

## PHOTO OF THE DAY



Members of the Hungarian National Ballet in Amilcare Ponchielli's Gioconda

MTI/Zsolt Szegedvári

## UPCOMING EVENTS

**Budapest mayor gives regular presser**

**Govt spokesman hosts press roundtable on future of Hungary, Europe**

**Interior minister inaugurates Kiskunhalas prison complex**

**Fitch releases Hungary rating review**

## TOP STORY

### GULYÁS: GOVT BILLBOARDS 'ACCURATE, TRUE'

The government's billboard campaign on "Brussels' plans" depicting Jean-Claude Juncker and George Soros contains accurate and true statements, the PM's chief of staff has said.

Commenting about the campaign to inform citizens about European Union policies on migration at a weekly government press briefing, Gergely Gulyás, the head of the Prime Minister's Office, said the government will reach out to every voter by mail to inform them about the details of the campaign.

Gulyás said European Commission President Jean-Claude Juncker, who is featured on the billboards alongside financier George Soros, had done "all he could" to have Hungary's ruling Fidesz party expelled from the European People's Party, and publicly declared this intention recently during the EP election campaign. "Fidesz has always been loyal to the EPP," he added. European public officials, the European Commission (EC) and the European People's Party (EPP) should all be capable of self-criticism, he said, adding that the five-year EU parliamentary cycle about to end was best described by failed attempts to keep migrants outside the EU and the UK within the bloc.

## **GULYÁS FIELDS QUESTIONS AT GOVT PRESS BRIEFING**

The government has decided to build a stadium that can seat more than 20,000 spectators in Budapest for the European Men's Handball Championship in 2022, head of the Prime Minister's Office Gergely Gulyás said at a weekly government press briefing. The government has also decided on the construction of a Hungarian pavilion for the World Expo in Dubai next year, Gulyás said.

He said parliament was likely to pass laws on both investment projects. Asked about funding earmarked by the government for a foundation established by President János Áder, Gulyás said the foundation had been set up to pursue goals related to environmental protection, which he said transcended party politics.

Commenting on press reports on Hungary having taken in people from Venezuela, Gulyás said the people in question were Hungarians living in Venezuela "and Hungarians in Hungary aren't considered migrants". He said the government had said last April that Hungarian families would be arriving from Venezuela. There are a significant number of Hungarians living in Venezuela, Gulyás said, adding that the government plans to bring around 30 more Hungarian families from the South American country to Hungary.

Commenting on Prime Minister Viktor Orbán's visit to Israel earlier this week,

he said a trade representative office to be opened in Jerusalem will have a diplomatic status.

In response to a question, he said Hungary would propose that during the next European Union funding cycle, NGOs should not receive support from Brussels. One of the consequences of the current money distribution system is that organisations that criticise countries that reject immigrants are the ones to receive significant funding, Gulyás said. In response to another question about whether Hungary had received any of the money promised by the European Commission for border protection, he said only a promise had been made but no money has been received.

Commenting on criticism by Sweden concerning Hungarian government policies, such as the family protection action plan, he said the government wanted to maintain fair relations with every EU member state but it would never leave "harshly intrusive and excluding opinions" unanswered. Sweden has demonstrated a level of intolerance against Hungary which was difficult to accept within the framework of democracy, he added.

Meanwhile, the government has decided to introduce a special version of its Home Purchase Subsidy Scheme for Families, known by its Hungarian acronym "CSOK", targeting rural areas as part of the development scheme dubbed "Hungarian Village", Gulyás said. The programme will be tailored to the needs of towns and villages with fewer than 5,000 residents where the number of inhabitants has decreased

by more than the Hungarian average since 2003, he said. It will affect 2,031 villages, he added. The new scheme is planned to be launched on July 1 and by Sept. 1 at the latest. The government estimates that the scheme will cost 70-80 billion forints each year, he said, though it could reach 100 billion. And in a bid to make villages more attractive for residents and prevent depopulation, the government has allocated 150 billion forints for its "Hungarian Village" scheme, he said. Most of the funds -- 50 billion forints in the first year and 75 billion in subsequent years -- will be used for road reconstruction, he said.

## **GULYÁS: LEFT-WING NOW ALIGNING WITH 'FASCISTS'**

Answering questions about the opposition Jobbik party and its cooperation with Hungary's left wing, head of the Prime Minister's Office Gergely Gulyás told a weekly news briefing that the left wing had traditionally identified itself as an anti-fascist political force. Now the left-wingers are teaming up with a party they not long ago branded "Nazi", he said.

Gulyás expressed concern that Frans Timmermans, the First Vice-President of the European Commission, who is the European Socialist Party's Spitzenkandidat, had not raised any objection in connection with the proposal of the Hungarian Socialist Party's leader to set up a joint list with Jobbik for the upcoming EP elections. "This illustrates the current state of the Party of European Socialists," Gulyás said.

Meanwhile, asked about the upcoming elections in Ukraine, Gulyás expressed hope that the Hungarian government would be able to come to an understanding with that country's new administration. This, he added, was "impossible" with the incumbent. "Ukraine today has a government that tramples on minority rights and which has adopted a 'semi-fascist' education law," Gulyás said. The Hungarian government expects Ukraine to amend the law, he said.

## **DEPUTY PM OUTRAGED BY REFERENCES TO VENEZUELA HUNGARIANS AS 'MIGRANTS'**

Deputy Prime Minister Zsolt Semjén expressed "outrage" on Thursday over references to "migrants" in Hungarian media in connection with Hungarians living in Venezuela who have been brought to Hungary by the government. "We object to the liberal press calling Venezuela Hungarians migrants. They're not migrants," Semjén told MTI. "All Hungarians, wherever they may be in the world, can count on the motherland," he said. Several Hungarian media outlets reported recently that the Hungarian government has decided to take in hundreds of Venezuelan refugees with Hungarian ancestry.

The leftist opposition Democratic Coalition (DK) has called on ruling Fidesz to register as an organisation that supports migration which would

oblige the party to pay a special 25% tax. Citing news portal Index's report on the government's admission of Venezuelan Hungarians, DK managing director Csaba Molnár accused the government of taking in refugees in secret after having "waged a hate campaign" against them for years. Molnár said DK's problem was not with the government's decision to admit refugees, but that "it has been campaigning for the opposite for a long time". By taking in the refugees from Venezuela, the government has admitted that its anti-refugee campaign "is just about fuelling fear", Molnár insisted. The cabinet, which is rhetorically against migration, "has become one of the most prominent supporters of migration", he said.

## **GULYÁS: MINISTRY DECIDED IN 2017 NOT TO SEND ELIOS INVOICES TO BRUSSELS**

The government decided in 2017 not to send to Brussels invoices connected to public lighting projects carried out by Elios, a company the EU's anti-fraud office suspected of carrying out fraud, Gergely Gulyás, the head of the Prime Minister's Office, told a government press briefing.

The EU's anti-fraud office (OLAF) raised suspicion that Elios, a company formerly connected to István Tiborcz, the prime minister's son-in-law, operated fraudulently in public procurement processes for public lighting projects. Hungarian police dropped a procedure against Elios last

November, concluding that no crime had been committed.

In response to a question concerning Elios, Gulyás said a certain amount of over-bidding was normal in the case of all EU tenders, and the tenders had been invited for around 110% of the sum available. The ministry at the time, as the authority in charge, assessed whether over-bidding had indeed taken place, he added. In this case, the EU does not fund any more projects in the tender, regardless of whether they are subject to a dispute or not. The Elios project belonged in this category, so there was no reason to continue the related dispute with the EU, Gulyás said.

Opposition Jobbik said that Hungary not sending the 13 billion forints (EUR 41m) worth of Elios invoices to Brussels was a tacit admission that fraud had indeed taken place. It is because of cases like this that Jobbik believes it would be important for Hungary to join the European prosecutor's office, party MP György Szilágyi told a press conference. Prime Minister Viktor Orbán, too, bears personal responsibility in this case, he added.

## **SZIJJÁRTÓ: SUPPORTERS OF MIGRATION ALSO BACK RETURN OF TERRORISTS TO EUROPE**

Those who support migration are also in favour of terrorists returning to Europe, the foreign minister said in an interview. Speaking to public news channel M1 about the Istanbul round

of the Budapest Process interregional forum on migration, Péter Szijjártó said Wednesday's entire session had been about "how good migration is and how it is a necessary trend".

The Hungarian delegation was the first to mention the security risks that come with migration and say that every country has a right to decide for itself whether or not it wants immigration in any form, the minister said. The purpose of the session, Szijjártó said, had been to "force through" the parts of the UN's global migration compact that failed to pass last December. "They also tried to adopt a closing document which referenced the global migration compact and which once again contained a context in which migration was presented as the answer to the challenges we face," he added. But Hungary's position on migration is the polar opposite of this, Szijjártó said, adding that the closing document was blocked after Austria and Italy joined the four Visegrad countries in declining to sign it.

In a separate interview to public Kossuth Rádó, Szijjártó said it was "unacceptable" to treat the UN's migration compact as any kind of reference point, arguing that the package relativises the issue of illegal border crossing. He said the document had proposed that illegal border crossing should be considered an administrative matter instead of a crime. The minister argued, however, that the breach of a country's border was a crime against its sovereignty.

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### **FORMER FIDESZ MP SENTENCED TO THREE YEARS IN PRISON FOR CORRUPTION**

Roland Mengyi, a former MP of ruling Fidesz, was sentenced to three years in prison in a non-binding ruling for attempting to misappropriate public funds and abusing the powers of his office. Mengyi and six others were charged in April 2017 with scheming in 2015 to unlawfully obtain European Union funds intended for social cooperatives. In exchange for a share in the funds, Mengyi had promised to help entrepreneurs of Tiszaújváros, a north-eastern Hungarian town where he had his constituency, to obtain tenders. He solicited a kickback of ten million forints (EUR 31,500) for his actions, according to the charges. The defendants targeted almost 500 million forints budget support for their own use. Mengyi was the sixth degree defendant in a case of seven defendants. One other defendant was sentenced to two and a half years in prison, while the others received suspended prison sentences or fines.

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### **SZIJJÁRTÓ: AFRICAN COUNTRIES THAT DON'T ADD TO MIGRATION PRESSURE HELP BOOST EUROPE'S SECURITY**

Hungary is greatly appreciative of the African countries that have never contributed to Europe's migration

pressure, and have therefore helped improve the continent's security, Foreign Minister Péter Szijjártó said in Budapest. At a joint press conference after talks with his Cape Verde counterpart Luis Filipe Tavares, Szijjártó said those who encourage the emergence of new migration waves only make it easier for terrorists to return to Europe.

Szijjártó insisted that, after its defeat at the hands of the international coalition, the Islamic State terrorist group has changed its tactics and begun sending its mercenaries back to their countries of origin in Europe. He said countries that do not want to become sending or transit countries when it comes to migration and take border protection seriously should be supported. Cape Verde, he said, was one of these countries. Hungary, as part of its policy of opening to the south, places special emphasis on strengthening its ties with its partner countries in Africa, Szijjártó added. He said Cape Verde was proud of its Christian identity and was committed to preserving its national, cultural and religious heritage. It also pursues a responsible migration policy, he added.

The minister said that it was important for Europe to cooperate "with African countries that do not push for the creation of so-called legal migration channels". Szijjártó voiced Hungary's support for granting visa-free status to Cape Verde. He also expressed support for an EU-Cape Verde economic partnership

agreement as well as a Portuguese initiative for the EU to provide 5 million euros to the African country for border protection developments. Hungary will offer 35 million dollars in tied aid to Cape Verde to implement water management investments with the inclusion of Hungarian companies, he said. Szijjártó added that he and Tavares had finalised the text of a bilateral economic cooperation and investment protection pact which the two countries will sign during Prime Minister Viktor Orbán's visit to the country in March. Further, Hungary and Cape Verde have agreed to sign a double taxation avoidance agreement. Szijjártó also said that Cape Verde will appoint an honorary consul to serve in Hungary. Hungary will grant scholarships to ten university students from Cape Verde, he added. Tavares said his country was aiming to find a way to persuade people to stay in their homeland. He said Cape Verde was a Christian country with strong ties to the EU. He said relations between Cape Verde and Hungary were "excellent", as the two countries subscribe to similar values.

**KÖVÉR: HUNGARY-SLOVENIA TIES SETS EXAMPLE TO EUROPE ON MINORITY ISSUES**

Hungarian-Slovenian ties set an example to Europe for how to handle minority issues, Speaker of Parliament László Kövér said. The two countries plan to submit a joint

proposal regarding minority issues when it comes to debates concerning Europe's future, he told a press conference in Lendava (Lendva) after talks with his Slovenian counterpart Dejan Židan and representatives of ethnic Hungarians from Slovenia's Mura region. Around 10% of Europeans are ethnic minorities from the continent, Kövér noted. Working out European minority standards therefore is a Europe-wide issue, he added. Today was the first time that visits to ethnic Hungarians in Slovenia and ethnic Slovenians in Hungary were held concurrently, he noted. Kövér proposed joint visits to their respective ethnic minorities, Židan said, adding this would be a regular practice from now on. The two politicians visited the Rába region, in western Hungary, with a large Slovenian population, and held talks with leaders of the Slovenian community focusing on local business development plans.

As well as efforts to preserve their culture and mother tongue, strengthening the economy in the border regions helps minorities to survive, Kövér told reporters in Felsőzölnök, the Rába region's seat. Plans to develop the region have been drafted and will be submitted to the Hungarian government soon, he added.

Meanwhile, the Slovak-Hungarian mixed committee for minority affairs approved a proposal for the drafting of a comprehensive law on national minorities by the Slovak

government, the Hungarian co-chair of the committee said in Bratislava. Ferenc Kalmár, who is the Hungarian government commissioner in charge of neighbourhood policy, called the proposal approved by the committee the most important accomplishment of the meeting. The proposal, he said, calls for the drafting of a law that would serve to ensure the survival of national minorities in Slovakia, including Hungarians. Though these types of proposals are not binding, the governments in question have a duty to address them, Kalmár said. The meeting covered a variety of issues, including the question of dual citizenship, he said. Though no breakthrough was achieved on the issue, the two countries did agree to revive the expert committee that had handled the subject prior to its hiatus in recent years.

**GROSS WAGES UP 10.2% IN DEC**

Gross wage grew in Hungary by an annual 10.2% in December, the Central Statistical Office (KSH) said. In absolute terms, Hungarians employed full time earned a gross monthly 359,978 forints (EUR 1,130). Net wages also climbed 10.2%, to 239,385 forints during the period. Twelve-month wage growth has been in the double digits since early 2017, after an agreement was reached by employers, unions and the government on big minimum wage increases paired with payroll tax cuts.

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### **KSH: RETAIL SALES CLIMB 3.7% IN DEC**

Retail sales volume in Hungary rose by an annual 3.7% in December, the Central Statistical Office (KSH) confirmed in a second reading of data released. Adjusted for calendar year effects, retail sales were up by 4.1%. Adjusted food sales were flat, but non-food sales climbed 8.0% and vehicle fuel sales increased by 4.9%. For the full year, retail sales rose an unadjusted and adjusted 6.0%. Food sales were up an adjusted 3.4%, non-food sales increased by 9.1% and vehicle fuel sales rose by 6.4%.

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### **BUDGET POSTS SURPLUS AT END-JANUARY, MINISTRY CONFIRMS**

Hungary's cash flow-based budget, excluding local councils, ran a 244.5 billion forints (EUR 770.4m) surplus at

the end of January, the finance ministry confirmed in a detailed reading of data. The central budget surplus reached 186.5 billion forints. Separate state funds were 23.0 billion in the black and the social insurance funds had a 35.0 billion forint surplus. The government targets a cash flow-based deficit of 998.4 billion forints for the full year. Relative to GDP, the deficit target stands at 1.8%, calculated according to the European Union's accrual-based methodology.

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### **LUFTHANSA TECHNIK TO SET UP HUF 43 BN SERVICE CENTRE IN NE HUNGARY**

German aircraft maintenance, repair and overhaul company Lufthansa Technik will set up a 43 billion forint (EUR 135m) service centre in Miskolc, in north-eastern Hungary, the minister of foreign affairs and trade said. Lufthansa Technik will repair aircraft parts at the base which will employ 400 people,

Péter Sziijártó told a press conference in Budapest. The government is contributing to the investment with training support, he said.

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### **RECORD 200 FILMS REGISTERED FOR HUNGARIAN FILM WEEK**

A record 200 films were registered in seven categories for the fifth Hungarian Film Week, to be held at Budapest's Corvin cinema between April 22 and 27. Filmmakers could nominate works premiered in cinema, television or at festivals between January 1 and December 31, 2018, for the 4th Hungarian Film Award, organisers said. The event is supported by the Hungarian Film Academy Association, the Hungarian National Film Fund and the Media Council of the media authority NMHH.