

## PHOTO OF THE DAY



MTV/Noémi Bruzsák

Hungarian university and secondary school students presenting their electric cars at Heroes' Square

## UPCOMING EVENTS

**Hungarian-Turkish economic mixed committee meets**

**Hajdú-Bihar County business chamber organises Hungarian-Romanian border region chamber meeting**

**First Lady Anita Herczegh attends 500km blood donation run in Budapest**

**Presser on International Bartók Seminar and Festival in Szombathely**

## TOP STORY

### GULYÁS: NEW EC CHIEF MUST STICK TO JOB

Hungary wants the next European Commission president to be someone who does not overstep the boundaries of their job description, the head of the Prime Minister's Office told parliament's European affairs committee.

"The EC's operations over the past five years have been a failure," Gergely Gulyás told the committee at his annual hearing, expressing criticism of the EC's handling of migration and Brexit. "The EC needs to be changed, it should not be a political committee, but a body that makes sure that the EU treaties are implemented." EU institutions should have leaders who can maintain "correct and balanced" relations with every member state "without a record of previously attacking any of them," he said. Meanwhile, he said it was "clear that there isn't a majority support for the Spitzenkandidaten."

Concerning the EU's next budget, Gulyás said there was no acceptable draft on the table. It would not be "tragic" for Hungary if the budget was not passed before the second half of 2020, he said, adding that Hungary would not compromise on matters such as common agricultural policy, cohesion funds and migration policy. Hungary also refuses to accept linking rule of law and EU funding, he said, adding that the next EU budget was expected to be approved in 2020 under either the Croatian or German presidency.

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>



---

## **HUNGARY COMMITTED TO CARBON PLEDGE**

On the topic of climate change, Gergely Gulyás, the head of the Prime Minister's Office, noted Hungary's commitment to keeping to its 2030 carbon emission reduction target. Asked about climate protection, Gulyás insisted that targets set in the Paris climate agreement could not be met "without Hungary's Paks nuclear power plant".

Asked about ruling Fidesz's future membership of the European People's Party (EPP), Gulyás said "it is not Fidesz, but the EPP that is in trouble". "The EPP must decide whether or not it wants Fidesz's help," he said.

Asked about the government's proposed changes to the Hungarian Academy of Sciences, Gulyás said it had nothing to do with academic freedom, but concerned the network of research institutions. "The aim is to make research and development more effective using more resources."

---

## **HUNGARY HOPES RUSSIA'S LIKELY REINSTATEMENT TO COE WILL HELP RESTORE 'PAN-EUROPEAN' DIALOGUE**

Zsolt Németh, the head of parliament's foreign affairs committee, expressed hope that Russia's likely reinstatement to the Council of Europe will help restore the organisation's pan-European nature. Németh, who is

taking part in this week's meeting of the council, noted in a phone interview to MTI that the CoE stripped Moscow of its voting rights in 2014 over its annexation of Crimea. In May of this year, however, the CoE's Committee of Ministers voted to allow Russia to participate in the election of the council's senior officials and backed a partial reinstatement of its voting rights, he added.

The CoE general assembly is debating the status of Russia this week, Németh noted, adding that it was likely the country would be reinstated to the council. Hungary, however, stayed away from Monday's vote on the matter, he said, citing uncertainty over the situation in Ukraine and a lack of clarity over exactly which rights would be restored to Russia and which sanctions would be maintained. At the same time, Hungary welcomes Russia's return to ongoing dialogue within the council, Németh said, noting that the CoE was a pan-European organisation. Russia's return, however, will not be enough to restore "pan-European dialogue", he said, arguing that the council would still have to address a number of questions more generally relating to human rights. Meanwhile, Németh noted that France will be taking over the rotating presidency of the CoE from Finland this week. Given that France sees the CoE as the most important institution when it comes to the protection of human rights, the CoE and the European Union will have to decide how to share this responsibility, he said. As regards the

council's election of its next secretary-general, Németh said Hungary will be supporting the European People's Party's candidate, Croatian Foreign Minister Marija Pejčinović Burić, over Belgian Foreign Minister Didier Reynders, the Liberal candidate, in Wednesday's vote.

---

## **TARLÓS SLAMS OPPOSITION PRESELECTION IN OPEN LETTER**

The preselection of opposition candidates ahead of the autumn local elections has not been organised according to the rules laid down in the election law, incumbent Budapest Mayor István Tarlós has said. In an open letter published in the daily Magyar Nemzet on Tuesday, Tarlós said it was therefore impossible to monitor voter turnout or the number or distribution of votes.

The second round of the preselection process is being held between June 20 and 26. The three candidates running are Gergely Karácsony of the Socialist-Párbeszéd alliance, Olga Kálmán of the Democratic Coalition and the Momentum Movement's Gábor Kerpel-Fronius.

He said that if any cheating came to light, there would be legal consequences since the process did not abide by the relevant law. Tarlós accused the opposition of "hate-mongering and showing a disregard for facts". The incumbent mayor also

accused opposition politicians of creating “a false image of István Tarlós’s lack of independence”. “The problem with that is ... that I am not a member of [ruling] Fidesz ... and in my thirty-year career, I never had a ‘godfather’ or taken orders from anyone. Fidesz has supported me for thirty years, but despite our shared values in important issues ... we still have our differences,” he said.

### **LMP DEMANDS HIGHER WAGES IN PUBLIC SECTOR**

The opposition LMP has called for a wage hike in the public sector, warning that national, municipal and security systems could “collapse” due to a huge labour shortage. Márta Demeter, deputy group leader of the party, said that both the base salary of 44,000 forints a month (EUR 136) for defence employees and that of 38,000 forints for public sector employees should be raised to 60,000 forints. Demeter said unless wages are increased more and more people would leave the public sector. “People will find no clerks in public offices, not enough policemen on the streets, there will be no firemen and day-to-day operations in prisons could become impossible,” she said.

### **MI HAZÁNK DEMANDS BAN ON GAY MARCH**

The radical nationalist Mi Hazánk party has called on the interior minister and the police to ban this year’s Budapest Pride march set

for July 6. Mi Hazánk leader László Toroczkai said his party would stage counterdemonstrations “for public morals” if the march goes ahead as planned. Toroczkai said the police applied double standards and argued that they had banned a march Mi Hazánk planned earlier for Törökszentmiklós, in eastern Hungary, “against gypsy criminals”, saying that it would restrict the free movement of residents. He went on to say that “the thousands of deviants planning to stage a provocation” would hinder the movement of much more residents in Budapest. Toroczkai insisted that participants in the Pride march would “demonstrate against families and traditional values rather than for homosexual rights”. He added that the march would be a “provocation” against the Christian church and “desecration” of national symbols.

### **NIGERIA BISHOP THANKS HUNGARY FOR DONATION**

The Roman Catholic bishop of Nigeria’s Sokoto thanked Prime Minister Viktor Orbán in a letter for a donation of one million euros to his diocese, the prime minister’s press office said. In his letter, Matthew Hassan Kukah said that the Hungarian aid helps people in need to stay in their home countries rather than emigrate. The Hungarian government decided earlier in June to provide aid to Christian and other persecuted minorities in Nigeria.

### **HUNGARY’S GRIPENS IN BALTICS NATO EXERCISE**

A NATO air force exercise joined by the Hungarian army’s Gripen fighters has begun in Lithuania and two other Baltic states, the Lithuanian armed forces’ command said on Tuesday. Participants in the Ramstein Alloy exercise practice intercepts, air-to-air refuelling, and search and rescue operations in the Baltic airspace, the command said in a statement. The exercise is also attended by the air forces of Finland, the Netherlands, Poland, Germany, Norway, and Sweden.

### **HUNGARY CENTRAL BANK LIFTS INFLATION FORECASTS**

Hungary’s central bank has said inflation is likely to be higher in 2019 and the following two years than its earlier forecast. In a preliminary release of the main forecasts from its quarterly Inflation Report due on Thursday, the National Bank of Hungary raised its forecasts by 0.1 of a percentage point to 3.2% this year and by 0.3pp to 3.4% in 2020 and by 0.3pp to 3.3% in 2021. The bank’s last Inflation Report was released in March. It confirmed inflation was 2.8% in 2018.

Rate-setters kept the 0.90% base rate on hold at their monthly policy meeting and the central bank O/N deposit rate at -0.05%.

## GYŐR UNIVERSITY, AUDI INAUGURATE HUF 14.25 BN RESEARCH CENTRE

Foreign Minister Péter Szijjártó inaugurated a 14.25 billion forint (EUR 43.9m) Higher Education and Industry Cooperation Centre (FIEK) in Győr, in north-west Hungary, established by the Széchenyi István University and automotive company Audi Hungaria. The Győr centre is expected to raise Hungary's appeal as an investment venue by making it one of the most important hubs for automotive research, the minister said. Szijjártó noted that the annual value of the Hungarian automotive industry jumped to 8,500 billion forints (EUR 26bn) in 2018 from 4,000 billion in 2010. It is set to soon surpass 10,000 billion forints, he said. Economic development is rooted in education, Szijjártó said. Education should offer solutions that contribute to maintaining the country's economic growth above the EU average, he said. The Győr FIEK, he said, is a hub of developments based on the real needs of the industry. Audi Hungaria's managing director Achim Heinfling said projects are already being undertaken at the centre such as friction and emission tests and VR

research. The centre is one of eight the government is establishing with European Union and state funds to optimise links between universities and businesses, accelerating the transfer of academic research to practical applications. Other FIEK centres are focusing on materials technology, pharmaceuticals, agriculture informatics, crop production, livestock farming and the health industry.

## PARLT EXTENDS ACCOUNT ID COMPLIANCE DEADLINE

Lawmakers approved a bill on pushing back the deadline for complying with stricter rules on identifying account ownership from June 26 to October 31. The requirement affects bank clients who opened accounts before June 27, 2017, when stricter rules to prevent money laundering and the financing of terrorism came into force. Under the rules, banks are required to have copies of personal identification and proof of residence documents as well as the personal information of their clients. Clients must also make a declaration if they are a politically exposed person. In the case of corporate clients, documents showing proof of business ownership must be resubmitted. The bill was tabled by the finance minister

at the Hungarian Banking Association's request to ensure the more than one million bank clients who must still comply are able to do so without hindrance. Clients who fail to comply by the deadline will not be able to make transactions.

## CHERNOBYL-LIKE DISASTER 'IMPOSSIBLE' AT PAKS - OFFICIAL

Hungary's Paks nuclear power plant is not at risk of a Chernobyl-like disaster, the communications director of the company operating the plant said on Tuesday, pointing out that the designs of the two plants' nuclear blocks were completely different. Speaking at a press event held at the plant with regard to HBO's Chernobyl miniseries, Antal Kovács said all of Paks's safety systems were triplicated and required no human intervention. "The Paks plant's safety systems are designed to help prevent human error," Kovács said, adding that Paks was ranked among the world's top nuclear plants, including from the perspective of safety. Every decision concerning the safety of the plant is made with the oversight the Paks directorate for nuclear safety and the National Atomic Energy Office, he said.