

PHOTO OF THE DAY



The first session of the newly elected Budapest assembly

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UPCOMING EVENTS

Foreign Minister Péter Szijjártó in Tokyo

Parliament meets

LMP presser on upcoming visit by Turkish PM

Stats office preliminary reports on retail trade in Sept, construction in Q3

TOP STORY

PRIME MINISTER CALLS FOR FAIR EU BUDGET

The European Union budget proposal put forward by the outgoing European Commission is “unfair”, Prime Minister Viktor Orbán said in Prague after the Friends of Cohesion summit held together with Visegrad Group leaders.

Orbán said the proposal under discussion across Europe contained faults that could be laid at the doorstep of the outgoing commission. He said rebates should be scrapped. If member states’ rebates were recalculated taking into account the size of its payments in relation to its national product, “then we get a completely unfair picture”, he argued.

Further, the fact that much of the funding for central European countries “goes back” to western states should be taken into consideration in the budget proposal, he said.

Moreover, it was unfair to reduce cohesion funds on the basis that “the poorer someone is, the more money they lose, while the richer loses less”.

Orbán said the situation was similar in respect of climate policy. In order for Hungary’s economy to become carbon-neutral by 2050, 2.5% of GDP will have to be spent each year on economic reforms, while the Netherlands would have to spend 0.5% to achieve the same, he said. Hungary was ready to hit its 2050 target but wanted to see funding sources in the EU budget to help the country achieve it, he added.

KARÁCSONY OUTLINES 'FUNDAMENTAL VALUES' FOR BUDAPEST LEADERSHIP

Gergely Karácsony, Budapest's new mayor, has set out the mottoes which he said would guide the city's leadership in the next five-year municipal cycle. Speaking at the new municipal assembly's first meeting after his oath-taking, Karácsony said there should not be any "second-class" citizens in the city.

He said municipal leaders must serve the interests of residents. Further, people have a fundamental right to a roof over their heads, he said.

Karácsony called for a balance between the development of inner districts and the outskirts. He also signalled the promotion of the city's cultural diversity.

The city's operations must be transparent and free of corruption, he added. The new assembly will build "a new kind of cooperation" both with the districts and the central government, Karácsony said. The capital "must not be subordinate to any government" but an equal partner, he insisted.

The general assembly elected as deputy mayors DK's Erzsébet Németh Gy, Kata Tüttő of the Socialist party, Dávid Dorosz of Párbeszéd, political scientist Ambrus Kiss who sits in the assembly as an independent, and Gábor Kerpel-Fronius of the Momentum movement.

The Budapest general assembly consists of 33 members: the directly elected mayor, the mayors of the capital city's 23 districts and 9 representatives who have won their mandates via compensation party lists. The opposition parties have 17 representatives: 7 Socialist, 4 Democratic Coalition (DK), 4 Momentum and 2 Párbeszéd. The Fidesz-Christian Democrats have 13 representatives while 3 sit as independents. Karácsony was backed in the local election by Momentum, DK, the Socialist Party alliance with Párbeszéd and LMP.

BUDAPEST ASSEMBLY VOTES TO SUPPORT ANTI-CORRUPTION PROGRAMME

Budapest's new municipal assembly unanimously supported the implementation of an anti-graft programme aimed at increasing transparency of the city's operations. In his proposal, Mayor Gergely Karácsony noted that in the election campaign he had pledged to implement a "minimum programme" worked out by anti-corruption organisations Átlátszó, K-Monitor and Transparency International Hungary.

Karácsony also noted that the city had already published "more information than required by law" but added that "the municipality should proceed along that path, further increasing the range of information released to the public".

The assembly announced a climate emergency in Budapest, and said that the Healthy Budapest programme should be developed further. "Climate change is already affecting our everyday lives significantly. If we fail to take measures, ... we will be remiss in our duty towards further generations," Karácsony said. The assembly has commissioned the mayor to review where the authority's institutions stand regarding carbon neutrality and the transition to green energy. The mayor will also review the city's action plans for extreme weather conditions and develop a climate change adaptation and mitigation plan, the assembly said. The assembly declared a ban on changes to the northern embankment of the Danube where the previous leadership had planned a levy, seen as controversial due to its alleged environmental impact.

In another development, the assembly banned implementation of the overtime work law at municipal companies. In his proposal, Karácsony said that the law would seriously impact employees who could be made to work a "drastically increased" number of overtime hours.

The assembly passed a decision not to support major construction projects which have been planned but not started yet, such as the new National Gallery, in the City Park. According to the decision, the planned building sites should be parkland. The assembly authorised the mayor to negotiate with the government concerning its new measures and requested that

Karácsony should prepare a proposal aimed at ensuring protection to the City Park as a historic garden.

FOREIGN MINISTER: HUAWEI IS HELPING TO BUILD 5G NETWORK IN HUNGARY

China's telecom giant Huawei is building a 5G network in Hungary, Péter Szijjártó, the minister of foreign affairs and trade, told an economic forum in Shanghai. Speaking at the opening day of the second China International Import Expo on digitisation and e-commerce, Szijjártó said whereas Hungary expects companies to comply with its laws and regulations it does not discriminate against them based on nationality. Huawei will partner with Vodafone and Deutsche Telekom in building the 5G network.

He said Hungary was a digitisation leader in the European Union. The government, he added, sees developing e-commerce as a priority since this presents more development opportunities for SMEs and cuts their costs.

Hungary, he noted, has among the lowest corporate tax rates and offers various subsidies to companies that bring new technologies to the country, especially when it comes to industry 4.0 and the Internet of Things.

Szijjártó noted that Hungary is participating in the expo for the second time and was guest

of honour at the first expo. Also, Hungary and China are celebrating the 70th anniversary of the establishment of diplomatic relations this year, he said, adding that Hungary "is proud" to have been among the first to recognise the People's Republic of China. He said two countries' ties were at a historical pinnacle and the development of cooperation was fast-paced. China, the minister noted, is Hungary's 9th most important trading partner and number one outside the EU.

SZIJJÁRTÓ ANNOUNCES TWO MORE DIRECT FLIGHTS BETWEEN BUDAPEST, CHINA

Minister of Foreign Affairs and Trade Péter Szijjártó announced the launch of direct flights connecting Budapest and the Chinese cities of Chengdu and Xi'an, after talks with the chairman of airline China Eastern in Shanghai. Chengdu and Xi'an are the capitals of China's Sichuan and Shaanxi provinces, respectively.

With the new lines, the number of flights between China and Hungary grows to eleven, the minister noted. Competition for drawing Chinese tourists is harsh in central and eastern Europe as they are among those spending most on their holidays and so they contribute greatly to the target country's economy, he said. Szijjártó is in Shanghai for the second China International Import Expo (CIIE).

SZIJJÁRTÓ: HUNGARY INCREASINGLY ATTRACTIVE FOR CHINESE INVESTORS

Hungary is becoming an increasingly attractive investment destination for the Chinese, and bilateral cooperation is rapidly developing, the minister of foreign affairs and trade told an economic forum in Shanghai. Hungary's economic and political strategy of opening to the East announced nine years ago has focused on developing balanced bilateral cooperation, Péter Szijjártó said at the opening day of the second China International Import Expo. The Hungarian government has built its relations with the People's Republic of China on the basis of mutual trust, he said. Prior to the expo's opening, Szijjártó held talks with Zhong Shan, China's minister of commerce, and Ni Yuefeng, the head of China's General Administration of Customs (GACC). At panel discussions held during the expo, representatives of Hungarian and Chinese companies discussed opportunities China has to offer in the current geopolitical environment in the framework of its Belt and Road global economic and infrastructural initiative for small and medium-sized countries. They also discussed the potential of e-commerce and conventional methods of trade in the future.

SZATMÁRI GROUP INVESTS HUF 1.4 BN IN CAPACITY EXPANSION

Hungarian-owned Szatmári Kereskedelmi és Szolgáltató is investing 1.4 billion forints (EUR 4.2m) in expanding storage capacity at its warehouse complex in Jászberény, eastern Hungary. The government is supporting the investment with a 680 million forint grant, Finance Minister Mihály Varga said.

Executive director Zoltán Szatmári said the expansion had become essential as their storage capacity was already at its limit. The company has 30,000sqm storage space at a 80,000sqm base with the investment adding an extra 5,000sqm to the storage capacity. As part of the project they are building an automatic warehouse system, he added. Construction work is already under way and the project is set to conclude next September.

PRIME MINISTER CONGRATULATES ROMANIA'S ORBAN ON ELECTION AS PM

Hungarian Prime Minister Viktor Orbán has sent a letter of congratulation to Ludovic Orban, leader of the centre-right National Liberal Party, on his

election as Romania's new prime minister.

"I can assure you that Hungary is ready to cooperate with the new Romanian government in the spirit of mutual respect and in the interests of the two nations," the Hungarian prime minister said.

According to a statement by the PM's press chief, the Hungarian prime minister expressed a desire to "continue to work together in a constructive spirit towards deepening Hungarian-Romanian ties, and for a successful European Union built on strong nations."

PROSECUTION CHARGES LMP'S DEMETER

The public prosecutor's office has charged opposition LMP lawmaker Márta Demeter with abusing her office. Demeter is accused of using her parliamentary privilege last September to obtain confidential data on Hungarian army operations and publishing it on social media illegally, the investigations office of the public prosecutor said in a statement. Further, the information published contained falsehoods, it added. Parliament lifted her immunity at the request of the public prosecutor. Demeter then did not make a confession, the statement said. Based on provisions of the new Criminal Code, if during preparatory

hearings the accused admits to the crime she is charged with, a fine of 2 million forints (EUR 6,600) applies, the statement said. Abuse of office by a lawmaker carries a sentence of up to three years' imprisonment, it added. In October 2018, Demeter submitted questions to the interior and defence ministers asking them why a minor named Flóra Orbán, whom Demeter had wrongly assumed to be the prime minister's daughter, had been allowed to travel on an Airbus operated by the Hungarian army.

MOST GUEST WORKERS FROM UKRAINE

Most guest workers in Hungary are from Ukraine, with almost 44,000 in possession of a work permit at the end of September, according to Világgazdaság business daily. Official statistics show that among non-EU workers in Hungary, Serbs have the second highest number of permits (6,199), followed by Chinese with 2,965. There are 2,778 Vietnamese and 1,806 Indians on Hungary's labour market. The proportion of workers by nationality has not changed markedly in the past few years, though the global figure has shot up compared since 2017. Two years ago, fully 11,464 workers from third countries were registered from the top three countries; this figure rose to 31,449 last year.

