one-quarter of Hungarians are poor or at risk of becoming poor, and one-third of children live in deprivation. In addition, four of the seven Hungarian regions are still among the least developed in the EU, and with the exception of the central region, all of them are below the EU average in practically all socio-economic indicators, including GDP, employment, and health status.

In 2017, overall CSO sustainability deteriorated, although there were both positive and negative developments. While the worsening legal, political, and financial environment posed serious constraints on the sector, this also led to an “awakening” of civil society, resulting in increased efforts by CSOs to engage in self-defense, constituency building, and communication.

According to the most recent data from the Central Statistical Office, in 2016 the number of CSOs decreased by a few hundred organizations, while both the number of employees and the sector’s income stagnated. In 2016, approximately 61,400 registered CSOs operated. Among associations, leisure (22.5 percent), sports (20 percent), and culture (15 percent) remained the most popular areas of activity. For foundations, education (33 percent), social care (16 percent), and culture (15 percent) are the leading areas. Public benefit organizations constitute less than 20 percent of the sector.

LEGAL ENVIRONMENT: 3.7

The legal environment affecting CSOs in Hungary deteriorated significantly in 2017 with the introduction of a new act “on the transparency of organizations supported from abroad,” which entered into force in late June (Act LXXVI of 2017). This law, styled after the Russian “foreign agent” law, prescribes that CSOs receiving more than 7.2 million HUF (approximately \$24,000) from non-domestic sources (whether public or private) on an annual basis must register with the courts as “foreign funded” and use this label on their websites and all publications. Non-compliant organizations are subject to sanctions, which—after several steps—may lead to fines or even the organization’s dissolution. This is the first time in Hungary that the harassment of CSOs has taken the form of a restrictive legal rule, and sets a unique negative precedent among EU member states. In August, twenty-three affected CSOs submitted a joint complaint to the Constitutional Court about the act, and later in the year fourteen of them also appealed to the European Court of Human Rights in Strasbourg. At the same time, the European Commission (EC) launched an infringement process soon after the act entered into force on the grounds that it limited the freedom of association and



expression as well as the free movement of capital within the EU. In the absence of a resolution, the EC took the Hungarian government to the European Court of Justice (Luxemburg). The results of these legal procedures are expected in the coming year(s).

Direct consequences of the act were not yet visible in 2017. By the end of the year, approximately eighty CSOs (including leading charities, animal welfare, and environmental organizations) had registered themselves as “foreign funded,” while another ten (primarily human rights and community development CSOs) publicly boycotted registration. Those that have boycotted registration have not been sanctioned yet. However, indirect consequences of the legislation are becoming apparent in terms of decreased cooperation with state institutions and public image, as described in more detail below.

By the end of the year, CSOs also began to experience state harassment on the regional/local level. In early December, several mayors of countryside cities made critical public statements against CSOs that were allegedly part of the “Soros network.” The municipal assembly of Pécs went as far as passing a resolution requesting the public not to provide space or cooperation to With the Power of Humanity Foundation, which implements a regional project supported by the Open Society Foundations. This generated a public outcry locally and nationally. In another new development, politicians have attacked some activists individually, calling them threats or risks to national security.

Despite these negative developments, the general legislation governing the registration and operation of CSOs remained largely unchanged. Registration can still be a lengthy and burdensome process, although the electronic system is becoming more functional and during the year courts issued a number of templates and documents to guide the process. Non-registered, informal groups are allowed to operate. At the same time, regulations on accounting and taxation are in some instances still difficult to interpret and apply.

Individual donors still do not receive any tax deductions, while the benefits available to corporate donors strongly favor professional sport organizations over other CSOs. Individual taxpayers have the option of assigning 1 percent of their personal income tax liabilities to eligible organizations. Individuals can assign an additional 1 percent of their income tax liabilities to churches or a “budgetary direction/expenditures of key importance,” which in 2017 was the National Program for Talented Youth. In 2017, a new “automatic” tax declaration system was introduced. While this system generally simplifies taxpayers’ lives, it also makes it easier for taxpayers to forget about designating their tax assignments. In October, the 1 Percent Law was amended, simplifying the assignment of the second 1 percent to churches (by allowing taxpayers to assign their 1 percent to a specific church in perpetuity, instead of making it year to year), while this option was denied to CSOs, despite their objections.

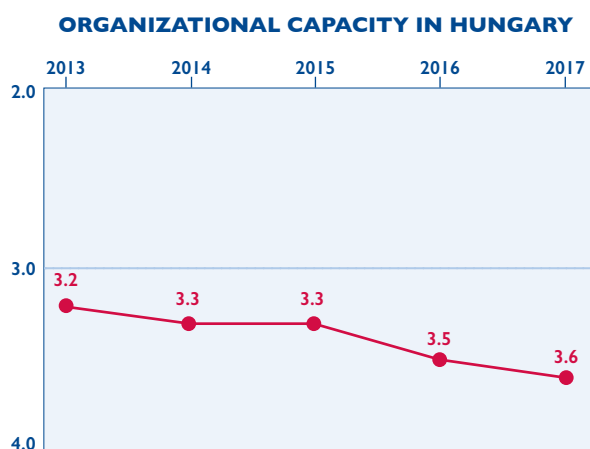
In theory, CSOs are still allowed to raise funds freely, to earn income, and to enter into contracts. In practice, however, they face serious constraints, as described in more detail in the Financial Viability section below. CSOs can accept funds from foreign donors, but this leads to stigmatization according to the new legislation.

Local legal capacity is improving somewhat as a result of the work of pro bono lawyers coordinated by organizations like the Global Network for Public Interest Law (PILnet) and the Hungarian Civil Liberties Union (HCLU), but is still insufficient to meet the growing need and demand for legal advice and services.

ORGANIZATIONAL CAPACITY: 3.6

In 2017, the adverse legal, political, and financial environment further impeded CSOs' options and efforts to improve or even maintain their capacities.

While most CSOs have written missions and goals, few are able to organize their work around well-defined strategies – partly because of the unpredictable external environment and partly due to the lack of internal planning capacities. The same applies to internal management systems. Only large, well established CSOs (most of which are based in Budapest) have clear structures and divisions of responsibilities. Smaller, more rural organizations are still largely “one man shows,” led and managed by only a few people. At the same time, an increasing number of CSOs—especially those that feel threatened by state harassment—are striving to improve their governance,



procedures, and transparency.

CSOs' experience with constituency building in 2017 was mixed. As a result of the government's smear campaigns, more and more CSOs, including smaller groups, understand the need to build their memberships and circles of supporters. However, these efforts continue to be ad hoc. The massive wave of volunteering observed in 2015 during the immigration crisis has faded. However, many of the people that became active continue to be engaged locally, often working in informal groups, for example, to help the homeless and people living in poverty. For example, the Bike Mafias are an initiative of cyclists providing food aid that started in Budapest but now have spread to several countryside cities. At the

same time, the ongoing negative propaganda has had a negative effect on CSOs' constituency building efforts, as a significant portion of the population has become more skeptical and suspicious of CSOs.

Under these circumstances, retaining professional staff continues to be a serious problem for most CSOs, especially the smaller ones. According to the latest official statistics, the number of employees in the sector remained constant from 2015 to 2016. CSOs often hire employees on a part-time, project basis, and once funding runs out, have no means to keep them employed. Tasks like accounting and legal support are usually outsourced. Most CSOs have no capacity to provide training for their staff. CSOs can employ people through the public works schemes, which helps to some degree.

Volunteerism is still not widespread. According to the 2017 World Giving Index, Hungary is ranked 123rd in volunteering out of 140 countries, with just 9 percent of the population reporting that they had volunteered in 2016, the same as the previous year. Research by the Hungarian Statistical Office further indicates that most volunteerism does not benefit CSOs, finding that 94 percent of people who volunteer do so informally in their communities, and not through CSOs. Most CSOs have access to the Internet. Their online presence is often limited to Facebook, and is rather ad hoc. CSOs differ significantly in how proficiently they use social media, including the frequency and usefulness of posting and the use of visual materials. Most CSOs have basic equipment, but struggle to replace and modernize it given the worsening financial conditions.

FINANCIAL VIABILITY: 4.4

The financial situation in 2017 was characterized by a theoretical abundance of funding on one hand and “starving” CSOs on the other, the latter including organizations working on issues not favored by the government. For example, all major women’s rights organizations had to lay off their staff and now work on a purely voluntary basis due to the lack of funds. The negative attitude towards CSOs has already had an impact on financial viability: corporate and private donors are distancing themselves from CSOs, either stopping their funding or making donations anonymously.

According to the latest official statistics available, the sector’s total income in 2016 was around 630 billion HUF (\$2.33 billion), but 40 percent of organizations still operate with an annual budget of less than 500,000 HUF (approximately \$1,850). There is also a strong gap between the capital and the rest of the country, with Budapest-based organizations claiming 60 percent of the sector’s income. The income structure of the sector as a whole is diverse, comprising public and private funding, as well as earned income. Most funding is short-term (usually a year), making sustainability uncertain.

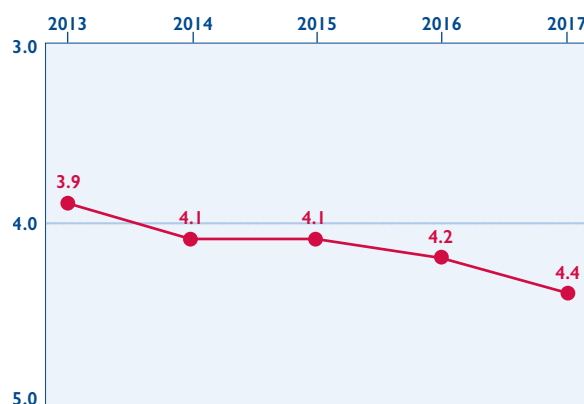
Public funding still constitutes an important source of support for the sector. According to the latest official statistics, public funding accounted for 38 percent of the sector’s total income in 2016, a slight increase from the previous year. The distribution of EU Structural Funds accelerated in 2017, with a large number of grants awarded. However, there are very few programs for which CSOs can apply by themselves – they are primarily only eligible as partners of local governments or churches. Therefore, only CSOs that express support for official policies and do not criticize the government have much chance of winning EU grants. The same applies to funding from the National Cooperation Fund (NCF), the key state financing mechanism that supports CSOs’ institutional costs. NCF distributed approximately 6,000 grants valued at 5 billion HUF (approximately \$18.5 million) in 2017. Political bias in the distribution of public funds is well-known and increasing. A characteristic case was that of the so-called Civil Union Forum, a CSO that is fully funded by the government, state-owned companies, and companies owned by oligarchs. Investigative journalists revealed that the state-owned electric company provided a subsidy to the Forum of 500 million HUF (approximately \$1.85 million); no other organizations received amounts anywhere near this magnitude. Even after this information was made public, the Forum was reluctant to reveal what it used the money for. CSOs working on sensitive or controversial issues (such as gender and drug prevention) are virtually excluded from public support.

CSOs receiving funds from non-domestic sources are stigmatized both by the new law and government rhetoric; this is especially true of those supported by the Open Society Foundations. Other major international donors, while expressing their concern over shrinking civil space in the region, have so far made only minor contributions. The launch of the new financing period of the European Economic Area/Norway (EEA/Norway) Grants, an important source of funding for CSOs over the last several years, was delayed due to disagreements between donors and the Hungarian government over the program’s management. There are no signs that the Swiss-Hungarian NGO Block Grant will resume funding.

Fundraising from private sources, including through the use of various crowdsourcing tools (e.g. adjukossze.hu), are becoming more popular; but still primarily benefits CSOs with professional communication skills, as well as independent media outlets. In addition, more and more CSOs are experimenting with innovative fundraising events, such as running for a cause. Collections for charitable purposes are sometimes successful at raising funds for individual actions.

For example, 1.7 million HUF (approximately \$6,300) was collected during the largest demonstration against the “foreign funded” law in April. According to the CAF World Giving Index, Hungary ranked 103rd in terms of donating to charities in 2017, with just 13 percent of the respondents reporting donating money during the reporting period in 2016, a decrease of 3 percent from the previous year.

FINANCIAL VIABILITY IN HUNGARY



Membership fees still represent a minor share of the sector's overall income. The total amount of 1 percent income tax assignments decreased from 8.5 to 7.5 billion HUF (approximately \$31.5 million to \$27.8 million) between 2016 and 2017, largely due to the introduction of a new "automatic" tax declaration system. This is the first time in several years that the amounts designated through this mechanism have decreased. The major beneficiaries of tax assignments continue to be foundations helping sick children and hospitals, as well as animal shelters. At the same time, some harassed organizations, such as the Hungarian Civil Liberties Union, were able to increase their income from tax assignments during the year as a result of increased public attention and visibility.

Although there is no concrete data, corporate giving seems to have increased slightly, and is still championed by multinational corporations. Hungarian-owned businesses give mostly along political lines or within their personal networks.

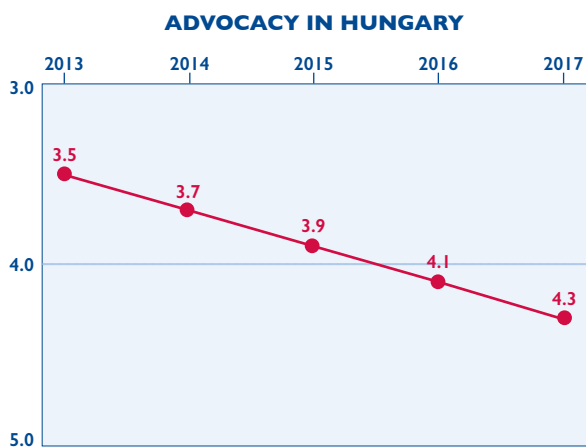
In theory, CSOs can generate income by selling or contracting for goods and services, but in practice, this is rare. Social entrepreneurship is fashionable and social enterprises can apply for support from both the EU and private foundations. Nonetheless, there are still only a few enterprises that are able to operate without external funding, such as a ten-year old restaurant in Szekszárd that employs people with disabilities.

There are significant differences between the financial management systems of larger and smaller CSOs. Larger CSOs—especially those under threat of harassment or inspections—rigorously follow the rules and operate in a transparent manner; while smaller organizations, especially those in the countryside, are often not able to afford the necessary expertise to do so. While some companies have pro bono programs in this field, these are often not adapted to the circumstances of CSOs, and therefore their usefulness is limited.

ADVOCACY: 4.3

In the present political environment, CSO advocacy is virtually non-existent.

Traditional channels of advocacy—both formal (such as consultative bodies and processes) and informal (petitions and signature collections)—ceased functioning years ago. While legislation provides for public participation in decision making, in practice these requirements are generally circumvented and decisions are instead made behind closed doors, without any involvement by the affected stakeholders. More often than not,



existing consultative bodies are only "fronts" filled with loyal partners of the government, eliminating the possibility of criticism. An example is the Public Education Roundtable, which includes as members churches and the Academy of Arts, in addition to education professionals. Teachers' unions boycott this body, as it refuses to constructively discuss their proposals and demands. In general, anyone—including CSOs—publicly expressing opinions or criticism on policy matters is immediately labelled as "political," "oppositional," or even a "foreign agent." Authorities often obstruct public access to information by disclosing data only after a court ruling requiring that they do so, or by demanding excessive "cost recovery" (there have been cases where more than \$1,000 was sought for a

few pages). This practice is becoming more prevalent not only on the national, but also the local level – although there are some isolated examples of local governments embracing participatory processes as well, mainly in towns and districts led by independent or opposition mayors.

The government is increasingly unresponsive to massive public demonstrations. In 2017, the protest against the “foreign funded” law during the spring was the most important joint CSO advocacy effort. The campaign involved a broad coalition of almost 300 organizations and included street rallies, letter writing campaigns, and a protest in the parliament. While these efforts attracted significant international attention, the law was still passed virtually unchanged. While there were no other major advocacy efforts, some smaller campaigns had results during the year. For example, after years of campaigning by local citizen groups in alliance with Greenpeace, plans to build a mobile dam in the last natural riverside area of Budapest now seem to have been dropped.

Other than the massive effort against the “foreign funded” law, advocacy for CSO law reform was virtually non-existent in 2017. CSOs instead focused on defending themselves in the face of restrictions and limitations.

SERVICE PROVISION: 3.4

In 2017, the negative trends of the past years continued to affect service provision.

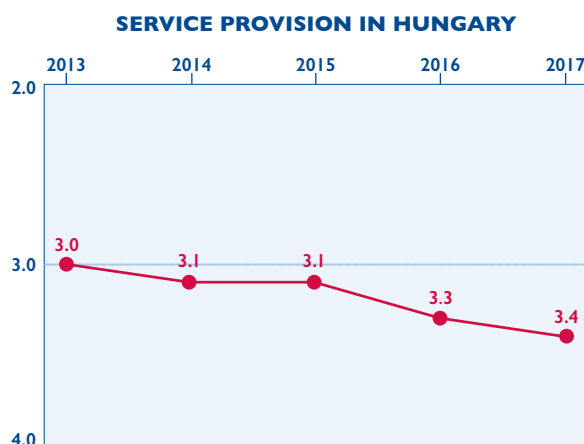
Many CSOs provide services in education, health, social benefits, and housing, but their opportunities to do so continue to shrink. Most of these sectors are nationalized, and services are provided by state institutions or outsourced exclusively to churches and state-owned companies. As a result, there is hardly any state funding available for CSOs to provide services in these areas. At the same time, the government—both national and local—attempts to downplay the gravity of social problems and issues, stressing that public institutions can take care of everything without the assistance of independent actors. Even the distribution of food relief in public spaces, including soup kitchens, has been obstructed. For example, Debrecen passed a local decree imposing fees on such activities, while the 7th district of Budapest denied some CSOs permission to use public areas for such purposes in an apparent attempt to hide homelessness and poverty from the public eye.

State control of service provision is also increasing. A good example is the Szentendre Open-air Ethnographic Museum’s coordination of a large project using EU

Structural Funds to support cohesion of local communities. The project began by selecting and training more than sixty community development mentors, many of whom had CSO backgrounds. However, after training was completed, but before the actual work started, the Museum, which is a public institution, was pushed to lay-off about one-third of the would-be mentors. According to media articles, their places were to be filled instead by people loyal to mayors and local assemblymen.

An October amendment to the law on cooperatives, which covers social cooperatives—an important legal form that provides employment and services to disadvantaged people—is another example of increased state control. The amendment requires social cooperatives to involve at least one representative from the local or minority self-government as members. Only those on good terms with their municipalities are able to meet this requirement. The national alliance of cooperatives protested against this new obligation, without success.

CSOs provide services beyond their own members, relying on foreign funding, private donations, and voluntary work to do so. Most services are provided without discrimination to the most marginalized and neglected groups, including those living in deep poverty, Roma, homeless, and drug users. As they respond to very obvious needs and fill visible gaps, most CSOs do not conduct assessments or collect data about their services. The measurement of results and impact is at best limited to collecting information demanded by donors. CSOs mostly provide their services free of charge as their target groups are usually not in the position to pay any fees. In addition, beneficiaries have become

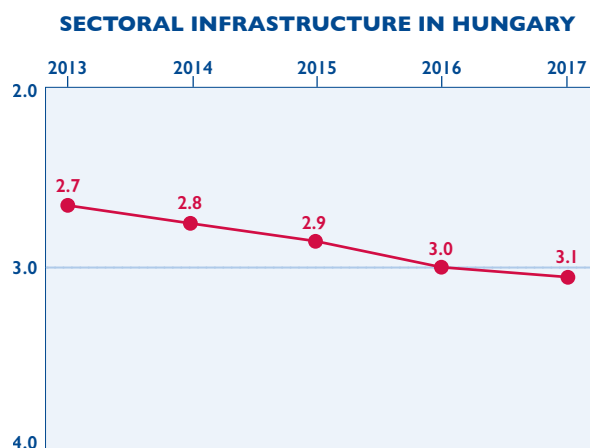


used to receiving help for free. Many CSOs produce valuable materials, including studies and analyses. However, in the absence of a real market for their products, there are only a few CSOs working in specialized areas (e.g., energy planning for municipalities) that can effectively “sell” their services, and they still must compete with for-profits.

Governmental recognition of CSO service provision is rare, and if there is recognition, it is generally only rhetorical, without any accompanying contracts or practice. Indeed, as an indirect consequence of the “foreign funded” law and the accompanying vilification and smear campaigns, CSOs report increasing difficulties in cooperating with state institutions as the government further distances itself from independent CSOs. For example, during the fall, the prison system terminated long-standing cooperation agreements with the Hungarian Helsinki Committee, the prison radio association, and even the Red Cross. Schools that are now managed by central authorities are reluctant to cooperate with CSOs for fear of repercussions, and therefore bar them from running various education projects. Such developments further limit CSOs’ opportunities to reach their target groups.

SECTORAL INFRASTRUCTURE: 3.1

Continuing negative trends also affected the infrastructure supporting the CSO sector in 2017.



The network of government-appointed county Civil Information Centers is still operational, although many of the host organizations have insufficient professional capacities to provide meaningful services to CSOs. Many only organize occasional gatherings or distribute very basic information, activities that do little to develop the sector. Those with stronger commitment and expertise, such as the Civil House in Pécs, do not receive sufficient funds to perform well.

Recognizing these gaps, the Open Society Foundations initiated a new regional program in the fall of 2017, selecting and contracting CSOs in two regions (the Association of Alternative Communities in the northeast and With the Power of Humanity Foundation in the southwest) to develop regional

community resource centers and manage small grant programs for local groups. These CSOs were immediately subjected to harassment and smear campaigns by governmental and municipal leaders. There are few local grantmaking organizations beyond this effort. Four community foundations operate in the country: the oldest is the Ferencvaros Community Foundation, which operates in the ninth district of Budapest, while the others operate in Pécs, Miskolc, and the Danube-bend region; a fifth one is being developed in Nyíregyháza. However, these are still quite young and have not yet become significant actors in their communities. Several large businesses such as Tesco continued in 2017 to offer small grant programs focusing on local communities with similar levels of funding.

Coalition building is one of the few areas in which there were important positive developments in 2017. In response to plans to introduce restrictive legislation, approximately thirty major nationwide CSOs formed the Civilization campaign in early 2017, eventually getting the endorsement of almost 300 organizations from around the country. Civilization was the main coordinating force of the protest against what later became the “foreign funded” law. Its participants also organized a number of other activities, including a “roadshow” of CSO nights in the five major countryside cities in October, which brought together representatives of major, Budapest-based CSOs with their local counterparts, and served to increase their networking and visibility at the same time. Other more traditional networks and coalitions, including the consortium of resource centers, have become less active or disappeared completely.

In theory, there are professional organizations such as Civil Support with the skills to provide trainings to CSOs in various fields, however, most CSOs lack the resources (financial and human) to use these services. As a result of

changes in the law on adult education in 2017 and the preceding years, the accreditation of trainings has become more burdensome and bureaucratic. Without accreditation, however, training organizations cannot apply for public funding to cover their costs. Indeed, nonprofit trainers increasingly offer their services outside of the sector. The gap left is increasingly filled by for-profit consultancies that offer trainings for a fee or sometimes as part of their pro bono programs. Donors such as the Open Society Foundations and Ashoka only initiated one or two capacity building programs in 2017.

As a consequence of the above trends, intersectoral partnerships are rare and weak. The Hungarian Donors' Forum tries to promote business cooperation, with some success, and many CSOs work with independent media outlets (mostly online), but the government only partners with its "own" organizations.

PUBLIC IMAGE: 4.1

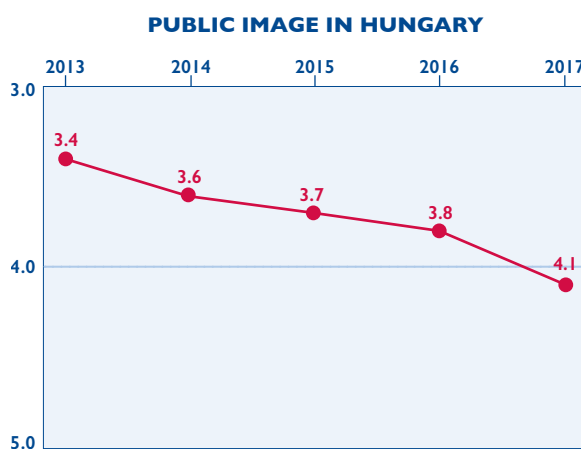
The government's anti-CSO propaganda was a key feature of the public discourse in 2017. The ruling political elite refers to critical or even independent CSOs as threats to the country's national security. Political leaders regard CSOs receiving foreign funding as puppets of their funders, carrying out a master plan to undermine the sovereignty of Hungary. Such statements are made on a daily basis in parliament, at press conferences, and in official government and party press statements. Prime Minister Orbán, other key government figures, and leaders of the ruling coalition parties regularly indicate that the full might of the state, including the police, prosecutors, and secret services, will be used against such CSOs in order to safeguard the national interests.

The public image of CSOs is strongly influenced by the media landscape, which is dominated by the government: approximately 70-80 percent of media outlets belong either to the public media network or are owned by pro-government businesses. In 2017, pro-government businesses continued to takeover regional media outlets, including county newspapers and local radio stations.

The government-friendly media frequently publishes articles naming organizations as traitors and accusing civic leaders of heading up organizations carrying out illegal, dodgy, or useless activities. Otherwise, these outlets do not give space to independent (or critical) CSOs. They cover only non-controversial charitable activities, and actively participate in and report about the government's smear campaigns against CSOs and immigrants, calling them "security threats" and "Soros agents". With the takeover of regional media, this trend now increasingly affects local organizations; national CSOs have been victims of this vilification campaign for years. At the same time, the remaining (mostly online) independent media, increasingly cover the work of CSOs. However, this cannot compensate for coverage of the pro-government propaganda and intimidation, which has a much broader reach.

During the year, a number of entities, including Závecz Research, Civil College Foundation, Publicus, and Republikon Institute, conducted public opinion surveys concerning CSOs. According to the survey findings, about 40-50 percent (depending on the survey) of respondents generally consider CSOs and their work important, as opposed to approximately 30 percent who think otherwise. However, public support for the sector has decreased over time, with respondents becoming more insecure in their opinions. For example, Republikon found that the proportion of those who do not consider the work of CSOs important grew from 9 percent in March to 15 percent in September. The Publicus survey found that only 18 percent of the respondents could name a single CSO, showing that Hungarians are still largely ignorant about the sector.

The government attempts to divide the sector by categorizing CSOs as "good" and "bad" organizations – the former includes small charitable or recreational associations, while the latter covers all groups engaged in advocacy



or politically unpopular issues. This distinction is made by calling “good” groups “civic,” while referring to the latter category of groups as “NGOs,” using the English abbreviation, which further distances them from the public.

The business sector is still more open towards CSOs, but is reluctant to speak out publicly.

CSOs increasingly realize the need to step up their public relations and communication efforts. Given their lack of access to mainstream media, they increasingly rely on social media, predominantly Facebook, and personal communication. Hungarian Civils (Magyar Civilek or MACI), a joint campaign signed by about 300 CSOs, aims to promote a positive image of CSOs; the Civilization campaign also works in this area.

CSOs are legally obligated to publish annual reports, and most do so. Major organizations make serious efforts to further improve their transparency. There is still no generally accepted code of ethics, although the Self-Governing Body of Fundraising Organizations further increased its membership during the last year.