

## PHOTO OF THE DAY



Four extra-long CAF trams to start operation in Budapest on Wednesday

## UPCOMING EVENTS

**EU affairs ministers meet in Luxembourg**

**Parliament's budgetary, economic, sustainability committees meet**

**Stats office releases 2nd reading of Aug industrial output**

**Coronavirus updates**

## TOP STORY

# HUNGARY WANTS UNANIMITY ON EU FOREIGN POLICY

A new European Union proposal under which the bloc's foreign policy decisions would no longer require unanimous support from member states is "dangerous", Hungary's foreign minister has said.

After meeting his EU counterparts in Luxembourg on Monday, Péter Szijjártó said the move was dangerous from Hungary's perspective and "completely goes against" the EU treaties. The proposal "being forced on the bloc by the liberal mainstream governments and Brussels itself" violates EU rules which say the union's foreign policy decisions require unanimous consent from member states, Szijjártó said in a video message. Under the new plan, the EU could enact foreign policy decisions with a simple majority vote, the minister said. The new system would serve to deprive member states that do not belong to the "liberal mainstream" of their right to enforce their own interests when deciding on foreign policy measures, Szijjártó insisted. Hungary believes that changing this rule would be "harmful and unfair", the minister said, arguing that any negative effects of a foreign-policy decision would also affect member states whose positions were not taken into consideration when the decision was issued.

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## **SZIJJÁRTÓ: 'ACT OF REVENGE'**

Foreign Minister Péter Sziijártó said new European Union proposal under which the bloc's foreign policy decisions would no longer require unanimous support from member states was "an act of revenge against us for blocking the EU's unified position in support of the UN's global migration compact". The EU wanted all member states to back the UN compact but Hungary refused and it will continue to refuse to support migration, Sziijártó said. The country reserves itself the right to act in accordance with its own interests within international organisations, he added. Hungary, he said, was not alone in its opposition to the proposal, saying that several other member states were also against "forcing the proposal through".

Concerning the Western Balkans, the minister said it had become clear that the EU was "on the back foot" in the "competition for the region". Europe's "slowness" has allowed the United States, Russia and China to take the initiative to make gains in the region, Sziijártó said, adding that this was against Hungary's interests. He also urged the bloc to speed up the process of Serbia's EU integration.

As regards the situation in Belarus, Sziijártó said that in spite of the recent expulsion of the Polish and Lithuanian ambassadors from the country, it was important for the EU to maintain communication with Minsk. He said the EU could include Belarusian President Alexander Lukashenko on a new list of sanctioned officials from the country.

The EU is also planning to impose sanctions on a new list of Russian officials over the poisoning of Russian opposition leader Alexei Navalny, he said.

## **FIDESZ CANDIDATE WINS NE HUNGARY BY-ELECTION**

Ruling Fidesz candidate Zsófia Koncz has won the by-election in Szerencs, in north-east Hungary. Prime Minister Viktor Orbán congratulated Koncz on Facebook, who secured her parliamentary seat against László Bíró, a Jobbik politician fielded jointly by the opposition parties.

Jobbik said after the election that Bíró had run an "honest and fair campaign while the lies and defamatory agitation of the government propaganda machine kept [the voters] under constant pressure."

Fidesz lawmaker Lajos Kósa said the campaign had shown that "the joint left wing ... would do anything for money and power," and that voters "do not want the mixed platter offered by [Democratic Coalition head Ferenc] Gyurcsány."

## **JUSTICE MINISTER BLASTS OPPOSITION MEP OVER LEAKED COMMENTS ON 'ANTI-GOVT SMEAR CAMPAIGN'**

Justice Minister Judit Varga slammed an opposition MEP, Anna Donáth, over a leaked recording in which Donáth allegedly admits that the opposition

had waged a deliberate smear campaign against the government's epidemic response in the spring. Varga said the opposition had waged the campaign knowing that the Fidesz administration "was only doing what a democratically elected government had to do". Citing a leaked recording of the Momentum MEP talking to other party members released by commercial news channel HírTV, Varga said on Facebook that the MEP had "unwittingly admitted" that the opposition had "lied" about the government using its epidemic response law to "build a dictatorship".

"Donáth's leaked comments once again prove that while the government was working with the Hungarian people to minimise the threat to public health and jobs, the opposition parties were busy launching a ... coordinated series of attacks against Hungary in Brussels and around the world, saying that the epidemic response law was being used to create a dictatorship..." the minister said, adding that in the recording, Donáth "clearly admitted" that Momentum had played an active role in "the international smear campaign against Hungary and the Hungarian government". She also makes it clear, Varga said, that once Momentum realised that the campaign had backfired, "they came up with a new narrative they could use to launch another coordinated attack in the summer, this time accusing Hungary of gutting the rule of law." She insisted that Donáth's comments shed new light on "the bias behind

the European Commission's rule of law report", European Commissioner Věra Jourová's recent criticisms of Hungary and German EP vice-president Katarína Barley's criticisms in connection with corruption. Varga said it was "unacceptable" that neither Momentum nor the other opposition parties had apologised to the Hungarian people for their actions, and she called on Donáth to step down from public life.

In March, Hungary's parliament passed a law that granted the government enhanced powers to contain the spread of the novel coronavirus epidemic. Critics of the law said it granted the government "excessive powers", and expressed concern over the fact that it did not contain a time limit for maintaining the state of emergency. Lawmakers lifted the government's emergency powers in June.

### **GULYÁS HITS BACK AT GERMAN FOREIGN MINISTER'S COMMENTS ON HUNGARY, POLAND**

Gergely Gulyás, the head of the Prime Minister's Office, criticised German Foreign Minister Heiko Maas for "wanting to inflict pain on Poland and Hungary". Gulyás said on Facebook: "Again? We have similar experiences from the past century. It would be advisable to avoid this imperial tone. Especially as long as the sister party of the Social Democratic foreign minister nominates anti-Semites to parliament." Gulyás added that "luckily" the Hungarian people "don't find this appealing".

### **MEDIA COUNCIL: KLUBRÁDIÓ HAS EVERY CHANCE OF SUCCESS IN ITS BID FOR 92.9 MHZ**

Private broadcaster Klubrádió has every chance of success in its bid for the 92.9 MHz frequency in Budapest, the supervisory board of Hungary's media authority said. The Media Council of the National Media and Communications Authority (NMHH) told MTI in a statement that the call for tender for the Budapest frequency for community use was up on its website and available for comment. The licence of the station popular with opposition listeners expires next February, the statement noted, adding that criteria for a successful bid include experience in providing a media service. Klubrádió, having already broadcast on the 92.9 MHz frequency, has a built-in advantage in this respect, the statement added.

Earlier today the Media Council announced that it had recently won a court case against Klubrádió. The broadcaster sued the council back in 2015 for damages of 1.4 billion forints (EUR 3.93m), arguing that their legal dispute had brought about a major decline in its incomes. The court ruled, however, that the methods of calculation Klubrádió based its claim on were "incorrect and unrealistic".

### **ÁDER: ENTERPRISES SHOULD CALCULATE WITH COSTS OF RESOURCE PROTECTION**

President János Áder called for a paradigm shift in economic policymaking, arguing that all economic players should now consider the costs of environmental protection as part of their budget. In a video message sent to the Green Finance Conference held by the National Bank of Hungary and the European Bank for Reconstruction and Development (EBRD), Áder said a new approach was needed in order to reconcile the goals of competitiveness, welfare, sustainability and social stability. The social and economic fallout of the coronavirus epidemic should be accurately calculated and considered alongside the expected costs of sustainability, he said.

Áder put it to the conference that an assessment was needed of whether the European Commission's calculation that investments of an annual 290 billion euros over the next 10 years in the energy sector would be sufficient to achieve climate neutrality. Optimum financing and cooperation methods should be identified to revive the economy once the coronavirus pandemic is over, he said, adding these may be European, regional or domestic.

He noted that issues of water management were not on the conference's agenda. Yet a sustainable

economic turnaround was not possible without sustainable water management, he insisted, adding that the “polluter-should-pay” principle should be applied much more consistently, and increased focus should be placed on prevention.

Csaba Kandrás, the deputy governor of Hungary’s central bank, said the bank’s main job was to guarantee monetary stability, but it also took an active role in the fight against climate change, encouraging various stakeholders to contribute to the green measures. The central bank decided to reduce its carbon dioxide emissions by 30% next year and by 80% within five years, he said. A large-scale project will be launched in cooperation with the World Wildlife Fund to achieve zero emissions over the longer term, he added.

WWF President Pavan Sukhdev said that sustainable development required further investments, especially in terms of natural and human resources. He said reconstruction after the pandemic would require changes in energy and food supply systems, as well as making the business and financial sector sustainable.

EBRD Managing Director Mattia Romani said achieving low carbon dioxide emissions would not require much more spending in the years up to 2030 than what is spent now, but major obstacles like fossil fuel subsidies and plans for coal-burning plants were still prevalent. Fossil fuels and nuclear energy are still more subsidised than renewable energies, he said, adding

that 140 billion US dollars was spent on the latter globally in 2016 as opposed to 260 billion on the former two.

### **HUNGARY’S UNIVERSITIES ROW ‘HAS NEVER BEEN POLITICAL’, GOVT OFFICIAL TELLS FT**

Zoltán Kovács, Hungary’s state secretary for international communications, has accused Michael Ignatieff, the head of the Central European University, of seeking to link a recent European court ruling concerning Hungary’s higher education law with plans to tie the receipt of European Union cohesion funds to its compliance with the rule of law. Kovács said in a letter to the editor of the Financial Times that “the universities row has never been political” but an administrative issue. The 2017 law, he added, had aimed to ensure clear and reasonable regulations for foreign universities with operations in Hungary. Two dozen foreign universities, he added, had had no problem meeting the new regulations, whereas the CEU had been reluctant to meet its administrative obligations. The state secretary said last week’s European Court of Justice ruling, which said that the Hungarian legislation breached EU law, was “strange”, considering that several other EU member states, including the Czech Republic, Germany, Slovakia and Spain, had similar stipulations for foreign universities.

### **FOURTEEN FATALITIES, REGISTERED INFECTIONS UP 1,173 IN HUNGARY**

Fourteen Covid-19 patients have died in the past 24 hours, while the number of registered coronavirus infections in Hungary has risen by 1,173 to 38,837, [koronavirus.gov.hu](http://koronavirus.gov.hu) said. The number of fatalities stands at 968, and 11,037 people have made a recovery. There are 26,832 active infections and 1,418 Covid-19 patients are being treated in hospital, 154 on ventilators. Altogether 21,491 people are in official home quarantine and 834,097 tests have been carried out.

The website warned Hungarians to observe social distancing guidelines and hygiene regulations. It asked elderly people to pay increased attention to protecting themselves and observe general regulations. Entry restrictions for travellers from abroad remain in force. 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. Regulations include a ban on visiting hospitals and elderly care homes which have to take every possible measure to prevent infections, the site said. Most infections have been registered in Budapest (12,842), followed by Pest County (4,957) and the counties of Győr-Moson-Sopron (2,348), Borsod-Abaúj-Zemplén (1,987), Hajdú-Bihar (1,781), Szabolcs-Szatmár-Bereg (1,714), and Csongrád-Csanád (1,702). Tolna County has the fewest infections (371).

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## **COE CALLS ON HUNGARY TO IMPROVE ROMA ACCESS TO EDUCATION, HOUSING, HEALTH CARE**

The Council of Europe (CoE) has called on Hungary to improve the Roma minority's access to education, jobs, housing and health care, and to eliminate the difficulties they experience in all aspects of public life. The advisory committee of the Framework Convention for the Protection of National Minorities visited Hungary in December 2019. In the report written on the findings of the visit, the body urged immediate action to reduce drop-out rates in schools and to promote inclusive, high-quality education, and called for a comprehensive training programme for teachers in disadvantaged regions.

A comprehensive policy would also be necessary to address housing issues among the Roma, the report said, adding that government-owned housing projects and housing support should be boosted significantly. Disadvantaged regions in Hungary, where the Roma are over-represented, suffer from poor health-care services, the report said. Patients and health-care employees should be educated regarding anti-discrimination laws, it said. The committee praised the parliamentary representation of ethnic minorities in Hungary, and noted that minority-related cultural events enjoyed growing funding in the past five years. The committee proposed that minority

representatives should be involved in the planning and distribution of funding. Meanwhile, the committee bemoaned a "pervasive atmosphere of intolerance in the political discourse and the media", which they said hindered minorities' free expression of opinion. The report called on the authorities to promote tolerance, inter-cultural dialogue and mutual respect, while condemning racist and discriminatory language in the public sphere.

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## **CUSTOMS OFFICERS SEIZE MILLIONS OF MASKS, COVID TESTS IN INTL OPERATION**

Officers of tax and customs authority NAV seized over 3.5 million medical items including face masks, disinfectants and medicines with fake brand names or of inferior quality in an international operation between May and July, a senior NAV official said. As part of the operation initiated by the World Customs Organisation dubbed STOP, officers of NAV and national anti-adulteration body HENT carried out inspections on over 100,000 cars, some 60,000 trucks and over 6,000 trains, Kristóf Péter Bakai said. Bakai said a coordinated effort was needed to fight the illegal trade of medicines and medical equipment, which was becoming rampant in view of the coronavirus epidemic. The aim of the operation was to ensure the protection of legal businesses as well as to thwart the financing of organised criminals, he said.

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## **KÁSLER: NATL ONCOLOGY INSTITUTE TO RECEIVE ONCOLOGY, SURGERY EQUIPMENT**

The National Institute of Oncology (OOI) is about to receive medical devices and equipment worth 2.9 billion forints (EUR 8.1m), Human Resources Minister Miklós Kásler said. Some 1.9 billion forints will be spent on oncological therapeutic and screening devices, and one billion on equipment used in thoracic surgery, Kásler said. The development will be used to maintain the OOI's position as an internationally recognised institution, Kásler said, noting that the OOI was the first institution in Hungary to perform a lung transplant in 2015. Director-General Csaba Polgár said the equipment would arrive in early to mid-November.

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## **EU COMMISSIONER VÁRHELYI QUARANTINED**

Hungarian European Commissioner Olivér Várhelyi went into quarantine after an immediate colleague tested positive for the novel coronavirus. "I was informed today that a member of my team tested positive for #COVID19. Pending new test results, myself and team members concerned are self-isolating in line with public health guidelines and teleworking. I feel well, have no symptoms, my tests in past week were negative," Várhelyi, the European Commissioner for Neighbourhood and Enlargement, said on Twitter. Várhelyi last week held talks in several Balkan countries.

## **MINISTRY REJECTS 'MISLEADING' SOCIALIST CHARGES ON JOB PROTECTION LOANS**

The Socialists have spread "false and misleading" information concerning the government's jobs protection loan scheme, the finance ministry said, commenting on remarks by Socialist MEP István Ujhelyi, who suggested at the weekend that the government was waiting to use a "Brussels loan" to finance its economic protection measures connected with the coronavirus epidemic. The government, he added, had applied for a European Commission programme and was eyeing a loan of 180 billion forints (EUR 500m).

The ministry noted that the EU launched its SURE programme aimed at providing members with funds to refinance their job protection measures back in May, and it was "inevitable" the Hungarian government would use that instrument. Hungary was the first member to pass legislation for participating in the EU scheme, the

ministry said. Ujhelyi's loan figure was also "misleading", it said, adding that "Hungary has received approval for a sum as facilitated by the measures eligible under the SURE legislation". It added that the EC had approved 15 different measures by the Hungarian government, making it eligible for refinancing.

## **BRITON CHARGED WITH ATTEMPTING TO SMUGGLE 22 KGS OF HEROIN INTO HUNGARY**

A British national has been charged with attempting to smuggle 22kg of heroin into Germany via Hungary, the Csongrád-Csanád county prosecutor's office has said. According to the charges, the Englishman tried to smuggle the record-breaking amount of heroin into Hungary from Serbia hidden in stashes under his car seats on January 19. His plan was to take the drug across Hungary, and into Germany, the charges said. The man is charged with possession of a "particularly substantial quantity of narcotic drugs".

## **MVM SIGNS FOR EUR 100M CREDIT FACILITY WITH IIB**

State-owned energy company MVM has signed a 100 million euro, 15-year credit facility with the International Investment Bank (IIB) to finance the modernisation and development of Hungary's natural gas energy infrastructure. The IIB will disburse the loan in forints. The credit facility will be available for the renewal of the 29,158km pipeline network of MVM's gas distribution system operators, for service quality improvements as well as well for the installation of smart meters, introducing Metering Data Management systems and implementing smart city projects, IIB said.

Last week, MVM signed a 120 million euro loan with the European Investment Bank (EIB) to upgrade and expand its power network in south-east Hungary.

IIB, which moved its headquarters to Budapest from Moscow in 2019, said the loan is the largest one disbursed in its recent history.