



The Norwegian response to the KEHI report

2014. 10. 28. // Below are the statements for the press from the Norwegian government concerning the situation with the EEA and Norway Grants in Hungary and the newly released KEHI report.

- Through agreements with the European Union and the Hungarian Government, Norway has committed itself to make available close to €150 million to Hungary to contribute to secure a stable, peaceful and prosperous Europe, based on good governance, democratic institutions, the rule of law, respect for human rights and sustainable development.
- Due to unilateral breach of these agreements by the Hungarian Government, the funds to Hungary was suspended in May of this year, with the exception of funds for NGOs and adaption to climate change that are not run by the Hungarian Government.
- The KEHI-audit of the NGO-fund is in breach with the agreements governing the EEA-grants. No funds from the Hungarian state budget are at stake and the donors will not accept discussions based on this report. The donors will base their evaluation of the NGO-fund on an independent audit.

- We find the actions taken by the Hungarian government against the fund operator of the NGO-fund, Ökotárs to show a troubling lack of respect for the independence of civil society. As such, we believe the Hungarian government is challenging basic democratic values underpinning European co-operation.
- The agreements on the EEA and Norway grants will have to be respected by Hungary, as indeed they are by the other 15 recipient countries. The suspension of the grants can only be lifted when the issues of the management of the grants are resolved and the NGO fund and its operator are allowed to function as stipulated in the agreements on the EEA and Norway grants.
- A solution of the situation would require that the signed agreements and the agreed framework for implementation of the EEA and Norway grants are honoured and respected.
- As soon as the Hungarian government express commitment to resolve the open issues, including a satisfactory solution for the NGO fund, Norway is willing to resume discussions to find solutions within the frame of existing agreements