

## PHOTO OF THE DAY



The Tokyo Hungarian Institute, decorated with the photos of Hungarian Olympic athletes

## UPCOMING EVENTS

**EU interior ministers meet**

**Stats office releases May construction figures**

**Coronavirus updates**

## TOP STORY

# SZIJJÁRTÓ DEcriES CRITICISM OF CHILD PROTECTION LAW

Foreign Minister Péter Szijjártó has told CNN that reports that Hungary's child protection law conflated paedophilia and homosexuality were "fake news".

Asked about strict punishments for paedophilia appearing in the same law as provisions concerning the education of children with regard to their sexual orientation, Szijjártó told CNN the provisions were "two completely separate" parts of the law and were isolated from one another. Educating children about sexual orientation is the sole right of the parent, he said, adding that the government's aim was to prevent LGBTQ activists from promoting any particular sexual orientation in kindergartens and schools. The minister said Hungary's constitution prohibited all forms of discrimination and no one in Hungary had cause to be afraid because of their sexual orientation. Put to him that an Ipsos survey in May found that 56% of Hungarians thought that same-sex couples should have the same rights to adoption as heterosexuals, Szijjártó said Hungary's fundamental law stated this clearly. Szijjártó also noted that the child protection law was adopted not only with ruling party votes but also with the support of the largest opposition party, Jobbik.

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## **SZIJJÁRTÓ: GOVT ADOPTS FURTHER PROPOSALS TO RESTART ECONOMY**

The government has adopted further proposals by the body in charge of measures to restart the economy, mostly concerning Hungary's position in the international competition for investments, Foreign Minister Péter Szijjártó said on Wednesday. Concerning the proposals, Szijjártó said that one concerned construction material production, a sector in which prices have sharply increased recently. He said that the government sought to improve the market positions of Hungarian companies, and decided to provide a 5.5 billion forint grant to a 14 billion forint (EUR 39.3m) project aimed at producing construction materials with a special technology in Biharkeresztes, in south-eastern Hungary. Under another proposal, Hungary's Exim Bank will provide subsidised loans totalling 100 billion forints to the full range of the Hungarian business sector, Szijjártó said, adding that so far some 500 billion forints had been distributed among 1,000 companies. He also announced a new development loan programme for micro businesses using a budget of 50 billion forints in the next 10 years. Borrowers will have 10 years to pay off their debt with an interest rate of 0.5%, Szijjártó added. He argued that banks were not interested in providing loans to the smallest companies because the

loans were small and involved too much bureaucracy, adding that "it is important that the state assists them". The government has decided to speed up public procurement procedures to facilitate faster implementation of investment projects, the minister said. Under the new system, the assessment of bids could be reduced from over one month to five days, he added. Furthermore, the government will provide a service assisting potential foreign investors find ideal locations for projects in Hungary, Szijjártó said. The government has also decided to allow foreign companies in Hungary to employ foreign workforce up to 20% of their headcount rather than the current 10%, Szijjártó said, adding that "without that opportunity those companies will not expand their operations in Hungary, while this decision may help Hungarian employees retain their jobs". The minister added that the government will set up a farmland fund of 400 million euros to help food producers to arable land, as required for stable raw material supplies.

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## **NÉMETH: CROATIA KEY PLAYER IN BUILDING UP C EUROPE**

Croatia is a key player when it comes to developing central Europe, Zsolt Németh, the head of parliament's foreign affairs committee, said at an event marking the start of Hungary's presidency of the Visegrad Group, at the Hungarian embassy in Zagreb. Hungary took over the rotating

presidency of the V4 from Poland on July 1. "When we talk about the V4, we mean all of central Europe, and this also carries great opportunities for Croatia," Németh said. He said the V4 presidency was the second most important leadership role for Hungarian diplomacy after the country's current six-month presidency of the Council of Europe. "Central Europe is a success story and we want to make it even stronger but also expand it to all of Europe," Németh said. He underscored the importance of linking the countries of central Europe, noting that Hungary will extend its M6 motorway to the Croatian border, from where it will pass through Croatia and Bosnia and Herzegovina, leading to Ploče on the Adriatic coast. Németh said the ongoing debate on the future of the European Union was an "excellent opportunity" for Hungary to share its vision for a Europe of nations over a "federal, imperial EU". Gordan Grlić-Radman, Croatia's minister for foreign and European affairs, expressed his country's support for Hungary's goal to overcome the economic crisis caused by the coronavirus pandemic.

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## **SOLTÉSZ MEETS ORTHODOX PATRIARCH IN GREECE**

Miklós Soltész, state secretary at the Prime Minister's Office, had talks with Ieronymos II, head of the Orthodox Church of Greece, and Konstantinos Vlassis, deputy minister for diaspora Greeks, in Athens. Soltész highlighted

the thousand-year-old role the Greek Orthodox Church had played in Hungary. The patriarch thanked the Hungarian government for its assistance in reconstruction efforts on the island of Lesbos, where “violent migrants destroyed or desecrated dozens of churches”. The talks covered “important values such as ... the message conveyed by Hungary’s child protection law”. Soltész said the law was “not aimed against anybody” but served to protect children. Despite international pressure, Hungary “stands by the law”, he said, citing the patriarch as saying that he respected the Hungarian government’s efforts made in the interests of families, children, and Christianity. During his talks with Vlassis, Soltész outlined the Hungarian government’s activities concerning the Greek minority in Hungary, such as building a sports hall for a school and renovating the Greek self-government’s building in Beloianisz, a village built for Greek refugees in the 1950s.

**HUNGARY RECORDS 3 CORONAVIRUS FATALITIES, 56 NEW INFECTIONS**

Three patients died over in the past 24 hours, while 56 new Covid infections were registered, [koronavirus.gov.hu](http://koronavirus.gov.hu) said. So far 5,548,451 people have received a first jab, while 5,226,741 have been fully vaccinated. The number of active infections has declined to 36,703, while hospitals are treating 84 Covid patients, 11 of whom need respiratory

assistance. There are 1,582 people in official quarantine, while 6,222,052 tests have been officially carried out.

Since the first outbreak, 808,612 infections have been registered, while fatalities have risen to 30,013. Fully 741,896 people have made a recovery.

So far, most infections have been registered in Budapest and Pest County, followed by the counties of Borsod-Abaúj-Zemplén, Győr-Moson-Sopron and Hajdú-Bihar.

**ALL JABS IN HUNGARY SHOWN TO PREVENT SERIOUS ILLNESS, SAYS MEDICAL UNI HEAD**

A second round of tests of people inoculated against coronavirus has shown that 88% have sufficient antibodies to protect them against the virus, Béla Merkely, the dean of Semmelweis University, said. However, focusing on the level of antibodies as a marker for immunity was beside the point, he added. “Clinical efficacy is the point in vaccination -- the extent to which the jab can protect patients from getting seriously ill,” he said. “By that measure, all vaccines applied in Hungary have shown good results.” Fully 1,195 people whose initial tests had indicated zero or a low level of antibodies were tested for a second time, Merkely said. Positivity in the second round was 97% for the Sputnik and AstraZeneca vaccines, 94-97% percent for Pfizer and Moderna, and 82% for Sinopharm. He added that 93% of Sinopharm recipients below

the age of 60 whose first antibody test was negative showed antibodies second time round, while this was true of 82% for those above that age. The sensitivity of tests vary greatly across laboratories, he said, adding that the US Food and Drug Administration did not recommend that method, either, preferring the measure of clinical efficacy. Merkely said that a third shot of the vaccine could be necessary for patients with certain chronic conditions, but added that no clinical tests had been conducted yet; neither was there a uniform position within the medical profession.

Commenting on the results, Gergely Gulyás, the prime minister’s chief of staff, said Budapest Mayor Gergely Karácsony’s initiative to conduct antibody tests among those already inoculated was “politically motivated, unfounded fear-mongering”. The opposition LMP has said the tests found no coronavirus antibodies in a quarter of people over 60 who had received the jab. “Antibody tests are only good to mislead people, not to assess protection levels against Covid,” Gulyás said. According to the university’s results, 88% of those “mislead by Karácsony to think they are not protected” must have protection, he said.

**NÉZŐPONT SURVEY: GYURCSÁNY, KARÁCSONY ON GOOD TERMS**

Fully 59% of Hungarians asked in a recent Nézőpont survey said



they believed Ferenc Gyurcsány, the leader of the opposition Democratic Coalition, and Budapest Mayor Gergely Karácsony, an opposition candidate for prime minister, were on friendly terms. "The mayor is trying to appear independent of the former prime minister in vain," the daily Magyar Nemzet, which published the report, commented in its Wednesday edition. According to the report, 12% of respondents thought the two politicians were on bad terms, while 25% believed their relations were "very good". "Since Gyurcsány is unpopular in Hungary, it is in Karácsony's interest to hide their cooperation, while their opponents' interest is to warn voters," the paper said, referring to the one-time head of the Socialist-liberal government. Nézőpont conducted its survey over the phone between July 5-7 with a representative sample of 1,000 adults.

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### **HUNGARY INDUSTRIAL OUTPUT UP 39.1% YR/YR IN MAY**

Industrial output in Hungary grew by an annual 39.1% in May, the Central Statistical Office (KSH) has confirmed. Output grew by 40.2%, according to working day-adjusted data. Month on month, output rose by 3.4%, based on seasonally and working day-adjusted data. Output of Hungary's automotive sector, which accounts for the biggest share of manufacturing in the country, jumped by 81.1% year on year in May from a low base. Output of the computer, electronics and optical equipment segment rose by 23.8% in May, while the food, drinks and tobacco segment increased by 14.7%.

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### **HUNGARIAN COMPANIES SPEND LITTLE ON DIGITALISATION**

Around two-thirds of Hungarian companies consider themselves "more innovative than average",

but only about one-fifth have an innovation strategy, and spending on digitalisation accounts for just 5% of operating costs, a survey conducted by K&H Bank shows. The survey showed that only 36% of respondents said the digital transition was important for their business, while 45% said it was not a major issue at the moment. Hungarian companies continued to innovate during the coronavirus pandemic with 43% introducing new products or services in the past two years. The share was as high as 70% among big corporations. Some 42% of respondents plan to roll out new products or services in the next 12 months. The survey shows industrial and service sector companies lead in terms of innovation, while innovation is weakest in the farm sector. The representative survey involved 360 companies with annual revenue over 300 million forints (EUR 840,000).