

PHOTO OF THE DAY



Newborn albino buffalo calf in the Balaton Uplands National Park

MTI/György Varga

UPCOMING EVENTS

Stats office releases prelim report on Jan-Sept wages

Hungary-Russia intergovernmental economic committee meets

Intl public transport conference in Szeged

Hungarian Academy of Arts holds general assembly

TOP STORY

SZIJJÁRTÓ: GRUEVSKI CROSSED BORDER LEGALLY

Nikola Gruevski, the former Macedonian prime minister, had to cross three borders in order to enter Hungary, Péter Szijjártó, the foreign minister, said. "In all three cases he did so lawfully," he said.

Szijjártó insisted that Gruevski handed over his travel documents and the authorities checked them in every instance. The minister dismissed reports that Hungarian diplomats had helped to "smuggle" Gruevski out of Macedonia. Diplomats first encountered Gruevski at the Hungarian embassy in Tirana, and were then informed about his application for asylum, he said. Answering a question, Szijjártó said he was unaware of whether Gruevski's exit from Macedonia had been the result of a domestic political backroom deal. "Dialogue with Macedonia is ongoing," he said, adding he was in contact with his Macedonian counterpart as was Hungary's interior minister.

Szijjártó said he would next meet his counterpart in early December at a NATO meeting of foreign ministers. Szijjártó said it was not the first time that asylum had been sought by government members of other countries and granted. He added that his ministry had nothing to do with the matter, since the decision on Gruevski did not fall within the scope of its authority. Gruevski said on Tuesday that he had been granted asylum in Hungary.

PINTÉR: AUTHORITY 'MADE NO MISTAKE' IN GRUEVSKI PROCEDURE

The immigration and asylum office "did not make any mistake" and the information it provided concerning the asylum case of former Macedonian PM Nikola Gruevski was "precise, professional and legitimate", the interior minister told the press. Speaking after a meeting of parliament's national security committee, Sándor Pintér said that "the office never discloses details about such procedures" and added that such information could only be provided to the United Nations. He also added that the applicant is not bound by rules of secrecy and is free to disclose any details. "This might explain what has been published in the press," he said.

Ádám Mirkóczki, the head of the committee delegated by conservative Jobbik, said that the Gruevski affair impacts national security. "It must be revealed if Hungarian authorities or secret services had a role [in Gruevski's flight to Hungary], if laws have been violated, and if a convicted criminal can be sheltered in the European Union," he said.

János Halász, deputy head of the committee delegated by ruling Fidesz, said that "Gruevski is persecuted by a Socialist government backed by [US financier George] Soros". He insisted that "the opposition has created a political case" around Gruevski's asylum request. He said that "while

migration is on the increase across the Balkans ... opposition politicians were only asking questions about the Gruevski affair".

Zsolt Molnár, a Socialist member of the committee, called the attitude of ruling party deputies "unacceptable" and voiced regret that "important national security questions were not addressed" despite the interior minister's presence at the committee meeting.

JOBBIK TURNS TO EC OVER GRUEVSKI AFFAIR

Conservative opposition Jobbik is turning to the European Commission over the case of former Macedonian PM Nikola Gruevski, Márton Gyöngyösi, the party's deputy leader, told a press conference he held jointly with Ádám Mirkóczki, the (Jobbik) head of parliament's national security committee. Gyöngyösi said his party wanted to know whether the EC has examined how the principles of the rule of law are applied in Macedonia's justice and legal systems. If Macedonia "passes the test", the Hungarian authorities will have no choice but to extradite Gruevski, he said. But if the EC has not looked into the state of the rule of law in that country, Jobbik expects it to, he added.

Gyöngyösi said the Gruevski affair raised "countless questions" about the Hungarian government's former dealings with the Macedonian ex-premier, whom he called "the originator and primary user of the

'Stop Soros' campaigns". He said Foreign Minister Péter Szijjártó had even addressed one of Gruevski's past campaign events. He said it was "no accident" that Viktor Orbán's government "has granted asylum to Mr. Gruevski on the grounds that the former prime minister was fleeing the revenge of Soros".

In response to a question, Mirkóczki said the EC had no deadline to respond to Jobbik's query. He added, however, that given the magnitude of the case "and the international scandal it has caused", the party expects the body to respond in a relatively short amount of time. Mirkóczki said the government had "misled" the national security committee, arguing that the foreign ministry had told him that neither it, nor the intelligence community had any information on the Gruevski affair. He said that contrary to the government's communication, the decision to grant Gruevski asylum was a political, rather than a legal one.

SZIJJÁRTÓ: GOAL IS FOR A STRONG AND SUCCESSFUL EUROPE

Everyone wants a strong and successful Europe, but views on how to achieve this differ, Péter Szijjártó, the foreign minister, told a conference. Speaking at the National University of Public Service, Szijjártó said some believe that Brussels must accumulate as many powers as possible at the expense of member states. Hungary rejects the idea of a united states of Europe and the notion

that member states should distance themselves from their national and cultural identities, he added.

In order for Europe to be strong and competitive, competition must be allowed within the European Union, he said. Security must be returned to the people of Europe and Christian culture and identity preserved, he added.

Further, an objective debate on the multiannual European budget is needed, Szijjártó said. He also called for the EU integration of the Western Balkans to be accelerated.

The minister said Europe was on the threshold of new historic challenges. Seldom have domestic and international politics been quite so intertwined, he said, adding that this "new world order" presents new kinds of questions for the future of Europe. He noted security challenges such as "a war taking place in our immediate neighbourhood" and terrorist threats. Mass illegal migration, he added, resulted in "parallel societies" in several western European cities.

Brexit is leading to the loss of a "very important" member state, and Europe's Christian identity has been questioned, he said. Views on the role of nation states are no longer identical, Szijjártó said.

Furthermore, concerted efforts are being made to conclude all outstanding issues before the European parliamentary elections, he added. Szijjártó said it is important for there to be debates on the EU's future. But, he added, disputes quickly become emotional, and those opposed to the mainstream are soon stigmatised. "For

these debates to be fought successfully, they must be based on common sense and mutual respect," he said.

LMP CALLS FOR JOINT PARLT CTTEE HEARING OVER GRUEVSKI AFFAIR

Márta Demeter, co-leader of opposition LMP, on Wednesday called for a special joint session of parliament's defence and foreign affairs committees over the case of former Macedonian PM Nikola Gruevski. Demeter, who heads the defence and law enforcement committee, said in a statement that she was calling for the committees to hear Foreign Minister Péter Szijjártó, József Czukor, the head of the National Information Office, and Zsuzsanna Végh, director-general of the immigration and asylum office regarding the Gruevski affair. "It has become clear from the statements made by government officials and investigative media reports that Hungarian foreign offices and personnel posted abroad played an active role in the process that led to former Macedonian Prime Minister Nikola Gruevski, who has been sentenced to prison in his country, entering Hungary and being granted asylum in a remarkably quick procedure," Demeter said.

NIEDERMÜLLER ASKS EPP ABOUT GRUEVSKI AFFAIR

Opposition Democratic Coalition MEP Péter Niedermüller has

submitted questions to European People's Party group leader Manfred Weber concerning the case of former Macedonian Prime Minister Nikola Gruevski who said on his Facebook page on Tuesday that his asylum request in Hungary had been approved. Has the Hungarian government acted in keeping with the law when Gruevski, convicted on corruption charges, was granted asylum, Niedermüller asked Weber. Has the Hungarian government acted in the interest of European security "when it provided a car with a diplomatic licence plate and a one-off entry permit" to help Gruevski's entry in the European Union, he added. If the EPP keeps Hungary's Fidesz among its members in order to acquire a majority at next year's European parliamentary elections, it will be "clear that it has no political morals, only pseudo-principles", Niedermüller said.

GOVT OFFICIAL DISCUSSES ENERGY SECURITY, DEFENCE COOPERATION WITH US OFFICIALS

A foreign ministry official has met US government officials to discuss energy security in central and eastern Europe, the renewal of the US-Hungarian defence cooperation and aid for persecuted Christians in the Middle East.

Relations between the countries have changed since the election of Donald Trump as president, Levente Magyar, foreign ministry state

secretary, told MTI during a two-day visit to Washington. Bilateral talks are now “friendly and cooperative”.

Magyar met Wess Mitchell, the assistant secretary of state for European and Eurasian affairs, Fiona Hill, a senior director of the National Security Council, Kurt Volker, the US Special Representative for Ukraine, Deputy Secretary of Energy Dan Brouillette and Theodore Garrish, an assistant secretary at the Energy Department. He also met members of the US-Hungarian Business Council.

Regarding energy security, Magyar said talks focused on Hungary’s aim to diversify its energy supplies. “Our main goals have been the same for 30 years, because Hungary’s dependence on one resource of natural gas [from Russia] is unhealthy,” Magyar said. Hungary has so far been working on diversifying its access to natural gas by drawing on its own resources in cooperation with its neighbours, but without substantial help from the EU or the US, he said.

“Right now, curbing central Europe’s dependence on Russian gas is not dependent on Hungary,” Magyar said, adding that Hungary counted on US help to promote political decision-making and economic processes that result in other countries in the region taking the necessary steps to achieve energy independence.

Magyar also had talks on the legal framework of a defence cooperation agreement that “renews current regulations while serving both countries’ interests and fully

respecting Hungarian sovereignty”. Improving bilateral relations will pave the way for the signing of such an agreement in the near future, he said. The state secretary also had talks on coordinating US and Hungarian aid efforts for persecuted Christians in the Middle East. “Helping Christians in the region aligns with the Hungarian government’s aim to deliver aid to where the trouble is in contradistinction to the mainstream European rhetoric of supporting and boosting illegal migration,” he said.

GOVT OFFICIAL: GHANA, HUNGARY RELATIONS ON THE RISE

Hungary sees Ghana as a special trading partner and is proud that professional and diplomatic relations are on the upswing, Sándor Farkas, the agriculture ministry state secretary, said in Gödöllő, near Budapest, at the opening of the fourth Ghanaian-Hungarian Business Forum. Farkas said that Hungarian agricultural companies are already active in the country, citing Bábolna Tetra and a joint Ghanaian-Hungarian farm as examples. The state secretary welcomed progress in talks to market a Hungarian product dubbed Water Retainer, designed to retain ground waters and improve soil quality, in Ghana. Hungarian products have already been shown at a Ghanaian-Hungarian agriculture and processing industries forum, he noted. The Hungarian foreign ministry plans to set up regional agricultural centres

to promote the transfer of knowledge and technology, Farkas said. Csaba Gyuricza, head of the national farm research and innovation centre, referred to a mango processing plant and farms to test the cultivation of basic food crops in Ghana as examples of booming cooperation. An exchange programme for young scientists, the first concluded with an African country, has also been launched, he said.

DK: ASSETS DECLARATION PROCEDURE AGAINST ORBÁN REJECTED

Parliament’s immunity committee has rejected a proposal by the opposition Democratic Coalition (DK) party to start an assets declaration procedure against Prime Minister Viktor Orbán, the party group’s spokesman said. DK submitted the proposal because Orbán has been regularly travelling to football matches on a businessman’s private jet worth 17 billion forints (EUR 53m), and he failed to include his “luxury trips” in his assets declaration, Zsolt Gréczy told a press conference. The immunity committee rejected the proposal on the grounds that presents and benefits must be included in assets declarations only if the prime minister received them in his capacity as a member of parliament, Gréczy said. “When billionaire businessmen win public monies, then Orbán is viewed as a prime minister, but when in exchange he is flown around on luxury private jets, then all of a sudden he becomes a private individual,”

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Gréczy added. The committee has decided that a trip to a sports event where Hungarians are among the participants cannot be considered a gift, he said.

In response to a question concerning whether DK leader Ferenc Gyurcsány would dissociate himself from Bulgarian businessman Tsvetan Vasilev, who is wanted by Interpol in connection with the suspected embezzlement of 600 billion forints worth of funds, he said that, contrary to media reports, Gyurcsány had never had a business partner named Vasilev.

EMPLOYERS, UNIONS AIM TO SET CONDITIONAL MINIMUM WAGE RISES FOR 2-3 YEARS

Employers and unions have agreed that the rate of minimum wage hikes should be set over the coming period of two to three years, the daily Magyar Idők said. Minimum wages for skilled work is currently 180,500 forints (EUR 561.2), while unskilled labourers get 138,000. The minimum wage has risen markedly since the government reached an agreement late in 2016 with employers and unions on pay increases paired with payroll tax cuts over a period of six years. The agreement specified minimum wage rises for 2017 and 2018, but not for the subsequent years. Magyar Idők said unions on Tuesday continued to press for a double-digit minimum wage increase next year, while employers argued that the minimum wage

cannot rise sustainably at a rate that exceeds economic growth.

LMP: NUMBER OF WORKING POOR RISES DRASTICALLY IN HUNGARY

The number of people with jobs living in poverty has doubled in the past seven years in Hungary to nearly 450,000, or 10% of job-holders, green opposition LMP's Antal Csárdi said, citing Eurostat data. The number of working poor grew fastest in Hungary in EU comparison, he said. No work-based society can be created without "decent" wages, Csárdi said. The government uses "doctored" data, emphasising the average wage, while nearly three-quarters of employees earn below that marker. High inflation further erodes their income, he said. The Central Statistical Office reported that the average gross monthly wage in Hungary stood at 321,200 forints (EUR 998.7) in August. Csárdi called for scrapping the flat personal income tax system "which only benefits the top 20% of society". He said it should be replaced with progressive taxation, "a fair and sustainable tax rate for people with average income" and a tax-free minimum wage. Those measures would boost consumption and so benefit the economy, he said.

BUDGET DEFICIT 123%/FY TARGET AT END-OCT

Hungary's cash flow-based budget, excluding local councils, ran a 1,678

billion forint (EUR 5.2bn) deficit at the end of October, the finance ministry said in a second reading on Wednesday. The deficit hit 123.3% of the 1,360.7 billion forint full-year target. In October, the budget had a 181.6 billion shortfall.

The ministry noted that staff at budget-funded institutions had received their October paychecks early, on the last day of the month, rather than early in November, because of a long weekend for the All Saints' Day holiday. Those payroll transfers exceeded 100 billion forints, it said.

Some 30 billion forints of family subsidies were also transferred early, and pre-financing of European Union funded projects continued during the month, it added. EU transfers came to 131 billion forints in October, bringing the total for the year so far to 472 billion, a level which "could rise significantly by year-end", the ministry said. Tax revenue continued to grow, lifted by a crackdown on the shadow economy and the healthy pace of economic growth, the ministry said, confirming the full-year deficit target of 2.4% of GDP.

FLEX FILMS TO BUILD HUF 23 BN PLANT IN N HUNGARY

India's Flex Films, which makes flexible plastic packaging, will build a 23 billion forint (EUR 71.5m) plant in Rétság, in northern Hungary, the foreign affairs and trade minister said. The government is awarding Flex

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Films a 2.8 billion forint grant for the investment which will create 170 jobs, Péter Szijjártó said. The plant will be Flex Film's second in Europe after the one in Poland.

Szijjártó said there was considerable regional competition for the investment and a three-year cooperation agreement between Invest India and the Hungarian investment agency played an important role in winning over Flex Films. India is currently the ninth most important investor in Hungary and as a result of these investments bilateral trade grew to 665 million dollars last year, he added. In the first eight months of this year, Hungarian exports grew by 22% and trade turnover by 9%, he said. Indian companies have played an important role in Hungary's 5% GDP growth in the third quarter, which is more than double of the European average. This shows that it is realistic to expect that Hungary's economic growth will remain over 4% in the long term, he said.

OECD RAISES HUNGARY GDP GROWTH FORECASTS

The Organisation for Economic Cooperation and Development (OECD) raised economic growth forecasts for Hungary in its latest Economic Outlook released on Wednesday. This year's GDP is seen growing by 4.6% as against the previous projection of 4.4%, while next year's is expected to rise by 3.9% compared with the initial forecast of 3.6%. The government forecasts growth of 4.3% this year and 4.1% in 2019.

Growth is likely to ease in 2019 as capacity constraints bite, the report said. Real wage gains and employment expansion will support private consumption, while investment will be stimulated by private firms and the disbursement of EU structural funds, it added. Private consumption is expected to increase by 5.6% this year and by 4.7% next year. Total domestic demand is likely

to grow by 5.2% in 2018 and by 4.9% in 2019, it said. Exports will benefit from robust external demand and new capacity expansion, though gains in market share will slow. Exports are forecast to grow by an annual 8.3% this year while imports may grow at an even faster clip of 9.6%, the report said.

Wage increases resulting from tighter labour market conditions will raise inflation, which is projected to exceed the central bank's 3% target in early 2019, averaging 4% for the full year in 2018 and 2020. Only a slight decline in the budget deficit is projected in 2019. In order to sustain low inflation expectations, interest rates will have to be hiked, it said.

Risks are centred on a faster-than-expected pick-up in wages, further eroding cost competitiveness and unhinging inflation expectations. Hungary also remains vulnerable to any shock to demand for vehicles in its main export market, Germany, the report added.