

## PHOTO OF THE DAY



MTI/Zsolt Czeglédi

Mosquito spraying near Ferris wheel of Hajdúszoboszló

## UPCOMING EVENTS

**Stats office releases June industrial producer prices**

**National Heritage Institute pays tribute to first Hungarian Olympic gold medallist Alfréd Hajós**

**August 20 national holiday events presser**

**Hungarian Economic Assoc organises forum on electronic public administration services**

## TOP STORY

# GYÁRFÁS INDICTED IN MURDER OF BUSINESS RIVAL

The Budapest prosecutor's office has charged Tamás Gyárfás with ordering the murder in 1998 of his media business rival, János Fenyő.

According to the charges, Gyárfás hired Tamás Portik, the one-time head of an oil company involved in illicit deals in the nineties, to organise Fenyő's murder by a hitman. Fenyő was killed by multiple gunshots in a traffic jam in downtown Budapest on February 11, 1998.

The investigation stalled until 2010, when DNA evidence led police to arrest Jozef Roháč, a Slovak citizen who was later sentenced to life in prison for the Fenyő murder and the bombing in Budapest's Aranykéz street, which claimed four lives. In 2017, further evidence led investigators to reopen the investigation. Gyárfás, who also headed the Hungarian Swimming Association, was detained and questioned as a suspect in April 2018. His attorney said then that during his interrogation, Gyárfás denied any wrongdoing and described in detail his dispute with Fenyő and how they had "made up". He also described his relationship with Portik.

Portik, currently serving a 13-year prison term for his role in the Fenyő murder and other crimes, was also questioned.

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## **GOVT OFFICIAL RESPONDS TO FORMER US AMBASSADOR'S CRITICISM OF HUNGARY**

The United States can continue to count on Hungary, Zoltán Kovács, the state secretary for international communications and relations, said in response to an opinion piece former US Ambassador to Hungary Nancy Goodman Brinker had written for conservative media site Newsmax.com. In her July 22 article entitled "Our Former Ally Turns Unsavory", Brinker accused Hungarian Prime Minister Viktor Orbán of standing in the way of cooperation between Ukraine and NATO.

In his response article to Newsmax, Kovács said Hungary remained a staunch member of NATO, "more than pulling our weight in terms of contributions to the alliance". "We have embarked on our biggest military development program in the 29 years since the fall of the communist regime," he wrote, noting Orbán's promise that the scheme would help Hungary increase its defence spending to 2% of GDP by 2024.

The state secretary quoted Orbán as saying at a reception marking Independence Day earlier this month that the US "can count on us in the fight for our common values, whether it be in the meeting rooms or on the battlefields". Kovács also noted that Hungary has signed a Defense Cooperation Agreement with the US

"that was, contrary to Ms. Brinker's assertion, approved by Hungary's National Assembly earlier this month".

As regards Ukraine's cooperation with NATO, Kovács said it had "suffered not because of Hungary ... but because of Ukraine's own laws that violate ethnic minority rights". He said Hungary would not apologise for prioritising the rights of Hungarians living beyond its borders "and we will hold Ukraine accountable for making good on its own commitments".

He cited Secretary of State Mike Pompeo as having said during his visit to Hungary earlier this year that the US had been "prone to forgetting about Central Europe and abandoned this region". Kovács added, however, that this was changing under the administration of President Donald Trump, adding that Hungary was "delighted to have the United States back not only as an important strategic ally but also as our greatest source of foreign direct investment outside of Europe".

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## **ORBÁN AT TALKS WITH NORTH MACEDONIAN PARTY VMRO-DPMNE'S SENIOR OFFICIALS**

Prime Minister Viktor Orbán held talks with senior officials of the VMRO-DPMNE party from North Macedonia in his office, his press chief said. Leader of the Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (VMRO-

DPMNE) Hristijan Mickoski and co-leader Aleksandar Nikoloski briefed Orbán about the current political and economic situation in North Macedonia, Bertalan Havasi said.

The European Union accession of North Macedonia was also discussed, as well as the most important current issues facing the EU. The future of the European People's Party (EPP) and its upcoming congress for the election of officials in November was also discussed because both Fidesz and VMRO-DPMNE are EPP members, he said.

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## **FIDESZ: RULING PARTIES OFFER GROWTH**

Fidesz local election campaign chief Lajos Kósa has said voters will have the chance to secure development and prosperity by electing local officials allied to the ruling Fidesz and Christian Democrat parties in Hungary's October 13 local elections. He said the opposition, by contrast, offered nothing more locally than a "battlefield" on which to wage a war against the ruling parties.

Kósa said that signatures to stump candidates will be collected in 25 days' time. Fidesz expects to nominate 1,200 mayoral candidates in around four-fifths of the country, which means 7.6 million voters will be able to choose Fidesz or government-backed candidates. Fully 6,000-7,000 local candidates will be competing across the country and there will be more candidates than in 2014. Fidesz

will be running more candidates than any other party.

Fully 100,000 activists will be supporting Fidesz's campaign from August 23, and Viktor Orbán, the prime minister and Fidesz leader, will also be involved in the party's nationwide campaign, Kósa said. The aim is to make Hungary one of Europe's most liveable countries within the foreseeable future and Hungarian towns and villages would accordingly conform to European standards, Kósa said. Meanwhile, he noted that Fidesz will hold a congress to elect officials in late September.

### **NATIONAL MINORITY ELECTIONS TO BE HELD ON OCTOBER 13**

The election of national minority self-government representatives will be held on October 13, coinciding with the election of local council representatives and mayors, the National Election Committee (NVB) said. A total of 2,715 national minority votes will be held around the country.

In line with the law, the committee had to decide which minorities in which towns and villages were eligible to hold elections and the date had to coincide with the day of the local council elections. The campaign for the national minority elections will also start on August 24.

All 13 national minorities in Hungary registered by law are entitled to hold elections. National minority elections can be held in towns and villages

where at least 25 people stated during the 2011 census that they belonged to the same national minority. Based on this data, the NVB invited 2,715 national minority elections, including 1,383 for Roma, 547 for Germans, 168 for Romanians, 158 for Slovaks, 136 for Croatians, 63 for Serbs, 53 for Poles, 47 for Ukrainians, 44 for Ruthenians, 37 for Bulgarians, 36 for Greeks, 33 for Armenians and ten for Slovenians.

### **SZEGED APPEALS COURT REOPENS CZEGLÉDY CASE**

The appeals court of the southern Hungarian city of Szeged has decided to reopen the case of Csaba Czeplédy, who ran in the European parliamentary election as a candidate for the opposition Democratic Coalition (DK), on charges of major fraud and forgery of public documents. The original procedure was dropped in May after the National Election Committee upheld his immunity as a candidate in the EP ballot. The prosecutor's office appealed that decision.

Czeplédy, a municipal politician in Szombathely, in western Hungary, was arrested in July 2017. He was put in house arrest in December last year, and was released in February. He was indicted for tax fraud to the tune of six billion forints (EUR 18.9m). In a case handled separately by the court, one employee of Czeplédy's Human Operator company was sentenced to three years and three months in prison for defrauding the government and using forged public

documents. Another three associates of Czeplédy were also convicted, with two sentences currently in effect.

### **PROSECUTOR REQUESTS CRUISE SHIP CAPTAIN'S ARREST**

Budapest's 6th and 7th district prosecutor has filed a request for the detention of the captain of a cruise ship which collided with a sightseeing boat in central Budapest in May, the municipal chief prosecutor said. Tibor Ibolya said that in addition to the existing counts of criminal misconduct faced by the captain, he is also suspected of 35 counts of failure to provide assistance after the collision. Further, the suspect's arrest is the only way to guarantee his cooperation in the investigation and to prevent any evidence tampering, Ibolya said. The Budapest Municipal Court is expected to decide on the captain's detention on Wednesday.

On May 29, the Viking Sigyn cruise ship collided with a sightseeing boat that had 33 South Korean tourists on board and a crew of two Hungarians. Seven tourists were rescued from the water after the collision and the rest died.

Last month, the 64-year-old Ukrainian captain of the Viking Sigyn was taken into custody on suspicion of criminal misconduct but later released on a bail of 15 million forints (EUR 45,800). The municipal court ruling granting the captain's release also obliged him to remain in Budapest.

The captain was taken back into police custody on Monday on suspicion of abandoning the passengers and crew of the Hableány sightseeing boat after the crash.

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## **HUNGARY GROSS WAGES CLIMB 11.2% IN MAY**

The average gross wage for full-time workers in Hungary grew by an annual 11.2% to 364,400 forints (EUR 1,120) in May, the Central Statistical Office (KSH) said. Net wages grew at the same pace, to 242,300 forints. Real wages rose by 7%, calculating with an annual inflation rate of 3.9% in May. In January-May, real wages were up 6.9% as net wages rose by 10.6% and consumer prices increased by 3.5%.

Excluding the 101,500 Hungarians in fostered work programmes, the average gross wage grew by 10.2% to 374,700 forints a month, while net wages grew at the same rate to 249,180 forints.

Zoltán Marczinkó, the deputy state secretary of the finance ministry for labour affairs, said that high demand for labour was due to businesses investing, growing and developing, and wage growth followed suit. He said wage growth in Hungary was unbroken for the past 77 months, rising by more than 80% since 2010. ING Bank

analyst Péter VirovácZ attributed the acceleration in wage growth to a rise in pay in the public sector. Full-year wage growth of above 10% is possible, he said. Takarékbank chief analyst András Horváth said the shortage of skilled labour and minimum wage rises continued to affect wage growth overall.

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## **MIGRANTS APPREHENDED AT SERBIA-HUNGARY BORDER**

Border police stopped 35 illegal migrants near the Kelebia border crossing on the Serbian-Hungarian border, Bács-Kiskun county police said on its website. The migrants had hidden in a wagon and on the undercarriage of a Serbian freight train. They had no valid identification. Eighteen declared themselves to be Iranian, fourteen Afghan and three said they were Iraqi nationals. The Hungarian police escorted them back to the border fence.

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## **BUDAPEST HOME TO THOUSANDS OF EMPTY SHOP PREMISES**

Budapest is home to 2,000-3,000 vacant retail premises, business daily Világ gazdaság said. Rents

on empty retail space range from 20,000 forints to millions of forints each month, depending on the size, condition and location of the street. Start-up businesses generally balk at paying more than 100,000 forints in rent. The Budapest Chamber of Commerce and Industry and the Budapest municipality have begun operating a non-profit database which currently contains information on 150 leaseholds. The purpose of kiberelem.hu is to help start-ups by providing useful information about properties and their surroundings, the paper said.

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## **HUNGARIAN INTERNET USERS MOST INCLINED TO USE DIGITAL SOLUTIONS**

Hungarian internet users' propensity for digital solutions is the highest in the region, a survey conducted by market researcher Nielsen for consultancy EY shows. The survey of more than 3,600 people in Hungary, Austria, the Czech Republic, Croatia, Serbia, Slovakia and Slovenia showed 71% of Hungarian internet users try to manage their day-to-day affairs online, compared to a 44% average for the region. Around 72% of Hungarians use contactless banking cards for payment, and about 33% have tried mobile payments.