

## PHOTO OF THE DAY



MTI/György Varga

Swimmers cooling off from heat wave at a water park in Zalakaros (SW)

## UPCOMING EVENTS

**Stats office releases June industrial output data in 2nd reading**

**Sziget festival events**

**Fidesz candidate for Miskolc mayor holds first presser**

## TOP STORY

# HUNGARY YOUTH 'KEY TO FAMILY-FRIENDLY FUTURE'

Hungary's youth are the key to the survival of a family-friendly Hungarian nation, a human resources ministry official said, marking International Youth Day.

Young people today face "countless challenges", but the government aims to support them in every way it can so that they can take advantage of the opportunities presented to them, deputy state secretary Boglárka Illés told a press conference in Székesfehérvár, in central Hungary. Among the challenges faced by young people today, she listed safety, the need for a safe future, security of livelihood, starting out in life, and starting a family.

Detailing the government support schemes geared towards the youth, she noted the reimbursement of written driver licence test and language proficiency exam fees, which 75,000 people have already availed of. Starting next year, some 140,000 secondary school students will get the chance to take part in two two-week foreign language courses abroad. She added that a number of other measures in the government's family protection action plan have been designed to help young people starting out in life.

The United Nations General Assembly declared August 12 as International Youth Day exactly 20 years ago, Illés noted.

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## **JUSTICE MINISTER CALLS FOR REGULATING TECH GIANTS' EXCESSIVE POWER**

Finding ways to regulate the excessive power of multinational technology companies will be one of the biggest challenges of the coming decades, Justice Minister Judit Varga said at an event at the Sziget festival.

The justice ministry will set up a working group to review issues such as the boundaries of freedom of expression and the censorship exercised by big tech companies such as Facebook and Google, as well as taxation and data protection, she said.

"The regulation of big companies that cannot be linked to specific countries and perform cross-border activities needs to be reconsidered at both EU and national level. Tech companies are not transparent, they cannot be controlled, they do not necessarily pay taxes where their income is generated," the minister said.

Varga called the current situation problematic because these companies are "increasingly acting as political and social operators all over the world". "They do not just focus on shaping the world in their own area, but also try to impose the world view of their owners on their users. For example, it is not Facebook's job to censor certain news related to migration," she said.

The minister said it would be essential for the citizen to know how to navigate in digital space, to be aware of who at the tech companies censor

their posts and based on what criteria. Currently, Facebook has 5.4 million Hungarian users and Instagram has 1.9 million, so Hungarians have an active presence in digital space, she added.

"Ursula van der Leyen, the new EC president, also mentioned the need for [tech companies taking their] 'fair share'", Varga said. "If tech giants use our virtual spaces for their own purposes, they must contribute to burden sharing. The initiative for the taxation of digital services has stranded at the European Council but the topic is constantly on the agenda and the OECD is also addressing it," she said.

## **SOCIALISTS CALL FOR PART PROBE INTO STATE PURCHASES OF MICROSOFT SOFTWARE**

The opposition Socialist Party has called on parliament to set up an investigative committee to examine the purchase of Microsoft software by state companies. Tamás Harangozó, the party's deputy group leader, noted that according to the findings of a US investigation, between 2013 and 2015, Microsoft sold its software to contracted intermediaries at a big discount before state institutions bought them for the full price or above. Among the buyers were tax authority NAV and the national police headquarters, Harangozó said. In addition, e-mails that have surfaced in the case have indicated that Hungarian Microsoft executives and the government had

consulted on the purchases, he said, arguing that "the government's ties to the case are obvious."

The Socialist Party is initiating the establishment of a parliamentary investigative committee to look into the matter and has turned to the heads of ten government bodies, offices and authorities as well as ministries with the aim of getting the public procurement arbitration board to review the purchases, Harangozó said. He also called on Prime Minister Viktor Orbán to address the matter "since he has been implicated in an international corruption scandal".

## **CONSTRUCTION SECTOR OUTPUT CLIMBS 20.3% IN JUNE**

Output of Hungary's construction sector climbed an annual 20.3% in June, the Central Statistical Office (KSH) said. Output of the building segment was up by 23.5%, lifted by construction of industrial buildings and warehouses, KSH said. Civil engineering output increased by 16.5%, supported by road, utilities and railway projects. For the period of January-June, output was up by an annual 35.1%. In absolute terms, output stood at 409.7 billion forints (EUR 1.26m) in June and 1,832.3 billion forints in the first six months.

Commenting on the data, László Koji, who heads construction industry association ÉVOSZ, said he expects output growth in the sector to slow down in the second half of the year, partly due to the high base. Civil

engineering performance in particular is expected to show a decline as the EU monies available for infrastructure developments in the 2014-2020 period were already placed out in 2017-2018 by the government, he added.

Analyst András Horváth of Takarékbank also noted the slowdown in construction output growth, which followed very strong growth data at the beginning of the year. He said the question is the extent to which the slowdown can be attributed to temporary factors such as the workforce shortage and the phasing out of the preferential VAT rate on home construction.

**PILOT TENDER FOR GREEN ELECTRICITY SUPPORT SCHEME TO BE CALLED NEXT MONTH**

The innovation and technology ministry said a pilot tender for support of a combined 1 billion forints (EUR 3.1m) for companies generating electricity using renewable energy sources is expected to be called in September. The support will be allocated in two categories: a combined 333 million forints will be

made available for power stations with output between 0.3MW and 1MW and a total of 667 million forints for those between 1MW and 20MW. The pilot tender will be called by the Hungarian Energy and Public Utility Regulatory Authority (MEKH). The support will only be allocated to companies producing electricity at domestic sites. In the evaluation, MEKH will favour investments at brownfield sites, which will have to be implemented within three years from winning the support. Decisions on the winning applications are expected to be taken in early 2020, the ministry said in a statement.

**RADICAL NATIONALISTS BLOCK COCA-COLA PLANT ENTRANCE**

Activists of the radical nationalist Mi Hazánk Movement blocked the entrance of a Coca-Cola bottling plant in Dunaharaszti, south of Budapest, in protest against the soft-drink maker's recent billboards depicting same-sex couples. The activists parked four cars in front of the entrance and put up a sign with the inscription "What comes next? Paedophilia?", commercial channel Hír TV reported. The police called on

the protesters to leave the premises but they refused, the report said. Mi Hazánk earlier called for a boycott of Coca-Cola products for what they see as a "promotion of homosexuality". Coca-Cola "has no business involving itself in politics or interfering in other people's private lives and its job is not to try to strengthen forms of social deviance", László Toroczka, the party's leader, has said.

**AVERAGE TEMPERATURE IN HUNGARY HAS RISEN BY OVER 1°C SINCE 1901**

Average temperatures in Hungary have risen by more than 1°C and in Budapest by more than 1.5°C since 1901, according to a study on climate change released by the Central Statistical Office (KSH). The study attributed Budapest's higher average temperature rise to the so-called urban heat island (UHI) effect. The main cause of the UHI effect is that man-made surfaces absorb more heat than natural ones. Economic activities also contribute to it, the study added. According to the data, the average surface temperature in Europe last year was 2.1°C higher than the average temperature in the second half of the 19th century.

