

PHOTO OF THE DAY



MTI/György Varga

Bee collecting pollen from sunflower in SW Hungary

UPCOMING EVENTS

War in Ukraine

FIA Formula One Hungarian Grand Prix

TOP STORY

HUNGARIANS 'TO STILL PAY CAPPED ENERGY BILLS'

All Hungarian families will continue to pay capped prices for electricity and gas up to average consumption, Prime Minister Viktor Orbán told public broadcaster Kossuth Rádió on Friday.

Families are estimated to save 56,000 forints (EUR 138) on electricity per month and 146,000 forints on gas bills compared with market prices, Orbán said. While maintaining the utility price caps cost the budget 250-260 billion forints last year, the costs will grow up to 2,000 billion this year, he said. Hungary's budget would not be able to bear such a burden, he said. At the same time, it is certain that the cap can be maintained for the rest of the year, Orbán said, adding that it would be clear in October "whether Europe will get dragged into a wartime economy." Hungary has enough natural gas, but "gas prices will present a difficulty," he said. The majority of Russian gas is now flowing to Hungary through a pipeline recently constructed via Turkey and Serbia, Orbán said. Hungary also imports some 1.5 billion cubic meters of LNG gas through the Croatian interconnector. Hungary is also working on increasing domestic production and is in talks on buying 700 million cubic meters from Russia above the volume contracted in its long-term agreement with that country, he noted.

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ORBÁN: GOVT HELPING HOUSEHOLDS ABANDON GAS CONSUMPTION

Hungary's government is working on helping households to abandon gas consumption wherever possible, Prime Minister Viktor Orbán told public broadcaster Kossuth Rádió on Friday. Commissioners László Horváth and Gábor Riz are currently working to restart the closed coal-fuelled blocks of the Mátra power plant and on reopening lignite mines in northern Hungary. The government imposed a ban on firewood exports, and forestries have been requested to present plans on stepping up firewood production, he said. László Palkovics, the minister of technology and industry, has been requested to set up a "stove and furnace scheme," he said.

Referring to EU efforts to solve the problem of dwindling gas supplies, Orbán said the procurement of gas was "a matter of survival", so it was "better if we can rely on ourselves" rather than Brussels. He insisted that the EU plan to cut gas consumption by 15% was "not working".

The prime minister cast doubt over the successful outcome on the battlefield of American training of the Ukrainian army or that sanctions would "shake the Russians". Also, sanctions were likely to backfire, he said, adding that Europe was on course for a wartime economy from October. Without a deal with Russia, energy supplies cannot be replaced entirely elsewhere due to a lack of capacity, so

a new strategy is needed that focuses on securing peace, Orbán said, urging ceasefire and peace negotiations. Orbán said the US had a key role to play, arguing that the war in Ukraine was a "proxy war" into which "the West has drifted halfway". A US-Russia agreement would ensure "security and stability", he added. The prime minister said that on the economic front the government had worked out a series of measures to prevent "trouble". "We'll battle the recession," he said, outlining measures such as the extension for another two years of the reduced 5% VAT on housing construction after its original expiry at the end of this year.

Meanwhile, he said the drought in Hungary was not threatening the country's food supplies. Hungary's agriculture has the capacity to cover the needs of 10 million people even under such circumstances, he said. At the same time, exports will shrink, he warned. While the economy will lose revenues, Hungarians' food supplies are not at risk, he said. Regarding damage control for farmers, Orbán said the fund for such purposes was exhausted. The government has set up a working group to work on aid for farmers, and its decisions will be announced in the next week or so, he said.

SZIJJÁRTÓ: HUNGARY, GEORGIA CALL ON INTL COMMUNITY TO STEP UP PEACE EFFORTS

Hungary and Georgia want the international community to step up

peace efforts in Ukraine to prevent "even more tragic consequences" of the war, Foreign Minister Péter Szijjártó said after talks with Georgian counterpart Ilia Darchiashvili on Friday. Szijjártó told a joint press conference that the conflict posed "extremely serious challenges and grave security risks" not only to the European Union but to the entire continent, the ministry said in a statement. He said Hungary and Georgia were in agreement on the desirability of an immediate ceasefire and peace talks. "Without peace, the consequences will be even more dire. There may come a time when people not at fault in this war, like Hungarians and Georgians, may have to pay its price," he said. "We urge the international community to do everything in its power to broker peace, and to avoid all decisions that may prolong this war, the suffering and senseless death of people, and wartime economic conditions," he said.

Noting that Ukraine and Moldova were recently granted EU membership candidacy, Szijjártó called it "inexplicable, incomprehensible and harmful" that Georgia had not obtained the same status. Georgia "is no less prepared than the other two countries", he said, adding that such "double standards" were not unknown to member states, "in issues such EU funding being withheld for political reasons". The requirements set to Georgia were "insubstantial, unclear, senseless in practice, laying the basis for a subjective assessment," he said. He said Georgia deserved candidacy

status, adding that the decision to deny that status “goes against the interests of Hungary and the European Union...” It was also a missed opportunity, he said.

Hungary is ready to send another expert on EU integration to the Georgian foreign ministry, Szijjártó said. As other acts of practical support to the country, he pointed to 16 Hungarians serving in the EU’s observation mission there, including the mission’s deputy head, and Hungary’s support of the EU earmarking 20 million euros of its European Peace Facility to developments in military medicine, cyber security and other goals.

Bilateral trade between Hungary and Georgia jumped by 40% last year, and two-and-a-half-fold so far this year, he said. Hungary also added Georgia to the list of countries allowed to send guest workers to Hungary for fixed-term assignments, he said. Regarding the purchase of natural gas, Szijjártó said that it was a seller’s market. “We are working to guarantee Hungary’s energy supplies under all circumstances, and we don’t want Hungarian families or companies to suffer the indignity of too little gas to satisfy demand,” he said.

FIDESZ MEP: VERHOFSTADT LETTER ON HUNGARY ‘ANTI-HUNGARIAN, RACIST’

Liberal MEP Guy Verhofstadt’s letter to Roberta Metsola, President of the European Parliament, contains “grossly

slandorous and hot-tempered attacks against Hungary, and is in essence anti-Hungarian and racist,” Fidesz MEP Tamás Deutsch said in a letter on Friday. On Thursday, Verhofstadt wrote a letter to Metsola, calling for an extraordinary parliamentary or committee session to condemn Prime Minister Viktor Orbán’s speech in Băile Tușnad, and to call on the European Council and the European Commission to step up the Article 7 procedure against the country. Verhofstadt said Orbán’s “mixed-races” words had been “in clear breach of the norms and values spelled out in the European Treaties and remind us of the darkest days of European history.” Deutsch said: “It is outrageous and unfair that Verhofstadt is using the European Parliament for racist incitement against an EU member state.” At a time of unprecedented challenges facing Europe, preserving the EU’s unity should be of primary importance, he added.

ORBÁN: CENTRAL EUROPE REPRESENTS ‘TRADITIONAL WESTERN VALUES’

Prime Minister Viktor Orbán told scientists, writers, researchers, and educators visiting the prime minister’s office on Friday that today’s Europe was riven by cultural divisions, and now it was central Europe that represented traditional Western values such as national sovereignty, Christian culture, support for families, and respect for work. Orbán said it was important for

the countries of the region to “unite and cooperate in the upcoming, crucial years”. The prime minister was receiving foreign guest speakers of the MCC Festival in Esztergom, organised by the Mathias Corvinus Collegium, the prime minister’s press chief said in a statement. The political and economic consequences of the war in Ukraine were also discussed at the meeting, the statement added.

NAVRACSICS: FUNDING DEAL WITH EU ‘WON’T DEPEND ON HUNGARIAN GOVERNMENT’

Reaching agreement with the European Union on the Recovery and Resilience Fund (RRF) will not depend on the Hungarian government, Tibor Navracsics, the minister for regional development, told journalists on Friday, though he put the probability of an agreement at “98.8%”. The government is readying itself for an agreement and “will do everything” to reach one, but it will not be the government’s fault if a deal is not forthcoming, he said. When it comes to the outcome of negotiations, he added, the ball was in the EC’s court. Hungary “is open to all proposals” and “even legislative amendments” may be considered where relevant, he said. Navracsics said the European Commission had not asked Hungary to join the EU prosecutor’s office, though, he added, the possibility that Hungary may do so could not be ruled out. In the course of talks with the EU, “the system of

expectations" were "moving" in many cases, he added.

The minister said expectations were such that a decision on whether Hungary would use part of the RFF loan would have to be made this year. He said Hungary's recovery plan was a good one and would make the country more competitive. Borrowing conditions under the facility were "better than the market conditions", he added. The government, Navracsics noted, must respond to the European Court of Justice's concerns about the rule of law by Aug. 22. The EC's own data shows that "Hungary is not anywhere near being among the most corrupt EU member states," he said. Hungary, he noted, has undertaken to reduce the proportion of single-bid public procurement to 15%. All operational programmes will be submitted to the EU by July 31, and the committee will have five months to evaluate them, the minister noted. A partnership agreement is likely to be signed in the meantime, he said, allowing the EU to disburse the money based on the approved operational programmes.

Addressing the question of whether Prime Minister Viktor Orbán's speech in Băile Tuşnad would affect the negotiations, Navracsics said he had not encountered any specific signs of this happening. Asked about his personal opinion of the speech, he said his opinion was irrelevant, and his job was to negotiate EU funding and oversee regional development.

HUNGARIAN GRIPENS TO POLICE BALTIC AIRSPACE FOR 3RD TIME

Hungarian Gripen fighter jets will police Baltic airspace for a third time starting next month, the defence ministry said on Friday. Kristóf Szalay-Bobrovniczky, the defence minister, told a ceremony at Siauliai Airbase in Lithuania that Baltic airspace policing was both a "huge responsibility and an honour". He said the NATO air patrols played a major role in maintaining the security of the citizens of the Baltic states. In light of the war in Ukraine, Baltic airspace "has become among the most sensitive airspaces in Europe," he added. "I thank the citizens of Estonia, Latvia and Lithuania for trusting us Hungarians to protect their national airspaces at such a sensitive moment," the minister said. The NATO airspace policing mission has operated since 2004. Hungary's four Gripen aircraft served by 50 Hungarian armed forces personnel will serve together with the air forces of Germany and Italy as the lead nation from Aug. 1 to Nov. 30 from the base in Lithuania.

PALKOVICS: HUNGARY PREPARED FOR NEW SOLUTIONS IN CAR INDUSTRY

Hungary is prepared to cater to the diverse solutions of the car industry of the future, when combustion engines will not be the "single good solution", the technology and

industry minister said on Thursday. Speaking at an event organised by the Hungarian Motorsport and Green Mobility Development Agency (HUMDA), László Palkovics said car production makes up the largest segment of Hungarian manufacturing, producing 25% of the country's GDP. He welcomed a decision by the European Union's ENV Council not to fully phase out conventional engines from 2035 if they run on carbon-neutral fuel. Hungary is home to the largest factory of combustion engines in the world, he said. Meanwhile, the government is working to increase the country's battery manufacturing capacity and has developed a hydrogen strategy, he said. "We are future-proof," he said.

SZIJJÁRTÓ DISCUSSES WAR WITH UZBEK FOREIGN AFFAIRS REPRESENTATIVE

Foreign Minister Péter Szijjártó on Friday talked by phone with Abdulaziz Kamilov, the Special Representative of the President of Uzbekistan for Foreign Affairs, and said that peace was the only solution to the crisis in Ukraine. Hungary is a key partner of Uzbekistan in Europe, and its close ally in the Organisation of Turkic States. Hungary and Uzbekistan are marking the 30th anniversary of diplomatic relations this year, he added. "We greatly appreciate Uzbekistan's important role in the international fight against terrorism," he said.

POLICE: 14,185 REFUGEES ARRIVE FROM UKRAINE ON THURSDAY

Fully 6,898 people crossed into Hungary directly from Ukraine on Thursday, while another 7,287 from Ukraine crossed from Romania, the national police headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 386 people, ORFK told MTI on Friday. 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 175 people, 49 children among them, by train, ORFK said.

HUNGARY INDUSTRIAL PPI UP 35% YR/YR IN JUNE

Factory gate prices in Hungary grew by an annual 35% in June, picking up from a 32.3% increase in the previous month, the Central Statistical Office (KSH) said on Friday. KSH said the index was up mainly due to higher prices for

raw materials and energy combined with a weaker forint. Domestic sale prices were up 44.6% while export prices increased by 30.1%.

BIRTH RATE RISES, DEATHS DECLINE IN JUNE

In June 2022, births rose by 4.3% while deaths declined by 9.2% compared with the same month of the previous year, the Central Statistical Office (KSH) said on Friday, presenting preliminary data. Fully 8,051 children were born and 9,600 people died in June 2022. In the past twelve months, the number of births and deaths were 1.6% and 8.6% lower respectively, while marriages declined by 2.9%. The natural population loss was 1,549 people as against 2,849 in June 2021.

ORGANISER: F1 HUNGARIAN GRAND PRIX FUTURE SECURE

Hungary's place on the Formula One calendar is secure in the long term, although the Hungaroring racetrack will need to be upgraded to secure

a contract extension, Zsolt Gyulay, chief executive of Hungaroring Sport, the organiser of the Formula One Hungarian Grand Prix, said on Friday. Hungary is hosting its 37th F1 Grand Prix this weekend, and organisers are used to seeing the event generate a lot of interest, even though the coronavirus pandemic prevented it from going ahead at full capacity in the last two years, Gyulay told public media ahead of the start of free practice at the Hungaroring. Concerning the event's future, Gyulay said the Hungaroring's spot on the F1 calendar is secure until 2027, adding that talks had already been held on Friday morning on extending the current contract until 2032. "The Hungarian Grand Prix is in a special position because there are few tracks in the world that have long-term contracts, and the intention is also there to extend them," Gyulay said. "There's a lot of interest in F1 from young people as well, the rights holders are also confident, but it's also certain that the new contract will contain clauses that will require us to commit to an upgrade of the track."