

PHOTO OF THE DAY



UPCOMING EVENTS

Coronavirus updates

Coronavirus operative board to hold online presser

Data on 2019 budget deficit released

TOP STORY

CORONAVIRUS – NO CURFEW PLANNED

There are no plans to introduce a curfew or place localities under partial lockdown, the government and the operative board coordinating the response to the novel coronavirus epidemic say.

The authorities are taking measures, however, to enforce home quarantine measures more stringently, the head of the board's emergency centre, Tibor Lakatos, said. So far, the authorities have ordered 3,065 homes into quarantine and checked compliance 8,293 times, he said, adding that anyone ignoring home quarantine instructions or otherwise disregarding the work of health-care workers and disaster management experts put the effectiveness of the response at risk. Lakatos added that goods are flowing freely in the country.

Meanwhile, Gergely Gulyás, the head of the Prime Minister's Office, said it was crucial for parliament to extend the state of emergency declared last week in connection with protective measures against the novel coronavirus.

The number of confirmed cases of the novel coronavirus infection in Hungary has increased to 73, koronavirus.gov.hu said on Thursday, adding that the epidemic in the country had entered in its second phase, as the virus is being transmitted in communities, not just from one individual to another.

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DEFENCE MINISTRY OVERSEES EPIDEMIC RESPONSE AT STRATEGIC HUNGARIAN COMPANIES

Operative groups set up by the defence ministry started working at 71 Hungarian companies to coordinate containment measures in connection with the novel coronavirus epidemic. The operative bodies started work at the Hungarian Stock Exchange, oil and gas company MOL, national rail company MÁV and at the country's public broadcaster, among others, the ministry said. The aim is to ensure the seamless operation of essential production lines and services, it said.

Defence Minister Tibor Benkő, who heads the government's action group in charge of the security of the companies, also said that the military will patrol streets starting on Friday, when there will be "increased military presence" across the country, especially in towns and cities with military facilities.

The minister of agriculture said that Hungary's food supply is safe and stable, with sufficient amount of food available. "There is absolutely no need to stock up on food," István Nagy told public news channel M1. Hungary's agriculture can supply 25 million people, he said, adding that several instances of overpricing of food had been caused by panic and was not justified by market developments. He promised action against overpricing, including on-site inspections.

Meanwhile, it was reported that six people are in a serious condition with the Covid-19 disease and are being treated in intensive care in Hungary. The chief medical officer, Cecília Müller, said that the total of confirmed cases in Hungary now stands at 73. Cases have been reported nationwide, she added. The epidemic in the country has entered in its second phase, as the virus is being transmitted in clusters, she said.

The ruling Fidesz parliamentary group has asked parliament to authorise the government to extend the virus-related state of emergency as soon as possible. Group leader Máté Kocsis noted that the government can only order a state of emergency for fifteen days before turning to parliament for an extension. He added the government trusted that parliament would extend the state of emergency. Kocsis asked the other parliamentary parties to support the initiative.

GULYÁS: GOVT ORDERS LOANS RELIEF

The government is forgiving certain loan repayments this year, including those on baby bonds and student loans, due to the novel coronavirus epidemic, the head of the Prime Minister's Office said. Gergely Gulyás said at a regular government news briefing that demand for consumer loans was expected to be high in the current situation, so APR would be capped to 5% above the central bank base rate.

On the topic of employment rules, he said the employment relationship may change as part of a free agreement between the employer and employee, and "creative solutions" would be needed that may entail a loss of income in this extraordinary situation, but the most important aspect of any agreement would be job retention. He said special rules now apply in the tourism, hospitality, entertainment and film industries, as well as in the gambling, performing arts, events and sports services sectors. Accordingly, leases of non-residential premises cannot be terminated before June 30. Also, up until the end of June, employers are exempt from paying taxes on salaries, and the health insurance contribution is being capped at 7,710 forints and will be the only employment contribution during this period. Certain other contributions related to tourist operators will also be forgiven, and taxis will have a general tax amnesty until June 30 to be extended if needed.

Meanwhile, he said Romania is allowing in Romanian and Bulgarian citizens returning from Austria, and Hungary will set up a humanitarian corridor for their passage. In the interest of ensuring the flow of freight traffic, which was being impeded at the border to a long queue of cars, the government is opening new border crossing points at Rábafüzes and Kópháza. He added that difficulties at the Hegyeshalom border with Austria were likely to persist in the long term.

Commenting on the infection rate, Gulyás said the actual number of

people carrying the novel coronavirus could be up to ten to fifteen times the number of confirmed cases. The government will continue to strive to provide accurate figures, but like elsewhere in the world, the latency rate is around 10-15 times the number of known cases, he said, adding that an explosion of cases was likely in Hungary in the next few days. Hungary, he said, took measures to slow down the spread of the virus at an earlier stage compared with other countries.

Meanwhile, noting that the government can only order a state of emergency for fifteen days before turning to parliament for an extension, Gulyás said the government trusted that parliament would extend the virus-related state of emergency. House sessions are normally guaranteed, even in times of special legal circumstances, though in the current situation it cannot be known how long lawmakers can attend and maintain a quorum. Hopefully, they will be able to," he said.

Gulyás said that although protecting human life was the most important part of managing the crisis, the pandemic would have a serious impact on both the Hungarian and the global economy. This was why, he said, every minister whose portfolios are affected by the outbreak had been instructed to work out measures to help restart the economy. Certain sectors like tourism have ground to a halt both in Hungary and across Europe as a whole, he noted, adding that international newspapers were referring to the

economic protection plans announced by the prime minister on Wednesday as the boldest action plan announced so far.

Meanwhile, he said the prime minister will set up an action group to oversee the activities of volunteers helping to combat the virus. The new group which will be established in addition to ten already existing action groups, to be headed by government commissioner and lawmaker Máriusz Révész, Gulyás said, noting that ordinary Hungarians have launched various charity initiatives, adding that the government is thankful for this. He cited the example of private hospitals offering their services and donating digital equipment. Gulyás reiterated that the state had sufficient funding for protective measures. He said the government has consulted the central bank on possible measures to help small and medium-sized firms cope with the economic impact of the virus. Business closures announced so far are costing the Hungarian economy 140 billion-160 billion forints (EUR 392m-448m) a week, he said, adding that businesses should work to preserve jobs.

Gulyás said he could not confirm reports by Bruxinfo that the European Commission would allocate 5.6 billion euros to Hungary with a view to aiding the country's response to the virus, adding, at the same time, that he would welcome such a package. He said the aid packages announced by the EU so far would mainly benefit member states that were less effective

in making drawdowns of EU funds. Gulyás said Hungary's budget reserves stood at a record 492 billion forints, which he said was enough to fight the outbreak, preserve jobs and create new ones.

Asked at the press conference about a supply of protective equipment to be delivered to Hungary from Hamburg, the PM's Office chief said the government was "fighting for it" and would confirm the information once it arrives. He said the government's priority was to ensure the supply of face masks to health-care workers. Gulyás added Hungary had a realistic chance of securing a large supply of masks from China in the coming days. He noted that the government has instructed the operative board coordinating the epidemic response to "clear up the situation around face masks" which involves setting up a clear ranking of beneficiaries.

In response to a question, Gulyás said there was no shortage of medicines, even if some products were not available in every pharmacy. It might be justified to introduce restrictions in the case of some health products and limit the number of items that can be sold per person, he said, adding that no such restrictions were planned in the case of food products.

In connection with testing for the virus, Gulyás said the government would provide support for technical developments and any new type of equipment that speeds up testing or increases the volume of testing. He cautioned that the current tests are

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50-70% reliable. Gulyás said an increase in the number of cases or the speed that the epidemic spreads may justify introducing a ban on people leaving their homes. It would be preferable to avoid this scenario, he added, but nobody could guarantee that such measures would not be necessary in 2-3 weeks' time. Amid the current circumstances, it would be reasonable, he said, to expect the opposition to enable parliament to pass laws upholding the state of emergency with the four-fifths majority needed. Hopefully, parliament will manage to continue working and pass the necessary laws, he said, adding that approval of the 2021 budget would be desirable during the spring term. In response to another question, Gulyás said closures in the trade sector would result in around a 1.1% monthly decrease in growth, and the closure of car plants would add another 0.4% contraction to this. Based on 4% projected growth, if only these two sectors suffer, it would take around two and a half months before the economy slips into recession, he added.

SZIJJÁRTÓ: EFFORTS CONTINUE TO SECURE FREIGHT TRANSPORT

Every effort is being made to maintain stable and undisturbed freight transport to guarantee retail supplies and the functioning of the economy, Foreign Minister Péter Szijjártó said. He told public news channel M1 that he had asked his Austrian counterpart to

start separating lorries from passenger transport on the Austrian side of the Hegyeshalom-Nickelsdorf border crossing in advance to ensure that the cars waiting to cross Hungary do not block the road for lorries. The Austrian minister said that the arrangements are under way, he added. Besides the crossing at Hegyeshalom, lorries from Austria are also allowed to enter the country at Rábafüzes, Rajka and Kópháza.

Meanwhile, Szijjártó held a video conference with his Austrian, Croatian, Italian and Slovenian counterparts to discuss the latest developments regarding the novel coronavirus epidemic. In a Facebook post, Szijjártó said that Luigi di Maio, the Italian foreign minister, "had worrying numbers to report", citing tens of thousands of confirmed cases in Italy. "The virus and the dangers it poses should not be underestimated," he warned, calling on Hungarians wanting to return home from abroad to do so as soon as possible "or let [the authorities] know if they are experiencing difficulties". "We will face travel restrictions for many months," he said. The foreign ministry has set up a working group to organise the return of Hungarians stranded abroad, he said. The group has been in talks with other central European countries to fly Hungarians home from distant countries, he said. Austria, Croatia, the Czech Republic, Hungary, Slovakia and Slovenia agreed earlier to coordinate their actions and share information, he said.

Commenting on Slovakia, Szijjártó noted that Prime Minister Viktor Orbán had told parliament on Monday that bilateral talks were under way on border crossing regulations so that communities near the borders can maintain close contacts. An agreement has been made on regulating border crossings for Hungarian and Slovak citizens.

VARGA MEETS BANK ASSOC OFFICIALS TO DISCUSS LOAN REPAYMENT MORATORIUM

Finance Minister Mihaly Varga met representatives of the Hungarian Banking Association to discuss a government decree on suspending payments of principal, interest and fees on all retail and corporate loans. Varga said the government had weighed up the state of the financial sector and decided that it was stable and sound, the finance ministry said in a statement. Last year was one of the banking sector's most profitable years in a decade, he noted, adding that talks between the government and the association are ongoing.

Hungarian Banking Association chairman András Becsei said the banking sector is prepared to work together with the government on protecting against the fallout of the novel coronavirus epidemic in the country. As soon as the detailed rules are codified, bank clients will be informed, he added.

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Varga said contractual obligations to make repayments on loans would be suspended automatically.

Prime Minister Viktor Orbán announced the repayment moratorium among other measures to ease the economic impact of measures to contain the spread of the coronavirus.

The Hungarian Banking Association said in a separate statement that borrowers who want to continue to pay the instalments on their credit during the moratorium may do so by making a declaration. The association said the length of the moratorium will extend beyond the period expected for managing the crisis and into the period during which the economy will be restarted. "In such a situation, a coordinated and all-encompassing common economic package is absolutely necessary, one in which Hungarian banks will play a role of key importance," it added.

The association said it would be "necessary" to scrap additional burdens on the banking sector to ensure sustainable financing during the reconstruction of the national economy, adding that it would ask for the bank levy and all bank sector duties to be phased out from January 1, 2021.

SZIJJÁRTÓ URGES NEW EU-TURKEY MIGRATION DEAL

Until the European Union and Turkey reach a new deal to stem migrant flows, Turkey cannot be expected to halt the flow of migrants towards

the bloc's external borders, Foreign Minister Péter Szijjártó said. Migration pressure on the Greek-Turkish border is unlikely to ease until Brussels begins taking Turkey's requests, needs and concerns seriously, Szijjártó told a press conference after a phone call with his Turkish counterpart, Mevlüt Çavuşoğlu. Szijjártó said migration pressure towards Turkey was on the rise, adding that some 1.5 million Syrian internally displaced refugees had set off for the country. He said that according to Çavuşoğlu, Turkey was also facing increased migration pressure from the directions of Pakistan and Afghanistan. Szijjártó noted that Turkey stopped 455,000 migrants last year. He said a new deal between Turkey and the EU was especially important given that uncontrolled mass migration presented serious health risks at a time when every government measure is aimed at minimising close contact between people.

Szijjártó also said the EU and Turkey were at odds over a 6 billion euro aid package promised to Turkey to help it cope with the refugee situation, with the two sides disagreeing on how much of that aid the bloc has paid out. "What's certain is that it's not 6 billion," Szijjártó said, adding that it was time for Brussels to reach an agreement with Turkey that would "settle the matter once and for all".

Concerning energy affairs, Szijjártó said there was a realistic chance that Hungary could start importing a significant amount of natural gas via

Turkey, Bulgaria and Serbia from next year.

Regarding the coronavirus outbreak, Szijjártó said a Hungarian company had ordered eight tonnes of textiles from Turkey for the production of face masks. He said Çavuşoğlu had promised that Turkey would approve the order and ship it to Hungary before the end of the week.

Currently, 112 Hungarians are quarantined in 12 countries around the world, he said, 86 of whom are in Austria. Four of those in quarantine have tested positive for the virus, he added. The minister added there are 4,500 Hungarian citizens who had registered for consular protection abroad.

OPPOSITION PARTIES CALL FOR ADDITIONAL MEASURES

The opposition Socialists have urged the government to grant health and welfare workers in the forefront of efforts tackling the coronavirus epidemic a one-off bonus. Bertalan Tóth, the party's leader, called for the screening of health staff to be stepped up and for them to be provided with protective clothing. He also called on the government to put a cap on the price of basic food products, protective clothing and disinfectants. He noted the price of oil and gas was falling on the global market, and urged cuts to retail energy prices.

Tóth also asked for pensions to be raised, arguing that the effect of a

2.8 percent hike pensioners received this year had "disappeared" in view of a higher inflation. He also called for intervention to shore up the forint. "The weaker the forint, the higher prices will be," he said.

The Democratic Coalition (DK) also called on the government to freeze the price of basic foodstuffs. Citing press reports, DK spokesman Balázs Barkóczi said that certain retailers had significantly raised their food prices in the recent period. Barkóczi called on the government to apply tough sanctions against any retailers who price gouge.

Green party LMP has proposed a 50% wage increase for social workers and a 30% hike for health-care staff. János Kendernay insisted that the measures affecting the social sector in the economic protection plans announced by Prime Minister

Viktor Orbán were under-budgeted. Kendernay also called for people who lose their jobs to be given a rental subsidy, adding that landlords should show understanding. The LMP politician argued that Hungary's economy needed to take a new direction after the crisis to lessen its vulnerability to multinationals, especially to German carmakers.

Párbeszéd has prepared a package of proposals for economic and social measures in connection with the novel coronavirus epidemic for submission to lawmakers, the party's spokesman Richárd Barabás said. He told an online press conference that measures announced so far by Prime Minister Viktor Orbán went in the right direction, but the government, he insisted, was focusing on the economy rather than people, who, when they lose

their jobs needed social, health and unemployment support. He called for the period during which the jobseekers' allowance is paid to be increased from three months to nine and for a solidarity tax on everyone with assets worth more than 500 million forints (EUR 1.4m). The central government should settle hospital debt as a matter of urgency and expand hospital capacity, he added. People on sick-leave should be paid their full salary in the first six weeks and monthly 100,000 basic income should be paid to everyone in the following few months, he said, adding that public utility bills should be temporarily suspended. The Párbeszéd politician also asked the government to stop using corporate tax donations for sports and turn these to health-care developments instead.