

## PHOTO OF THE DAY



MTVA/Márton Mónus

Soldiers at the commemoration of the end of Budapest's 1945 siege

## UPCOMING EVENTS

**Closing day of NATO defence ministers' meeting in Brussels**

**Stats office releases prelim GDP report for Q4 2018**

**Athlete of the Year Gala**

## TOP STORY

# SZIJJÁRTÓ: HUNGARY-TURKEY DIALOGUE HONEST

The leaders of Hungary and Turkey are able to talk to each other honestly and without hypocrisy, the minister of foreign affairs and trade said in Istanbul after meeting two Turkish counterparts.

Péter Szijjártó held talks with Mevlüt Çavuşoğlu, the foreign minister, and with Ruhsar Pekcan, the trade minister, on the sidelines of the Hungarian-Turkish sponsored Go Africa business forum. A high level of trust has developed between the leaders of the two countries which has clearly benefitted the economy, Szijjártó told journalists. This is reflected in the volume of bilateral trade, which exceeded 3 billion dollars in 2018, he said.

Addressing the forum, Szijjártó said that a new world order was emerging under which changes in the global economy and global policy resulted in a new system of relations. In this system, countries that are able to make a critical number of strong allies can be successful, he said, adding that Turkey was such an ally for Hungary. Szijjártó met the chief executive of Turk Eximbank, Adnan Yıldırım, and the Chairman of the DEIK Turkish-Hungarian Business Division, Adnan Polat. The forum was organised jointly by the Hungarian Export Promotion Agency (HEPA) and Turkey's Foreign Economic Relations Board (DEIK) for the second time.

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## **SZIJJÁRTÓ: AFRICA OFFERS OPPORTUNITIES, BUT ALSO POSES CHALLENGE**

Addressing the Hungarian-Turkish sponsored Go Africa business forum in Istanbul, Péter Szijjártó, the foreign affairs and trade minister, said Africa had two faces, offering on the one hand unlimited opportunities while, on the other, posing the biggest challenge to Europe of the past decade in the form of mass migration. For Hungary, economic cooperation with Africa creates an opportunity to profit, the minister said. But it is also a huge responsibility to ensure that foreign investments serve as a way to keep Africans on their continent. With joint investments, Hungary and Turkey can achieve this goal, Szijjártó said.

In order to build a future at home, Africans will need competitive knowledge, he said, noting that Hungary helped this objective by offering 1,422 African students state university grants. Szijjártó noted that Hungary's Eximbank has opened a 220 million US dollar credit line to finance joint Hungarian-Turkish investments in Africa. The World Bank, he noted, has forecast growth in the Sub-Saharan region at a steady half a percentage point above the global growth rate in the coming years. But with its population growing by 370 million, or 35%, in the next 10 years, making up 40% of the world's population growth, serious destabilisation could result if a young exodus were to take

place, he said, adding that talented young people should stay and build up modern economies in their homelands.

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## **ORBÁN SENDS CONDOLENCES TO POLISH COUNTERPART OVER DEATH OF FORMER PM**

Prime Minister Viktor Orbán has sent a letter of condolence to his Polish counterpart, Mateusz Morawiecki, over the death of former Polish Prime Minister Jan Olszewski, his press chief told MTI. "As a youth involved in the change of regime, I too admired Mr. Olszewski's courage, staunch determination and loyalty to his country..." Orbán wrote in his letter. "We have lost a prominent figure from among central European freedom fighters," he wrote, pointing out that Olszewski's death came just as Hungary and Poland are getting ready to mark the 30th anniversary of their transition to democracy.

Olszewski, who served as Poland's prime minister between December 1991 and June 1992 and was a lawyer by profession, died last Thursday at the age of 88.

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## **SCIENCE ACADEMY BOARD REQUESTS TALKS ON RESEARCH INSTITUTES**

The board of the Hungarian Academy of Sciences (MTA) has appointed MTA president László Lovász to initiate talks with the innovation and technology

minister on the government's plans to reorganise the structure and funding of the academy's research institutes. In a statement issued after its Tuesday meeting, the board asked Innovation and Technology Minister László Palkovics to "ensure the basic funding guaranteed by law for academic research centres".

The board also asks the directors-general of the academy's research institutes and the directors of its legally independent institutes to submit their tenders for funding to the president of the academy. The statement said the president should only forward the funding requests to the innovation and technology minister and the head of the National Research, Development and Innovation Office after receiving a written statement from the minister ensuring that the research institutes will receive the funding they are entitled to from the central budget.

Earlier on Tuesday, MTA employees staged a demonstration at the Academy's building on Budapest's Széchenyi Square to take a stand for the Academy's unity and autonomy, and protest against government's proposed changes.

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## **RULING PARTIES' PARLT GROUPS HOLD 3-DAY MEETING**

The parliamentary groups of the allied ruling Fidesz and Christian Democrat parties gathered for a three-day meeting starting on Wednesday in Balatonalmádi, in western Hungary,

the daily Magyar Nemzet said. After Prime Minister Viktor Orbán's speech opening the meeting, lawmakers of the two parties will discuss Hungary's dispute with Brussels over the European Union's immigration policy, the upcoming European Parliament elections and further family support measures planned by the government, the paper said.

Fidesz group leader Máté Kocsis told the paper that the meeting will prepare the ground for EP election campaign debates and Hungary's stand against "the pro-migration plans of Brussels". Selection of government's family support measures for parliamentary approval and the related timeline will also be discussed at the meeting.

Kocsis said the opposition's campaign was likely to turn more aggressive and scurrilous in the next months, with the anticipated appearance of fake news in the anti-government media. Concerning Parliament's spring session starting on Monday, Kocsis said the ruling parties would condemn any actions that aimed to disrupt the assembly's work.

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### **PARLT BUDGET CTTEE MEETING LACKS QUORUM**

Parliament's budget committee meeting convened to discuss allowances for families raising children with severe disabilities and the residency bond scheme lacked quorum because the ruling party members stayed away.

Committee head László Varju, of the leftist opposition Democratic Coalition (DK), said that the allowances for families raising severely disabled children in their homes (GYOD) was on the agenda because the families have said they find the regulation discriminative. The Socialist Party's Attila Mesterházy said that opposition MPs will submit a proposal to parliament obliging the government to adapt the subsidies to individual needs and situations. Regarding the residency bonds, Varju noted that the committee had kept the issue on the agenda for two years now, with those cited before the committee "not even willing to reply" to their invitation. Finance Minister Mihály Varga, Interior Minister Sándor Pintér, Attila Fülöp, the state secretary for social affairs, and others were invited to the meeting to speak about the number of those who received Hungarian citizenship with the help of residency bonds and the scheme's economic effect, but none of them attended. Anett Bósz of the Liberal party said that the ruling parties' MPs had stayed away because the issue of the residency bonds was "especially embarrassing" for the government. If this was not the case, the interior minister would publicly state that "nothing is wrong with the nearly 20,000 new Hungarian citizens" who have availed themselves of the scheme, she said. The programme, she insisted, has cost taxpayers 30 billion forints (EUR 94.1m).

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### **HUNGARY INDUSTRY OUTPUT UP 5.4% YR/YR IN DEC**

Industrial output grew by an annual 5.4% in December, the Central Statistical Office said, confirming preliminary data. Adjusted for the number of working days, output increased by 5.7%. Production volume of Hungary's automotive industry grew by an annual 9.9% in December. The automotive industry accounts for 27% of the output of Hungary's manufacturing sector. Output of the computer, electronics and optical equipment segment, which makes up 13% of total manufacturing sector output, jumped by 17.9% during the period.

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### **CONSTRUCTION SECTOR OUTPUT CLIMBS 17.5% IN DEC**

Output of Hungary's construction sector grew by an annual 17.5% in December, the Central Statistical Office said. Output of the building segment rose by 14.8% during the period, while that of the civil engineering segment grew by 21.9%. For the full year, construction sector production was up 22.3% as output of the building segment increased by 16% and civil engineering output by 31.4%.

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## **HIPA BRINGS EUR 4.3 BN IN INVESTMENTS TO HUNGARY IN 2018**

The Hungarian Investment Promotion Agency (HIPA) successfully concluded negotiations on 98 projects last year, bringing more than 4.3 billion euros of investments to the country, business daily Világgazdaság said. The investments will create more than 17,000 jobs, HIPA told the paper. The investments included 28 by German-owned companies. These added up to almost 2 billion euros and will create 7,800 jobs. US-owned companies decided on 15 investments worth a combined 215 million euros, creating 1,954 jobs. The largest number of investments were in the automotive industry: a total of 36 investments worth 2.6 billion euros will create almost 11,000 jobs in the sector.

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## **FINMIN OFFICIAL MEETS WITH RATINGS AGENCIES REPS IN LONDON**

Finance Ministry state secretary Gábor Gion has held talks with three ratings agencies in London, the Finance Ministry said. Hungary's government is working to maintain economic balance, and it wants the ratings agencies to acknowledge the success of Hungarian solutions, Gion said after the talks. The market as well as analysts all acknowledge

these solutions which have produced sustained economic growth, he added. Gion said that reducing Hungary's public debt relative to GDP at a faster than planned pace, as ratings agencies would like to see, could endanger the country's economic balance. Hungary's public debt as a percentage of GDP will fall under 70% only next year, but could fall to 60% by the end of 2022, he said, noting that public debt stood at 81% of GDP in 2011. The first review of Hungary this year by one of the big three ratings agencies is scheduled for Friday. Standard and Poor's will review Hungary's sovereign rating late in the evening, Central European Time. S+P, Fitch and Moody's all assign Hungary the lowest investment grade rating.

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## **CJEU RULES DEROGATION NECESSARY BEFORE REVERSE VAT RULES MAY BE IMPLEMENTED**

The Court of Justice of the European Union (CJEU) on Wednesday ruled that Hungarian authorities may not enforce tax rules requiring a European Union derogation until notification of the EU act authorising that derogation. A court in Hungary had asked the CJEU for a preliminary ruling in a case in which staffing company Human Operator contested back taxes it was ordered to pay by the National Tax and Customs Authority (NAV) for failing to comply with reverse VAT rules in force for all staffing companies from January 1, 2015. The CJEU said

the reverse charge mechanism could not be implemented before Hungary was notified of the authorisation of the necessary derogation which did not take place until December 11, 2015.

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## **WRITER, POET DEZSŐ TANDORI DIES AGED 80**

Dezső Tandori, a renowned Hungarian writer, poet and literary translator, has died at the age of 80, the Petőfi Literary Museum and the Digital Literary Academy said, citing information from his family.

Born in Budapest in 1938, Tandori graduated from Eötvös Loránd University. From 1971, he worked as a freelance writer and literary translator. Tandori began publishing his poems in the 1960s. His first collection of poems entitled A Fragment for Hamlet was released in 1968. His next collection, The Cleaning of a Found Object, is regarded by literary critics as the first Hungarian postmodern poetry collection. From the 1970s, his works covered a variety of genres, including children's poetry, crime fiction and philosophical essays.

Tandori's long list of accolades include the Attila József Prize in 1978, the Laurel Wreath of the Hungarian Republic in 1996 and the Kossuth Prize, which he was awarded in 1998. In 2007, he was awarded the Goethe Medal by the Goethe Institute. Tandori was granted the Artist of the Nation title in 2014.

**ANTIFASCIST FEDERATION  
COMMEMORATES 1945  
'LIBERATION'  
OF BUDAPEST**

The 74th anniversary of the "liberation" of Budapest was marked on Wednesday at an event organised by the Hungarian Federation of Resistance Fighters and Antifascists (MEASZ).

MEASZ leader Vilmos Hanti said at the event that fascism was defeated by military means 74 years ago but the ideology of fascism has survived and strengthened in recent years. All efforts must be made to join forces "to restore democracy and a constitutional state", he added. Csaba Horváth, a Socialist city representative, said that "just like in 1945, Budapest needs to be liberated again." The victims of the siege of Budapest were commemorated by Socialist MEP Tibor Szanyi and party lawmaker Dezső Hiszékeny. The WW2 siege of Budapest ended on February 13, 1945.

**GOVT LAUNCHES THREE-  
YEAR BUDA CASTLE  
REVAMP SCHEME**

The government is launching a three-year, 36 billion forint (EUR

113.1m) programme as part of the Buda Castle District revamp scheme dubbed National Hauszmann Plan, the commissioner for government investment in the Castle District said. During the next three years, the government will revamp the roads, the castle walls and parks in the district, Gergely Fodor said. Parts of the National Hauszmann Plan reconstruction projects already under way, such as the riding hall on the northern side of the castle and the Guards' Building, will be finished by this summer, he said. The reconstructed St Stephen's Hall in the Castle Building will open for visitors on August 20, 2021, he said.

**BEATIFICATION  
OF CARDINAL  
MINDSZENTY CLEARS  
NEXT HURDLE**

The Vatican's Congregation of the Causes of Saints has been given the okay by Pope Francis to publish a decree "recognising the heroic virtues" of the late Cardinal József Mindszenty, clearing another hurdle in his beatification process, the Hungarian Catholic Bishops' Conference said. The pope's decree marks the end of an important stage in Mindszenty's

beatification process. The process may be continued when a miracle is attributed to the venerated bishop. Cardinal Péter Erdő, Archbishop of Esztergom-Budapest, welcomed the publication of the decree, noting that Mindszenty can now officially be referred to as "venerable".

Mindszenty was appointed to Bishop of Veszprém by Pope Pius XII in 1944. Protesting against the Nazi genocide, he was arrested in late 1944 and kept in prison in Sopronkőhida. Following the Second World War, he was appointed to archbishop of Esztergom, then to cardinal. In late 1948 he was arrested by the Communist authorities and sentenced to life imprisonment under false charges of conspiracy, espionage and financial abuse. He was freed during the 1956 revolution, but on November 4, 1956, the first day of Soviet intervention, he had to take refuge in the US Embassy in Budapest which he could not leave until 1971. Mindszenty was then allowed to leave Hungary and eventually settled in Vienna, where he died in 1975. After Hungary's Supreme Court declared him innocent in May 1990, his remains were returned to Hungary and reburied into the crypt of the Esztergom Basilica.

