

## PHOTO OF THE DAY



MTI/Csaba Krizsán

Hungary-Sweden qualifier for the European Frisbee Championships

## UPCOMING EVENTS

**EU summit continues in Brussels**

**Parliament meets**

**National Election Committee meets**

**KSH releases budget (Q1), foreign trade (Apr) figures**

## TOP STORY

# ORBÁN AGAINST MAKING 'SOROS MAN' EC PRESIDENT

The nomination of Frans Timmermans for EC president could be rejected solely because he is "Soros's man", but the main reason for the V4 countries not to support him is because "he is a fighter of ideologies and he is against anyone who has a different view of the world", Prime Minister Viktor Orbán said.

In an interview to the V4NA news agency, Orbán referred to developments at the recent European Union summit as "thrillerlike", and insisted that "some European leaders" including Timmermans, Spitzenkandidat of the European Socialists and Democrats, and Manfred Weber, that of the European People's Party, have "decided that the EC should be led by an unfaltering supporter of the NGO network of George Soros and of liberal democracy".

"They have found a real fighter, Timmermans... who would not tolerate any views different from his own or deviating from liberal democracy," Orbán insisted. He warned that "if that group captures the EC president's chair, they will finance from that position Soros's NGOs for long years and will try and restructure central European societies especially in terms of migration". "Several of us" including the EPP, Hungary and the V4 group is working to "stop that process", he added. He argued that Timmermans, if elected EC president, would "introduce east-west divisions in the EU, causing huge problems".

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## **ORBÁN: VISEGRÁD COUNTRIES UNITED**

The Visegrad countries want an EC president who will promote cooperation and compromises between east and west, Orbán said in an interview to the V4NA news agency.

On Sunday, the EPP decided that Timmermans "could in no way be EC president" and that the EPP should delegate somebody to the post, even if that person is other than Weber, Orbán said. He added that those decisions were not reported in the international press. Since the EPP cannot have two positions, it "will have to choose the EC (president)", he added.

According to Orbán, German Chancellor Angela Merkel and Luxembourg's MEP Frank Engel voted against those two decisions; "everybody else voted against Merkel". Merkel "did not accept" the decisions and went on proposing that Weber should be made European Parliament president and Timmermans EC president, in cooperation with the liberals and Socialists, he said. Merkel's rejecting the EPP's decisions and "having a completely different scenario" is "grave", the prime minister said.

Italy, the V4, and other prime ministers, however, "rejected Merkel's attitude" and "prevented Timmermans from being made EC president", Orbán said. "When it turned out that a majority decision cannot be made, the session was suspended; everybody is

now waiting and negotiating, waiting for the session to resume tomorrow," Orbán said.

"I do hope that the EPP group will send us a clear message outlining the post we should fight for; I hope that post will be that of the commission president rather than the European Parliament head," Orbán said, adding that negotiations into the night would hopefully result in a "compromise which is acceptable both in terms of party politics and geographical location".

## **SZIJJÁRTÓ ON HUNGARIAN- ROMANIAN RELATIONS**

Increasing anti-Hungarian sentiments in Romania could also affect Hungary's position and decisions affecting Romania, Foreign Minister Péter Szijjártó said.

Maintaining relations based on mutual respect is important because of the ethnic Hungarians living in minority in Romania, he said after a press conference on a different subject. "It is therefore regrettable that anti-Hungarian sentiments have made their way even to the highest levels of Romanian politics," he said.

Maintaining good relations would be useful not only to ethnic Hungarians but also to Romania because then the country can rely on Hungary's cooperation in European affairs and trade issues, he added.

Hungarian-Romanian relations were also successful at an international

level, he said, adding that the recent settlement of the issue of the Roman Catholic lyceum in Târgu Mureş (Marosvásárhely) was of symbolic importance. Raising tensions, however, must be rejected and that is why Hungary will take steps against any anti-Hungarian sentiments, he added.

Concerning the election of European Union leaders, he said any candidate who does not respect European nations and Christian values, and does not want to stop migration cannot rely on Hungary's support.

## **LMP: ÁDER 'DEFENDS INDEFENSIBLE GOVT CLIMATE POLICY'**

The green LMP party said that President János Áder was "defending the indefensible" by assisting to the government's "insufficient" climate policy.

In an interview on Friday, Áder told public Kossuth Rádió that Hungary would honour its climate protection commitments for 2030. Citing European Union figures, Áder said that Hungary had reduced its carbon-dioxide emissions by 31.9% between 1990 and 2017. He also said that Hungary had increased its woodlands, which helps absorb carbon-dioxide.

LMP deputy parliamentary group leader Erzsébet Schmuck said that Hungary's carbon-dioxide emissions had been reduced by importing electric energy from mostly Polish, Ukrainian and Czech carbon-fuel plants. Thus, overall emissions have

not been reduced, only added to other countries' records, she said. Schmuck noted that Hungary had indeed increased the area of its woodlands. However, most comprise foreign species with little climate regulation ability, she said.

The government's climate policy has failed more than once, Schmuck said. Prime Minister Viktor Orbán in June vetoed the European Union's target to achieve climate neutrality by 2050. The European Commission has also "given bad grades" to Hungary's 2030 climate goals, she added.

**OPPOSITION CALLS ON COURTS TO SUSPEND FOREX LOAN-RELATED PROCEDURES**

Civil groups and the opposition Socialist, Párbeszéd and Democratic Coalition (DK) parties have called on the courts to suspend all ongoing non-payment procedures, auctions and home evictions relating to foreign currency loans. At a press conference in Budapest, Mrs. István Hosszú, representing the Debtors' Chamber and a consultation body for troubled forex loan holders, called on the Kúria, Hungary's supreme court, to advise the government to permanently settle the issue of foreign currency-denominated loans.

DK deputy leader László Varju accused the government of "deliberately blocking" the resolution of the situation of forex debtors and refusing to implement the European

Commission's decisions in the matter. Varju called on the government to release its 2015 agreement with the European Bank of Reconstruction and Development (EBRD) on the financing of forex loans.

László Szakács of the Socialists said the government was "denying the forex loan problem while 60-80 families are evicted from their homes each week". He called for holding banks accountable, the suspension of non-payment procedures and the cancellation of the government's pact with the EBRD.

Párbeszéd co-leader Tímea Szabó criticised the lawmakers of the ruling Fidesz-Christian Democrat alliance for boycotting an earlier special session of parliament convened to debate the situation of forex debtors. She accused the prime minister and the government of indifference over the situations of people in need.

**VARGA HOLDS TALKS WITH WORLD BANK GROUP EXECUTIVE DIRECTOR**

Finance Minister Mihály Varga held talks with Günther Schönleitner, an executive director at the Board of the World Bank Group, discussing ways the World Bank can help Hungarian companies expand onto the international market.

The Hungarian government has made it a strategic goal to help boost the export capabilities of small and

medium-sized companies, the finance ministry quoted Varga as saying at the talks. The government is doing everything it can to ensure that more and more Hungarian companies can take part in the World Bank Group's various tenders, Varga said. Hungarian firms have participated in nearly 40 projects launched by the bank in recent years, winning contracts worth over a total of 50 million dollars, he added.

The minister expressed support for the World Bank's development goals in countries affected by migration and poverty, noting that this approach was in line with Hungary's policy of tackling problems locally. Varga and Schönleitner also discussed the World Water Summit to be held in Budapest this autumn. They agreed that the World Bank could play a key role in projects related to sustainable development.

**OMBUDSMAN NOMINEE VOWS TO FOCUS ON CHILDREN'S RIGHTS, CLIMATE PROTECTION, BIODIVERSITY**

Ákos Kozma, the nominee to become Hungary's next ombudsman for fundamental rights, has vowed to focus on children's rights, climate protection and biodiversity during his time in office. At his hearing before a joint session of parliament's justice and sustainable development committees, Kozma said he wanted to be "everybody's ombudsman". "We

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have to get out of the ivory tower," he said.

Kozma identified the protection of children and people in need as his priorities. In response to a question, Kozma underlined the importance of working with civil organisations. The ombudsman is elected by a two-thirds vote in parliament for a six-year term and may be re-elected once. The current ombudsman, law professor László Székely, has held the position since September 2013. Kozma is an expert in constitutional law and held government positions during the first Orbán government between 1998 and 2002.

## **BANKING ASSOC ELECTS ANDRÁS BECSEI CHAIRMAN**

The board of the Hungarian Banking Association unanimously elected vice chairman András Becsei to head the professional body at an extraordinary meeting. Becsei, the CEO of the lender OTP's mortgage and home savings banks, is replacing Mihály Patai, who was appointed a deputy governor of the National Bank of Hungary (NBH) in the spring.

The association's board elected Radovan Jelasy, the chairman-CEO of Erste Bank Hungary, to fill Becsei's former position as deputy chairman. Two new members were elected to the association's board: Éva Búza, the CEO of guarantor Garantiqa, and József Vida, who heads Takarékcsoport, the flagship of Hungary's integrated savings cooperatives.

## **HUNGARY Q1 STATE DEBT AT 70.1% - NBH**

Hungary's Maastricht state debt stood at 70.1% of GDP at the end of March 2019, down from 70.8% at the end of December or from 73.7% a year earlier, the National Bank of Hungary (NBH) said, confirming preliminary data released on May 17.

The debt ratios include data of Magyar Eximbank, in line with a decision by Eurostat that the balance sheet of Magyar Eximbank should be reclassified inside the general government sector, raising state debt. The NBH started publishing separate state debt ratios, with and without the balance sheet of Magyar Eximbank last year.

The net financing requirement of the budget, which is a good approximation of the budget deficit, was 891 billion forints (EUR 2.6bn) or 2.1% of GDP in the four quarters to the end of Q1, the central bank reported.

The four-quarter deficit figures were revised up from 721 billion forints, equalling 1.7% of GDP in the first reading. The bulk of the revision reflected a 64 billion forint higher deficit in the fourth quarter of 2018 and 149 billion forints less surplus in the first quarter of this year. The downward revised Q1 budget net lending was 33 billion forints or 0.3% of the quarterly GDP.

Central government net borrowing was 158 billion forints (revised up from 46 billion in the preliminary report), net lending of local governments was 216 billion forints (down from a preliminary 242 billion) and the social security funds borrowed net 24 billion forints (rather than 14 billion) in the first quarter

## **HUNGARY, HUAWEI SIGN MOU FLESHING OUT COOPERATION**

Hungary's government signed a memorandum of understanding on strengthening the role of Chinese telecommunications giant Huawei in the development of the country's ICT sector, the innovation and technology ministry said. The MoU was signed by Innovation and Technology Minister László Palkovics and Huawei Technologies Hungary managing director Wu Biqiang in Budapest.

The document outlines concrete measures the sides will take under an agreement signed by the ministry and Huawei in China in November 2018. Huawei will continue to organise visits to China by Hungarian university students and it will launch an engineer training programme with the aim of bringing some 200 young Hungarians up to speed on its technological advances over the next five years. Huawei will soon open an ICT academy in Hungary, too.

Palkovics said the MoU creates new perspectives for ties between Hungary

and Huawei. Wu Biqiang said Hungary's balanced business environment was appreciated, adding that it was important to foster the talents and develop the knowledge of Hungarian engineers. The MoU also declares Huawei's desire to participate in the development of Hungarian railway communications infrastructure, intelligent healthcare and smart cities.

### **INZI CONTROLS TO INVEST HUF 14.8 BN IN N HUNGARY**

South Korea's Inzi Controls is investing 14.8 billion forints (EUR 45.8m) in building a battery plant for electric vehicles in Komárom, in northern Hungary, the foreign minister told a press conference in Budapest.

The investment, Inzi Control's first in Europe after plants in Asia and America, is funded with a 1.6 billion forint government grant, Péter Szijjártó said.

Thanks to investors from the Far East, Hungary has become the 17th exporter of e-car batteries, Szijjártó said. Trade between South Korea and Hungary jumped by 45% last year, with nearly 500 South Korean companies employing some 6,000 people, he said. The plant will create 122 jobs, he said.

Inzi Controls supplies parts for Audi, Volkswagen and Continental and works with Bosch as a technological partner.

### **HUNGARY PMI FALLS TO 54.4 IN JUNE**

Hungary's seasonally-adjusted Purchasing Managers Index (PMI) fell to 54.4 points in June from 57.9 points in May, the Hungarian Association of Logistics, Purchasing and Inventory Management (Halpim), which compiles the index, said. An index value above 50 shows expansion in the manufacturing sector, while a value under 50 signals contraction. In June among the sub-indices that comprise the PMI, the production volume index was down from May but was above the 50 mark now for 46 months in a row. The new orders index fell even more heavily than the production volume index but was also above 50 points, showing an expansion of new orders. The current figure was above average. Delivery times were longer than in May and the sub-index was below 50 points now for 12 months in a row. Purchased stocks increased in June, now for 10 months in a row. The employment sub-index was above 50 and showed an expansion in employment figures for the first time in three months.

### **RESOURCES MINISTER MARKS SEMMELWEIS DAY**

Human Resources Minister Miklós Kásler highlighted the life and achievements of Ignaz Semmelweis, a 19th century

Hungarian doctor commonly referred to as "the saviour of mothers" at a ceremony marking Semmelweis Day, a holiday for Hungary's health care sector. Semmelweis was "the Martin Luther of medicine" and "the most ethical physician" of all times, who "developed the first great generation of Hungarian health care", Kásler said. On the occasion, the minister handed over the Semmelweis, Batthyány-Strattmann and Pro-Sanitate awards to doctors and nurses.

### **INTL ATTOSECOND SCIENCE AND TECHNOLOGY CONFERENCE BEGINS IN SZEGED**

An international conference bringing together some 400 laser scientists from 29 countries began in Szeged, southern Hungary. The five-day Attosecond Science and Technology Conference will cover all aspects of attosecond science and technologies including sources, metrology and applications. ATTO 2019 will also feature presentations by 19 researchers with great impact made through their work on attosecond science. On the conference's closing day participants will visit the ELI-ALPS laser research centre inaugurated in Szeged in May, 2017. The facility, part of the European Union's Extreme Light Infrastructure (ELI) project, makes a wide range of ultrashort light sources accessible to the international scientific community.