

PHOTO OF THE DAY



Military exercise in Újdörög, southwest Hungary

UPCOMING EVENTS

World Hunting Expo

Coronavirus updates

Stats office release on consumer prices in September 2021

TOP STORY

ÁDER: WORLD RUNNING OUT OF TIME

The world is running out of time to tackle climate change, the water crisis and other environmental problems, President János Áder said in a video message to the Budapest Climate Summit.

Atmospheric CO2 continues to rise and the goal of limiting global warming to 1.5 C. is now but a dream, Áder said, adding that a cap of 3 C. was now a far more realistic scenario. Citing a recent Belgian-German study, he said the number of days marked by heatwaves could multiply five-fold and droughts could more than double over the coming decades. "If we fail to act, CO2 emissions will increase by 60% by 2030 compared with 1990 levels. There's plenty to do," he said. However, the world faces other challenges as well, the president said, noting the water crisis, the loss of biodiversity, urbanisation and the challenge of transitioning to a circular economy.

Áder said Hungary was better positioned to tackle these issues than many other European countries. Hungary has reduced its harmful emissions by 32% since 1990, while 12 other EU countries have managed only smaller reductions and five others have seen their emissions rise, he said, adding that over the last five years Hungary had doubled the capacity of its solar power plants each year.

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SZIJJÁRTÓ: HUNGARY OFFERS GOOD ENVIRONMENT FOR FINTECH

Hungary offers a favourable environment for the growth of fintech companies, Foreign Minister Péter Szijjártó said in Madrid. This may help the government fulfil its aim to have at least half of all payments made electronically by 2030, he said. Szijjártó met a Fintech business delegation and representatives of Spanish companies, and briefed them on various government measures that are helping the sector to grow in Hungary. Five Hungarian and five Spanish fintech companies signed cooperation agreements at the event. Szijjártó said Hungary has introduced a system of immediate payments, which involves financial institutions expected to fulfil transactions of less than 30,000 euros within five seconds, seven days a week. He also noted that the threshold for contactless payments without the need to enter a PIN code increased from 5,000 forints to 15,000 forints during the coronavirus epidemic. All businesses are now obliged to use online checkouts, which means that currently some 50,000-60,000 shops offer customers the possibility of making electronic payments, he said. The move has already significantly reduced the volume of cash payments and has been effective in the fight against tax evasion and the black economy, he added.

A National Bank of Hungary survey shows that the number of outlets accepting bank cards increased by 9% in the second quarter of 2021 compared with the same period of last year. For the first time, the total value of card payments exceeded total cash withdrawals from ATMs, he added. The minister also cited an OTP Bank survey showing that 80% of Hungarian adults have bank cards and 57% of them prefer to make card payments whenever possible. Only 16% prefer to pay by cash and 26% said they had no preference.

Szijjártó also said that Hungary had the lowest taxes on labour and on companies' operations in Europe, which, he added, was important for sectors with high value-added and a large proportion of highly qualified workers. From this year, Hungarians below the age of 25 are exempted from paying personal income tax and from the middle of next year, taxes on labour will drop by 2% with the cancellation of a vocational contribution tax, he added.

FINMIN: TRUST IN HUNGARIAN ECONOMY UNSHAKEN

US companies continue to place their trust in the Hungarian economy, and the government provides tax cuts and investment support to further improve the business environment, Finance Minister Mihály Varga told the US-Hungarian Business Council. The council met for the 6th time in

Budapest on Thursday, with the top brass of 10 US corporations meeting Varga in the ministry building. Varga noted at the meeting that while last year's event had focused on job protection, this year's agenda features the opportunities the Hungarian economy, which is expected to expand by over 7% this year, offers to investors. "We count on US investors in our work to relaunch the economy," he added. The US is the largest non-EU investor in Hungary, with trade volume reaching 5.8 billion dollars in 2020, he said. Despite the coronavirus pandemic, US companies created some 2,500 jobs in Hungary in 2020, he said.

SZIJJÁRTÓ: GE TO INVEST HUF 10 BN IN C HUNGARY

General Electric is investing 10 billion forints (EUR 27.8) to expand its turbine plant in Veresegyház, in central Hungary, Péter Szijjártó, the minister of foreign affairs and trade, told a press conference. The investment will create 100 new jobs. US companies have undertaken 22 investments worth 42 billion forints in the past year and a half, Szijjártó noted. Those investments have been supported by a total of 16 billion forints in government grants, preserving over 14,000 jobs, he added. He noted that 1,700 US companies employ 106,000 people in Hungary.

Meanwhile, Szijjártó said that Hungary had rebounded from the economic fallout of the coronavirus pandemic by the end of H1, 2021. This put the country a year and a half ahead

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of global recovery, which is expected to reach the same level by the end of 2022, he said. While some 114 million people have lost their jobs worldwide, Hungary has more jobholders than ever since the fall of communism, thanks to companies which continued to expand capacity in Hungary during the pandemic, he said.

Szijjártó also noted that talks at the OECD meeting in Paris on Wednesday came “very close” to reaching an agreement on a planned minimum global corporate tax that “will not hurt the Hungarian economy and will not put Hungarian investments or workplaces at risk”.

PROBE SHOWS PRICE CORRECTION OF CONSTRUCTION MATERIALS

A government probe of the construction materials market shows a correction in prices, state secretary for consumer protection Péter Cseresnyés said. “An analysis of price developments shows that the marked rise in prices in the first half clearly stopped in July. In some instances, prices were successfully rolled back to levels at the start of the year, and prices for an even broader range of products returned to levels in April,” Cseresnyés said. The government obliged building materials traders to declare their exports in the summer amid concerns runaway prices could counter the benefits of a home

renovation subsidy scheme. The reporting requirement is in force until January 2022. The building materials market probe, which was launched three months ago, is ongoing.

SZIJJÁRTÓ: AUSTRALIA- HUNGARY ECONOMIC COOPERATION “CONTINUALLY EXPANDING”

Despite a great distance between Hungary and Australia, bilateral economic cooperation is “continually expanding”, the minister of foreign affairs and trade, Péter Szijjártó, said on his Facebook after talks with Dan Tehan, Australia’s trade minister in Paris. Turnover of bilateral trade had increased by an annual 49%, adding that Hungary would soon start exporting food products to Australia. Hungary supports a free trade agreement between the European Union and Australia and regrets that negotiations have been postponed due to a conflict between Australia and France, Szijjártó said. Hungary also supported the election of Australia’s Mathias Cormann to secretary-general of the OECD, Szijjártó noted. The Hungarian EXIM Bank has set up an 800 million dollar credit line to help Hungarian businesses’ activities in Australia, Szijjártó noted, adding that a new Hungarian representation to be opened in Sydney would further promote Hungarian companies.

SZIJJÁRTÓ CALLS FOR HALTING ILLEGAL IMMIGRATION ON LAND, AT SEA

Spain’s example demonstrates that illegal migration should be halted not only on land but at sea, too, Péter Szijjártó, Hungary’s minister of foreign affairs and trade, said after talks with Santiago Abascal, leader of the Spanish right-wing VOX party, in Madrid on Thursday. The minister noted that Spain has been exposed to strong migratory pressure over the past few years, with a 50% rise registered in the number of Africans arriving illegally in the country this year. For this reason, there is a pressing need to mobilise resources to stop migration through maritime routes, he said. The best way to do so is to prevent illegal migrants from boarding ships heading for Europe, Szijjártó said. For this reason, European nations have a vested interest in cooperating with the north African countries and helping them retain their stability, he said. “Defending borders, identifying terrorists among the migrants and tough action against human smugglers are priorities for Europe,” he said.

Szijjártó praised the “increasingly robust” development of bilateral economic relations. Two-way trade, he noted, increased by 20 % in 2021 and is expected to reach 5 billion euros by the end of the year.

PALKOVICS: BIG TECH INFLUENCING KIDS' ONLINE HABITS

It is “extremely important” that “the online content consumption and everyday routine of children” should not be “exclusively shaped by the profits of the technology sector”, the minister of innovation and technology told a conference held in Budapest under the auspices of the Hungarian presidency of the ministerial committee of the Council of Europe. László Palkovics, speaking at the conference dubbed Children’s rights, opportunities, and well-being in the digital age, said that “for the first time in history we must face challenges of how children can use smart devices and the internet in productive, creative and ethical ways”. It is “obvious”, he said, that the IT sector, which is “the largest recipient of financial and data-related benefits” should be more transparent and proactive to minimise risks for children. “At stake is what the homo digitalis, the man of tomorrow and its world will look like, and how they can carry on our heritage,” he said, adding that providing digital protection to families and children was crucial. He noted that the Hungarian government had adopted a digital child protection strategy in 2016, but this now should be revamped.

Palkovics highlighted the “unprecedented cooperation” built during the coronavirus pandemic between schools, businesses and civil

groups, adding that lockdown measures led to “irreversible” digitalisation in education. He cited a Hungarian survey showing that education was one of the five most important areas in which digital technologies proved crucial in re-organising life under lockdown. The Hungarian government took similar measures to those of the most developed countries to mitigate the impact of the pandemic and to support needy students, Palkovics said, adding that the government had made provisions for digital technology and content, as well as special assistance to the most vulnerable families.

OPPOSITION DK: SPEAKER ‘THREATENING DOBREV WITH IMPRISONMENT’

According to the opposition Democratic Coalition (DK), Speaker of Parliament László Kövér has threatened Klára Dobrev, DK’s MEP and prime ministerial candidate, with imprisonment. DK’s deputy group leader Gergely Arató, speaking at an online press conference on Thursday, cited Kövér as saying in a recent interview to commercial Inforádió that “those seeking to dismantle Fidesz’s rule with a simple majority, dismiss the chief prosecutor or declare the fundamental law unconstitutional should be prosecuted.” The DK politician said today that: “Securing your autocracy with a two-thirds majority has been in vain; Dobrev will not go weak in the knees when she throws the constitution in the

dumpster.” “Perpetrators of the past 12 years”, he said, would be held accountable if DK won next year’s election. Those currently in power “are afraid that the opposition could restore the rule of law even with a simple majority” and “perpetrators would be punished and thieves sent to prison”, he added.

SOCIALISTS-PÁRBESZÉD TO SUBMIT PROPOSALS AIMED AT RESTRICTING OFFSHORE BUSINESS ACTIVITIES

The opposition Socialist-Párbeszéd alliance is submitting to parliament a package of bills aimed at restricting the operations of offshore businesses in Hungary. The party alliance is proposing the establishment of a transparent database of offshore business owners that would be free to access, Párbeszéd lawmaker Bence Tordai told an online briefing. Tordai said the Hungarian government had taken too long to comply with a European Union law requiring it to create such a database, adding that the regulations on the database will only come into effect next June.

The parties are also proposing a special tax on offshore companies and requiring offshore business owners to pay personal income tax unless they can verify their company’s activities in the country in question, he said. Under the laws, offshore companies would also be ineligible for state and EU support, Tordai said. Another proposal concerns

the expansion of the rules on conflicts of interest, he said, adding that if passed, this law would ban party officials from taking on roles in offshore companies.

The package is also backed by green LMP, he said, and he expressed hope that the Democratic Coalition and Jobbik would also support it.

Socialist Party deputy group leader Tamás Harangozó told the same press conference that offshore companies were estimated to cause thousands of billions of forints' worth of damage to Hungary's state budget and the Hungarian people each year. The money lost to offshore business activities, he said, could be used to fund education, health care and pension hikes. Harangozó noted that a recent dump of documents on offshore activities known as the "Pandora Papers" exposed the offshore affairs of 35 world leaders, with press reports saying that multiple Hungarian nationals were implicated in the leaks.

ORBÁN MEETS THEATRE OLYMPICS ORGANISERS

Hungarian Prime Minister Viktor Orbán met organisers of the 10th Theatre Olympics to be hosted by Hungary in 2023, according to the prime minister's press chief. Held in the prime minister's office, the talks were attended by Greek theatre director Theodoros Terzopoulos, founder of the Theatre Olympics, Russian theatre director Valery Fokin, both of whom arrived in Hungary for the ongoing 8th Madách Imre International Theatre Meeting,

as well as Attila Vidnyánszky, director of Hungary's National Theatre. The participants discussed plans and preparations for the 2023 Theatre Olympics, which will coincide with the birth bicentenary of eminent Hungarian writer and poet Imre Madách.

The Theatre Olympics was founded by 1994 to promote theatre exchanges in an international multidisciplinary festival, which aims to embrace different theatre traditions, respect diverse cultures and encourage intercultural networking among theatre artists around the world. Vidnyánszky said earlier that the Theatre Olympics would provide a unique opportunity for Hungarian culture to showcase its assets in Hungary proper and beyond the border, and strengthen its positions in diplomacy.

GUEST NIGHTS UP 11.3% IN AUG

The number of guest nights at commercial accommodations in Hungary rose by an annual 11.3% to 3,555,000 in August, albeit from a low base during the pandemic, the Central Statistical Office (KSH) said on Thursday. The number of guest nights spent by domestic travellers increased by 1.9% to 2,619,000 but the number spent by foreign visitors jumped by 50.2% to 936,000. In a month-on-month comparison, the number of guest nights was up by 24.2%, KSH said. KSH noted that guest night numbers were down by 24.3% from the same month in 2019.

HUNGARY RECORDS 837 NEW CORONAVIRUS INFECTIONS, SIX DEATHS

Six patients died of a Covid-related illness during the past 24 hours, while 837 new coronavirus infections were registered, koronavirus.gov.hu said on Thursday. So far 5,902,806 people have received a first jab, while 5,669,473 have been fully vaccinated. Fully 854,000 Hungarians have received a booster jab. The number of active infections stands at 8,722, while hospitals are treating 627 Covid patients, 92 of whom need respiratory assistance. Since the first outbreak, 826,636 infections have been registered, while fatalities have risen to 30,259. Fully 787,655 people have made a recovery. There are 7,083 people in official quarantine, while 7,016,611 tests have been officially carried out.

HUNGARIAN CATHOLIC CHURCH SENDING AID TO VENEZUELA

The Hungarian Catholic Bishops' Conference (MKPK) will send a donation of 40 million forints (EUR 112,000) to the Catholic church of Venezuela, the body's secretary told a press conference on Thursday. Tamás Tóth said that the donation would be sent to Venezuela via cardinal Baltazar Enrique Porras Cardozo, the archbishop of Merida, who had recently attended the International Eucharistic Congress in Budapest. Venezuela is facing

serious economic problems and its welfare system has in fact failed, Tóth said, adding that the local Catholic church was making efforts to assist citizens in need.

INTL HUNTING SHOW, RELATED EVENTS ATTRACT OVER ONE MILLION

The "One with Nature" World Hunting and Nature Exhibition and related programmes have by now been attended by over one million people, deputy Prime Minister Zsolt Semjén told a press conference on Thursday. The central programme of the expo is expected to have received its 300,000th visitor on Thursday, Semjén said, adding that it was "unprecedented" that at the weekend the expo grounds hosted almost 60,000 visitors, nearing its maximum capacity. Around 100 countries are represented at Hungexpo, including 40 with stands. The expo runs until October 14.

REST STOP ON HUNGARY'S FIRST EUROHORSE HORSE TRAIL INAUGURATED

A rest stop in Edelény, in north-eastern Hungary, on the country's

first EuroHorse horse trail, has been inaugurated, the Office of the Government Commissioner for an Active Hungary said. The EuroHorse 1 trail, traversing the north of Hungary, will be open to the public from 2022, the office said. The horse trail is one of four planned in the framework of the Kincsem National Riding Programme, it added. Hungary's rolling hills, scenic slopes and soft ground make the country ideal for equestrian tourism, and fewer private properties are closed off in natural areas than in Western Europe, the office said.

CRAFT BREWERS AIM TO BOOST MARKET SHARE TO 10%

Hungarian craft brewers want to increase their market share to 10% from 2% in the coming years with the support of recent changes to legislation, Zsolt Gyenge, the head of the Craft Brewers Association (KSE), said at the National Agriculture and Food Exhibition and Fair (OMEK) in Budapest.

Lawmakers approved legislation in December that limits the volume of beer, soft drinks, mineral water and sparkling water that hotels and

catering establishments may contract from a single supplier to 80%. The law also requires catering establishments to stock beer, soft drinks, mineral water and sparkling water from at least two different producers.

Gyenge said just 1-3% of catering establishments offer craft beer at present. Csaba Balázs Rigó, who heads Hungary's Competition Office (GVH), said the amendments to the legislation on commerce aim to offer Hungarian consumers a choice and give craft brewers access to the market.

HOUSE PRICES IN HUNGARY DOUBLE SINCE 2010

House prices in Hungary have risen by 109% since 2010, data compiled by Eurostat show. Hungary was one of three European Union member states in which home prices doubled during the period. House prices rose by 133% in Estonia and climbed 111% in Luxembourg, while in the EU as a whole they increased by 34%. Home rental rates in Hungary grew by 44% during the period, well over the 16% average for the EU as a whole.

Rents rose the most in Estonia (142%), Lithuania (109%) and Ireland (66%).