

## PHOTO OF THE DAY



MTI/Csöcsény-Várocs

Rapeseed field blooming in the unseasonably warm weather in NW Hungary

## UPCOMING EVENTS

**Stats office releases Nov employment figures**

**Coronavirus updates**

## TOP STORY

# HUNGARIANS DECISIVELY GREEN

Fully 97% of Hungarians identify sustainability as a key issue and most support Hungary's climate goals.

More than 70,000 Hungarians took part in an online consultation on environmental protection launched by the government last year, Zsolt Nyitrai, the prime minister's commissioner for social affairs said. Attila Steiner, the state secretary for climate, energy policy and the development of the circular economy, said 97% of respondents identified sustainability as a key issue. The survey found that most Hungarians supported Hungary's climate goals, with 81% backing them on the condition that they did not endanger the country's energy security. More than 85% of respondents agreed that the world's top polluters should bear the costs of transitioning to a sustainable future, he said. Altogether 67% expressed support for raising fines for illegal waste dumping, while 22.6% favoured even tougher penalties, the state secretary said. Nearly to 99% said they would welcome a new deposit return scheme for single-use plastic bottles. Meanwhile, the installation of solar panels was backed by more than 95%, tree planting schemes by 98% and the reduction of single-use plastics by 90% of respondents.

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## **OMICRON ACCOUNTS FOR OVER 11 % OF NEW COVID CASES IN HUNGARY**

The highly mutated Omicron variant now accounts for more than 11% of new Covid infections in Hungary, data from the National Public Health Centre (NKK) show, [koronavirus.gov.hu](http://koronavirus.gov.hu) said on Tuesday. Traces of the coronavirus in sewage are on the rise in Hungary, after falling or stagnating in previous weeks, the government's official website for pandemic news said.

Altogether 83 patients died of a Covid-related illness during the past 24 hours, while 2,429 new coronavirus infections were registered, [koronavirus.gov.hu](http://koronavirus.gov.hu) said on Tuesday. So far 6,268,108 people have received a first jab, while 5,986,342 have been fully vaccinated. Fully 3,184,580 Hungarians have received a booster jab. The number of active infections went down to 100,247, while hospitals are treating 3,335 Covid-19 patients, 316 of whom need respiratory assistance. Since the first outbreak, 1,264,709 infections have been registered, while the number of fatalities has risen to 39,517. Fully 1,124,945 people have made a recovery.

## **SZIJJÁRTÓ: GOVT TO LAUNCH 2ND ROUND OF TENDERS FOR COMPANIES HARMED BY BREXIT**

The government is launching a 12 billion forint (EUR 32.6m) second round of tenders for companies

harmed by Brexit, Péter Szijjártó, the minister of foreign affairs and trade, said on Tuesday. Companies can apply for government support of up to 2 billion forints equal to their provable losses linked to the United Kingdom's exit from the European Union in the tender launching on Jan. 17, Szijjártó said. The support can cover up to 70% of the losses of small enterprises, 60% of those of mid-size firms and 50% of large companies, he said. The funding can be used to purchase equipment for technological development. It can also be used to upgrade infrastructure and real-estate, purchase licences and know-how, and make developments that curb energy consumption, he said. In the first round last autumn, 37 companies received a total of 10.2 billion forints in support of investments worth a total of 19 billion, Szijjártó noted.

## **NOVÁK PREPARES FOR PRESIDENCY**

Katalin Novák, outgoing minister of family affairs, has transferred her governmental responsibilities to state secretary Róbert Zsigó. Novák resigned from her post, effective Dec. 31, after Prime Minister Viktor Orbán nominated her for President of the Republic in December. Incumbent President János Áder's second term expires on May 10.

## **LMP ADVOCATES REFERENDUM AS '2ND STEP' TO CHANGE GOVERNMENT**

A referendum proposed by the opposition could be a second step towards changing the government following last year's opposition primary, LMP deputy group leader Antal Csárdi told a press briefing. The planned referendum is aimed at increasing the period that the jobless can draw unemployment benefit from three months to nine, as well as thwarting plans to build a "Chinese elite university" in Budapest, Csárdi said, noting that the period of Hungary's unemployment benefit was the shortest in Europe, and that jobseekers should get "a decent amount of time" to find a job.

## **GOVT SECTOR DEFICIT REACHES 3.9% OF GDP IN Q1-Q3**

Hungary's government sector deficit reached 1,570 billion forints (EUR 4.3bn) in Q1-Q3, equivalent to 3.9% of GDP, preliminary data released by the Central Statistical Office (KSH) show. Government sector revenue rose by an annual 8.9% to 16,468 billion forints during the period. Expenditures increased by 7.6% to 18,039 billion forints. On the revenue side, VAT rose by 16.9% to 3,872 billion forints and revenue from taxes on production and imports climbed by 9.7% to 6,861 billion forints. Social security contributions increased by 6.3% to 4,211 billion forints.

On the expenditure side, spending on wages rose by 6.3% to 4,053 billion forints and social pay-outs increased by 7.7% to 4,275 billion forints. Intermediate consumption expenditures climbed by 11.6% to 3,071 billion forints.

### **WAGE GROWTH SLOWS TO 8.5% IN OCTOBER**

Year-on-year wage growth in Hungary slowed to 8.5% in October from 9.1% in the previous month, the Central Statistical Office (KSH) said. The data for businesses and institutions with at least five people on payroll show the average gross monthly wage for full-time employees stood at 431,300 forints (EUR 1,170). The average net wage was 286,800 forints. Calculating with twelve-month CPI of 6.5% in October, real wages rose by 1.9%.

Takarékbank chief analyst András Horváth said a 30% pay-rise for health-care workers from January along with salary hikes in other sectors could cause wage growth to accelerate to 13% this year from around 9% in 2021. According to union sources, companies have agreed to raise wages 7-27% this year, against the backdrop of a more than 19% minimum wage increase and high inflation, he added.

### **GOVT PLEDGES HUF 140 BN TO BOOSTING BUSINESS RDI**

The government is inviting bids to disburse 140 billion forints (EUR 380.1m) in support for boosting

business research, development and innovation, Finance Minister Mihály Varga said. The grant scheme covered by the GINOP Plus economic and innovation programme will provide RDI support to hundreds of Hungarian companies, Varga said on Facebook. Companies can bid for funding for the development of new products, technologies and services, experimental developments, industrial research, asset procurement and market entry, the minister said. Helping Hungarian companies make progress in RDI remains an important goal following the successful relaunch of the economy, Varga said, adding it was crucial to allow businesses to stay competitive in a changing global economic environment.

### **BORROWERS TAKE OUT HUF 22BN OF GREEN HOME PROGRAMME CREDIT**

Lenders have disbursed 22 billion forints of credit in the framework of the Green Home Programme of the National Bank of Hungary (NBH) since the launch of the scheme on October 4. Banks signed 753 contracts for the credit by the end of 2021, the NBH said. Fully 12 billion forints of the credit was disbursed for detached houses and plots, while 6 billion was for homes in multi-residential buildings. Around half of the credit was for homes the owners are building themselves. The average loan size was 28.6 million forints and the average run was 20.6 years.

In the framework of the Green Home Programme, the central bank is providing zero percent refinancing to lenders for retail loans for new homes with a primary energy consumption threshold of 90 kWh/sqm per year. Interest rates on the loans are capped at 2.5%.

The average interest rate for a home loan -- excluding loans with floating rates set for periods of one year or less -- stood at 4.26 percent in November, the latest NBH data show. The Green Home Programme credit is limited to borrowers who plan to reside in the homes they purchase, excluding property investors. The initial allocation for the scheme has been set at 200 billion forints.

### **AGRIBUSINESS DEVELOPS ORGANIC FERTILISER**

Agribusiness Körös-Maros Biofarm has developed a slow-release organic fertiliser in a three-year project involving the experts of the Biological Research Centre, Szeged, and fertiliser company Agrogeo. The 135 million forint project was supported by 76 million in EU funding, managing director Zsolt Raki told MTI. The compound involves breaking down manure and crop residue into dry and fluid components, producing granules and coating them with natural biopolymers. Commercial sales of the fertiliser will start in shops in Békés County in February and annual production is expected to reach 1,000-2,000 tonnes.