

PHOTO OF THE DAY



First Hungarian 'space soldiers' in diploma ceremony at Debrecen University

MTVA/Attila Balázs

UPCOMING EVENTS

V4, Japan foreign ministers meet in Warsaw

National Public Service Uni hosts "Europe Day 2021" event addressed by diplomats

Coronavirus updates

Hungarian scientist Katalin Karikó receives Hungarian Dignity Council's award

Stats office releases foreign trade data for March 2021 in 1st reading

TOP STORY

RESTRICTIONS TO STAY TILL AUGUST

Coronavirus-related restrictions will remain in place for Hungarians without immunity certificates until August, according to the prime minister's chief of staff.

Gergely Gulyás told a government press briefing that the certificates would continue to be required to attend concerts and festivals, use restaurant or hotel services and participate in sports events "during the coming months". Hungarians returning from other countries no longer need to isolate if they have the certificate, he said, adding that the measure was being extended to minors in their company. Vaccination continues to be free and voluntary, with appointments available online for AstraZeneca, Sinopharm and Sputnik V. Moderna and Pfizer will be administered as they arrive, he said, adding that the 330,000 doses scheduled to arrive next week will be set aside for 16-18 year olds as well as for second jobs.

Thanks to its vaccination drive, Hungary has been able to break out of the third wave of the coronavirus pandemic and become the first country in Europe "to regain its freedom", Gulyás said, adding that some one million people, about 80% of those registered, have already received at least the first jab.

GULYÁS: 53% OF POPULATION INOCULATED

The minister said that nearly 2 million first shots were administered in the past four weeks, with 53% of the adult-age population now inoculated. Reopening the country continues apace, and services suspended since March are now available to certificate holders, Gulyás said. The government's national consultation on reopening the country shows that some 65% of the 500,000 respondents backed the immunity certificate bringing certain advantages, he said.

Regarding international debates on the efficacy of vaccines, Gulyás said it was "easy to see the business interests behind certain opinions posing as professional arguments." Hungary has subjected all vaccines to rigorous scrutiny, and "everyone can rest assured all available vaccines are safe and effective," he said.

Currently countries only accept their own certificates automatically, Gulyás said. But Hungary is striving to conclude as many bilateral agreements on the matter as possible, he added. Countries entering into such agreements will accept all vaccines used in Hungary, he said. "Southern states have made it clear they would allow everyone to enter" in the summer, Gulyás insisted.

Regarding the 2022 draft budget which the government submitted to parliament this week, Gulyás said it aimed to give a shot in the arm to

economic growth. The document calculates with a 5.2% growth, a 5.9% deficit target with state debt at 79.3% of GDP, he noted. The economy is expected to reach pre-pandemic levels by the end of the year, and the government hopes to maintain growth in 2022, Gulyás said.

Supporting families continues to be a priority, he said. The pension bonus will be gradually reinstated, Hungarians under 25 will be exempt from the PIT, and tax burdens on labour will continue to decline along with support of investment and job creation, he said. The government has set aside 7,300 billion forints for the purpose of re-launching the economy, he said, adding that hopefully the economy would "return to normality" swiftly after the pandemic.

The health-care system is also seeing a new era, Gulyás said. Government measures have eliminated gratuity payments and substantially raised doctors' wages, he said. The 2022 budget is allocating 769 billion forints (EUR 2.1bn) more to the sector than last year's, nearly doubling government spending on health-care in 11 years, he said.

FINANCE MINISTER: GERMAN BUSINESSES HAVE CONFIDENCE IN HUNGARIAN ECONOMY

German and other foreign businesses operating in Hungary continue to have confidence in the Hungarian economy, with business leaders expecting the

country's growth to outpace the regional average this year, the finance minister said at an online event of the German-Hungarian Chamber of Industry and Commerce (DUIHK) on Thursday. Mihály Varga noted that the government projects GDP growth of 4.3% this year and 5.2% in 2022. He said that a record 88% of business leaders surveyed by the DUIHK say they would repeat their past investments in the country.

SZIJJÁRTÓ HOLDS TALKS IN MONTENEGRO

The European Union has a vested interest in ensuring that the Western Balkan states are admitted to the bloc as swiftly as possible, Foreign Minister Péter Szijjártó said in Montenegro on Thursday. Szijjártó said the region was a focal point of the government's foreign policy, adding that events there have an immediate impact on Hungary. The best way to guarantee stability in the Western Balkans -- which is Hungary's national security, economic and political interests -- is through EU integration, he added. "What is going on in Brussels and some western European countries in terms of enlargement runs counter to our interests," the minister said. "Efforts to slow the process of accession do not serve the interests of the European Union."

Szijjártó insisted that the European Union had lost some of its economic and political clout over the past few years, adding that Brexit could only

be counterbalanced by enlargement. "So we'd ask Brussels and our western European friends not to hinder enlargement and not to invent reasons for explaining slow progress in accession talks," Szigjártó told a press conference. Both Montenegro and Serbia deserve to be admitted to the bloc before the mandate of the current European Commission expires in late 2024, he said.

The government supports efforts by Hungarian corporations to establish stable positions on the Montenegrin market, Szigjártó said, citing the examples of OTP Bank, Wizz Air, Hunguest Hotels and Hungarian energy player MVM Group.

HUNGARY RECORDS 124 COVID FATALITIES, 1,680 NEW INFECTIONS

Fully 124 patients, generally elderly with co-morbidities, died over the past 24 hours, while 1,680 new infections were registered, koronavirus.gov.hu said on Thursday. So far 4,153,038 people have received a first jab, while 2,315,428 have been fully vaccinated. The number of active infections has declined to 213,104, while hospitals are treating 4,104 Covid patients, 485 of whom need respiratory assistance. There are 24,902 people in official quarantine, while 5,475,551 tests have been officially carried out. Since the first outbreak, 787,647 infections have been registered, while fatalities have risen to 28,297. Fully 546,246 people have made a recovery.

BUDAPEST CULTURAL VENUES REOPENING GRADUALLY

Budapest's cultural venues are reopening gradually, with museums, most spas and open-air theatres slated to reopen to patrons with immunity certificates in the coming month, a deputy mayor of the city said on Thursday. Erzsébet Gy. Németh noted that six of the spas, the Budapest Zoo and the city's libraries have opened over the past week. Cinemas are also open, under strict social distancing regulations, she said. All venues will require adult patrons to present immunity certificates, and minors will have to be accompanied by an adult with one, she noted. Museums and galleries will open gradually, with the open-air Aquincum Museum starting next weekend, and open-air theatres in early June, she said. Gy. Németh called on patrons to wear masks at indoor events. "We know that adults protected against the coronavirus can still transmit the disease, and also that the third wave is a risk for our children too," she said. She called on the public to observe all pandemic regulations, "as the third wave has just started to recede."

KARÁCSONY SLAMS GOVT OVER MISSING BUSINESS TAX REVENUE OFFSETS

Budapest Mayor Gergely Karácsony on Thursday slammed the government for what he said was a failure to keep its

promise to compensate local councils for a shortfall in their local business tax revenues. As part of its coronavirus crisis relief, the government has halved the local business tax this year for companies with annual turnover of under 4 billion forints (EUR 11.1m) and fewer than 250 people on payroll. "Last December when the prime minister gutted the local council system with the stroke of a pen by depriving localities of one of their main revenue sources ... there was still talk of meaningful compensation and meaningful consultations on the matter," Karácsony said on Facebook. "But we have had neither."

He criticised a fresh government decision to distribute 23 billion forints among local councils in compensation, saying that Budapest alone had lost out on 31 billion forints' worth of local business tax revenue. Back when the decision to halve the business tax was announced, the government "immediately threw 15 billion forints at the Fidesz-led localities, but somehow there wasn't enough money to help the opposition-led cities", he said.

Karácsony said that while the government had "robbed" local councils, it had increased taxes on households. Whereas in the first quarter of 2020 household tax revenues came to 689 billion forints, they exceeded 750 billion in the same period this year, he said. "So the people are paying more during a crisis, while the government has used around three-quarters of the money meant to be spent on economic protection

measures to enrich its clientele and to further its own political goals," Karácsony said.

CORONAVIRUS - MAJORITY OF HUNGARIANS HAPPY WITH GOVT VACCINE STRATEGY

Fully 72% of Hungarians are satisfied with the government's coronavirus vaccine procurement strategy, a survey conducted by the Centre for Fundamental Rights released on Thursday shows. The telephone survey of 1,000 adults conducted in late April indicates that 60% of respondents measured the government's success in terms of the fact that three quarters of people who had registered to be vaccinated had received a jab at the time of the survey. Only 6% regarded the European Union as being responsible for Hungary's high vaccination rate, the think tank said. Fully 20% thought the pace of vaccinations could be higher while 18% were unimpressed by the government's vaccine-related measures.

OFFICIAL: HUNGARY SUPPORTS EUROPEAN DEFENCE INITIATIVE

Hungary supports the initiative aimed at boosting Europe's defence capabilities, the defence ministry's state secretary said after a conference of EU defence ministers in Brussels. This way Europe will be able to handle

existing and potential crisis hotspots emerging on the EU's periphery such as the pressure of migration, István Szabó told Hungarian journalists. The state secretary noted Hungary's support and continued contribution to EU missions tasked with crisis management. "In terms of contributing troops in proportion to its forces available, Hungary ranks 6th among the 27 member states," he said.

Szabó highlighted the importance of further developing the EU's partnerships in crisis management, primarily through strengthening cooperation with NATO. He noted Hungary's "outstanding" contribution to NATO's mission in Kosovo. Hungary has a significant force serving in Kosovo, he said, noting that NATO's KFOR command will be taken over from October by a Hungarian general.

RETAIL SALES FALL 2.0% IN MARCH

Retail sales in Hungary fell by an annual 1.5% in March, and by 2.0% when adjusted for calendar-year and seasonal effects, the Central Statistical Office (KSH) said. The sector was impacted by panic buying ahead of a pandemic lockdown in the base period, KSH said. Adjusted food sales slipped by 2.0%, non-food sales fell by 5.9% and vehicle fuel sales rose by 2.1%. Month on month, adjusted retail sales dropped by 0.8%, KSH said. In the January-March period, retail sales dropped an annual 3.2%.

INDUSTRIAL OUTPUT REBOUNDS IN MARCH

Industrial output rose by an annual 16.5% in March from a low base after last year's coronavirus-related lockdowns, the Central Statistical Office (KSH) said. In a first reading of data, KSH said output of the automotive segment jumped in March, and output of both the computer, electronics and optical equipment segment and food, drink and tobacco production grew below the average for the industrial sector as a whole. Adjusted for working day effects, output was up 16.2%. In a month-on-month comparison, output edged up a seasonally- and workday-adjusted 0.4%. For the period January-March, output increased by an annual 4.0%.

TAX AUTHORITY LAUNCHES INVESTIGATION INTO BILLION-FORINT VAT FRAUD

A group of fraudsters in Fejér County has evaded paying VAT totalling one billion forints (EUR 2.8m) by violating European tax laws, national tax authority NAV said. The authorities have apprehended and questioned 11 suspects of the group and detained four of them, NAV said, adding that the suspects could face up to 20 years in prison. According to the investigation, the group imported photovoltaic systems and used fictitious invoices through a chain of companies. The

crackdown on the gang involved several hundred police officers at 30 locations, NAV said, adding that they had seized cars, coins, stock and cash, while they also froze assets of properties and bank accounts.

ORBÁN: LIBERAL DEMOCRACY HAS BECOME ‘LIBERAL NON-DEMOCRACY’

The concept of liberal democracy has ceased to exist and has become “liberal non-democracy”, Prime Minister Viktor Orbán said in an interview to conservative Slovak news portal postoj.sk. This form of governance, he said, “includes liberalism, but doesn’t include democracy”. Liberals, he said, strove for a hegemony of opinion, which they aimed to achieve through the use of political correctness by “stigmatising conservatives and Christian Democrats and sidelining them”. “I’m fighting liberals for freedom,” Orbán said. “Whereas I’m on the side of freedom, they’re on the side of the hegemony of opinion.”

Concerning his ruling Fidesz party’s recent departure from the European People’s Party (EPP) and their future goals in European politics, Orbán said Fidesz wanted to “change Brussels”. In its current form, Brussels is not capable of addressing people’s problems, he said. Orbán said this had been proven by both the migration crisis and the 2008 financial crisis. “We wanted to change Brussels together with the EPP, but they weren’t prepared to do it,”

Orbán said. “Now we have to establish a new political community that can influence Brussels.”

As regards the differences between Hungary and Germany’s positions on migration, Orbán argued that migration would lead to the emergence of parallel societies and the problems that came with it. “I don’t wish this on my own country,” he said.

Responding to a question in connection with EU institutions, Orbán said “there are components in the European Union that would need to be strengthened”, adding that the opposite was true as regards the European Parliament. The EP, he said, “is playing a particularly harmful role to the extent that it uses parties as the basis of European politics”.

“So the question is not whether to say ‘yes’ or ‘no’ to the EU, but rather what kind of EU it is we want,” he said. Asked about the EU’s future, Orbán said it was certain that no unified European people would be formed on the continent by 2030. “There will still be Hungarians, Slovaks, Germans and French living here, as there will also be nations and states that will be cooperating, the form of which they will certainly figure out.” “But it is a question whether the post-Christian and post-national societies will be able to build a stable western Europe.” On this note, the prime minister said he was “more firmly convinced about the future of central Europe”. “I strongly believe that our children will live much better than us,” he said.

BOOK ON ORBÁN’S PHILOSOPHY PRESENTED

Prime Minister Viktor Orbán understands the importance of a clear direction for governing, István Stumpf, the government commissioner in charge of the reform of Hungary’s higher education system and a former constitutional court judge, said at an online presentation of a book looking back on Orbán’s last ten years in office. Written by political scientist Gábor G. Fodor and published by the Public Foundation for Research on Central and Eastern European History and Society, the book, entitled The Orbán Rule provides insight into the prime minister’s philosophy, Stumpf said. Though there have been many books published on the prime minister, “this one is special because it was written by an actual member of the Orbán team.”

Tamás Deutsch, the head of the Fidesz-Christian Democrat alliance’s European Parliamentary delegation, said in a video message that the book would give readers a better understanding of Hungary’s past 30 years and of the importance of the past decade. Deutsch said Orbán was a defining politician of his era, and even “those who aren’t fans of him” acknowledge his accomplishments.

Addressing a panel discussion, author G. Fodor lauded Orbán’s courage to establish “a model of his own”. The right wing led by Orbán governs by using Hungary’s strengths to its advantage, he said.



GOVT TO PROMOTE ELECTRIC CAR PURCHASES

Hungary's government is once again inviting tenders for grants to promote electric car purchases by private individuals and companies, a senior official of the Ministry of Innovation and Technology said on Thursday. State Secretary Tamás Schanda noted at a press conference that last year the government awarded grants totalling 6 billion forints (EUR 16.7m) to help 1,712 bidders buy 2,053 vehicles. Demand fully reached the limit within 36 hours of the scheme's opening, he added. The government continued to implement its Climate and Environment Protection Action Plan, even during the coronavirus pandemic, to make Hungary a climate-neutral, clean country without imposing burdens on the population, Schanda said. "We will attain these aims without rising food prices or household utility fees," he said.

Government Spokesperson Alexandra Szentkirályi said that Hungary is earmarking large amounts of EU recovery funds for environmental protection and promoting the circular economy and e-mobility.

FIRST HUNGARIAN 'SPACE SOLDIERS' AWARDED DIPLOMA

The first ten army officers who would represent Hungary in any potential space warfare have been awarded diplomas in Debrecen, in eastern Hungary. The officers have completed a course entitled "Introduction into the operation of space technology" at Debrecen University.

Defence State Secretary Szilárd Németh, who presented them the diplomas, said that both great powers and emerging countries were preparing to gain a foothold in outer space and direct "terrestrial life" from there. Their aspirations entailed national security and economic risks but offered benefits, too, he said. The officers who completed the course will mean Hungary is not left behind either within NATO or in terms of its own security, Németh added. Space warfare is a global challenge similar to terrorism, illegal migration and cyber warfare, he said.

The course is run by Debrecen University, Eötvös Loránd University

of Arts and Sciences (ELTE) and Budapest University of Technology and Economics.

SZIGET FESTIVAL TO RETURN IN 2022

Budapest's Sziget Festival, a week of music, culture and other events held on an island in the Danube, is being postponed until 2022 due to the coronavirus pandemic, organisers said on Thursday. "With sadness in our hearts ... seeing the amount of uncertainty around travelling, accommodation and the domestic and international role of immunity certificates, we have made the decision to prepare for next year's Sziget instead," Tamás Kádár, the festival's chief organiser, said, adding that the two-year period without a festival had made life difficult for all players involved in the event. Organisers said they were hoping to schedule programmes for 2022 that would be worthy of the "grand comeback" the festival planned to make. Hungary's Balaton Sound and Telekom VOLT music festivals were also postponed until 2022 earlier this year.