

PHOTO OF THE DAY



MTV/Zoltán Balogh

Diver on the site of the ship collision disaster on the River Danube

UPCOMING EVENTS

President Áder attends papal mass in Șumuleu Ciuc, Romania

Events around the investigation of the ship collision disaster

Vilmos Zsigmond International Film Festival

Night of Choirs in Budapest

TOP STORY

ORBÁN: EP ELECTION RESULT 'COMMANDS RESPECT'

The result of Hungary's ruling Fidesz-Christian Democrat alliance in the recent European parliamentary election was "a victory that commands respect", Prime Minister Viktor Orbán told public Kossuth Radio.

The prime minister said that respect had already been expressed by the leaders of all European Union member states, who personally congratulated him. "Hungarians commanded respect at the European parliamentary election and were granted that respect," he said.

Orbán also said that among the winners of the election were "leaders of countries attacked by George Soros's foundations, civil organisations and the liberal media network". "Apart from Hungary's ruling parties, the Polish government party, Italy's League and the Austrians" achieved the best results in the EP election, the prime minister added. Commenting on the performance of his own party alliance, Orbán said "it is nearly a miracle" if a party garners more than 50% of the votes in a list system.

The EP election has "swept away" the governments of Britain and Austria, while Greece will hold early elections, the prime minister said, adding that the next few weeks, when the results are evaluated, could shake "one or two more" governments.

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 TO SUPPORT 'ANTI-MIGRATION CANDIDATE' FOR NEW EC LEADER

Prime Minister Viktor Orbán said in an interview broadcast on public Kossuth Radio that he could only support an "anti-migration candidate who respects Europe's nations and protects Christian culture" when it comes to selecting the new president of the European Commission. "We have such candidates in reserve, more than one," he said, but declined to mention names. He added that the Visegrad countries would support one or another candidate unanimously. "Those times are over when the Germans and the French decided over important European issues; the Visegrad countries are now to be taken into consideration with equal weight," the prime minister said. Orbán noted that Tuesday's EU summit declared that the party groups' top candidates for European Commission president will not automatically become the European Council's candidates for the post. "We have put them aside," Orbán said.

Apart from negotiations over personnel issues, leaders of the EU need to put together a document of strategic objectives for the next five years, with "party issues to come later", Orbán said. He added that the European People's Party and the Socialists have "further weakened" and an alliance between them in itself would not ensure a majority.

"A more complex negotiating and operative mechanism will be needed," Orbán said, adding that Fidesz would need to find its place in this "changing constellation". Fidesz, an EPP member, will wait and see where the group goes and if it can influence its directions and if those directions "are in line with the interests of Hungarians," Orbán said. "If so, we will stay, if not, we will join a new formation."

Orbán congratulated Hungary's opposition parties on their election results but said that in the pre-election campaign he had "sensed that the people are dissatisfied with the opposition". Those opposition forces gained more support whose governments had "destroyed" the country between 2002-2010, he insisted.

Commenting on the economy protection action plan approved at Wednesday's government meeting, Orbán said new measures were needed because Hungary's economy was accelerating while Europe's was slowing down and several economic decisions made in Brussels were disadvantageous to Hungary. Hungary needs foreign investment involving state-of-the-art technology in order not to fall behind the competition, he said.

The new plan involves tax cuts and allowances, and growth incentives, to support Hungary's small and medium-sized companies, he said, adding that a special government security was being introduced offering higher

interest rates and more flexibility than before. "People can trust the Hungarian economy and the tax cuts could bring attractive results within one or two months," he added. As a result, Hungary can fulfil its plan to keep economic growth 2 percentage points above the EU average, he said.

Commenting on Wednesday's disaster of a sightseeing boat carrying South Korean passengers on the River Danube, he said he was shaken by the accident where "passengers had no chance of survival". He expressed his condolences to the families of the victims and added that he had also talked to South Korean President Moon Jae-in over the phone. He said he had asked for a comprehensive, strict and thorough investigation in the case, adding that "we want to know exactly what happened and why" and the public will be informed about the results.

SHIP COLLISION FOLLOW-UP

Foreign Minister Péter Szijjártó and his South Korean counterpart Kang Kyung-wha visited the site of Wednesday's ship collision on the Danube in central Budapest. In the incident, a small sightseeing ship carrying South Korean tourists collided with a large cruise ship and sank. At least seven people died and 21 others have been reported missing.

In the meantime the 64 year-old Ukrainian captain of the Viking Sigyn cruiser was questioned under

suspicion of causing the mass disaster and was detained, police said.

The captain has not violated any rules, an attorney representing him told MTI, adding that he has filed a complaint against the accusations. Balázs M. Tóth said that raising charges was “untimely” and there was not enough evidence to support suspicion. He added that the opinion of experts would be crucial.

The lawyer said that the captain has served 44 years in that capacity and had never caused an accident. The captain has been shocked by the accident, he is sorry that he could not avoid the disaster, and has expressed his sympathy to the victims’ families, he added.

Meanwhile Gergely Karácsony, Budapest mayor candidate of opposition Párbeszéd, called for new shipping regulations, citing a boom in shipping on the Danube within the city. He proposed that large ships should be banned from cruising the river for sightseeing.

ÁDER NOT TO PROPOSE CANDIDATE FOR PUBLIC ADMINISTRATION COURT CHIEF

President János Áder will not make a nomination for the post of higher public administration court chief, with regard to the government’s recent proposal to postpone the introduction of the new court system. In a letter to parliament, published on the website of the President’s Office, Áder said

he would not make a nomination “in the new situation”. The courts were scheduled to start operation on January 1, 2020.

Gergely Gulyás, the head of the Prime Minister’s Office, announced on Thursday that the government would motion to initiate in parliament the postponement of the introduction of public administration courts indefinitely. Gulyás said the law passed by the Hungarian parliament met European standards and requirements set by the rule of law. However, the measure has been in the cross-fire of international debates that raised “unfounded” questions regarding its effects on the independence of judges, he said.

EP ELECTION TURNOUT AT HUNGARY’S FOREIGN MISSIONS 86.5%

Turnout at Hungary’s diplomatic missions abroad was 86.5% at the recent European Parliament elections, the national election office reported.

Hungarian citizens with permanent residency in Hungary could vote at 132 diplomatic missions abroad, including embassies and consulates, information published by the election office online shows. A total of 20,291 people registered to vote and 17,551 went to the polls, submitting 17,485 valid votes, the election office added. The largest number of Hungarians registered in London, where 1,372 submitted their votes, followed by 1,153 in Brussels, 1,032 in Munich, and 921 in Berlin.

Of all valid votes 7,222 or 41.3% were submitted for the ruling Fidesz-Christian Democrats, 5,078 or 29.04% for Momentum, 1,678 or 9.6% for Democratic Coalition, 1,113 or 6.37% for the Socialists-Párbeszéd, 913 or 5.22% for the satirical Two-tailed Dog Party, 700 or 4.0% for LMP, 400 or 2.29% for Jobbik, 362 or 2.07% for Mi Hazánk and 19 or 0.11% for the Hungarian Workers’ Party.

ARMED FORCES TO HELP BORDER PROTECTION

Hungarian army staff will participate in border protection from June 1, the national police chief said. Hungary’s Schengen borders need to be continually protected, János Balogh told a press conference in Röszke, near the border with Serbia.

The pressure of illegal migration has increased recently, he said, adding that last year border patrols had to take action against an average 100 migrants a week but the number doubled this year. Army Commander Ferenc Korom said that from June 1 to late August altogether 1,000 soldiers will serve along the Serbian border under police command, he said.

DK TO STAY WITH EUROPEAN SOCIALISTS AND DEMOCRATS

The opposition Democratic Coalition (DK), which has recently won four seats in the European Parliament, will again

join the Socialists and Democrats group, executive vice president of the party Csaba Molnár told a press conference. Molnár said his party had an alternative to join the Liberal group, but the DK board decided that their MEPs could work more effectively with the Socialists and Democrats to press for uniform minimum wages, minimum pensions and a childcare subsidy across the community, as well as to fight against climate change.

Molnár also voiced his party's commitment to building a united states of Europe. He also said that DK's MEPs "would not join a group willing to greenlight [ruling] Fidesz's remaining within the European People's Party".

Molnár said he would be the head of DK's EP group, but they were "working to ensure" that the other MEPs, including Klára Dobrev who led the party's list in the election, should be given important positions in the EP.

Answering a question about a press report suggesting plans for a merger between DK and the Socialist Party, Molnár said that "such proposal has not been raised".

MI HAZÁNK DEMANDS SOLUTION TO 'GYPSY ISSUE'

Local results of the Mi Hazánk movement in the recent European Parliament election "reflect that Hungarian society wants order" and "rejects overlooking the Gypsy issue", the radical nationalist party's deputy leader told a press conference.

Előd Novák insisted that the incumbent and previous governments failed to resolve issues around "Gypsy crime" and what he saw as Roma people having children to benefit from central family assistance programmes. Novák noted that his party had garnered over 15% of the votes in the European election in Törökszentmiklós, a town in eastern Hungary where Mi Hazánk has recently staged a demonstration to protest against "Gypsy crime".

Novák called Hungary's detention facilities "wellness prisons" and suggested that offenders should be sent to Siberia – with the Hungarian state paying a fee to Russia – to "deter criminals" in the Roma minority. He also proposed segregating "undersocialised, undisciplined" children in special boarding schools.

CLEAN OIL ARRIVES IN HUNGARY VIA DRUZHBA PIPELINE

The arrival in Hungary of Russian crude that is up to standard has resumed through the Druzhba pipeline, Hungarian oil and gas company MOL said late on Thursday. Russian pipeline operator Transneft said a day earlier that clean oil would arrive in Hungary by Wednesday evening. A number of refineries in Europe suspended oil imports via the Druzhba pipeline on April 19, after it was found to contain high levels of organic chloride, a material used to boost oil output which must be separated before shipment as it can damage refining

equipment. Hungary's government earlier sanctioned the partial release of national strategic oil reserves to supply MOL's refinery in Százhalombatta, south of Budapest, for a period up to two months.

SZIJJÁRTÓ: COOPERATION WITH LATIN AMERICA KEY

Hungary attaches special importance to its cooperation with Latin America, Foreign Minister Péter Szijjártó said in Budapest, adding that Paraguay could play a key role in that partnership.

At a joint press conference after talks with his Paraguayan counterpart Luis Alberto Castiglioni, Szijjártó underlined the two countries' sovereign foreign policy, saying that both Hungary and Paraguay insisted on their right to decide whom they want to live together with. He noted that neither country had voted for the United Nations' global migration compact.

As regards economic ties, Szijjártó said Hungary had recognised the growing importance of Latin America and launched its strategy of 'opening to the south'. Paraguay, "with its economic policy based on a disciplined budget and low taxes", could play a key role in this strategy, the minister said. Hungary and Paraguay's economic cooperation will focus on water management and agriculture, he added. Turning to trade, Szijjártó expressed Hungary's support for the signing of a free trade deal between the European Union and Mercosur.

Castiglioni said he had presented a request to Szijjártó for Hungary's approval of Paraguay opening an embassy in Budapest. This will be the first Paraguayan embassy in the region, the minister said, adding that it could bolster bilateral ties. Castiglioni said the reason why Paraguay had rejected the UN's global migration compact was because it had always been an independent and sovereign country and wanted to decide on its own migration policy. On the topic of trade, he said Mercosur and the EU had made considerable progress at their latest round of free trade talks and could soon sign an agreement.

MARCH TRADE SURPLUS REVISED DOWN TO EUR 644 M

Hungary had a 644 million euro trade surplus in March, the Central Statistical Office (KSH) said in a second reading of data. The surplus was revised downward from 677 million euros in a first reading released on May 9.

Imports rose by an annual 5.9% to 9.029 billion euros. Exports were up 4.9% at 9.673 billion euros. The trade

surplus narrowed by 54 million euros from the same month a year earlier.

Trade with other European Union member states accounted for 82% of Hungary's exports and 75% of the country's imports. Hungary had a trade surplus of 1.2 billion euros with EU countries and a trade deficit of 520 million euros with the rest of the world.

Hungary's terms of trade worsened by 0.4% in March as import prices rose by 2.5% and export prices by only 2.1% in forint terms. The forint weakened by 1.1% to the euro and 10% to the dollar in the period.

For the period January-March, Hungary's trade surplus reached 1.853 billion euros, down from 2.147 billion euros in the same period a year earlier. Imports were up by 7.6% at 25.883 billion euros and exports rose by 5.9% to 27.736 billion euros.

FIRST-QUARTER GDP CLIMBS 5.3%, KSH CONFIRMS

Hungary's first-quarter GDP rose by an annual 5.3%, the Central Statistical Office (KSH) confirmed in a second reading of data. On the production side, value added in

the industrial sector rose by 5.9% during the period. Within the sector, manufacturing expanded by 5.8%. Growth in the construction sector reached 46.7%. The service sector expanded by 3.8%, as the commerce, commercial accommodations and catering segment grew by 6.5% and the infocommunications segment also grew by 6.5%.

ING Bank chief analyst Péter Virovác said the fresh data show the structure of growth has become more balanced. For the first time since 2016, net exports have contributed positively to growth, alongside domestic demand, he added.

Virovác said the negative impact on headline growth of changes to inventories -- 3.4 percentage points, the KSH data show -- could be explained by a drop in vehicle stocks after compliance with new emissions requirements caused a build-up in 2018. He put full-year GDP growth around 4.5%.

K&H Bank senior analyst Dávid Németh said growth over 5% is unsustainable, in part because of the expected slowdown in the construction sector. He augured full-year growth of 4.2-4.3%.