

## PHOTO OF THE DAY



MTI/Tibor Rosta

Hungary begins administering China's Sinopharm Covid-19 vaccine

## UPCOMING EVENTS

**EU leaders begin two-day summit**

**PM's chief of staff holds regular press briefing**

**Coronavirus updates**

**Stats office reports on Dec 2020 wages**

## TOP STORY

# ORBÁN: LIFTING RESTRICTIONS NOT YET IN SIGHT

A decision to ease restrictions introduced to curb the coronavirus pandemic is not yet within reach, with the possible exception of the ban on visits to elderly care homes, the prime minister said.

Speaking after the second round of consultations with epidemiological experts in a three-day series, Viktor Orbán noted in a video posted on Facebook that administering China's Sinopharm Covid-19 vaccine started in Hungary on Wednesday, "an important day ... it gives me hope too that leaders of the protection efforts may also have their turn sometime next week." "The situation is not easy," the prime minister said. While the amount of vaccines arriving in the country is growing, Hungary is also threatened by a third wave of the pandemic, he said. "Those two tendencies ... work against each other," he said, citing experts as saying that everyone who can should get themselves inoculated. Although lifting the restrictions is not in sight, the government will look into finding humane solutions to the situation in care homes for the elderly, Orbán said. Those facilities have an 80% inoculation rate by now, and the residents are suffering gravely from the ban on visitors and outings, the prime minister added.

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340  
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



**SZIJJÁRTÓ: UN HUMAN RIGHTS COUNCIL MUST BE NON-POLITICAL, IMPARTIAL**

In a video address to the 46th session of the UN Human Rights Council, Péter Szijjártó, Hungary’s minister of foreign affairs and trade, said there was mounting criticism of the council’s work in terms of the politicisation of its initiatives and programmes. In the session held online due to Covid, Szijjártó gave warning that the council should not turn into a forum in which certain people and countries “are constantly stigmatised”. The minister called on the UN body to promote constructive international dialogue and cooperation. He said Hungary was committed to the protection of human rights, which he called “universal, inalienable, indivisible, interdependent and interconnected”.

He accused the body of stigmatising Israel. The council, he insisted, did not credit Israel for its efforts to protect these rights. Israel, he added, had a right to defend itself. The minister said Hungary backed all initiatives aimed at supporting sustainable peace in the Middle East.

Meanwhile, Szijjártó noted that Hungary devoted special attention to the rights of national and linguistic minorities, supporting initiatives aimed at preserving and strengthening the acquired rights of these communities. Any violations of these rights were “unacceptable”, he added. Budapest

expects the UN rights council to give the appropriate weight to enforcing these rights throughout the world, he said. Szijjártó said Hungary was also “deeply committed” to the protection of freedom of religion, and was active in its support of persecuted religious communities, especially persecuted Christians.

On the subject of migration, he said Hungary underlined the importance of the strict observance of international law: if a person is forced to flee their home, the first safe country may provide temporary refuge. But international law does not state that choosing a country of refuge is a fundamental human right, he added. Recognising that citizens have the right to a secure life, states have a duty to protect their borders, Szijjártó said, adding that countries that do so should not be upbraided by the Human Rights Council.

**GOVT OFFICIAL: CJEU, KÚRIA RULE IN FAVOUR OF HUNGARIAN ADVERTISEMENT TAX LAW**

Hungary has become the only member state in the European Union to tax international digital corporations, after the Court of Justice of the European Union and the Kúria, Hungary’s supreme court, both ruled in favour of the relevant law, a government official said. Norbert Izer, the state secretary for tax affairs, told Wednesday’s Magyar Nemzet that Hungary passed a law in 2014 making

online advertisements subject to taxation if they are in Hungarian or placed on Hungarian sites. Under the law, the tax must be paid by the person or organisation managing the ad space, Izer said. A 2017 amendment to the law allows the Hungarian tax and customs authority to impose estimated taxes on online advertisements even if the company has not filed tax returns, and to impose fines should the managing company fail to declare such cases, Izer said.

In one such case, national tax office NAV imposed fines totalling one billion forints (EUR 2.8m) on Google. The tech giant turned to the Hungarian labour and administration court, and the court in turn asked for an interpretation of relevant EU laws from the CJEU. In a ruling in early 2020, the European court said the regulations making declaration mandatory and fining defaulters were in line with EU law. The court raised objections only against the method of calculating the fines, Izer said. Tech giants cannot shirk Hungarian regulations and will have to pay taxes if the conditions apply to them, he said.

Izer also noted that similar attempts to tax tech giants had been prepared in the EU before. In 2018, the European Commission prepared a proposal on revenue-based special taxes, but finalisation was put on hold in 2019, he noted. Similar measures were planned or introduced in other member states too, but “were all suspended partly because of pressure from the United States, and partly because of a

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.



regulation being drafted in the OECD." Steps in the latter are expected this summer, Izer said.

## **HUNGARY RECORDS 102 COVID-19 FATALITIES, 2,855 NEW INFECTIONS**

Fully 102 Covid patients, generally elderly and suffering from an underlying illness, died over the past 24 hours, while 2,855 new infections were officially registered, bringing the total number of infected to 410,129, [koronavirus.gov.hu](http://koronavirus.gov.hu) said on Wednesday. The death toll has risen to 14,552, while 313,450 people have made a recovery. The number of active infections stands at 82,127, while there are 4,353 hospitalised Covid patients, 407 on a ventilator. Altogether 27,737 people are in official home quarantine, and the number of tests carried out has risen to 3,552,261. Fully 471,004 people have been vaccinated so far, with 208,846 having received the second jab. The government has extended coronavirus-related restrictions until March 1. Also, parliament has prolonged the special powers granted to the government during the pandemic by another three months.

Most infections have been registered in Budapest (76,742) and Pest County (52,032) so far, followed by the counties of Borsod-Abaúj-Zemplén (23,296), Hajdú-Bihar (22,940) and Győr-Moson-Sopron (22,831). The county least affected by the infection is Tolna (9,165).

Meanwhile, the chief medical officer said that a fast-spreading variant of the coronavirus first identified in the United Kingdom is now in the phase of spreading in the community in Hungary. The "British variant" has been isolated in patients who have not travelled recently, showing that the variant is spreading within the country, Cecília Müller told a press conference of the operative body responsible for handling the epidemic. A Hungarian-developed method enables public health experts to test sewage specifically for the "British variant", Müller said. Traces of the virus were found in the waste water of large cities, including Budapest, Debrecen, Tatabánya, Székesfehérvár and Győr, she said. Meanwhile, the third wave of the epidemic is gathering momentum in Hungary, Müller said.

## **SOCIALISTS SLAM GOVT FOR 'FAILED' CORONAVIRUS COMMUNICATIONS**

The government has "failed" in its communications concerning the coronavirus epidemic, an MP of the opposition Socialists said. Speaking at an online press conference broadcast on Facebook, Ildikó Bangó Borbély called for "as much testing as possible" and effective contact tracing before the country achieved herd immunity. She also demanded that the government make five rapid tests a month available to every citizen free of charge.

Bangó Borbély insisted there were problems with registering for the vaccine, saying that the information available about the ratio of vaccinated health-care staff didn't stack up. "There are problems with obtaining information and registration, both of which undermine public trust," she said. Referring to survey results, the deputy insisted that many more people wanted to get inoculated than had registered for the vaccine. She also urged priority vaccinations for teachers and other school staff, as well as people working in crèches and in commerce. Bangó Borbély noted that ruling Fidesz had voted down an opposition proposal to suspend the law on the legal status of health staff, insisting that "news is pouring in that health employees won't not sign their new contracts". She urged that "detailed and clear" regulations should be provided "allowing enough time for employees to study" before signing the agreements.

## **FINMIN: GOVT BUDGET FOR SUPPORTING SME GREEN INVESTMENTS UPPED TO HUF 50 BN**

The government is increasing the budget for subsidising green investments made by SMEs by 20 billion forints (EUR 56m) to almost 50 billion, Mihály Varga, the finance minister, said. In the previous round of the tender, more than 1,800 companies received nearly 28 billion forints in development funding,

and another 2,000 companies may benefit in the new round, he said in a post on social media. Subsidies range between 1.6 million and 100 million forints for projects such as installing a solar system, upgrading heating and thermal insulation, as well as replacing the doors and windows. As part of the government's action plan to restart of the economy, green technologies will enjoy priority, Varga said. While cutting the costs of firms, the plan also promotes sustainable growth in the Hungarian economy, he added.

### **LMP PROPOSES PARLT SESSION ON USE OF EU FUNDING**

The opposition LMP, with the backing of the other opposition parties, is proposing a parliamentary session on the use of Hungary's share of the European Union's development and crisis management fund, which comes to 18,500 billion forints (EUR 51.5bn) in the 2021-2027 financial framework.

Party co-leader Erzsébet Schmuck told an online press conference that the European Union expected plans on using the funding to be submitted by early April. The Hungarian parliament should also discuss the plan, she said. The use of the EU funds "cannot be [ruling] Fidesz's private affair, and Prime Minister Viktor Orbán cannot be allowed to decide about it alone," Schmuck said.

The government has already published the first draft of its plan, along with an operative programme,

she noted. "Surprisingly, this extremely important step is not backed up by a communication campaign," she said. While the monies can be ploughed into projects including the development of education, digitalisation and increasing social cohesion, 5,000 billion forints are targeted funding for transition to a green economy, Schmuck said. That is the largest funding yet to support green energy, transition to a circular economy and climate and environment protection projects. The development of a digital economy and education also receives unprecedented funding, Schmuck said. The resources can be used to lay the groundwork for a "liveable future" or to cause "enormous damage" by using it badly, Schmuck said. The monies cannot dissipate through "channels of corruption" or bolster Fidesz's power ahead of next year's general elections, she added.

### **PÁRBESZÉD CALLS FOR PUBLIC PARK NEXT TO NYUGATI RAILWAY STATION**

A public park should be created on the brownfield site next to Budapest's busy Nyugati railway station rather than the planned National Centre for Circus Arts, a lawmaker of the opposition Párbeszéd party said. The government is planning the investment in one of the city's most valuable brownfield areas, Olivio Kocsis-Cake told a press conference.

He said there were a multitude of objections to the project, citing the shortage of non-built spaces near the railway station and the exorbitant costs of the centre which "might double by the end of construction". The district's local mayor, Szilvia Temesvári, said the government would be making a decision regarding ten percent of the area of Terézváros without any preliminary consultation with local residents. She noted that Párbeszéd has launched a petition to shut down the project.

### **GOVT OFFICIAL ASKS HUNGARIANS IN SLOVAKIA TO STATE ETHNICITY AT CENSUS**

Árpád János Potápi, the state secretary in charge of policies for Hungarian communities abroad, has asked Slovakia's Hungarians to declare their ethnicity in the ongoing national census, in a video message. In his message, posted on Facebook, Potápi encouraged members of the local Hungarian community to participate in the census and put in "Hungarian" as an answer to the question concerning their ethnicity and mother tongue. "The question for us today is whether we want Hungarians to have a future for their community in Slovakia. Whether we want that our children and grandchildren can study in Hungarian, grow up and live their lives as a Hungarian in that country," he said. The 2021 national census began in Slovakia in mid-February.

---

## **HUNGARY ADDS 28,208 HOUSING UNITS IN 2020**

Housing completions in Hungary rose by 33.5% to 28,208 in 2020, an eleven-year record, the Central Statistical Office (KSH) said. But the number of home-building permits issued dropped by 35.8% to 22,556, continuing a decline started after the phase-out of a preferential VAT rate in force between 2016 and 2019. Meanwhile, lawmakers have approved a two-year reduction in the home construction VAT rate to 5% from 27% from the start of 2021 as part of government measures to aid the economic recovery from the coronavirus crisis. The number of homes completed in the capital rose by 8.6% to 6,341, while the number completed in county seats and cities with populations of over 50,000 jumped by 55.3% to 7,900. Housing completions in smaller cities increased by 31.1% to 7,779.

Minister of Finance Mihály Varga, in a video message posted social media, welcomed the 34% growth in

housing units in a single year, noting that growth had been strong in all geographical areas. Homes built by private individuals accounted for half of the total, Varga noted, indicating the effectiveness of the government's home-creation scheme. The government expects the home-creation scheme expanded earlier this year together with a reduction in VAT on housing construction to 5% to give an added boost to construction and help restart the economy, he said.

---

## **POOR AIR QUALITY PLAGUES HUNGARY**

Poor air quality will continue to plague Hungary, especially its north-eastern regions, until Saturday, the National Public Health Centre (NNK) said. NNK declared air quality to be "dangerous" in Kazincbarcika, Kecskemét, Miskolc, Nyíregyháza, Putnok and Sajószentpéter. Air quality is "unhealthy" in another eleven localities, including Budapest, Szeged, Szolnok and Szombathely, NNK said. Concentrations of particulates are also considered to be too high in further

thirteen localities, it said. NNK advised vulnerable groups such as children, people suffering from respiratory diseases and the elderly in those cities to spend less time outdoors as the effects of the air pollution level can be dangerous for them.

---

## **100KG WW2 BOMB FOUND IN N HUNGARY NEUTRALISED**

Bomb disposal experts neutralised a 100kg Soviet-made WW2 bomb found at a construction site in downtown Miskolc, in northern Hungary. Explosives experts established that the bomb had a detonator, which had to be defused at the site, Milán Gajdos told MTI. Local residents, more than 100 people, were evacuated from 32 buildings in an area with a 200 metre radius around the site, he said. The experts disassembled the explosive device at the site and moved the bomb to a central army base for dismantling, Gajdos said after the operation. Local residents could afterwards return to their homes, he said.