

PHOTO OF THE DAY



TOP STORY

GOVT MAY GIVE UP SPECIAL POWERS AT END-MAY

The government expects to be able to give up its coronavirus-related special powers at the end of May, Prime Minister Viktor Orbán told a press conference.

Speaking in Belgrade after talks with Serbian President Aleksandar Vučić, Orbán noted that the special powers granted to it by parliament at the outbreak of the epidemic enabled the Hungarian government to make "weighty and difficult" decisions with immediate effect.

Countries that had handed "the right powers" to their governments had handled the epidemic more effectively, Orbán said. After giving up the special powers, "we will give everyone a chance to apologise to Hungary for their unfair accusations," he said. Hungary's performance in protecting the country from the epidemic "is second to none". "We've always worked within a democratic framework and will return to the usual routine of parliamentary business after giving up the special powers," he said.

Regarding international cooperation, Orbán said it "faltered in the West, went smoothly in the East and strengthened us in central Europe." Hungary had established an "air bridge" with China through which 120 aircraft had delivered enough equipment for Hungary to handle a second wave of the epidemic, which scientists expect to hit in October-November, Orbán said.

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ORBÁN DISCUSSES ECONOMIC COOPERATION WITH SERBIAN PRESIDENT

During his talks with Serbian President Aleksandar Vučić, Prime Minister Viktor Orbán said both countries had successfully stopped the coronavirus epidemic and now are starting "the second battle" of restarting the economy. Trade between Hungary and Serbia reached record volume last year, he said, and freight traffic and commuter traffic are currently flowing across the borders, he said. Orbán pledged support for Serbian investments in Hungary, and said the construction of the Budapest-Belgrade rail line had reached a phase of acceleration. "It is obvious that delivering Chinese goods quickly to Europe is one of the key issues of the future," he said.

Hungary is a committed supporter of Serbia's efforts to join the European Union, he said, calling on Brussels to open the accession chapters that Serbia is ready to conclude. "Serbia has regained its esteem and returned to European politics," Orbán said, adding that Serbia was a country "Europe has to reckon with". Serbia can contribute to stability in the Balkans, he said. "Today, the EU needs Serbia more than Serbia needs the EU," he said.

Vučić said Hungary and Serbia's relations were filled with untapped potential. Bilateral ties are "at an all-time high" in all areas, he said. The president said he and Orbán had

discussed bilateral economic, sports, cultural and diplomatic relations and cooperation. He thanked Orbán for Hungary's investments in Serbia and the Hungarian government's support for Serbia's European integration aspirations.

ORBÁN: RIGHT CONDITIONS FOR RESTARTING LIFE

The conditions for getting the country up and running again are there but protection measures must not be stopped, Prime Minister Viktor Orbán said in a radio interview. He noted that two weeks ago restrictions were eased in the provinces. Now Pest County is joining the rest of the country, he added. Budapest, however, "is the big question", Orbán told public broadcaster Kossuth Radio, noting that the highest number of registered infections and fatalities have taken place in the capital. The prime minister insisted that if "bad decisions" are made in Budapest they are hardest to "correct" here. Orbán said at the same time that the number of registered infections was declining and the conditions for restarting life were also in place in Budapest. "But everyone must behave responsibly," he said.

The PM said he will consult non-government experts on Saturday morning before deciding in the afternoon on which steps should be taken in Budapest. He said the current temporary arrangements in crèches and kindergartens must be changed

so that parents can leave their children at their usual places. An agreement is necessary with local mayors on this because the majority of crèches and kindergartens are managed by local municipalities, he added. Only after this issue is settled will it be possible to deal with schools, he said.

Commenting on the reopening of schools, he said it was impossible to say whether this was on the cards this year. "Things can change in a matter of days," he said, adding that it was necessary to stay alert. "Children most probably won't have problems but they could take the infection home, so caution is needed," he added.

Orbán said Budapest was two weeks behind the rest of the country. If everyone acts responsibly, then it will be possible to move to the second phase of protective measures, he said.

Commenting on an elderly care home in Pesti Road in Budapest, he said the city's mayor, Gergely Karácsony, would "write an excellent paper" on what happened there, "but in the meantime more than forty people have died". "Had the mayor been [Karácsony's predecessor] István Tarlós, he would have gone there and taken control personally", Orbán said, adding that he asked all mayors to take responsibility on practical matters.

Meanwhile, Orbán noted that industrial production fell dramatically in March throughout Europe and tourism "disappeared". Tourism is important in Hungary but industrial production more so, he added. Industrial production fell by 12% in the

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whole of the EU compared with 10% in Hungary, showing that "so far, we have been better at overcoming obstacles".

Orbán said the figures for April would be "awful", but there was reason for hope for May and fast progress could be made from June to return to the earlier path of growth. Some see the drop in economic growth as the greatest problem, he said. But the loss of jobs is the number-one issue, he added. "Hungary must be able to create new jobs to replace those wiped out by the epidemic," he said. He noted that the government's fostered work scheme was ready to hire 100,000 people and that the military was also awaiting young new recruits.

Orbán said Hungary has won the "first battle" by slowing the spread of the virus. The second battle, he said, would be about saving jobs, adding that this, too, would be won. The government will also reintroduce the earlier system of granting a 13th month's pension to seniors, in spite of the crisis, the prime minister said.

On another subject, Orbán said Hungary expected European Union institutions to "help, not hinder our efforts". "We are in the middle of a pandemic, with around 150,000 deaths in Europe," he said. Hungary is among the countries with the most successful protective measures. "When real European cooperation is needed it's worrying that Brussels bureaucrats who we pay for ... are busy slamming us for sport," he said, adding that they should be involved in seeing to more important matters instead.

Commenting on Thursday's European Court of Justice ruling against Hungary in connection with its transit zone, he said migration continued to shape European policies and Brussels' decisions. "They're trying to force member states, against their will, into letting migrants in". "But they won't manage to dribble the ball past us," he added. If the European Court decision goes against Hungary's constitution, priority must be given to the constitution, he said.

Concerning a recent decision by the Kúria, Hungary's supreme court, to uphold a decision by the Debrecen appeals court to award compensation to Roma children who were segregated at school in Gyöngyöspata, in northern Hungary, Orbán said that though the time period in question fell under the tenure of the previous Socialist government "the matter is ... one of principle". The government wants people to feel at home in Hungary and their own municipality, he said. "It can't be that just so the minority feel at home, the mainstream mustn't have to feel like strangers in their own homeland," Orbán said. He suggested that the case had been triggered by organisations linked to US financier George Soros. Orbán said the case was "about making money" but was also "an attack on the majority". The prime minister called the Kúria's ruling "unfair", saying that it was hard to see any justice for Gyöngyöspata in the decision, "but we'll look for it". Orbán underlined the need for legislative changes that would prevent such a case from reoccurring.

SIX PATIENTS DIE, 3,417 REGISTERED CASES

Six patients have died in the past 24 hours, all of whom had an underlying illness, bringing the total number of deaths to 442, while the number of registered infections rose by 37 to 3,417, koronavirus.gov.hu said on Friday morning. Fully 1,287 patients have made a recovery, while the number of active infections has fallen to 1,688. Currently 614 coronavirus patients are being treated in hospital, 46 of whom are on a ventilator. Altogether 10,954 people are in official home quarantine. Fully 127,237 tests have been carried out. Budapest has the most registered cases (1,636), followed by Pest County (460) and Fejér County (340). Békés county (11) has the fewest.

CHIEF MEDICAL OFFICER: PLANNED OPERATIONS TO BE RESUMED FROM MONDAY

Planned operations and some screening procedures will be restarted from Monday as the coronavirus epidemic continues to subside, the chief medical officer has said. Speaking at a regular press conference of the operative board coordinating the epidemic response, Cecília Müller said screenings related to occupational health procedures will be resumed. One-third of the beds reserved for potential coronavirus patients can be freed, Müller said. ICU beds will still be

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kept in reserve, she added. Speaking at the same press conference, Róbert Kiss, a member of the operative board, said the authorities had started 363 procedures regarding breaches of epidemic-related regulations. They took action in 90 cases of spreading fake news, 27 cases of threatening with public danger, 116 cases of fraud and 21 cases of misdemeanours, he said. The authorities have also handled 50,343 cases of violations of the movement restriction regulations, he added.

GOVT TO SPEND OVER HUF 8 BN ON NEW EQUIPMENT FOR BUDAPEST, PEST COUNTY HOSPITALS

The government will spend 8.3 billion forints (EUR 23.4m) on new medical and IT equipment for hospitals and clinics in Budapest and Pest County, the human resources minister said. A total of 23 hospitals and outpatient clinics will be getting new equipment under the Healthy Budapest Programme (EBP), Miklós Kásler told a press conference. The procurement will cover diagnostic, imaging, laboratory and surgical instruments, Kásler said. The government will also purchase endoscopic, anaesthesiological, intensive-care and operating equipment as well as equipment needed for physiotherapy, sterilisation and hygiene. Hospital furniture will also be procured, and hospitals and clinics will also be equipped with printers and 4,000 new

computers, he added. The government is committed to creating a "new health culture" centred on prevention and improving the quality of the equipment used for treatment, Kásler said. Under the EBP, the government will spend more than 700 billion forints on upgrading hospitals and outpatient clinics in Budapest and Pest County, alongside Budapest's medical Semmelweis University, between now and 2026, he said.

JUSTICE MIN: GOVT'S STANDPOINT ON RÖSZKE UNCHANGED

The European Court of Justice says Hungary detains migrants and does not uphold their rights, Justice Minister Judit Varga told MTI. The government's position remains unchanged, however: Hungary's laws and practices comply with EU and international law as migrants can leave the transit zone for Serbia at any time, she said. Varga said separate rulings of the European Court of Human Rights and the European Court of Justice conflicted "on an issue that is vitally important for the future of Europe's borders and their protection". Varga said the CJEU ruling meant Hungary should be obliged to receive migrants unmanageably. "This is intolerable and against Hungary's fundamental law," she said, adding that the government would examine the legal situation and its consequences from the aspect of constitutionality.

DK CALLS FOR PUNITIVE MEASURES AGAINST SUPPLIERS OF POOR HEALTH EQUIPMENT

The opposition Democratic Coalition (DK) is calling for legislation to make it a criminal offence to supply health-care institutions with equipment that falls short of the standards required for protection against the novel coronavirus. Deputy parliamentary group leader Gergely Arató said that an amendment to the criminal code was needed in light of images showing that some kit acquired from China was unsuitable for a health-care setting, and indeed this warning had appeared on the packaging. Medical universities have reported that some of the test kits purchased were also unreliable, he added. The politician said health staff had complained that protective equipment they were given was insufficient both in terms of quality or quantity. "Since the government has demanded full powers in the current period, it should be expected to act with caution and take full responsibility," he said.

HUNGARY Q1 GDP GROWTH SLOWS TO 2.2%

Hungary's economy grew by an annual 2.2% in the first quarter, the Central Statistical Office (KSH) said. Growth slowed from 4.5% in Q4 2019. Annual growth in Q1 2019 was 5.3% and 4.9% in the full year. While the coronavirus

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crisis had a negative impact on most economic sectors, market-based services and, to a lesser extent, industry remained the engines of growth, KSH said. Calendar year-adjusted data show GDP grew by 1.8% in the first quarter compared with 4.5% in the last quarter of 2019. Adjusted for seasonal and calendar-year effects, GDP grew by an annual 2% in Q1, down from 4.4% in Q4. Quarter-on-quarter, GDP eased by 0.4% in Q1 compared with growth of 0.7% in Q4, adjusted for seasonal and calendar-year effects. Hungary's updated Convergence Programme assumes the economy will shrink by 3% this year.

Commenting on the data, Finance Minister Mihály Varga said that though the coronavirus epidemic had fundamentally rewritten economic expectations, Hungary's 2.2% growth rate had exceeded the European Union average by nearly 5 percentage points. Prior to the coronavirus outbreak, Hungary was one of the EU's fastest-growing economies. In the meantime, the government has been pursuing a disciplined fiscal policy and ensuring the public debt shrinks, Varga said. The crisis is expected to peak in the April indicators, he said, adding, at the same time, that the "unprecedented" relief package introduced by the government would help the economy rebound in the second half of the year. The government has introduced targeted measures to protect the economy aimed at saving businesses, preserving jobs and supporting families, he said. The measures could

help contribute 3.7% of GDP growth, thereby allowing the country to avoid a repeat of the recession seen at the time of the 2008-2009 financial crisis, Varga added. He said a contraction of 3% of GDP projected for this year could be followed by a growth rate of 4.8% in 2021.

Takarékbank analyst Gergely Suppan said the better-than-expected performance of the Hungarian economy was thanks to outstandingly high performance at the start of the year and the fact that Hungary had introduced fewer strict measures against the epidemic than some other countries.

Századvég Economic Research institute's Gábor Regős said the novel coronavirus had caused less damage than expected because of the better-than-projected economic performance in the first quarter. ING Bank senior analyst Péter Virovácz said ING had projected 3.3% economic contraction for the whole of the year. He the statistical office was likely to have to make some revisions to its data. And since the Q1 figure is worse than originally projected, there are negative risks to the annual projection, he added.

SZIJJÁRTÓ: BMW PLANT IN DEBRECEN TO BE BUILT

The construction of BMW's plant in Debrecen is going ahead and work is being carried out according to the preliminary schedule, Péter Szijjártó, the minister of foreign affairs and trade,

said in Debrecen on Friday, when the construction site was handed over to the German carmaker.

All parties are keeping their promises and fulfilling their obligations, Szijjártó said. The contract for the plant's construction announced in the summer of 2018 will enter into force at the end of June 2020 without any changes, he said, noting that the investment is worth more than one billion euros. The government is providing support of 12.3 billion forints (EUR 34.7m). The pandemic is causing a few months' delay globally, he noted, adding that it was "natural" to amend the construction schedule to within a certain timeframe, he said.

"There's no question that construction will start because it has actually started already," he added. The plant's incoming director and BMW's representatives have confirmed this, he said. Since the announcement of the investment, the first phase of construction has been under way, with preparatory works and infrastructure development carried out, he said. Electricity and gas supply work has started and two motorway exits are being built, he added. The development of the railway line between Budapest and Debrecen is under way and scheduled to be completed in 2023, he said. Work has also been completed on the launch of a German-language school, he added.

Szijjártó confirmed that BMW has already hired initial staff for Debrecen. Meanwhile, the minister said the pandemic was an economic

matter as well as a health issue. The first task is to protect people's health, he said, but job protection and the creation of new jobs to restart the economy were also important, he added. "The government's economic protection action plan maintains the government's economic philosophy of the past ten years, focusing on supporting new investments," he said. The car industry has a primary role in investments and the plant in Debrecen will be built, making the city an important location for the global car industry, he added.

Michele Melchiorre, managing director of BMW Manufacturing Hungary, said work will continue in line with plans. "We remain dedicated to the plans for the plant to be built in Debrecen," he said. He added that slight amendments would be necessary to the original schedule,

but this is expected to amount to no more than a few months.

MIGRATION TREND CHANGED IN HUNGARY LAST YEAR

More Hungarians moved back to their home country last year than the number of people leaving, up-ending a decade-long trend, business daily Világgazdaság said. Last year 23,200 people moved back to Hungary while 21,900 left to live abroad, the paper said, citing Central Statistical Office (KSH) figures. The number of Hungarians leaving the country has been dropping for the past four years. At the same time, there has been an increase in the number of people moving back, the paper added. Over the past ten years the emigration peak was in 2015, when KSH reported 33,000 Hungarians moving abroad. Last year

10,100 ethnic Hungarians born in other countries moved to Hungary, fewer than in previous years, the paper said. Taking them into account, however, altogether 33,300 Hungarians moved back home last year, it added.

LUFTHANSA TO RELAUNCH SEVERAL BUDAPEST FLIGHTS

German carrier Lufthansa will relaunch flights between Budapest and Frankfurt, Zurich, Dusseldorf and Stuttgart from June, the company's local office said. From June 1, Lufthansa will operate daily flights between Budapest and Frankfurt. From June 5, flights between Budapest and Zurich will take place twice a week, and low-cost airline Eurowings will operate three flights a week between Budapest and Dusseldorf and Budapest and Stuttgart.