

PHOTO OF THE DAY



MTI/Szilárd Koszticsák

Hungarian low-cost carrier Wizz Air welcomes new Airbus A321neo aircraft

UPCOMING EVENTS

Stats office releases Feb inflation data

Plenary session of Forum of Hungarian MPs from the Carpathian Basin

Finance ministry releases budget report for Jan-Feb

Opposition presses on women's issues

EU interior and justice ministers meet in Brussels

TOP STORY

GULYÁS: MIGRATION CENTRAL IN EP ELECTION

Migration is the "most important topic" for the upcoming European parliamentary elections, Gergely Gulyás, the head of the Prime Minister's Office, told a regular press briefing.

Gulyás said that Hungary's border control prevents masses of migrants from attempting to enter the country illegally. "Since the border fence was built, migrants have avoided Hungary, but if the government changed its policy, Hungary would be a migrant destination again," he said. On another subject, Gulyás said that Fidesz wants to stay a member of the European People's Party (EPP). He voiced hope that the EPP will run "unified and strong" in the upcoming election with "Fidesz emerging as its strongest member". Concerning conditions set by EPP group leader Manfred Weber for Fidesz to remain a member, Gulyás said that consultations had been held with EPP leaders at which the Hungarian government said it would not "compromise on its position of rejecting migration". Gulyás said that Fidesz had had talks with CDU head Annegret Kramp-Karrenbauer and Weber but not with Marine Le Pen's RN party. He said that even if Fidesz were not an EPP member it "should have good relations" with Germany's CDU/CSU parties but "it would not be possible" to cooperate with the AfD party.

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



ORBÁN CALLS FOR ‘CALM’ CONCERNING REPORTS ON POSSIBLE NEW ALLIANCE

“What we need is calmness and composure” amid the “impatience and excitement” before the upcoming European parliamentary elections, Prime Minister Viktor Orbán said at MTI’s inquiry in connection with press reports suggesting that Orbán’s ruling Fidesz could build a new, European “anti-immigration” alliance. Daily Magyar Nemzet said in an editorial earlier in the day that the European People’s Party “has sided with the Socialists and Liberals and wants to meet their expectations, leaving Fidesz only one option: a new alliance”. Authors of the article called on Fidesz to quit the EPP and form an alliance “with Matteo Salvini, Austria’s Freedom Party, and Poland’s ruling party” and insisted that “this is in Europe’s and the Hungarian nation’s interest”.

SOCIALISTS CALL ON ORBÁN ‘NOT TO FLEE’ EPP

The opposition Socialist Party has called on Prime Minister Viktor Orbán “not to flee” the European People’s Party. Socialist Party leader Bertalan Tóth said Orbán was organising a “populist far-right political community in Europe which would have a negative impact on all European citizens, including Hungarians”. Tóth said the prime minister was allying himself with “extremist parties” that are open

about their good relationships with Russian President Vladimir Putin and were working to divide Europe. He said Orbán’s policies were gradually marginalising Hungary, which he said was especially dangerous now that EU member states are busy negotiating the bloc’s next budget.

Commenting on the suggestion that Orbán has called for calm over the Fidesz-EPP dispute and the head of the Prime Minister’s Office saying that Fidesz wants to contest the European parliamentary elections as a member of the EPP, Tóth said the issue was not about Fidesz wanting to quit the EPP, but rather about 12 EPP members having called for the Hungarian ruling party’s expulsion from the centre-right bloc.

SZIJJÁRTÓ: V4 GROUP PREPARING FOR ITS LARGEST-EVER RAIL PROJECT

The high-speed railway to connect Budapest, Bratislava, Ostrava and Warsaw will be one of the most ambitious projects the Visegrad Four countries have ever launched, Péter Szijjártó, Hungary’s minister of foreign affairs and trade, said after talks with Vazil Hudák, vice-president of the European Investment Bank (EIB), in Budapest. The feasibility study is already in the pipeline, with the four countries expecting the EIB to part-finance the project, the foreign ministry said in a statement. Both sides expressed pleasure over the recent

establishment of an EIB V4 platform. Szijjártó assured Hudák that Hungary would continue to support the EIB’s lending operations in the Western Balkans and the Eastern Partnership countries.

SZIJJÁRTÓ MEETS CROATIAN ENERGY MINISTER

Foreign Minister Péter Szijjártó met Tomislav Čorić, the Croatian minister of energy and environmental protection, in Budapest, the foreign ministry said. The sides reaffirmed their commitment to deepening cooperation in the energy sector to boost the region’s energy security. Hungary’s energy security would greatly improve if it were able to get gas from the south, the statement said. The sides acknowledged the importance of a final decision taken by the Croatian government on the construction of an LNG terminal on the island of Krk as well as the construction of a compressor station that would allow bidirectional operation of the gas interconnector between Hungary and Croatia, the ministry said.

NÉMETH: EU MUSTN’T CLOSE ITSELF OFF

The European Union must not close itself off, but must contribute to the stability of its neighbourhood, the head of parliament’s foreign affairs committee said in Bucharest. “This is what’s at stake in the European

parliamentary elections: that the EU must devote closer attention to its eastern partner countries and the Western Balkan states," Zsolt Németh told Hungarian public media during a break in a meeting of EU foreign affairs committees. As regards the bloc's Eastern Partnership, Németh underlined the importance of supporting Ukraine's sovereignty and territorial integrity in a way that allows the EU to devote adequate attention to the observance of the rule of law and respect for human and minority rights there. "It's in our interest that the interests of the Transcarpathian Hungarian community are not curtailed," Németh said. "In recent months, several Western countries expressed bafflement as to why we are so stubborn and why we can't understand the geopolitical stakes concerning Ukraine's current situation," he explained. "We do understand it and consider it important to guarantee Ukraine's sovereignty and territorial integrity, but at the same time we also think that it's crucial to make sure that the rights of Transcarpathian Hungarians and Ukraine's minority groups are not harmed." This is why, he said, Hungary insists on its veto power and does not support the introduction of a qualified majority-based decision-making mechanism in connection with the EU's foreign and security policy. "The EU's left-liberal opinion leaders want to introduce a qualified majority-based decision making-

mechanism for the bloc's foreign and security policy matters," he said. "But the countries that think in terms of a Europe of nations don't accept this. Hungary, too, says that member states can't be stripped of their veto power when it comes to foreign and security policy," Németh added.

DK: A UNITED STATES OF EUROPE COULD PREVENT 'MASS EXODUS' OF HUNGARIAN WORKERS

A united states of Europe could prevent "the mass exodus" of Hungarians seeking more lucrative jobs elsewhere on the continent, the opposition Democratic Coalition's top candidate for the forthcoming EP elections said. Recent economic data suggest that the rate of per capita GDP has been higher in Romania's Transylvania than in several regions of Hungary, Klára Dobrev told a press conference, citing a fresh Eurostat report.

DK embraces building a united states of Europe where minimum wages paid currently to employees in western Europe would be ensured to all of the citizens. This would prevent a departure of Hungarians seeking a life up to European standards in another European country, she said. In response, ruling Fidesz accused Dobrev of representing Brussels' interests. The country needs MEPs who represent Hungary in Brussels and not Brussels in Hungary, it said.

EC LAUNCHES INFRINGEMENT PROCEDURE AGAINST HUNGARY OVER FOUNDATIONS TAXATION

The European Commission launched an infringement procedure against Hungary over the taxation of foundations. The EC sent authorities a letter of formal notice, the first step of an infringement procedure, asking them to change rules on property acquisition duty for foundations. Hungarian legislation exempts inheritances, gifts and quid pro quo transfer of property for domestic foundations, while foundations registered in other EU or EEA states are taxed, which runs counter to the EU tenet of free movement of capital, the EC explained. If Hungary fails to act on the matter in two months, the EC may step up the infringement procedure.

The commission also launched an infringement procedure against Hungary for failing to set up a penalties system to deter market players from violating harmonised rules for cableway installations, personal protective equipment and appliances burning gaseous fuels. Hungary was to have notified the EC of the penalty provisions by March 2018. In addition to Hungary, the EC sent letters of formal notice on the matter to Croatia, Cyprus, Denmark, Estonia, Finland, France, Ireland, Italy, Malta, Poland, Portugal, Slovenia, Spain and the UK. The EC sent a reasoned



opinion – the second and penultimate step in an infringement procedure – to Hungary regarding non-compliance of national legislation on the recognition of professional qualifications. Hungary has two months to respond on the matter or the EC could refer the country to the Court of Justice of the EU.

GMD TO BUILD HUF 14.5 BN VEHICLE PARTS PLANT IN N HUNGARY

France's GMD group will build a 14.5 billion forint (EUR 46m) vehicle parts plant in Dorog, in northern Hungary, the minister of foreign affairs and trade announced. The government is supporting the investment, which will create 240 jobs, with a 2.9 billion forint grant, Péter Szijjártó told a press conference in Budapest. Competition to attract the investment was "significant", and GMD could have picked any of the 14 countries in the world where it is present, he added.

HUNGAROCONTROL CONTINUES SERVICE IN KOSOVO AIRSPACE

Hungary's HungaroControl will remain in charge of controlling Kosovo's airspace from April on for an indefinite

period of time under a decision by the North Atlantic Council, minister without portfolio Andrea Bártfai-Mager said. HungaroControl has controlled transit flights over Kosovo from its Budapest headquarters since 2014. HungaroControl CEO Kornél Szepessy said that Hungarian air controllers managed nearly 116,000 flights in 2018, noting that traffic has considerably increased in recent years.

INDUSTRIAL OUTPUT CLIMBS 4.4% IN JANUARY

Industrial output in Hungary rose by an annual 4.4% in January, the Central Statistical Office (KSH) said in a first reading of data. Adjusted for the number of work days in the month, output climbed 5.0%. The manufacturing sector made the biggest contribution to growth in January, KSH said. The pace of growth slowed in the automotive segment and the computer, electronics and optical equipment segment, but the increase in the food, drink and tobacco products segment was close to headline growth, it added. In a month-on-month comparison, industrial output was up by a seasonally and work day-adjusted 0.6%. KSH will publish a second reading of the data on March 13.

BUDAPEST RECEIVES EUROPEAN BEST DESTINATION 2019 AWARD

Budapest Mayor István Tarlós received the European Best Destination 2019 Award, granted to Budapest earlier this year, from Maximilien Lejeune, head of the European Best Destination (EBD) agency. In his speech before the ceremony, Tarlós cited the letter of the EBD as saying that the award was a result of "ten years of work to make Budapest one of the most attractive and most liveable cities, drawing investors, companies and tourists from all over the world." Budapest received the most votes ever in the history of the award, Tarlós noted, to leave Paris, Athens, London and Florence behind, he said.

Budapest "is the gateway between the East and the West", a city with an outstanding heritage, a unique spa culture, and high-quality festivals and gastronomy, Tarlós said. Budapest is also one of the safest cities in the world which becomes increasingly important in times of terrorism and political unrest, he said. Lejeune said at the ceremony that the prize, which has been awarded annually for ten years, has a significant economic impact and media coverage.