

PHOTO OF THE DAY



MTI/Tibor Illyés

Katie Ledecky of the US in the 400m freestyle final of the World Aquatics Championships in Budapest

UPCOMING EVENTS

President Novák visits Latvia

EU foreign ministers meet in Luxembourg

Parliament holds extraordinary plenary

World Aquatics Championships

War in Ukraine

TOP STORY

FM: GLOBAL MINIMUM TAX WOULD PUT JOBS AT RISK

The introduction of the OECD's global minimum tax on corporate profit would result in big tax hikes and endanger "tens of thousands" of jobs in central Europe, the foreign minister said.

Péter Szijjártó told Kossuth Rádió that the global minimum corporate tax would put jobs at risk around the world, while producing companies would raise prices as their tax burden increases, creating further inflationary pressure. The plan to roll out the global minimum corporate tax in Europe from next year would put European companies at a competitive disadvantage, he said. At talks with the United States at the ministerial level, he said Hungary's government made it clear that it could not support the introduction of the tax. He added that the US Republicans and the Hungarian government agree that the smaller the tax on labour, the bigger the opportunities for economic growth.

Szjártó said the economic impact of the war in Ukraine is starting to show on a global scale. As a member of NATO, Hungary takes the stand that a direct conflict between NATO and Russia should not be allowed to come about, he said. He expressed hope that "common sense will prevail" at an upcoming NATO summit in Madrid, and that no decision would be taken that would cause the conflict to escalate.

SZIJJÁRTÓ: RUSSIAN GAS DELIVERIES TO HUNGARY UNINTERRUPTED

Gas supplies from Russia to Hungary are stable and uninterrupted with deliveries continuing in an amount set in valid agreements, the minister of foreign affairs and trade said on Friday afternoon. Speaking at a press conference, Péter Szijjártó noted serious tensions in international politics which he partly attributed to energy supply disruptions. "Most recently uncertainty surrounding energy supplies has unfortunately become a feature of crises in some countries and regions," he said, noting dwindling Russian natural gas deliveries to several countries over the past few days.

"I'd like to reassure everybody that Russian gas deliveries to Hungary are not faltering but are going uninterrupted on schedule in line with valid agreements," the minister said. The largest amounts of Russian gas arrive from Austria and Serbia: 12-14 million cubic metres a day from Austria and 10-16 million cubic metres from Serbia, Szijjarto said, adding that deliveries through Slovakia and Croatia were also uninterrupted. The minister called it a right decision by the Hungarian government to conclude last autumn a long-term gas purchase agreement with Russia's Gazprom. "Had we not done that, we would have been in big trouble over the past few months, as would be in big trouble even now," he said. Szijjártó

also highlighted the importance of connecting Hungary's gas network with that of its neighbours' to ensure uninterrupted deliveries "from the east, west, north and south".

SZIJJÁRTÓ: HUNGARY, SLOVAKIA BENEFIT A LOT FROM COOPERATION

Both Hungary and Slovakia have benefitted a lot from their cooperation in the current rather tense global economic situation in which stable and predictable ties are of high value, Foreign Minister Péter Szijjártó said in Budapest on Friday, after talks with Ivan Korčok, his Slovak counterpart.

Szijjártó told a joint press conference that both countries were facing threats and challenges posed directly by the war in neighbouring Ukraine. "Both countries have taken in several hundreds of thousands of refugees. Hungary has offered entry to and catered for 800,000 people fleeing Ukraine and will continue to provide these forms of assistance as long as needed," the minister said. He thanked Hungarian charity organisations and their staff for their efforts provided in the largest ever humanitarian programme in the country's history, also thanking the work of their Slovak counterparts.

Turning to economic issues, Szijjártó noted soaring inflation, energy prices and banking interest rates as the most pressing challenges, adding that all those factors "could easily trigger a global economic crisis".

Szijjártó said that in the current tense global economic situation stable and predictable economic cooperation such as the one developed by Hungary and Slovakia over the past years must be particularly valued. He noted that bilateral trade last year reached a record 13 billion euros and increased in the first three months of 2022 by 49%. On the topic of energy and challenges faced by the sector in both countries, Szijjártó noted similarities not only in their geographical and infrastructural situation but in their energy policies. "Nuclear energy for example plays an important role in Hungary and in Slovakia, too," he said. Both Hungary and Slovakia "have done their homework" as partners and have built their natural gas interconnectors, Szijjártó said, adding that its capacity was planned to be increased in the direction of Slovakia.

Concerning Ukraine, Szijjártó said the Hungarian government had expressed support for granting Ukraine candidate status for EU membership when most western European countries were still hesitating. The minister said the Hungarian government does not oppose sending weapons to Ukraine. "But dictated by the country's security interests, it has decided neither to send weapons nor to allow their transport directly through the country's territory. Others may choose to decide otherwise and we will respect their decision", he said. Speaking about Hungary's humanitarian efforts, Szijjártó said

“it is not a problem that nobody has thanked us for the assistance, but we cannot accept that we are constantly being provoked and insulted by Ukrainian policy-makers.” Commenting on the future of the Visegrad Group (V4) cooperation, the Hungarian foreign minister said that despite strong cooperation between the four countries, it cannot be ruled out that they disagree on certain issues. “But despite the differences of opinion, we will continue to respect each other’s viewpoint,” he said.

FINMIN: GLOBAL MINIMUM TAX WOULD BRING ABOUT TAX INCREASES

As the introduction of the global minimum tax would bring about tax increases, hinder competitiveness and lead to a loss of jobs, the Hungarian government will resist the growing international pressure and reject the related directive, Finance Minister Mihály Varga said after an Ecofin meeting in Luxembourg on Friday. Varga told Hungarian journalists that the EU was preparing to introduce a tax burden that would slow down and impair the growth of the EU countries’ economies while other countries held the position of wait-and-see and are not planning to introduce such a tax. “Hungary’s position is that such a measure should not be introduced now when energy prices are soaring, the burdens of families are increasing and companies are facing increasing challenges,” Varga said.

NOVÁK: PRESIDENT INDEPENDENT OF GOVT

President Katalin Novák, in an interview with news portal Telex on Friday, said she considered Hungary’s constitution the most important source of law and saw herself as an independent actor from the government. Novák said her number one responsibility was to represent Hungary, adding that she spoke on behalf of her country on all her foreign visits. Though it is the government that primarily defines Hungary’s foreign policy, the president is the one who represents the country at the highest level, she said, noting that it was key for her to have all the necessary information before sitting down to negotiate. Novák said all of her discussions with the prime minister covered foreign policy. Novák said she meets with Prime Minister Viktor Orbán for roughly an hour on a weekly basis, adding, however, that she does not consult the government or the PM’s cabinet office about her own messaging. She said she had the opportunity to express criticism of the government, though so far she had not felt the need to do so.

Asked if she needed to distance herself from the will of the government, the president said she adhered to the constitution in this respect as well, adding she considered herself an independent actor from the government.

Novák said she considered the view that Hungarian public life is about

the decisions of the government a simplistic one. As regards the Russia-Ukraine war, she said it was “unacceptable” to attack a sovereign state, adding that she believed the majority of the Hungarian people agreed with this. Novak said she believed Hungarians wanted peace and did not want to get drawn into the war. “We stand by the victims, and this isn’t just lip service but demonstrated by our actions as well,” the president said. “I feel that Hungarians have been able to put all their past grievances behind them and have been helping out wherever necessary since the start of the war.” Novák also said she had no plans to visit Kyiv and had not been invited to Russia, either. Asked if she would visit Moscow if invited, Novák said: “This is a theoretical question which I don’t think is relevant now.”

Concerning her duty of signing bills into law, she said what mattered most to her in this regard was that the bills are in line with the constitution and that signing them served the best interests of the Hungarian people. “As for the submission of legislative proposals, it’s possible that I will make use of this opportunity over the course of the five years, but I have no such plans at the moment, so I won’t identify any specific areas,” Novak said.

Asked if she supported tougher abortion laws, Novák said her past comments about supporting those who “protect life from the moment of conception” was not about wanting a stricter abortion law. She said she would not initiate an amendment to



the law on abortion, even though she believed that life should be protected and wanted to help as many people as possible keep their conceived babies. Novák said she did not believe that now would be the time for Hungary to amend its abortion law. Asked how she wanted to represent the LGBTQ community, Novák said she was “a president of actions, not gestures”. “I want as many Hungarians as possible to feel that I’m their president too,” she said. “That, of course, also includes homosexual Hungarians.”

Novák also said she considered the declaration in Hungary’s constitution that the mother is a woman and the father a man to be evident. She vowed to protect the amendment of the constitution which defines the family as the union of a man and woman, one based on parent-child relationship.

ECONOMIC DEVELOPMENT MINISTER DEMANDS APOLOGY FROM RYANAIR

Márton Nagy, Hungary’s economic development minister, is demanding an apology from low-fare carrier Ryanair. Nagy told MTI that the practices “Europe’s most profit-hungry airline” allows itself are “unfair and petty”. He said the expectations of Hungary’s government are unchanged: everybody must abide by the rules, everyone must behave in a responsible and fair manner, and, most importantly, nobody should pass on the windfall taxes to consumers. He noted that a consumer protection

probe related to unfair ticket pricing practices is underway. “If somebody needs to apologise, it’s Ryanair. An apology is in line for the Hungarian families to whom the airline wanted to pass on a tax of the kind that it pays without complaint in other European countries,” Nagy said. He added that thanks are due to all of the businesses that have made it their responsibility to contribute to managing the economic situation created by the war and acknowledge that “families’ security is more important than a few euros of extra profit”. “Of course, we understand that provocation is Ryanair’s real aim, because bad publicity is still publicity. The government views this exchange as closed; it will not participate in loudmouthed altercations,” he added.

BUDAPEST MAYOR CALLS FOR URGENT TALKS ON EU FUNDING

Budapest Mayor Gergely Karácsony pressed for urgent talks with the government in the interest of accessing European Union funding to manage the economic, energy and climate crises for Hungary and the capital in a post on Facebook on Saturday. Karácsony said he sent a letter to Tibor Navracsics, the minister in charge of regional development and using EU funding, in which he again expressed Budapest’s willingness to cooperate with the central government. He welcomed Navracsics’s remarks earlier in the week on the government’s readiness to

reach an agreement with the European Commission.

“That’s great news, as Hungary has a chance to be the last one in the EU to finally access EU funding!” he said. “In this situation it would be urgent and important for Budapest and the government to act together,” he added. Karácsony proposed Navracsics take advantage of the network and lobbying power of Budapest in talks with the EC. He said Navracsics had already responded to his letter and wrote that a meeting could take place with the mayor “in the second half of July”. “Until then, Budapest will continue its work with its European partners,” he added.

SOCIALIST MEP PROPOSES MEETING WITH NAVRACSICS OVER EU FUNDING

Socialist MEP István Ujhelyi on Saturday said he is proposing a meeting with Tibor Navracsics, the minister for regional development, to discuss European Union funding. At a press conference streamed on Facebook, Ujhelyi said he would bring Navracsics the EU’s country-specific recommendations from the past three years in which all of the European Commission’s criticisms can be found in detail.

He added that some documents reveal that “the wrongs of the Orbán cabinet” are the reason the EU funding due Hungary has been “frozen”. Ujhelyi noted that Hungary’s Recovery and Resilience Facility plan is the only one

that hasn't been approved by the EC. Neither the way the plan was drafted nor its content are acceptable from the point of view of the EU's common values and interests, he said. If the government doesn't produce a new plan by year-end, Ujhelyi warned that Hungary would "certainly" lose 70% of its funding. He added that the government should have asked for the opinion of opposition parties when drafting the plan.

LMP PRESSES FOR PUBLIC TRANSPORT 'CLIMATE PASS'

Opposition LMP urged the immediate rollout of a 5,000 forint (EUR 12.5) "climate pass" for all public transport in Hungary at a press conference on Saturday. At the press conference streamed on Facebook, LMP spokesman József Gál said the public transport pass, modelled on the one in Germany, could be introduced for a trial period of three months from July.

The 100-billion-forint cost of the trial period could be covered by raising the corporate tax rate for polluting multinationals to 25%, he added. He said "extraordinary measures" are needed to address climate change and the energy crisis, adding that greenhouse gas emissions must be reduced at the same time dependence on Russian energy is cut.

ORBÁN MEETS WORLD ATHLETICS' COE IN BUDAPEST

Prime Minister Viktor Orbán met with World Athletics President Sebastian Coe in Budapest on Sunday. Orbán and Coe, who is in Budapest for the World Aquatics Championships, discussed preparations for the 2023 World Athletics Championships, which Budapest will host. The athletics worlds, slated for August 19-27, 2023, is the third-largest sporting event in the world. Athletes from more than 200 countries

will participate at the contest which will be followed by over one billion people around the world. Orbán and Coe established that the event's organisation was progressing on schedule.

NOVÁK OPENS 19TH WORLD AQUATICS CHAMPIONSHIPS

President Katalin Novák opened the 19th World Aquatics Championships in Budapest on Saturday. Novák noted that organisers had just four months to prepare to host the worlds and said they had "set a world record on dry land". She acknowledged the athletes who had to train in difficult conditions and without knowing if or when there would be a world championships amid the pandemic. Hungary hopes to keep hosting at a similar frequency, she said, adding that it would be the venue for the short course worlds in 2024. Hungary hosted the World Aquatics Championships in 2017.