

PHOTO OF THE DAY



MTI/Zoltán Balogh

Golo celebrating his 40th birthday in Budapest Zoo

UPCOMING EVENTS

Coronavirus updates

**16th International Comic Festival
in Budapest**

Szentendre Jazz and Wine Festival

TOP STORY

ECONOMIC PROTECTION MEASURES PROLONGED

The Hungarian government will carry on with its economic protection measures aimed at offsetting the effects of the novel coronavirus pandemic throughout the autumn, the finance minister told an online conference.

Surveys indicate that the second wave of the pandemic has ignited fears of bankruptcy among businesses and people are afraid of losing their jobs, Mihály Varga said, adding that this meant the government had to keep allocating significant amounts of funding to its economy protection action plan. He added that the government would have to approach the drafting of the various schemes aimed at protecting key industries with the recognition that the country will have to “coexist with the virus and the situation it has created”.

The second quarter of 2021 will be a key period, he said, noting that the situation with the pandemic would only improve once a vaccine was available. This will be the basis for an economic recovery, which will likely be indicated by import growth and the Purchasing Managers Index, he added.

The government works to help the Hungarian economy recover to 2019 levels in two or three years, Varga said. So far, 2,126 billion forints (EUR 5.8bn) have been disbursed from the 2,485 billion recovery fund, and payment of the remaining 359 billion is ongoing, he said.

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FORECAST FOR 5-6% CONTRACTION MORE BROADLY ACCEPTED

Addressing an online conference, Finance Minister Mihály Varga said that his ministry's forecast for a 5-6% contraction this year months ago is approved by a growing number of institutions and analysts. The rebound many economists foresaw has not materialised, he added.

Economic sectors like tourism, manufacturing and services, previously the engines of Hungarian economic performance, have become liabilities, Varga said. At the same time, he said recovery in the labour market was an important achievement.

The state deficit is expected to jump to 76-78% of GDP in 2020 as a result of some 1,400 billion forints in lost income, he said. It sets Hungary back by some 5-6 years in this regard, he said, adding that skyrocketing state debt was the "price for recovering and protecting jobs".

Hungary's epidemic recovery package amounts to 20% of GDP, Varga said, and the economy protection action plan is contributing 3.7 percentage points to GDP this year.

Measures such as the moratorium on loan repayments for private debtors and other interest guarantee schemes are designed to maintain the financial capacities of companies and private citizens, he said. Investors have to see Hungary as good ground for investments, he added.

The government has reserves and EU funding to fall back on while continuing a stimulus-driven fiscal policy, he said.

In the future, business models adjusting to the pandemic situation will have to be developed, Varga said. As a small, open economy, Hungary will have to boost sectors that would ease its dependence on others. One such up-and-coming sector would be the health-care industry, he said.

The stability of Hungary's government is helping the country's recovery, he said. "We have now seen the advantages of a government with a two-thirds majority in parliament," he said.

SZIJJÁRTÓ: AUSTRIA AMONG HUNGARY'S MOST IMPORTANT ALLIES

Austria is one of Hungary's most important and closest allies, Foreign Minister Péter Szijjártó said after talks with Karoline Edtstadler, Austria's minister for EU and constitutional affairs, in Budapest. Hungary holds the current Austrian government in high esteem and though the two countries have their disagreements, bilateral cooperation "will not be held hostage by those issues", Szijjártó told a press conference he held jointly with Edtstadler. The two countries agree on the most important issues, such as European Union enlargement in the Western Balkans and the rejection of mandatory migrant quotas, Szijjártó said.

As regards the European Commission's new migration pact, he said Hungary had a "strongly negative view" of the document, arguing that it appeared that Brussels had "not learned anything from the mistakes it made over the past years and hasn't given up its pro-immigration policies". "This package is a hopeless attempt to avoid referring to something that is a quota as a quota," he added.

Szjijártó said the proposal was actually about the distribution of migrants across the EU, which he said Hungary opposed. If the EU were to face new migration waves right now, those would also pose serious health risks, he said, adding that Hungary was sticking to the position that migration should be stopped instead of managed. "But this package is still about managing it." Hungary continues to protect its borders and will not allow illegal migrants to enter its territory, he said.

On another subject, Szijjártó said Hungary will join other central European member states in challenging the EU's mobility package in the Court of Justice of the European Union on the grounds that its bureaucratic measures put central European road haulage companies at a disadvantage.

Concerning bilateral economic ties, Szijjártó said Austria was Hungary's second most important trading partner and its third largest foreign investor. Around 2,500 companies do business in Hungary and employ some 70,000 people, the minister added.

Asked about the government's restrictive measures concerning the novel coronavirus epidemic, Szijjártó said that if conditions allowed, the government was prepared to ease restrictions but also to tighten them, if necessary.

On the topic of solidarity, Szijjártó said it was "unacceptable" that only the admission of illegal migrants counted as solidarity, adding that Hungary would maintain its refusal to take in migrants even if it meant having to face "political attacks". Border protection is a form of solidarity, Szijjártó said, arguing that it prevented the rest of the continent from being flooded by illegal immigrants.

Edtstadler called Hungary a reliable partner and a friend, saying the two countries must strive to preserve the current state of their cooperation.

On the topic of the EC's migration pact, she said the mandatory distribution of migrants had failed as a policy. Solidarity is important, she said, adding, however that there were other ways of expressing it, besides taking in illegal immigrants. Edtstadler also underscored the importance of the rule of law, saying it was a fundamental value for Austria on which it was unwilling to compromise.

PM ADVISOR: GOVT MULLING ANOTHER EXTENSION OF REPAYMENT MORATORIUM

The Hungarian government could consider a second, targeted extension

of a moratorium on loan repayments, depending on circumstances in the spring, Márton Nagy, an advisor to the prime minister, said in Friday's issue of daily Magyar Nemzet. "We'll review the situation next spring and weigh the issue of whether it's necessary to keep the repayment moratorium in place for targeted groups," Nagy told the paper. Last week, the government decided to extend a blanket loan repayment moratorium set to expire at the end of the year by six months, but only for families with children, pensioners, the jobless, fostered workers and companies whose revenue has fallen by more than 25% because of the pandemic. The government also decided to prohibit banks from cancelling any retail or corporate pre-crisis loan contracts for six months, effectively putting the onus on lenders to restructure the credit of distressed borrowers who are not covered by the extended moratorium. The moratorium was one of the first measures the government introduced in the spring to shield against the economic fallout from the pandemic.

Some 1.6 million, or 60% of retail borrowers have availed themselves of the moratorium. Their outstanding credit approaches 3,500 billion forints (EUR 9.6bn), or 53% of retail lending stock, Nagy said. Of the 60,000 corporate borrowers availing of the moratorium, one-third do business in sectors most vulnerable to the crisis: tourism, transport and services. Nagy said that the moratorium had left retail and corporate borrowers with

some 2,000 billion forints, while the six-month extension would leave borrowers with some 450 billion.

NINE DIE, REGISTERED INFECTIONS UP 927 IN HUNGARY

Nine Covid-19 patients have died in the past 24 hours, while the number of registered coronavirus infections in Hungary has risen by 927 to 22,127, koronavirus.gov.hu said on Friday morning. The number of fatalities stands at 718, and 4,945 people have made a recovery. There are 16,464 active infections and 577 Covid-19 patients are being treated in hospital, 30 on ventilators. Altogether 25,374 people are in official home quarantine and 668,553 tests have been carried out. The website warned Hungarians to observe social distancing guidelines and hygiene regulations. A cabinet meeting on Sept. 16 decided to extend entry restrictions for travellers from abroad. In addition to shops and public transport, wearing a mask is now mandatory in cinemas, theatres, health and social institutions and public offices, and clubs have to close by 11pm to curb the spread of the virus. The operative body responsible for handling the epidemic response has ordered 7 schools to revert to digital education. Fully 194 classes in otherwise operating schools have also been ordered to work from home, and 28 kindergartens and 8 schools have gone on emergency breaks, the website said. Most infections have

been registered in Budapest (8,618), followed by Pest County (2,973) and the counties of Győr-Moson-Sopron (1,048), Fejér (1,046), Csongrád-Csanád (1,002), Hajdú-Bihar (861) and Szabolcs-Szatmár-Bereg (854). Tolna County has the fewest infections (231).

CORONAVIRUS - AUTHORITIES REGISTER 263 VIOLATIONS SINCE STRICTER DEFENCE MEASURES ENTER FORCE

Authorities have taken action in 263 cases since the government decree on stricter coronavirus-related defence measures entered into force on Monday, a member of the operative board responsible for handling the epidemic said.

Over the past four days, the authorities issued warnings to 221 people, fined 23 and filed misdemeanour charges against 19 for violating restrictions, Róbert Kiss told an online press conference. In the past 24 hours, 2,711 people have been ordered into self-quarantine, 569 of them upon entering across the border, he said. Currently, 25,374 are in home quarantine, he said. Of those self-isolating, 1,687 have allowed the authorities to electronically control compliance with quarantine regulations, Kiss said.

On Thursday, the authorities took action in 133 cases due to people neglecting to wear masks or wearing them incorrectly, he said. Twenty-eight cases took place on public transport,

while 105 were in shops, restaurants or public offices, he added.

As regards Thursday's UEFA Super Cup final at Budapest's Puskás Arena, Kiss said all spectators who attended the event had their temperatures checked upon entry into the stadium. A total of 14,032 fans attended the match which was organised under strict health protocols in order to prevent the spread of the virus, he said. Foreign ticket holders had to undergo a health screening when entering the country and present a negative coronavirus test no older than 72 hours, he added. Temperature screenings at the arena detected 16 people with higher body temperatures but all of them were cleared after a second screening, Kiss said.

SOCIALIST MEP DEMANDS GOVT GUARANTEE FOR FREE VACCINE

An MEP of the opposition Socialists has called on the Hungarian government to guarantee that the coronavirus vaccine, once available, will be accessible for Hungarians free of charge. The Socialist Party demands free access to the vaccine ensured to every Hungarian citizen in need, István Ujhelyi told an online press conference. He further demanded from the government to roll out a road map of how it plans to provide the vaccine to the public. The Hungarian government must in addition play a more active role in a European-level coronavirus protection cooperation that includes

the purchase of the 400 million doses of potential vaccines contracted by the European Commission, Ujhelyi said.

PÁRBESZÉD LAUNCHES SIGNATURE DRIVE FOR UNIVERSAL BASIC INCOME

The opposition Párbeszéd party launched a signature drive in Budapest, as part of a citizens' initiative calling for the introduction of a universal basic income across the European Union. Budapest Mayor Gergely Karácsony, the party's co-leader, told a press conference on Blaha Lujza Square in central Budapest that a basic income for all EU citizens would remedy income inequalities within Hungary and the EU. It could be a basis for a "new, social Europe and a new social democracy in Hungary", he said. Karácsony said that in recent years, "many have amassed huge private fortunes ... while one-third of society lives in perpetual uncertainty, poverty and discrimination". He said that a further one-third teetered on the edge of descending into such a condition. Karácsony insisted that the concept was financially feasible. "All it takes is political will," he said. Párbeszéd will work to include the introduction of a UBI in the opposition parties' joint programme in the 2022 general election, he said.

Tímea Szabó, Párbeszéd's other co-leader, said that the initiative had to gather one million signatures within one year for the European Commission to table the proposal. Regarding the

scale of universal income, Szabó said Párbeszéd proposed 100,000 forints (EUR 274) for every Hungarian adult and 150,000 for expecting mothers. Families would get 50,000 forints after every child, she said. Another aim is to guarantee a gross 250,000 forint salary for full-time employment in Hungary, Szabó said.

KSH: MORE BIRTHS, FEWER DEATHS IN HUNGARY BETWEEN JAN-AUG

Hungary's population decline slowed in the first eight months of the year as the number of births increased by 4.7% and the number of deaths decreased by 4.4% compared with the same period last year, the Central Statistical Office (KSH) reported. The figures show that there were 61,054 births in January-August, up 2,734. The number of deaths was 84,099, down 3,888 from last year, KSH said. The rise in births and the drop in deaths means that

the rate of natural population decline slowed by 22% compared with the same period last year. The number of marriages went up to 44,832, an increase of 1,363 from last year, KSH said.

KÁSLER OPENS EXHIBITION ON CROATIA-HUNGARY SHARED HERITAGE IN ZAGREB

Hungarian Human Resources Minister Miklós Kásler opened an exhibition with Nina Obuljen-Koržinek, Croatia's culture minister, on ties between the two countries in the past 800 hundred years. "We can only build a common future if we are familiar with our shared past," Kásler said in his opening address. He said the exhibition was designed to present ties between the two nations, "how they influenced each other's culture, education, and traditions, and how they were intertwined for 800

hundred years". The two countries formed a personal union but had their own rules of law and independence, and "built an empire that became a decisive power in Europe" until the 16th century, Kásler said. "All through the centuries we protected Europe together, against the invading Mongolians and the Ottoman Empire, and we were fighting together to save our independence whether it was jeopardised from the East or from the West," the minister said.

The exhibition, dubbed ARS ET VIRTUS: 800 years of a shared cultural heritage of Hungary and Croatia, is mounted jointly by the Hungarian National Museum and Zagreb's Klovicevi Dvori Gallery. The 306 objects on display include a sword and helmet once owned by renowned Hungarian campaigner and politician Miklós Zrínyi, and Croatia's oldest national flag from 1647, as well as relics of Hungarian kings St Stephen and St Ladislaus.