

PHOTO OF THE DAY



MTI/PM's press office/Cher Vivien Benkő

Prime Minister Viktor Orbán meets Austrian Chancellor Karl Nehammer in Vienna

UPCOMING EVENTS

Stats Office releases June demography figures

War in Ukraine

TOP STORY

HUNGARY, AUSTRIA 'CAN COUNT ON ONE ANOTHER'

In the coming years, Hungary can count on Austria and vice versa, Viktor Orbán said in Vienna after meeting Austrian Chancellor Karl Nehammer.

"In easy times, friendship is easy; when times are hard, friendship is harder," the prime minister told a joint press conference. In the current "hard times", he added, it was a question whether "a special, historical friendship between the two nations will help resolve issues of war, migration, energy and economic cooperation." In light of Thursday's talks, "we can say that we can rely on Austria in the next few years, and vice versa," the prime minister said.

On the subject of nuclear energy, Orbán said he saw no chance of seeing eye to eye with Austria because "we do not have such rivers and opportunities as our Austrian friends do", and Hungary cannot go without nuclear energy. While differences persist, the two countries will "try and cooperate and provide mutual security guarantees", Orbán said.

Concerning the war in Ukraine, Orbán said "it cannot be won in its current form", and he called for a different strategy, "otherwise there'll be no peace".

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**ORBÁN: RESTRICTIONS
'COULD BE MUCH WORSE
THAN WE DARE THINK'**

The first sign of a wartime situation would be when “they declare an energy emergency in Brussels; when access to some commodities must be restricted,” Prime Minister Viktor Orbán said at a joint press conference with Austrian Chancellor Karl Nehammer. A wartime situation could be “much worse than we dare think”, Orbán said, adding that it was not clear “how we could avoid recession and the resulting unemployment if the war carries on.”

Meanwhile, Orbán noted that 2,000 Austrian companies operate in Hungary, constituting the second largest investment community, without which “the Hungarian economy could not sustain its currently high level”.

Hungary is different from Austria in the sense that “the magnitude of migration and the problems it causes are completely different” in the latter country, Orbán said. “Hungary always protects its borders and thus prevents any illegal migration from reaching Austria,” he said. It is also in Austria’s interest that Hungary should protect its southern borders, he said. “We are your captains at the Serbia-Hungary border”. On the subject of controversy surrounding a recent speech Orbán gave in Romania, the prime minister said Hungary had achieved “fantastic results” in its fight against racism and anti-Semitism, with “the government at the forefront” of those efforts.

Hungary, he added, had “zero tolerance” for anti-Semitism, and any kind of action in this direction was subject to legal prosecution in Hungary and was not tolerated in political discourse. “I asked the chancellor always to interpret any sensitive historical or intellectual issue that arises from Hungary, if there are doubts, as a cultural matter,” he said. “No political issue can be approached from a biological point of view in Hungary; what is possible is a culturally based approach.” Orbán also said he considered himself “perhaps the only openly anti-immigration politician” in the European Union. “I will not ... beat about the bush; I’ll always put forward a very clear and straightforward position ... I don’t want Hungary to become a migrant destination,” the prime minister said, adding that mounting migration was undesirable. “This position is not based on biology: this is not a question of race for us; this is a cultural issue. Putting it very simply: we want to retain our civilisation as it currently is,” the prime minister said.

Concerning the Hungarian government’s opposition to earlier planned sanctions targeting Russian Patriarch Kirill, Orbán said: “On a broader context, in view of the future of European civilisation, the Orthodox Church will always be needed.”

**NEHAMMER: HUNGARY
KEY GEOSTRATEGIC
PARTNER**

Hungary is one of Austria’s key geostrategic partners when it comes

to security, Austrian Chancellor Karl Nehammer said after talks with Hungarian Prime Minister Viktor Orbán in Vienna. The chancellor talked of a “deep, historical” friendship between Austria and Hungary. Nehammer said Austria has taken in 80,000 Ukrainian war refugees, adding that his country was also affected by “irregular migration” waves. So far this year, some 31,000 asylum applications have been submitted to the Austrian authorities, mainly by Afghan, Syrian, Iranian, Bangladeshi, Pakistani and Indian migrants, he added. These are the challenges Austria must face in addition to the energy crisis, inflation and the pandemic, which requires cooperation and friendship, Nehammer said, emphasising the importance of Serbia.

He said that at the recommendation of the Hungarian prime minister, Austria, Hungary and Serbia will hold a joint conference on “irregular migration”. Austrian and Hungarian police officers patrol the common border together already, and more than 50 Austrian officers support Hungarian border protection efforts on the Serbian border, Nehammer said.

Noting the 1,400 Austrian companies working in Hungary, he said the country’s exports to Hungary have grown by 24% to 6.1 billion euros. “Austria sees standing by the friendship of the two countries and our successful economic relations as a priority,” he said. Meanwhile, he said Austria sharply rejected all attempts to relativise racism and anti-Semitism. “Austria, in view of



its history, has a particular responsibility in the issue," he said. Regarding gas deliveries from Russia, Nehammer said Austria, similarly to Hungary, is greatly dependent on Russian gas, and is working to diversify its supplies.

Nehammer said he agreed with Prime Minister Viktor Orbán that the European Commission was "all announcements, no implementation", and said that a planned joint energy purchase platform had yet to materialise. Meanwhile, sanctions against Russia would take time to make an impact due to Russia's size and military prowess, he said. Austria is staunchly against a gas embargo, as it would lead to mass unemployment in Austrian and German industry, he said.

At the same time, Nehammer said that taking a stand by Ukraine was of key importance: the invasion of a sovereign country "is unacceptable". "There seems to be no disagreement from Hungary [regarding this point]." He also said he fully supported Orbán's view that "the EC and the member states should honour the importance of the influence of the Russian Orthodox church in the region, and especially in the Western Balkans."

SZIJJÁRTÓ: HUNGARY, AUSTRIA INTENSIFY COOPERATION AGAINST ILLEGAL MIGRATION

Austria and Hungary are intensifying cooperation to contain illegal migration, Péter Szijjártó, Hungary's foreign minister, said in Vienna on

Thursday. The European Union clearly faces security challenges on several fronts, he told Hungarian public media, adding that "coping with them one at a time would be complicated enough, let alone simultaneously." In addition to the war in Ukraine, illegal migration poses an ever growing challenge, Szijjártó said, adding that Hungary has stopped 130,000 illegal migrants from entering along its southern border this year, over twice as many as in 2021. "What's more, several armed migrants have attacked one another and the Hungarian border patrols," he said, adding that 900 migrants have been arrested so far this year. "Brussels' pro-migration policies" encourage even greater migration waves, "reinforcing the business models of people smugglers," Szijjártó said. "What is people smuggling today will become arms smuggling tomorrow", deteriorating central Europe's security prospects, the minister said.

Austria and Hungary have a shared interest in halting migrants as south as possible and stepping up cooperation to this effect, he said. Austria has offered help to train members of Hungary's new border ranger units and increase the number of Serbian border guards serving along the Hungarian-Serbian border, Szijjártó said. The minister insisted that Brussels should at last take a completely new approach to migration. "As long as Brussels legally supports and politically inspires migration, we Hungarians and Austrians should make incredible efforts to stop migrants at our border," Szijjártó said.

GOVT OFFICIAL: GAS RESERVES AT 29% OF ANNUAL CONSUMPTION

Hungary's gas reserves now amount to 29% of annual consumption -- well above the European Union average of 18% -- at a time when their importance is growing amid fragile European gas supplies, parliamentary state secretary of the prime minister's cabinet office, Csaba Dömötör, said on Facebook, noting that quotes of higher gas reserves in other countries could be deceptive. In Czechia, for example, gas storage facilities are quoted as being 80% full, but their total capacity is 45% less than Hungary's. The combined capacity of Hungary's five large gas storage facilities is among Europe's largest, he added.

The government has signed long-term gas delivery agreements to ensure continuous supplies, has connected Hungary to the TurkStream pipeline, and built several interconnectors to lay the groundwork for diversification. Meanwhile, Hungary is also increasing its solar capacity, he said. "We need solutions that strengthen our independence, consider Hungary's specific circumstances, and do not risk the security of energy supplies. Let's hope the same approach will prevail in the European Union, too," he said.

GOVERNMENT SETS UP OPERATIVE BODY TO TACKLE DROUGHT EMERGENCY

The government has decided to set up an operative body to make proposals for central measures to tackle the impacts of the current droughts, the agriculture ministry quoted the minister, István Nagy, as saying, noting that nearly half of Europe was affected, while Hungary was facing a "drought of historical proportion". In mid-July, the largest part of the country was hit by a serious drought, reducing this year's wheat harvest by 25%, and completely destroying corn fields in most of central and eastern Hungary. A lack of rain over the past weeks was now threatening with a poor harvest in western parts of the country too, he said. In eastern Hungary, meadows have been burnt out, leaving the animal stock without grazing grounds and hay for the wintertime, the statement said. The new body will "start working without delay to tackle the challenges before Hungary's agriculture and help farmers manage difficulties", Nagy said in the statement, pledging to assist farmers with "all possible means".

BAKONDI: SOME 157,000 ILLEGAL MIGRANTS APPREHENDED IN 2022

Since the beginning of the year, Hungary's border control authorities

have apprehended some 157,000 illegal entrants, the prime minister's security advisor, György Bakondi, told public television. He said the number of people smugglers detained had doubled, to nearly 1,000, while the migrants they had helped cross the border had tripled. Bakondi said illegal migrants were often arriving in larger groups, adding that their behaviour was "increasingly aggressive". He also said the tendency could be lasting for long and noted the government's decision to set up a special unit of border rangers to work with local police to secure Hungary's borders.

SOCIALIST MEP: 'ORBÁN GOVT RESPONSIBLE FOR HUNGARY LOSING ALL EU FUNDS'

The responsibility will lie entirely with the Orbán government, if the EU freezes all the funding Hungary is entitled to receive, an MEP of the opposition Socialists said. "It is more important for the government to cement its power than reaching an agreement with the EU to release the funds," István Ujhelyi told a press conference, arguing that in the worst case scenario Brussels "may freeze all funding for Hungary which amounts to 6,000 billion forints (EUR 14.85bn) in the common recovery fund and some 13,000 billion earmarked during the next EU budgetary period". As a result, Hungary would have to cancel development projects, Ujhelyi said, adding that the national currency

and international confidence in the country could further weaken. Inflation could also rise, which the government would address by "taking out expensive loans". Ujhelyi demanded that all correspondence between EU institutions and the Hungarian government regarding the rule of law procedure against the country should be made public. It would show what criticism and requirements Brussels had put forward and what response the government had given to them, the MEP said.

JOBBIK LAUNCHES SIGNATURE CAMPAIGN AGAINST GOVT 'AUSTERITY'

Opposition Jobbik is launching a signature drive in protest against "the government's austerity measures", the conservative party's deputy leader Dániel Z. Kárpát told a press conference. It was "unacceptable", he said, that the government "should make extra profits in a crisis". He insisted the government had "lied all along" in the election campaign, saying "not a word about harsh austerity measures" such as restrictive changes to the small business tax (kata) or raising household utility bills. Jobbik demands that the government should stop "profiteering" from taxpayers and scrap the VAT on basic foodstuffs, items for raising children, firewood, as well as on household gas and electricity. He added the signature campaign could force the government

to reduce the VAT in those areas to zero. Insisting that the government had “revealed its intentions” when they had budgeted thousands of billions of forints in extra revenues from the VAT on soaring prices, he called it “disgusting” that the government should take advantage of “the misery of others” to gain extra profits.

POLICE: SOME 12,000 REFUGEES ARRIVE FROM UKRAINE ON WEDNESDAY

Fully 6,455 people crossed into Hungary directly from Ukraine on Wednesday, while another 5,546 from Ukraine crossed from Romania, the national police headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 338 people, ORFK told MTI on Thursday. 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 received 106 people, 32 children among them, by train, ORFK said.

JOBLESS RATE FALLS TO 3.3% IN JUNE

Hungary’s jobless rate reached 3.3% in June, falling from 3.5% in the previous month and from 4.0% twelve months earlier, data released by the Central Statistical Office (KSH) on Thursday show. The rate covers unemployment among people between the ages of 15 and 74. In absolute terms, there

were 160,200 unemployed, 8,300 fewer than a month earlier and 33,200 fewer than in June 2021. The rolling three-month average jobless rate stood at 3.2% in June, dropping from 3.4% in May and 4.1% twelve months earlier. The monthly jobless rate for the 15- to 64-year-old age group stood at 3.3%, down from 3.5% in the previous month and 4.0% a year earlier. KSH uses the International Labour Organisation (ILO) definition of jobless which includes people who are without work, people who carried out activities to seek employment in the previous past four weeks, and people who did not look for work but made arrangements for a future job start within two weeks. KSH noted that data from the National Employment Service (NFSZ) show there were 230,000 registered jobseekers at the end of June, down 13.3% from twelve months earlier. The employment rate for the 15-74 age group reached 64.7% in June, climbing from 63.9% in May and 63.8% twelve months earlier. In absolute terms, there were 4,739,500 employed in June, 53,400 more than in May and 47,600 more than twelve months earlier. The number of economically active people in the age group stood at 4,899,700, giving Hungary an activity rate of 66.9%.

Magyar Bankholding chief analyst András Horváth said the fresh data show employment numbers are catching up to market demand “rather slowly”, indicating the low quality of the available labour force as well as geographical mismatches. Magyar

Bankholding puts the unemployment rate at 3.3% for the full year, he added. ING Bank senior analyst Péter Virovác noted that seasonal jobs absorbed people returning to the workforce as well as jobseekers in June. The data give no indication that employers are readying for a weaker economic environment, he added.

AIRBUS HELICOPTER PARTS PLANT INAUGURATED IN SE HUNGARY

European aircraft maker Airbus inaugurated a 2.2 billion forint (EUR 5.4m) helicopter parts plant in Gyula, in south-eastern Hungary, on Thursday. Addressing the inauguration, László Palkovics, the minister of technology and industry, called the plant’s obtainment of a European Union Aviation Safety Agency (EASA) permit a “historic moment”, saying that “not many countries have such a licence.” The plant will allow the city of Gyula to have a high-tech industry again, Palkovics said, adding that Airbus Helicopters was the first company that could help make military industrial concepts in Hungary a reality.

The minister noted that the government had decided to embark on a 220 billion forint military technology upgrade scheme. And on Wednesday, the government earmarked a further 250 billion forints for defence industry developments, paving the way for more partnerships and investments, he added. Defence ministry state secretary Gáspár

Maróth said: "From today on there'll be no Airbus helicopters without Gyula." Maróth said the government on Wednesday approved a ten-point plan to recover from the current crisis, one of which was military industry development and another to boost foreign capital inflows. He said Airbus was one of Europe's leading defence industry companies, adding that the government's 30% share in Airbus Helicopters Hungary meant it had a "personal stake" in the company's success. Airbus Helicopters Hungary managing director Andreas Stöckle noted that the agreement to build the plant was signed four years ago, while the joint venture between Airbus and the state of Hungary was set up two years ago, and the EASA permit was issued last Friday. Though not everything is ready yet, production can get under way, "which is the most important

day in the life of a plant", he said. Construction of the plant began in December 2020. The 13,000sqm plant will make high precision metallic elementary parts for the dynamic systems of helicopters. The Gyula factory will serve as the sole point of supply of such parts for the entire Airbus family.

UKRAINIAN FASHION DESIGNERS TO UNVEIL NEW COLLECTIONS IN BUDAPEST

Budapest will get the first look at the new collections of Ukraine's fashion designers when they unveil their designs at the upcoming Budapest Central European Fashion Week (BCEFW). The partnership between the organisers of the BCEFW and the Ukrainian Fashion Week will give Ukrainian brands which for the last 25

years have presented their collections in Kyiv, the chance to now showcase their work in the Hungarian capital, the Hungarian Fashion and Design Agency (MDDÜ) said in a statement. "We consider humanitarian aid to be hugely important, so there was no question that we wanted to take the occasion of the 10th BCEFW to support Ukrainian designers in their international expansion," the statement quoted MDDÜ general deputy CEO Anita Forintos-Szűcs as saying. The event will also allow designers to engage with an international audience and discover new opportunities for cooperation, she added. Ukrainian Fashion Week founder Iryna Danylevska said the event will also launch the Support Ukrainian Fashion initiative with a view to strengthening Ukrainian designers while ensuring the presentation of their collections abroad. The BCEFW will run from Aug 29. to Sept 4.