

PHOTO OF THE DAY



MTI/Zsolt Czeglédi

Cockades used for the celebration of the March 15 national holiday

UPCOMING EVENTS

Events marking March 15 national holiday

State awards presented in Parliament

EP election campaign events

History of Hungarian printed press exhibition opens

TOP STORY

ORBÁN APPEALS TO EPP MEMBERS

Prime Minister Viktor Orbán has written to members of the European People's Party that initiated the expulsion of his ruling Fidesz from the centre-right bloc, apologising for "offensive language", but maintaining his political positions.

Leading Fidesz politicians have said in recent days that the party would make no compromises on fundamental political issues in its dispute with the EPP. In his latest interview with Hungarian public radio, Orbán said no compromise was possible when it came to migration and protecting Christian culture, "but we can talk about everything else". According to a copy of the prime minister's letter obtained by Reuters, Orbán asked the leader of the Flemish Christian Democrats, Wouter Beke, to reconsider his proposal to expel Fidesz. Bertalan Havasi, the PM's press chief, confirmed the letter's authenticity to MTI along with Reuters' report that similar letters have been sent to all the EPP members that joined the proposal to expel Fidesz from the grouping.

Zoltán Kovács, the state secretary for international communications, said as long as there is a chance "to change the pro-migration tendency" in the EPP, "we will do everything we can". They are open to "reasonable compromise" on every issue except for stopping migration and protecting Europe's borders and its Christian culture, Kovács said.

CEU WELCOMES WEBER'S HELP, WANTS LEGAL ASSURANCES

The Central European University (CEU) has welcomed efforts by Manfred Weber, the group leader of the European People's Party, to help the university, but wants legal assurances from the prime minister so that it can continue operating in Budapest. CEU said in a statement that it thanked the Bavarian government for financial and technical support offered to facilitate long-term cooperation between the university and the Technical University of Munich (TUM). Michael Ignatieff, President and Rector of CEU, discussed cooperation opportunities with Wolfgang A. Herrmann, the president of TUM.

"While CEU welcomes these developments, and the possibility it opens of reversing CEU's ouster from Budapest, we must be absolutely clear that the parties to a possible collaboration can only proceed if the Hungarian Prime Minister provides an authoritative political commitment to his European partners that CEU will be allowed to remain in Budapest, as a free institution, offering American and European accredited degrees and that this political commitment is backed up by legislation that provides legally binding authorization for all of CEU's operations in Budapest," the university said in a statement.

GOVT OFFICIAL: HUNGARY STANDS BY EUROPEAN IDEALS, INDEPENDENCE

Hungary today stands by European ideals and independence as it did during the revolution in 1848, the state secretary for Hungarians abroad said at a commemoration in Stuttgart, southern Germany, marking the March 15 national holiday, the anniversary of the revolution. Árpád János Potápi said at the event held at the city's Institute for Hungarian Culture that the Hungarian freedom fight was the last of a wave of revolutions to be stemmed, "and the country was at the time looked upon by many as a bastion of freedom."

Hungary has a similar role today, Potápi said, arguing that it stands up for European ideals and Hungarian independence, as well as its stance that Europe is a community of free and independent states. Potápi noted that in 2015, 160,000 Hungarians were registered to be living in or near Stuttgart. Not all have permanently settled there, however: some merely came to work, he said. An increasing number of Hungarians are returning from abroad to find a job in their homeland, he added. The Hungarian government has in recent years supported Hungarian organisations and weekend schools in the area, and plans to continue to do so, Potápi said.

THOUSANDS JOIN PUBLIC WORKERS' UNION STRIKE

Some 7,500 public employees have joined Thursday's nationwide strike organised by the union of public service workers (MKKSZ), the head of the union said in Budapest. Launching the strike at a meeting of the local council of Budapest's 15th district, Erzsébet Boros said it was important for society that the "workers comprising the driving force of the country" exercise their democratic rights. Among the union's goals, she said, was to call the government's attention to the fact that the base salaries of civil servants have stagnated for 11 years. Head of trade unions confederation MaSzSz László Kordás called for public and private sector unions to join forces so as to prevent workers falling victim to "salami tactics". He said it was the struggles of the unions that had led to prosperity in western Europe. "Unions and workers in Hungary have also had enough of always backing down," he added. He said the emergence of the "solidarity strike" would bring about a new phase in the struggle to enforce the interests of workers.

HUNGARY MULTIPARTY PARLIAMENTARY DEMOCRACY, SAYS US STATE DEPT REPORT

Hungary is a multiparty parliamentary democracy, the US State Department said in its 2018 country reports on

human rights practices in which it also cited reports about the “intimidation” of civil groups in the country. The report published on Wednesday quotes the findings of the OSCE’s election observers that “fundamental rights and freedoms were respected overall, but exercised in an adverse climate” in last year’s general election. It also cites the OSCE mission as concluding that certain elements of the election were “at odds with OSCE commitments” and that “the widespread government information campaign was largely indistinguishable from Fidesz campaigning, giving it a clear advantage.” The document also mentions reports of “political intimidation of and legal restrictions on civil society organizations”. It also touches on prison conditions in the country, noting the problems of overcrowding, poor physical conditions and occasional reports by NGOs of physical violence.

NEW PARTIES REGISTERED

Hungary’s National Election Committee (NVB) has registered new parties ahead of the European Parliament election. The committee voted unanimously to register LMP, the Roma Equality Party and the Party of Democrats. Meanwhile, it rejected the Momentum Movement with three opposition votes because the address on the application form was not the same as the one contained in the court

register and because the legal right of representation by the applicant, András Fekete-Győr, expired last summer. Previously, the committee had registered 14 parties for the May 26 EP election.

Also at the committee’s meeting, objections raised by the Párbeszéd party to the government’s recent billboard campaign were rejected in a 5-3 vote. This came on the heels of the committee’s rejection of formal objections against the posters depicting European Commission President Jean-Claude Juncker raised by the Democratic Coalition and the Momentum parties. The committee said the complaints related to pre-campaign activity so it had no business making a judgement. NVB’s decision is not final and can be appealed at the Kuria, Hungary’s supreme court, within three days.

Also, the presidents of the National Election Office (NVI) and National Election Committee (NVB) on Thursday met OSCE election monitoring experts regarding Hungary’s 2018 general election in Budapest. They reviewed amendments to Hungary’s election procedural laws and measures taken by election authorities in connection with recommendations put forward by the Organization for Security and Co-operation in Europe and its Office for Democratic Institutions and Human Rights after the vote. The OSCE’s office will send experts to monitor the EP elections in Hungary in May, NVI said.

IT MINISTER: GOVT PUBLISHES NEW STRATEGY FOR VOCATIONAL SCHOOL SYSTEM

Hungary’s vocational school system will be revamped to help students pass their final school-leaving exams and to smooth their way into tertiary education, László Palkovics, the innovation and technology minister, told a press conference. Under the government’s strategy dubbed “Vocational Training 4.0”, the courses of vocational schools offering final exams will be restructured to take five years, with the vocational exam incorporated into the final exam, he said. Students in lower-level vocational schools will be supported by a government grant and those in dual education will be offered a contract to earn wages during their studies, he said. Those dropping out of formal education will have the opportunity to finish their education in so-called vocational workshops, he said. The government sees it as a priority to modernise vocational training so that it can face new challenges surfacing in the labour market, economy and technology, Palkovics said. The students must acquire competitive skills that are in high demand in the labour market to ensure a secure living and high income, he said. The Vocational Training 4.0 strategy was developed in cooperation with representatives of the profession, taking the Austrian system as a model, Palkovics noted.

JOBBIK ENDORSES PUZSÉR FOR BUDAPEST MAYOR

The opposition Jobbik party has joined green opposition LMP in throwing its support behind publicist Róbert Puzsér in the Budapest mayoral race. Speaking to the press after signing a partnership agreement with the two parties, Puzsér said their alliance was centred on a cause rather than an ideology. "That cause is the quality of life," he said. In response to a question, the independent candidate also named the Momentum Movement as a potential partner in his mayoral bid, adding, however, that he did not get the impression that the party was interested in backing him. János Bencsik, the leader of the nationalist Jobbik party's Budapest chapter, said there would be more to the partnership than just the agreement on joint communications, campaign activities and financing. "We'll be aiming for the closest possible political cooperation and collaboration in all of Budapest's 23 districts," he said.

SZIJJÁRTÓ CALLS ON HUNGARIANS TO JOIN FORCES TO PRESERVE FREEDOM

Hungarians must join forces to preserve their freedom, the same way they did in 1848, Foreign Minister Peter Szijjártó said at the memorial of Szekler martyrs in Târgu Mureş (Marosvásárhely) on

Thursday, at an event celebrating the upcoming March 15 national holiday. "The revolutionaries of 1848 were building their future and the current generations' present when fighting for Hungary's freedom," Szijjártó said. "Today's situation is that once again people must fight for Hungary's sovereignty and the freedom to make decisions," he added.

Szijjártó earlier received an award from the Roman Catholic secondary school of Târgu Mureş in recognition of his efforts to rescue and relaunch the school. He told the awards ceremony that the students, teachers and community of parents at the school were living proof that Hungarians who insist on preserving their national identity have a future in the Carpathian Basin.

BUDAPEST AIRPORT TO CLOSE 2ND RUNWAY FROM MID-APRIL TO EARLY JUNE

Budapest Airport will close the longer of its two runways at Ferenc Liszt International Airport between mid-April and early June and traffic will be handled by a single runway during the period, the airport operator said on Thursday. The navigation system which helps pilots land safely at night or under bad weather conditions needs to be replaced for the 3.7 km runway, Budapest Airport, the facility's operator, said in a statement. During the two-month period, the surface of the runway will also be upgraded, necessary repairs will be done and

some of the lighting will be changed. This will be the last phase of an aviation navigation upgrade scheme started in 2015.

CONSTRUCTION SECTOR OUTPUT CLIMBS 29.1% IN JAN

Output of Hungary's construction sector rose by an annual 29.1% in January, the Central Statistical Office (KSH) said. Output of the building segment rose by 28.2% during the period. Output of the civil engineering segment jumped 32.2%. KSH said output of the building segment was lifted by the construction of factories and office buildings. In the civil engineering segment, the rise came from the construction of roads and railways. In a seasonally and workday adjusted month-on-month comparison, output rose by 9.8%. Output of the building segment was up by an adjusted 21.7% in a month and output of the civil engineering segment dropped by 17.2%. In absolute terms, at current prices, the output of the sector rose to 197.0 billion forints (EUR 626.1m) in January from 138.1 billion forints a year earlier. New order stock volume increased by 16.9% year on year, albeit from a low base. New orders in the building sector rose by 30.8%, reflecting large-value contracts for industrial, cultural and sports projects. New civil engineering orders were down by 24.0%. Order stock volume at the end of January was up by 1.0% from the same period

twelve months earlier. Orders in the building segment were up by 30.5% but orders in the civil engineering segment dropped by 7.4%. In absolute terms, order stock of the construction sector reached 2,357.0 billion forints at the end of January.

**CJEU: CERTAIN FX
LOAN CONTRACTS
CAN BE CANCELLED
RETROACTIVELY**

Europe’s top court said in a ruling on Thursday that Hungarian laws should allow the cancellation of FX loan contracts if the contract includes an unfair provision relating to exchange-rate risk.

In 2014, the Hungarian parliament passed several laws designed to amend unfair terms of FX loan contracts on which repayments skyrocketed when the forint plummeted during the 2008 financial crisis. However, the exchange-rate risk remained a risk borne by the borrower. Hungarian laws have so far prohibited retroactive cancellation of contracts by the loan holder on the ground of unfair terms in the contract. In its ruling, the Court of Justice of the

European Union (CJEU) said contracts containing such unfair terms should be allowed to “be cancelled in its entirety if it cannot continue to exist without that term”. “It follows that, on those points, the 2014 [Hungarian] laws are not compatible with the requirements of the directive,” the ruling said.

**KNORR-BREMSE
COMPLETES EXPANSION
OF C HUNGARY PLANT**

Germany’s Knorr-Bremse has completed a 600 million forint (EUR 1.9m) expansion of its plant in the central Hungarian city of Kecskemet, increasing production and storage by 2,000sqms to 21,000sqms. The investment was financed using its own funds.

Innovation and Technology minister László Palkovics said at the closing event of the project that Hungarian automotive industry output has grown an annual 4.8% in January, despite a decline in Europe’s figures. The output value of the sector has doubled since 2010, he said. Since its stabilisation in 2014, the Hungarian industry expanded faster than that

of any other Visegrad Group country, he said. Managing director of the Hungarian unit Attila Biró said the plant reached maximum capacity last year, requiring the installation of new production lines and expanding warehousing.

Knorr-Bremse Fékrendszerek had revenue of 48.5 billion forints in 2017, public records show. Exports amounted to 46.8 billion. The company employs about 1,100 workers.

**AUDI REVENUE DOWN
2.3% IN 2018**

The Hungarian unit of German carmaker Audi earned 7.377 billion euros revenue in 2018, down by 2.3% compared with 2017. Profit came to 440 million. The company manufactured 1,954,301 engines last year at its plant in Győr, in north-western Hungary, 10,865 fewer than a year before. The company assembled 100,000 cars, 5,491 fewer than in 2017. Audi started making electric engines at the plant last year; production reached 9,453 units. Investment expenditure was down by 16% at 416 million euros but the number of employees was up 6% at 13,084.

