

PHOTO OF THE DAY



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TOP STORY

SZIJJÁRTÓ: STRONG EUROPE NEEDED

The EU needs investments, security and expanded markets in order to be strong enough to defend itself against pandemics and migration waves, Péter Sziijártó has said.

Perilous times lie ahead for the bloc, the foreign minister told Hungarian journalists during a break in a meeting with his EU counterparts in Brussels.

Sziijártó argued that the most important developments in the global economy and politics would be shaped by pandemics and migration waves. To boost investments, the EU must keep taxes low and member states must pursue investment support schemes or risk losing out on high-tech investments to countries outside the bloc, he said, underscoring Hungary's opposition to the introduction of a global minimum tax, saying it would lead to higher taxes and hurt the country's competitiveness. Meanwhile, Sziijártó said the key to security was stopping migration waves. He warned that NATO's withdrawal from Afghanistan could again increase migration pressure on Hungary, noting that already thousands of families were fleeing the central Asian country towards Europe each day. To prevent the emergence of new migration waves, the EU must settle all its unresolved questions concerning migration with Turkey and boost the bloc's "lines of defence", he added.

SZIJJÁRTÓ CALLS FOR PREVENTING TECH COMPANIES’ INTERFERENCE IN EUROPEAN ELECTIONS

The European Union should prevent big tech companies from interfering in the European elections, Péter Szijjártó, Hungary’s foreign minister, said in Brussels. “Allowing these companies to decide which politicians may use broader and narrower channels to reach the electorate would be dangerous and anti-democratic,” Szijjártó told Hungarian reporters in the break of a European foreign ministerial meeting. “It would be similarly dangerous if they were to decide which politician is allowed to communicate and determine fake from real news,” he said. Also, cybercrime must be curbed so as to protect families, children as well as “defenceless, well-intentioned and inexperienced users”. Szijjártó called it especially important to crack down on paedophile crimes committed in the cyberspace.

SZIJJÁRTÓ: UEFA SANCTIONS ON HUNGARY ‘PITIFUL’

UEFA’s recent decision to sanction the Hungarian Football Association (MLSZ) due to crowd behaviour seems “even more pitiful” in view of video footage that has come to light since, Foreign Minister Péter Szijjártó said, on the

sidelines of a meeting of his European counterparts in Brussels. UEFA fined MLSZ 100,000 euros and ordered the national eleven to play the next three home matches behind closed doors, with the penalty pertaining to the third match suspended for two years, citing discriminatory behaviour by Hungarian fans during the European soccer championship in Budapest and Munich. Szijjártó said the footage showed “no organised or large-scale discriminative expressions or behaviour in the stadium”. The matches in Budapest were played to a full house and “amid a good football atmosphere”, he insisted. The minister noted that UEFA had imposed smaller sanctions in earlier cases, noting a fan pointed a laser at the Danish goalkeeper’s head in the semi-final. “Shall we consider UEFA’s disciplinary committee a serious body? You cannot talk about that decision calmly,” Szijjártó said.

EU SPOX: EC TO PROPOSE PROLONGED ASSESSMENT OF HUNGARY RECOVERY PLAN

The European Commission will propose prolonging the assessment period of Hungary’s recovery plan, in which the country has requested 7.2 billion euros in funding from the EU’s Recovery and Resilience Facility (RRF) designed to offset the fallout of the coronavirus epidemic, an EC spokesperson said. “We are working constructively to conclude

our assessment as fast as possible. Should our assessment require more weeks rather than days, we will propose to Hungary to agree on an extension of the 2-month deadline,” Arianna Podestá told a press conference in Brussels. The EC accepted the recovery plans from 16 states by the Monday deadline, and asked for a prolonged assessment period in the case of Poland, Estonia, Romania, Sweden and Finland. During this period, the member states have the opportunity to provide further information to the Commission, and to amend their plans, Podestá said. Hungary submitted its plan on the use of RRF funds in May, with the lion’s share -- 34.1% of the funds -- allocated to the development of the health-care system. The development of environmentally friendly transport and the education system would receive 25% and 20.4% of the resources, respectively. Additional development plans include promoting the switchover to the circular economy, closing the gap between underdeveloped and better developed regions, as well as environmental protection.

The Prime Minister’s Office said in response that talks between the EC and Hungary had been under way and close to completion when the commission “came up with impossible demands” after the government-sponsored child protection law, which the EU decried as discriminative, was passed. The



recovery plan, which was “shaped in consultation with experts, is being hobbled by ideologically and politically motivated attacks,” the PM’s office said in a statement. Hopefully, the plan will be assessed on professional grounds, independently from “Brussels’s insistence on letting LMBTQ activists into Hungarian kindergartens and schools,” the statement said, referring to criticisms that Hungary’s child protection law discriminated against the LMBTQ community. “There is no reason for EU bodies to reject the Hungarian plan. We have responded to demands which were sprung on us unexpectedly, and fulfilled all requirements in line with RRF regulations,” the statement said. “Talks are ongoing between Hungary and the European Commission on the Hungarian recovery plan, and we await the Commission’s decision,” it said. The statement slammed the Hungarian opposition for “lobbying for the Hungarian plan and talks to be frozen”.

ECONOMY SET TO GROW OVER 6% ‘WITH OR WITHOUT EU FUNDING’

Hungary’s GDP growth could exceed 6% this year “even if not a single cent is received” from the European Union until the end of the year, Finance Minister Mihály Varga said in an interview published by news portal Origo. Citing recent calculations, Varga said economic growth could

be 5.3% next year, and “the economy could make up for the losses suffered during the coronavirus pandemic in 18 months.” Brussels would be unable to hold back the Hungarian economy “even if it wanted to”, he added. Responding to a question regarding snags in the approval process for Hungary’s post-pandemic recovery plan because of concerns in Brussels over rule-of-law and oversight shortfalls, Varga said the EU was “trying to turn a purely economic issue into a political one”, adding that hopefully a “reasonable” solution could be found. “We are constructive and cooperative, but I must point out that Brussels’s shameful attitude will have no bearing on the Hungarian economy’s situation,” Varga said.

Concerning inflation, Varga said that economies were gearing up again across the world with often limited supplies, leading to a shortage of certain materials and goods, driving prices up. Goods are not becoming more expensive “because of VAT or the government”, the minister said. According to the finance ministry, inflation is likely to be 4.2% this year and 3.6% in 2022. Meanwhile, Varga said that the government was mulling another pension hike in November, for the second time this year, taking into account higher-than-expected inflation. He added that a pension bonus of a combined 50 billion forints would be paid to seniors before the end of the year, while one million families would be refunded

the personal income tax they paid in 2021.

Concerning proposals to introduce a global minimum tax, Varga said: “Hungary refuses to support any tax hikes, especially ones that would negatively impact the competitiveness of not only the country but the foreign companies here.” He noted that a uniform corporate tax rate of 15% had been proposed while it is currently 9% in Hungary. “We must promote the Hungarian interest even if in doing so we defy a proposal by the president of the United States,” he said.

MATOLCSY SUGGESTS INTRODUCING DUAL EURO EXCHANGE RATE

György Matolcsy, the governor of Hungary’s central bank, has suggested in an op-ed that the euro area should have two exchange rates, one for northern member states and another for the bloc’s southern ones. Digital central bank money in theory could create the chance to expand Europe’s monetary space and introduce a dual exchange rate mechanism, Matolcsy said in an article on the website of the daily Magyar Nemzet. He said the US and China were far more innovative financially than the EU. The single currency was, he said, paradoxically both the EU’s strongest and weakest point, with euro groups awkwardly rubbing along side by side on a north-south axis. Further, European

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indebtedness, the governor said, has put the EU on the same path as Japan, which had suffered two lost decades and accumulated a public debt of 260% of GDP. Matolcsy said the EU was trapped by the single currency due to different levels of development in the north and south combined with massive indebtedness: pumping more money into the system does not address the structural problems brought about by a common monetary policy and the single exchange rate, he said. Matolcsy said separate euros for the north and south would be desirable though "impossible today". Yet new digital central bank money could pave the way for such a development over the next decade, he argued. "Just as the decision to introduce the euro 30 years ago should not have been made; and a single market for services should have been formed instead, now the solution is not the triple indebtedness but a dual euro," Matolcsy wrote.

SAN MARINO TO RECOGNISE HUNGARY IMMUNITY CERTIFICATES

Hungary has reached an agreement with San Marino on the mutual recognition of each other's Covid-19 immunity certificates, Foreign Minister Péter Szijjártó said. Under the agreement, Hungarians who hold Covid-19 immunity certificates will be allowed to enter San Marino without restrictions from Tuesday, Szijjártó

said on Facebook. The minister also said he will be attending a meeting of the European Union's Foreign Affairs Council later today. Hungary has reached agreements on mutual recognition of Covid immunity certificates with Serbia, Montenegro, Slovenia, Bahrain, Croatia, Turkey, North Macedonia, the Czech Republic, Georgia, Mongolia, Moldova, Cyprus, Slovakia, Morocco, Albania, Ukraine, Kazakhstan and San Marino, and is next set to sign one with Cape Verde. Hungary also honours Romanian immunity certificates.

ÁDER WARNS AGAINST OVERCONSUMPTION IN PODCAST

President János Áder discussed the problem of the overconsumption of clothing with journalist and style consultant Eszter Mengyán in his latest environmental Blue Planet podcast. The clothing industry is one of the most water-intensive and polluting sectors, the president said, adding that consumers could avoid unnecessary clothing purchases by buying quality or second-hand clothes. Also, people should donate or recycle clothes they don't wear anymore, he said.

Mengyán advised consumers to pay close attention to environmental eco-labels on clothing to see if they apply to the products' raw materials, a part of the manufacturing process or its entirety. She also spoke about a pledge she had made not to buy new clothes for 13 months, saying it had helped her

adopt more conscious buying habits, and adding that several people had joined her in her pledge. Áder also talked about the so-called slow fashion movement aimed at the preservation of the ecosystem. Mengyán praised the goal of the movement, adding, however, that there was no one-size-fits-all strategy to making eco-friendly buying decisions, and everyone needed to find the solutions that best fit their own lifestyle.

SOCIALISTS URGE CLOSING GENDER PAY GAP

The opposition Socialist Party urged steps to be taken to eliminate the wage gap between men and women in Hungary. Hungary must take steps to "end the injustice" of women making 11.2% less on average than men in the same position, Zita Gurmai, the party's deputy group leader, said on Facebook. Gurmai said the Socialists' 2022 primary election platform contained a variety of measures aimed at eliminating the injustices faced by women and guaranteeing them equal treatment to men. The party supports preserving the rule that women can retire early after 40 years of work and making them eligible for widow's pensions before reaching retirement age, she said. The Socialists' platform would allow women employed in the public sector, such as doctors and teachers, to continue working after reaching retirement age, she added. Hungary's current gender pay gap, Gurmai said, meant that "women

essentially work for free from the end of November till the end of December." Everyone has a right to a secure livelihood, she added.

HUNGARY RECORDS THREE FATALITIES, 102 NEW INFECTIONS

Three patients died over the weekend, while 102 new Covid infections were registered, koronavirus.gov.hu said on Monday. So far 5,538,557 people have received a first jab, while 5,175,503 have been fully vaccinated. The number of active infections has declined to 37,023, while hospitals are treating 73 Covid patients, 12 of whom need respiratory assistance. There are 1,649 people in official quarantine, while 6,210,862 tests have been officially carried out. Since the first outbreak, 808,539 infections have been registered, while fatalities have risen to 30,007. Fully 741,509 people have made a recovery.

BUDAPEST AIRPORT CONSIDERING GOV'T PURCHASE OFFER

The owners of Budapest Airport, the operator of Liszt Ferenc International, "no longer rule out

the possibility of selling BA, but are seeking a higher price", the daily Magyar Nemzet said, citing industry insiders. BA received the government's non-binding offer last week and did not refuse it, but the owners consider the price offered as "below market value", the daily said, adding that the owners had earlier refused to sell their share in the company. László Palkovics, the innovation and technology minister, declined to comment on a transaction being negotiated, the paper said. Airport operator AviAlliance, one of the owners, similarly declined to comment when contacted by Bloomberg. Palkovics said earlier that the largest stakeholder, a Canadian pension fund, was "not really interested in contributing to Hungary's economic development with a modern and civilised airport", the paper said. Budapest Airport was privatised in 2005, under "momentary fiscal circumstances", the paper said, adding that the concession deal, negotiated for 75 years, ensures an extremely strong position for the foreign investors, who are entitled to collect nearly all revenues generated through airport services.

VISEGRÁD CASTLE TO BE REFURBISHED UNDER GOVT SCHEME

The castle of Visegrad and its surroundings will undergo comprehensive refurbishment under the government's Visegrad 700 programme, the government commissioner in charge of the scheme announced at a press conference held at the site. Gergely Fodor said that the castle's renewal, coupled with cultural, tourism and road projects, would be completed by 2035, the 700th anniversary of the 1335 Visegrad summit of monarchs of the region. He noted that the castle was a major tourist attraction in the Danube Bend, and said that the refurbishment would open up a new chapter in its life. The commissioner said the project was aimed at the complete revitalisation of the royal palace and the high castle, the recreation of the palace gardens as a public park, construction of a new promenade and parking lots. State secretary Eszter Vitézy said the government would ensure continuous funding for the operations, to the tune of "a couple billion forints a year". "Visegrád used to be Hungary's capital, a major intellectual and arts centre of Europe, and we are working to make it a significant place in the 21st century," she said.

