

PHOTO OF THE DAY



Hungary's Kristóf Milák wins the men's 200 m butterfly event with a new world record at the Budapest World Aquatics Championships

UPCOMING EVENTS

Plenary session of parliament

Finance ministry releases detailed budget report for Jan-May

War in Ukraine

World Aquatics Championships

European Parliament holds plenary session

TOP STORY

PARLT REJECTS DIRECTIVE ON GLOBAL MINIMUM TAX

Parliament adopted a resolution on Tuesday opposing a planned European Union directive on introducing a global minimum tax on large corporations.

Adopted with 118 votes in favour, 32 against and 6 abstentions, the resolution said parliament opposed the directive in view of the inflation and economic crisis caused by the war in Ukraine. In its reasoning, parliament said that the directive would precede global regulations, with research on the matter lagging behind. Hungary also sees it as doubtful that domestic supplementary taxes would be recognised abroad, the resolution said. During the parliamentary debate, state secretary András Tállai noted that the EU directive would require multinational companies operating in member states where the corporate tax is below 15% to pay the difference in their home countries. The aim is to stop companies from relocating to countries offering lower taxes, he said. Tállai noted that the tax was originally proposed in the OECD, and would have targeted tech multinationals, which at the time paid "a fraction" of the taxes of other companies. The measure would eliminate tax competition, and curb the development of countries like Hungary, he said.

The corporate tax rate is 9% in Hungary.

ORBÁN-ZELENSKY TALKS: HUNGARY BACKS UKRAINE'S EU ASPIRATIONS

Volodymyr Zelensky spoke to Viktor Orbán by phone on Tuesday, and their discussion focused on Ukraine's bid to join the European Union and Hungary's welcoming of war refugees, Orbán's press chief told MTI. The Hungarian prime minister underscored Hungary's support for Ukraine's EU candidate status and the removal of bureaucratic obstacles to Ukraine's EU accession, Bertalan Havasi, deputy state secretary for media communications at the Prime Minister's Office, said. Orbán pledged to represent Hungary's stance at this week's EU summit in Brussels. Orbán noted that the country has now welcomed almost 800,000 Ukrainian refugees, and it is prepared to cooperate in further energy projects as well as the rail transport of Ukrainian grain. Hungary will also host an even higher number of Ukrainian students, he told his counterpart. On behalf of the Ukrainian people, Zelensky thanked the Hungarian people for their help, Havasi said.

GOVT SPOX: NO MEMBER STATE SHOULD BE PENALISED IN THE NAME OF EU UNITY

Hungary was the first central European country to support Ukraine's integration into the European Union,

but Hungary will also continue to stand up for its own interests, especially in energy policy, the state secretary responsible for international communication and relations, told Italian news channel Sky Tg24 on Monday. During the accession process, Kyiv will have to comply with the same conditions as every other EU candidate state, Zoltán Kovács said. Hungary will continue to stand up for its interests and will not cross certain "red lines", such as insisting on its energy policy and respect of the religious freedom of the members of the Russian Orthodox Church, he said.

Sanctions will only work if they harm the target country, he said, adding that Europe was smarting from sanctions imposed on Russia, and the situation may worsen in the coming period. Kovács accused the European Union of having "blackmailed" Hungary on a number of occasions before the war started, and he called on the EU to stop "penalising member states". European unity should be manifest in foreign affairs, while the decisions of member states and their voters should be respected, he added.

MENCZER: GLOBAL MINIMUM TAX WOULD JEOPARDISE JOBS IN HUNGARY

Hungary rejects plans to introduce a global minimum tax as it would jeopardise jobs, Tamás Menczer, state secretary at the foreign ministry, told public broadcaster M1. The

introduction of the tax which the European Union favours would undermine the government's tax-cutting policy, Menczer said. He said such a measure would involve raising the corporate tax from 9% to 15%, weighing on producers "rather than on global tech companies that generally don't like paying taxes".

JUSTICE MINISTRY: GOVT REJECTS RYANAIR PASSING WINDFALL TAX ON TO CUSTOMERS

The justice ministry on Tuesday rejected what it called low-cost airline Ryanair's attempt to pass the recently introduced windfall tax on to customers, saying the company was after further excessive profits. The ministry called it "preposterous" that Ryanair had raised prices retroactively on tickets purchased before the tax on excessive profits was introduced. Companies should assume the burden of the tax without placing it on Hungarians "who shouldn't be made to pay the price of war", the statement said. The ministry also called on Ryanair to apologise "for its tone towards the Hungarian government" which, it added, seemed typical of its tone towards passengers, too, judging by their complaints. To prevent any further breaches of the law, an investigation is being pursued in view of the large number and weight of complaints, the statement said, adding that growing demand for travel after the coronavirus pandemic

could result in more abuses with regard to passengers. The minister responsible for consumer protection is also launching an investigation of the company, it added.

SZIJJÁRTÓ: HUNGARY'S ENERGY SUPPLIES REMAIN SECURE

Hungary's energy supplies remain secure even though deliveries of Russian gas to the country are currently at 88% of the contracted volume due to technical problems with the European pipeline system, Foreign Minister Péter Szijjártó said, adding that Russia would make up for the delivery shortfall. The amount of gas deliveries to western Europe is down significantly in recent days because the equipment needed to operate the pipeline system which had required maintenance could not be returned on time due to the sanctions imposed on Russia, the foreign ministry cited Szijjártó as saying after a phone call with Alexander Novak, Russia's deputy prime minister in charge of energy. Szijjártó said Hungary was receiving 88% of the gas supplies it is supposed to get from Russia, accounting for roughly 10.6 million cubic metres instead of 12 million cubic metres per day. The minister added that Hungary's energy security was not compromised.

Deliveries from the south are uninterrupted, with Hungary receiving a daily 9.4 cubic metres of gas via Turkey, Bulgaria and Serbia. The technical problem has, however,

caused deliveries to slow slightly from the direction of Austria, he added. Szijjártó said Novak had assured him that Russia's Gazprom would make up for the delivery shortfall in line with its gas supply contract with Hungary. He said the Hungarian government had asked that Gazprom ensure the deliveries via the southern pipeline route, on which the sides will hold technical consultations. The southern corridor gives Hungary a great deal of security as gas deliveries are uninterrupted via that route, Szijjártó said, adding that it had again been made clear that Hungary had made the right decision to sign a long-term gas supply agreement with Moscow last year.

NÉMETH: EC DENYING GEORGIA CANDIDATE STATUS 'REGRETTABLE'

Zsolt Németh, the head of parliament's foreign affairs committee, has welcomed the European Commission's decision to recommend granting EU candidate status to Ukraine and Moldova, but said it was "regrettable" that it has recommended that Georgia be denied candidate status. Speaking to MTI by phone from the sidelines of a summer session of the Council of Europe's Parliamentary Assembly (PACE) in Strasbourg, Németh called the EC's position on Georgia's bid "unacceptable" and "shocking". Németh, the head of the Hungarian delegation in Strasbourg, said that the EC's decision to "grant EU candidate

status to Ukraine and Moldova is an important step also from the point of view that in addition to several countries in the Western Balkans, those two neighbouring countries have also been offered the perspective of European integration". He expressed hope that Ukraine's and Moldova's perspectives of European integration will not draw less support and appreciation than criticism because of the EC's simultaneous decision not to recommend candidate status for Georgia. "In the current situation, the only viable solution is to give new impetus to building a common European future," Németh said, underlining the importance of a focus given to the perspective of European integration. He also welcomed that in connection with the war in Ukraine, Finland's and Sweden's NATO accession "has gained serious momentum" and that the EC has also flagged holding a fourth summit.

PÁRBSZÉD SUPPORTS GLOBAL MINIMUM TAX

The opposition Párbeszéd party supports the introduction of the global minimum tax for large corporations, a party lawmaker said on Tuesday, in response to ruling Fidesz's proposal that parliament should reject the European Union's bid to introduce the measure. Párbeszéd lawmaker András Jámbor noted at an online press briefing on Tuesday that the ruling parties had earlier supported the global minimum tax. Corporations

must be taxed so they pay their share in financing services for Hungarian citizens, Jámbor said, and they should be taxed globally so no country is forced into a race to the bottom in tax policy, he said.

COE PRAISES HUNGARY'S 'FAIR AND EFFECTIVE' ASYLUM PROCEDURE

Dunja Mijatović, human rights commissioner of the Council of Europe, has praised Hungary's "fair and effective" asylum procedure and open-border policy towards refugees fleeing the war in Ukraine. In a letter addressed to Interior Minister Sándor Pintér, Mijatović expressed "deep appreciation for the solidarity and generosity" the Hungarian authorities and the Hungarian people have shown towards refugees from Ukraine. The commissioner said she understood that the vast majority of those fleeing Ukraine had "merely transited" Hungary and that Hungary had only received around 23,000 registrations for temporary protection by June 1.

Mijatović said this constituted "a rather low proportion of the almost 700,000 entries from Ukraine" that were reported by the Hungarian authorities in that same period, and raised the concern that those fleeing may be receiving insufficient information about the protection options available to them in Hungary. She also said that several Roma rights organisations had voiced complaints in border towns and Budapest about

discriminatory attitudes at refugee shelters and when receiving assistance. "I would like to reiterate that the provision of assistance and effective access to rights must be ensured to everyone in a nondiscriminatory manner and encourage you to strengthen your efforts to guarantee that the specific vulnerabilities and difficulties of Roma are adequately taken into account," Mijatović wrote.

The commissioner called on the Hungarian authorities to acknowledge, value and support the activities of civil groups in order to ensure that essential legal advice and information is provided to all those in need. Meanwhile, Mijatović said she was "deeply concerned" by the situations of third-country citizens and stateless individuals who she said had been excluded from the temporary protection scheme and had no possibility to apply for asylum because of the state of crisis due to mass migration declared in Hungary in 2015. She said that the humanitarian residence permits issued to the people in question did not provide them with any benefits and they had "no legal certainty of a lasting protection perspective". She said Hungary's current legislative framework would require such people to travel to Kyiv and make an appointment at the Hungarian embassy there to declare their intention to seek asylum in Hungary "if they are not to be expelled to Serbia".

"This situation demonstrates, in my view, the inadequacy and

unsustainability of the legislative framework related to asylum currently in place in Hungary," Mijatović wrote. The commissioner also said it was "regrettable and particularly problematic" that "the sustained rhetoric by government officials" differentiated Ukrainians as "real refugees" and portrayed those fleeing atrocities and war elsewhere as economic migrants. She said this went against the core principle that human rights exist to protect everyone in the same way irrespective of national or ethnic origin, skin colour or belief.

POTÁPI: SUPPORTING UKRAINE'S EU CANDIDACY IN HUNGARY'S NATIONAL INTEREST

Supporting Ukraine in its endeavours to receive European Union candidate status is "in Hungary's interest as regards its policy for Hungarian communities abroad," János Árpád Potápi, state secretary at the Prime Minister's Office, said on Tuesday. It is in Hungary's interest that Ukraine should be a "sovereign, balanced and democratic state governed by the rule of law in which ethnic minorities -- Transcarpathian Hungarians included -- live in peace and security in their homeland", Potápi said on Facebook. The Hungarian government will support Ukraine in a vote on the matter during an EU summit set for June 23-24, the state secretary said. Also, efforts are being made to support Hungarians in Transcarpathia, with the

announcement of a social programme for Transcarpathia aimed at preventing Hungarians living there from leaving their homeland and prospering locally despite the exceptionally difficult situation.

EUROPEAN JEWISH ASSOCIATION HONOURS INTERIOR MINISTER

The European Jewish Association (EJA) has awarded a prize to Interior Minister Sándor Pintér for improving public safety and his role in the fight against anti-Semitism, the Unified Hungarian Jewish Congregation (EMIH) said on Tuesday. The award was presented by EJA President Rabbi Menachem Margolin, the statement said. At his annual conference held in Budapest on Monday, EJA presented a comparative study indicating that Hungary was the second "friendliest" European state to Jews after Italy, based on surveys on the community's sense of safety, as well as attitudes against anti-Semitism and the expression of anti-Israel sentiments.

EJA Director Alex Benjamin praised Pintér's achievements and the efforts of the Hungarian government. Cooperation between law enforcement agencies and Jewish organisation has flourished on his watch, and the government maintains a zero-tolerance policy against anti-Semitism, he said. Besides enshrining the protection of the dignity of communities in the Fundamental Law, the government has adopted

a number of measures to protect minorities from hate speech and to educate law enforcement officers on hate crimes, the statement said.

SZIJJÁRTÓ: AUDI TO BUILD NEW ELECTRIC ENGINE PLANT IN NW HUNGARY

Audi is investing 120 billion forints (EUR 301m) to build a new plant turning out electric motors for Volkswagen Group cars in Győr, in north-western Hungary, Péter Szijjártó, the minister of foreign affairs and trade, announced on Tuesday. The investment, which is supported by an 8.5 billion forint government grant, will create 500 jobs, he said, adding that production is slated to start in 2025. The plant will turn out multiple parts for innovative MEB ECO electric motors designed for smaller Volkswagen Group vehicles, he said. In his speech at the event, Szijjártó said car manufacturing had developed by leaps and bounds in the past twelve years in Hungary, becoming the "backbone of the Hungarian economy". The sector's production value was 9,400 billion forints in 2021, up from 3,600 billion in 2010, he said. Despite global economic challenges, it reached 3,500 billion forints in the first four months this year, and 158,000 Hungarians are employed in the sector, up from 86,000 in 2010, he added. With 90% of production exported, Hungary is the 20th biggest car exporter in the world, he said. Audi is one of the largest players in the field, employing 13,000 Hungarians and ensuring

livelihoods for some 25,000 families, he said. Audi, which turned out a record 171,000 cars in Hungary last year, has aided Hungary's government in "a revolutionary transition of the automotive sector" by starting the mass production of electric motors in 2018, he said. German investors employ some 300,000 people in Hungary, and bilateral trade between the two countries has reached a record 60 billion euros, he said.

SZIJJÁRTÓ: HUNGARY WON'T MAKE ANY CONCESSIONS ON ENERGY SECURITY

Hungary will not make "any concessions" when it comes to the country's energy security, the minister of foreign affairs and trade said on Tuesday. Addressing the inauguration ceremony of ExxonMobil Hungary's new Budapest offices, Péter Szijjártó said it was too soon to say whether rising energy prices could be curbed in the short to medium term. The whole of Europe, he noted, saw a doubling of vehicle fuel prices and gas prices "increasing four or five-fold" due to the war in Ukraine and Russian sanctions. But Hungarians "must not be made to pay the price of the war," a foreign ministry statement quoted the minister as saying.

The government is trying to ensure that the country is as independent as possible from the uncertainties of global energy markets and its "extreme price swings", Szijjártó said, mentioning

the project to upgrade Hungary's sole nuclear plant at Paks and the long-term gas purchase agreements signed with partners "from the East and West alike" as examples. It has also tried to secure fuel supplies "from as many sources as possible" and build related physical infrastructure. "We're ready to negotiate with anyone with a good offer," he said.

ExxonMobil's Hungary unit, which is geared towards accounting and auditing, is receiving a government grant of 108 million forints (EUR 272,300) to co-finance a 216 million forint course for 500 employees improving their digital skills. ExxonMobil's development projects have helped Hungary become a business services market leader in central Europe, he added. Hungary is home to 156 business centres, employing a total 70,500 people, a 50% increase during the past five years, Szijjártó said. He added that US companies employed as many as 105,000 people in Hungary, accounting for the third largest

investment community in the country. The turnover of US-Hungary trade exceeded seven billion dollars in 2021, a record high, Szijjártó said.

HUNGARY RANKS 3RD IN EUROPE FOR RATIO OF HOMEOWNERS

Hungary, with 91.3%, has the 3rd highest proportion of private home ownership in Europe, according to a survey published in the Tuesday edition of economic daily Világgazdaság. With 96.1%, Romania ranks first, followed by Slovakia with 92.3%, the survey carried out by Compare the Market Australia found. Croatia shares third place with Hungary. Germany, with 50.4%, has the lowest proportion of private home ownership. Demand for private property is much higher in central Europe, while in western Europe there is generally more of a rental culture, the paper said. Property prices per square metre in Hungary average 2,250 euros,

putting it at the top of the region, while rental prices are also high, though Slovakia and Lithuania are ahead of Hungary in this regard. In Hungary a flat costs an average 453 euros to rent.

POLICE: NEARLY 10,000 REFUGEES ARRIVE FROM UKRAINE ON MONDAY

Fully 5,523 people crossed into Hungary directly from Ukraine on Monday, while another 4,339 from Ukraine crossed from Romania, the national police headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 169 people, ORFK told MTI on Tuesday. Holders of such permits must contact a local immigration office near their place of residence within thirty days to apply for permanent documents, it added. Budapest police received 143 refugees, 54 children among them, arriving by train, ORFK said.