

PHOTO OF THE DAY



MTVA/Attila Kovács

New handball arena inaugurated in Tatabánya, northern Hungary

UPCOMING EVENTS

PM's chief of staff holds regular press briefing

EU defence and foreign ministers hold informal meeting

Coronavirus updates

TOP STORY

GOVT IMPOSES PRICE CUTS ON BASIC FOODSTUFFS

Hungary's government has decided to impose price curbs on six food products effective February 1, Prime Minister Viktor Orbán announced on Facebook.

The prices of sugar, wheat flour, sunflower-seed oil, leg of pork, chicken breast and milk with 2.8% fat will be frozen at their Oct. 15, 2021 levels due to rising food prices, the prime minister said. Each shop will have to reduce current prices to October levels, he added.

The price cap is the latest in a series of government measures aimed at combatting rising inflation. Orbán noted that rising energy prices were leading to price increases all over Europe. The Hungarian government, however, protects families, he added. "We have reined in increasing petrol prices, capped mortgage interest rates, and we have a utility fee cut policy, under which Hungarian families are supplied energy at fixed prices, which will protect them," the prime minister said. "Hungary must keep moving forward, not backwards."

Last month, Orbán announced a six-month freeze of retail mortgage interest rates at their end-October levels. In November, the government announced a decision to cap the price of petrol and diesel at 480 forints (EUR 1.30) per litre.

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



HUNGARY, SRI LANKA VOW TO BOOST COOPERATION

Foreign Minister Péter Szijjártó on Wednesday met his Sri Lankan counterpart, Gamini Lakshman Peiris, and pledged to strengthen the ties between the two countries. Earlier on Wednesday, Szijjártó announced the largest Hungarian road construction project which is getting under way in South Asia. Betonútépítő is building two large motorway overpasses near Sri Lanka's capital as part of a 20 billion forint (EUR 56m) development, the ministry said in a statement. Szijjártó noted that the government supports Hungarian companies entering international markets. Hungary's Eximbank is backing the investment which is expected to conclude by October 2023. "We now have a success story ... with the largest Hungarian road-building project in this part of the world," he said. Metal structures for the construction are being made in Nyíregyháza, while their delivery will take place in March.

At the joint press conference with Peiris, Szijjártó said cutting-edge technologies implemented by numerous Hungarian companies gave them a competitive edge internationally, opening up investment opportunities in Sri Lanka and elsewhere. Besides infrastructure development, Hungarian printing and water management companies are also present in the country, he said. A recently reconstructed water purifying plant has given 2 million people access to clean drinking water.

While many development projects worldwide have fallen victim to the coronavirus pandemic, the Hungarian government is supporting Hungarian companies present on foreign markets to prevent further losses, he said.

The ministers have agreed to convene the second meeting of their economic committee as soon as possible and to speed up talks on the elimination of double taxation to ensure "fair and honest cooperation", Szijjártó said. Starting this year, Hungary is also offering 20 scholarships to Sri Lankan students wishing to study in Hungary, he said. "We have always been fair, honest and reliable partners. We have not interfered in each other's internal affairs, we've never criticised each other, and we've supported each other in international organisations; and we wish to carry on that way in the future," Szijjártó said.

Peiris praised Hungarian economic development and said his country was on track to implement similar projects, which made robust cooperation and knowledge exchange very important. During the visit, Szijjártó also met Sri Lanka's prime minister, Mahinda Rajapaksa, as well as the ministers of commerce, education and highways.

SZIJJÁRTÓ IN PHONE TALKS WITH HIGH REPRESENTATIVE FOR BOSNIA-HERZEGOVINA

Péter Szijjártó, Hungary's foreign minister, spoke by phone on Tuesday evening with Christian Schmidt, the High Representative for Bosnia and

Herzegovina, and confirmed to him that peace, stability and an economic development of the Western Balkans is fully in Hungary's national security and economic interest. "Bosnia and Herzegovina undoubtedly plays a key role from this point of view in the region and this is why we, Hungarians consider it important to have a continued meaningful dialogue based on mutual respect with the leaders of Bosnia," Szijjártó said on Facebook. He said Hungary saw no point in threatening with imposing sanctions, adding that European politicians should also realise that "talking with the Western Balkans would be more welcome than talking about them".

ÁDER VISITING GHANA, KENYA

President János Áder is starting an eight-day visit to Ghana and Kenya on Wednesday, the first visit by a Hungarian head of state to those countries since the fall of communism, the president's office said. In Ghana, the president will meet Nana Akufo-Addo, his Ghanaian counterpart, visit a school reconstructed with contributions from the Hungary Helps aid programme, and a water purifying facility built with Hungarian expertise, the statement said. During his visit to Kenya, Áder is scheduled to meet Kenyan President Uhuru Kenyatta and House Speaker Justin Muturi. Afterwards, he will visit development projects implemented using Hungarian support, the statement said.

NEW FOREIGN MISSIONS AVAILABLE FOR VOTERS IN APRIL

In Hungary's April 3 general election and the referendum on child protection to be held simultaneously, voters with a Hungarian address who reside abroad will have 146 foreign representations at their disposal as opposed to 118 when the election was last held in 2018. Since then, representations have opened in Houston and Miami (USA), Innsbruck (Austria), Dhaka (Bangladesh), Nicosia (Cyprus), Tallinn (Estonia), Lyon and Strasbourg (France), in Phnom Penh (Cambodia), Montreal and Vancouver (Canada), Guangzhou (China), Bishkek (Kyrgyzstan), Vientiane (Laos), Gdańsk and Wrocław (Poland), Luxembourg (Luxembourg), Valletta (Malta), Nuremberg (Germany), Muscat (Oman), Ramallah (Palestine), Panama (Panama), Malaga (Spain), Geneva (Switzerland), Dakar (Senegal), Banská Bystrica (Slovakia), Kampala (Uganda), Montevideo (Uruguay) and In Lusaka, Zambia.

HUNGARIAN POLICE TO CONTINUE ASSISTING EUROPEAN BORDER PROTECTION

Hungarian police will again help in protecting the borders of Europe this year and will assist with border protection tasks in the Western

Balkans, the police said on its website. A total of 10 Hungarian police will set off to Serbia and 30 to North Macedonia, head of the police's border protection department Gergely Czukor told a farewell ceremony. Their main task will be patrolling the border to prevent illegal entries and they will also be involved in apprehending human smugglers and illegal migrants. In addition to being in service directly along the border they will also work along roads within the country. The contingents will be equipped with vehicles, night vision equipment and mobile heat cameras.

HUNGARY RECORDS 7,883 NEW CORONAVIRUS INFECTIONS, 67 DEATHS

Altogether 67 patients died of a Covid-related illness during the past 24 hours, while 7,883 new coronavirus infections were registered, koronavirus.gov.hu said on Wednesday. Fully 29% of new infections have been caused by the Omicron variant. So far 6,297,101 people have received a first jab, while 6,039,940 have been fully vaccinated. Fully 3,299,569 Hungarians have received a booster jab. The number of active infections has risen to 118,945, while hospitals are treating 2,758 Covid-19 patients, 257 of whom are intubated on a ventilator. Since the first outbreak, 1,308,877 have been registered with the virus, while 40,083 deaths have been recorded. Fully 1,308,877 people have made a recovery.

WORLD BANK FORECASTS 5% HUNGARY GROWTH IN 2022

Hungary's economy is forecast to grow by 5% this year, according to the World Bank, which raised its June projection of 4.7%. Hungary's finance ministry expects growth of 5.9% this year. In its biannual Global Economic Prospects report, the World Bank expects growth to slow to 4.3% in 2023. Commenting on the forecast, Finance Minister Mihály Varga said the government had been making efforts "to maintain the advantage gained by the prompt relaunch of Hungary's economy" and "to keep it on a dynamic growth path" amidst a slowing global economic environment. He noted that in its forecast for 2021, the World Bank raised Hungary's economic growth projection to 6.8% from 6% earlier. Varga said that the World Bank's report forecasts a slowing global recovery with uncertainty caused by financial risks and the emergence of new variants of Covid-19.

HUNGARY INDUSTRIAL OUTPUT UP 2.6% YR/YR IN NOV

Hungarian industrial output in November grew by an annual 2.6%, the Central Statistical Office (KSH) said on Wednesday. Adjusted for the number of working days, output increased by 2.1%. Month on month, output rose by 2.9%, based on seasonally and

working day-adjusted data. Output of automotive manufacturing, the biggest segment of Hungary's industrial sector, fell by 15.1%, declining at a slower pace than in the previous three months, according to the detailed reading of the data. Output of the computer, electronics and optical equipment segment eased by 2.1%, while that of food, drinks and tobacco grew by 17.4%.

MOL ACQUIRES LOTOS PETROL STATIONS IN POLAND FOR USD 610 M

Hungarian oil and gas company MOL on Wednesday said it signed agreements with PKN Orlen and Grupa Lotos on the acquisition of 417 petrol stations in Poland for 610 million US dollars. MOL also agreed to sell 185 of its own petrol stations to PKN Orlen for a total consideration of 259 million dollars. The divested service stations include 144 in Hungary and 41 in Slovakia. Both of the transactions are expected to be concluded within

twelve months, MOL said. MOL said the acquisition of the Polish petrol stations is "an excellent fit" for the growth strategy of its consumer services business. The purchase "would provide a basis for future growth" in Poland, in which MOL has had a limited presence, it added. MOL had been tipped to acquire the petrol stations which Lotos had to part with as a condition for approval by the European Commission of its acquisition by PKN Orlen.

ILLEGAL MIGRANTS PELT POLICE WITH ROCKS AT SERBIA BORDER

A group of migrants attempting to enter Hungary illegally threw rocks at police officers at Kunbaja, at the Serbian border, on Wednesday morning, according to police.hu. The incident involving 15 migrants occurred at 3.45am, Bács-Kiskun County police said in a statement. The migrants threw the rocks over the border fence, damaging a police car. No injuries were reported.

Similar incidents have occurred at the Serbian border on several occasions over the past few years.

THREE MEN SENTENCED FOR ATTEMPTED MANSLAUGHTER ARRESTED IN GERMANY

Three men sentenced in Hungary for attempted manslaughter, vandalism and larceny were arrested in Germany in a coordinated operation of Hungarian and German police, the National Investigation Office (NNI) said on Wednesday. The three men, a father and two sons, had been sentenced to "a total of 16 years in prison" earlier, the statement on police.hu said. The German police, at the request of their Hungarian colleagues, uncovered the men's hiding place in the Saarland region in Großrosseln-Karlsbrunn, in south-western Germany. They are now in detention in Saarbrücken awaiting extradition to Hungary, the statement said.

