



**SOVEREIGNTY
PROTECTION OFFICE**

INQUIRY REPORT

The impact of Transparency International Hungary's activities on Hungarian sovereignty

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SUMMARY FINDINGS

On 18 June 2024, the Sovereignty Protection Office launched an individual – comprehensive – inquiry in connection with the activities of the Transparency International Hungary Foundation.

The Sovereignty Protection Office (hereinafter: Office) sent a letter to the Foundation informing it of the launch of the inquiry and requesting it to provide documents relating to the transparency of the organisation's operation and activities. The Office drew the attention of the Executive Director to his obligation to respond and cooperate. In his reply, József Péter Martin refused to provide the necessary information and to cooperate with the Office.

The Office has concluded its investigation, which has led to the following main findings:

1. The review of the funding, activities and network of connections of the Transparency International Hungary Foundation (hereinafter: TIH; organisation) confirms that the organisation under inquiry pursues its activity to exert political pressure as part of a global lobbying network that has been operating for more than thirty years, and for the interests of the great powers behind the network. The Transparency International network (hereafter: TI) was created and its leaders were delegated by the World Bank, which represents the interests of the United States of America, and its objectives are subordinated to the strategic objectives of the United States of America enforced through the World Bank. The Office's report provides details of the history and activities of the network and TIH's connection points.
2. TIH operates with foreign public funding. The main funders of the international network that runs the organisation are the World Bank's states with the largest voting powers and the European Commission (EC), with George Soros's Open Society Foundation among the major donors. There is a significant overlap between the donors of TIH, which operates under the rules of the international organisation, and the funders of TI. More than 80 percent of the organisation is run with foreign funding.
3. The first Hungarian chapter of Transparency International was founded in 1996 by the US interest in the privatisation process that was launched as a "conditionality" for World Bank loans. The real intention of founding the organisation is also proven by the fact that a member of the then ruling party was the main organiser of the association, which was set up to "investigate government corruption". The association ceased its activities in 2005, according to the official explanation, due to a lack of public interest in the issue of corruption and funding problems. In fact, its main funder, the Soros Foundation, had withdrawn its support. Two years later, in 2007, the Hungarian chapter of TI was re-established as a foundation. The interests, aims and funding of the new organisation are the same as those of its predecessor.

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4. On the basis of the inquiry into TIH, the Office shows in its report that the concepts of “transparency” and “anti-corruption”, which are thematised by the international network behind the organisation, are not ultimately intended to promote fairness in public life and even competition between market participants, but are weapons of the enforcement of US economic and political interests. TI – and the Partnership for Transparency, which works closely with it – is appropriating this issue to pursue its disinformation-based influence, which is harmful to Hungary and stigmatises Hungary and Hungarian state institutions. By exerting continued pressure, TIH contributes to forcing a political and public environment which ensures a status quo that serves US interests. This makes it clear why the US has an interest in spending US taxpayers’ money on Hungarian political organisations.
5. The main weapon of the network and the organisation, which operates according to the rules and objectives of the former, is the Corruption Perceptions Index, which is produced at the Berlin headquarters and can be manipulated by the organisations that fund TI and/or collaborate with TI, as well as by TI itself. The report points out that the Corruption Perceptions Index and its use has all the formal elements of disinformation, and can be considered disinformation because it is capable of making untrue allegations appear to be true. The report proves that the methodology of the Corruption Perceptions Index published annually by TI is manipulative and that this methodology makes the Corruption Perceptions Index suitable for influencing the international perception of countries. TIH is trying to discredit Hungary and the Hungarian state administration bodies by communicating this survey disguised as a scientific one. The organisation is causing real political, economic and social damage to Hungary with its shadow reports to the European Commission, which contain disinformation based on partial information, conjecture and rumours, or at best media reports.
6. TIH conducts a disinformation campaign to influence public and social decision-making processes through the so-called shadow reports that it provides annually to the European Commission. The methodology of shadow reporting remains hidden from Hungarian society, while the disinformation campaign based on it attempts to limit Hungary’s capacity to defend its political and economic interests on the international stage. Furthermore, the TIH shadow reports accompanying the rule of law reports have the potential to influence domestic democratic competition.
7. The organisation refused to cooperate in the individual – comprehensive – inquiry into the activities of TIH and made this clear in its initial response to the Office’s request regarding the launch of the inquiry. On the basis of the analysis of the information and the assessment of the connections nevertheless found, the Office has concluded that the organisation’s operation is not transparent.