

PHOTO OF THE DAY



Visegrád Group presidents at press conference after Bratislava summit

UPCOMING EVENTS

EU energy ministers meet in Prague

Events related to the war in Ukraine

National Election Cttee meets

Jobbik presser on energy prices

Stats office publishes 2nd reading of Aug industry output data

TOP STORY

SANCTIONS POLICY 'PRIMITIVE, CATASTROPHIC'

The European Union's sanctions policy against Russia is "primitive in execution and catastrophic in effect", Viktor Orbán said in Berlin during his recent visit.

At a podium discussion, the prime minister said an "appropriate sanctions policy" would have stopped energy prices from skyrocketing and European economies would not be facing ruin. The EU's sanctions policy "ignores European values" while ruining the German and Hungarian economies, he said. It also "helps Moscow to as much gains in energy revenues in six months as it used to earn in a year", he added. Orbán stressed that he did not oppose sanctions per se but the way they were implemented. Sanctions should be imposed "intelligently", Orbán said. In the EU's case, "a dwarf is imposing sanctions on a giant ... and the dwarf will perish in the effort," he said, calling for a review of EU sanctions and energy supply reform so the EU achieves independence rather than "merely switching masters" by pivoting from dependence on Russia to dependence on the US. This may be "more convenient politically because Americans, unlike Russians, are democrats", but "it would not be good" because Europe, as customer, "should have four or five offers on the table to choose from".

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ORBÁN: ‘I WILL USE MY VETO’

“Had sanctions been done right, energy prices would not be soaring,” Prime Minister Viktor Orbán said in Berlin, adding: “Sanctions could have been launched in such a way that we shan’t destroy ourselves energy-wise, but the commission has failed to do so”. “So when it comes to sanctions I’m must say I have a problem and ... unless you come and help I will use my veto ... you cannot kick Hungarians aside and into a corner,” Orbán said. Concerning energy imports from Russia, Orbán said it was uncertain whether Moscow would resume supplies, “especially when certain groups are launching terrorist attacks and blowing up pipelines” and “they could not deliver even if they wanted to”. “We are very concerned that the same could happen to the last remaining high-volume pipeline, the South Stream,” he said. “Russian gas or oil in themselves are not bad; the problem is that there is nothing else and we are vulnerable.” “The question is not whether the Russians can supply us but how many potential suppliers we have and if there is competition between energy suppliers,” Orbán said.

ORBÁN: HUNGARY PRO-PEACE

“Hungary is in the peace camp,” Prime Minister Viktor Orbán said during a visit to Berlin, adding that he supported an immediate ceasefire and peace talks

between Russia and Ukraine. At an event organised by German papers Cicero and Berliner Zeitung, the Hungarian prime minister said 200 ethnic Hungarian conscripts, who were also Hungarian citizens, have died in the fighting. Orbán said it was a “big problem” that “this time, unlike the Crimean conflict, the conflict could not be isolated”. When Russia annexed Crimea in 2014, then-German Chancellor Angela Merkel immediately initiated peace talks, thus avoiding an international crisis, he said, calling it a “mistake” that while he had made a “peace mission” to Moscow before the war broke out, “nobody in the West thought they should negotiate”, despite the fact that he had briefed the NATO Secretary-General of the impending threat.

As to his own approach regarding the conflict, Orbán said he prioritised Hungarian interests. “The country, in the immediate vicinity of the war, feels threatened,” he said. While Hungary is doing everything in its power to promote peace, it will not aid Ukraine to the detriment of Hungarians, he said.

“The international debate is too focused on Putin,” Orbán said, adding that his own focus was “Hungary and Europe, and the war’s consequences for us”. The Hungarian government’s stance on the war is in line with the EU’s; it sees it as aggression, and Russia is in breach of international law, he said. The prime minister also said that according to the “realities of power”, a ceasefire in the war in Ukraine should be negotiated not between Russia and Ukraine but between Russia and the United States.

Orbán said the war was determined by resources. And while Russia has a near limitless supply of energy, troops and human resources, Ukraine only has enough resources because it is receiving help from the West and the United States, he added.

Orbán said US President Joe Biden “went too far” when he labelled Russian President Vladimir Putin a “war criminal” and a “mass murderer”. He said that the “hope for peace” was therefore invested in former US president Donald Trump. He said one consequence of the conflict in Ukraine was that “our weakness has become clear”, arguing that there were several international players like China and India that had not sided with the Western community.

In response to a question, Orbán said at his talks with German Chancellor Olaf Scholz he had asked the chancellor to “be tolerant over issues on which the two countries are not in agreement”, such as Hungary’s rejection of migration, its opposition to multiculturalism and its insistence on a traditional family concept. “While former Chancellor Angela Merkel consistently rejected that request, Scholz now listened,” Orbán said, adding that he hoped his next official visit to Berlin, planned in two years’ time, when Hungary is the next rotating president of the European Council, would result in further progress. He said ties between Hungary and Germany were “special”, adding that “in any event, they serve as a good basis for further developing bilateral cooperation”. Concerning economic



ties, the prime minister highlighted the automotive and defence industries, and welcomed that more and more German researchers were drawn to Hungary.

Orbán also said that there was a “line of division” in Europe on issues such as migration, gender, the family and national interests. Those to the east of this line think in terms of a traditional family model, they oppose migration, and national pride is their most important “buoyant force”, he said. Orbán added that it was important for the countries of the Visegrád Group to defend this stance. “Over the course of history there have always been great powers that wanted to tell us how to live,” Orbán said. Today, although under democratic conditions, they still want to decide what a Hungarian family should be like and what the ethnic composition of Hungary should be, he added, pointing out that he had been “fighting against this” since the beginning of his political career. Orbán also touched on the negative effects of Brexit. Britain never accepted the concept of a federal Europe, either, but their departure means that the federalists are now predominant, he added. If the UK had not left the EU, the dynamism seen over the last 30 years would have been preserved, the prime minister said.

PRESIDENT NOVÁK: AIM TO SECURE LONG-TERM PEACE

After meeting Visegrád Group (V4) counterparts on Tuesday in Bratislava, President Katalin Novák said a common

aim was to secure a “just peace” and ensure “long-term peace” in Europe. At the meeting, the V4 heads of state condemned the attack on Ukraine and the attacks against civilians, Novák noted at a press conference. Commenting on the statement issued at Poland’s initiative, she said eleven heads of state had joined in condemning the Russian bombing of Ukrainian cities, considered a war crime under international law. Commenting on the energy crisis, Novák called the recent attacks against the Nord Stream gas pipelines “unacceptable”. The V4 demands a thorough and swift investigation with a view to preventing any further similar attacks, she said. Regarding illegal migration, the president noted that V4 countries were particularly affected. Almost 200,000 illegal migrants were stopped at Hungary southern border this year, she noted, adding that a strong, common response was needed to handle the pressure of illegal migration. The president also noted Hungarians had from the first day of the war provided shelter and other aid to refugees from Ukraine.

SZIJJÁRTÓ: ‘SERIOUS’ GLOBAL SECURITY CHALLENGES MAY RESULT FROM ESCALATION OF UKRAINE WAR

Serious global security challenges are likely if the war in Ukraine escalates further, Péter Szijjártó, the minister of foreign affairs and trade, said

in Geneva, where he addressed a meeting of the executive committee of the United Nations High Commissioner for Refugees. Szijjártó said the international community should avoid measures that would escalate tensions and focus instead on peace-making, according to a ministry statement.

Europe’s current security challenges, he added, were “unparalleled” since the second world war, and countries in the war’s vicinity like Hungary felt its effects more keenly than countries at a greater distance from it. He called for an immediate ceasefire and peace talks, adding that the international community should focus on resolving the conflict by diplomatic means. “If everything carries on as it is, we’ll face problems of unimaginable gravity,” the minister said. Since the start of the year, Hungarian authorities have prevented more than 200,000 illegal border crossing attempts, he said, adding that the intensity of violence on the border had “reached a new level”. The number of refugees and illegal migrants would continue to rise rapidly if the war intensifies, he said, citing a possible worsening global food crisis. “We’re letting everyone in from Ukraine, but we’re also protecting Hungary and Europe’s security by keeping out aggressive and violent illegal migrants,” he said, adding that Hungary had received 1.5 million refugees so far and provided work, education and health care to those who remained in the country.

SZIJJÁRTÓ: COOPERATION WITH NEIGHBOURS 'EVEN MORE VALUED'

Predictable cooperation with neighbours based on mutual respect is especially valued in the current crisis situation, Foreign Minister Péter Szijjártó told a joint press conference held with Matjaž Han, Slovenia's economic development and technology minister. Hungary-Slovenia ties are "extremely useful" to both sides, the ministry cited Szijjártó as saying. With prices skyrocketing owing to the war in Ukraine and sanctions, discussions on developing economic cooperation are all the more important, he said.

Szijjártó said both sides planned to further develop ties by mutually supporting investments in each other's countries. Bilateral trade turnover, he noted, approached 3 billion euros last year, increasing by 30% in the first six months of this year. Several large Hungarian companies such as MOL, OTP and Wizz Air have become regional players, he said. The first two companies are about to become the largest participants in their respective markets and Wizz Air is developing a hub in Slovenia, he added.

Szijjártó said Hungary-Slovenia cooperation contributed to energy security between the two countries, with their interlinked electricity networks operating in test mode since June without any problems. He welcomed the regional power

exchange to be set up with the participation of Hungary, Slovenia and Serbia by the end of this year, which he said could lead to lower prices.

Answering a question, the minister said the escalation in Ukraine was clearly perilous and "we are at the very last minute to turn back events". "Instead of ... escalation and war rhetoric, it's high time that Europe shift its focus and concentrate all its efforts on establishing peace."

Szijjártó noted that he will participate in Russia Energy Week on Thursday. He said he would talk about the importance of peace. Further, he said the aim was to ensure that Hungary has no problems with its energy supplies. "Those who criticise me for this aren't interested in a return to peace, and they don't care whether Hungarians get their energy supplies," he added.

NAVRACSICS: HUNGARY AIMS TO SET ANTI-GRAFT EXAMPLE

Hungary has committed to setting an example when it comes to public procurement transparency and fighting corruption, Tibor Navracsics, the minister for regional development and the uptake of EU funds, said, presenting data published by the European Union's anti-corruption taskforce OLAF. Navracsics pointed to the falling number of cases the body had referred to the Hungarian authorities between 2016 and 2021. Regarding public procurement procedures and corruption, Hungary has

"whitened" considerably, Navracsics said. The document published by the European Commission shows that while Hungary "still has room for improvement", its public procurements are no longer considered seriously problematic, he said.

Hungary has committed to steps in six areas as part of its negotiations with the European Commission, Navracsics said. The government is setting up the Integrity Authority to help the fight against corruption. The authority will be up and ready by Nov. 19, he said. The authority's anti-corruption working group composed of government officials and representatives of civil organisations will be functioning by December, he added. They will strengthen the country's anti-corruption framework and transparency in the use of European Union funding, he said. One of the steps involves adopting regulations against conflict of interest not implemented in any other member state, he said. Lawmakers' asset declarations will also be reformed, he said. Hungary will also strengthen audit and control functions and amend regulations regarding crime connected with exercising public office and handling public funds, he said.

MINISTER: HUNGARY CONSTRUCTION INDUSTRY SET TO EXPAND BY 4.5% THIS YEAR

Hungary's construction industry is set to expand by 4.5% this year before slowing in 2023 and 2024, Márton

Nagy, the minister of economic development, told a conference organised by national construction industry association EVOSZ. Over the coming year the government will be working to avert a recession, Nagy told the event, adding that this depended on whether or not Germany would slip into a recession. But the real question, he said, was how long and how deep a potential German recession would be.

Hungary's construction industry is facing a squeeze from rising energy, labour and raw material costs, with financing becoming more expensive, while state investment projects are being postponed and consumer demand is declining, Nagy said. As regards rising costs, the minister said that while inflation was at 20%, the construction sector price index was over 30%.

He said the value of state investments peaked in 2020 at 3,500 billion forints (EUR 8.2bn) and was expected to decrease to 2,700 billion forints, "a healthier level", this year. Construction-sector projects make up around 60-70% of those investments, he added. Meanwhile, he said the government expected some 17,000 new homes to be built this year. This is expected to fall to around 10,000 next year and decline even further in 2024, he added. Nagy said reform was needed in the housing market for the sector to return to 40,000 new homes a year in the medium to long term, as seen during the first government of Prime Minister Viktor Orbán.

János Lázár, the minister of construction and investment, said the government has prepared a state construction investment draft law following consultations with 26 organisations. The government received 900 recommendations from the various organisations, most of which have been incorporated into the draft law, he said. The government will decide on the proposal on Wednesday, Lazar said, adding that it will be submitted to parliament before the end of the month.

JOBBIK PROPOSES AMENDING LAW TO PREVENT FOREIGN FUNDING IN ELECTION CAMPAIGNS

Opposition Jobbik has proposed amending the law on associations to prevent foreign funding being funnelled into election campaigns through Hungarian NGOs. Jobbik MP Zoltán Sas told a press conference that public servants should represent Hungarian interests. "This can only be done free of external influence," he said. Politicians who accept foreign funding were, he insisted, "a national security concern". Sas said he expected the amendment would increase political transparency while reducing foreign influence. The current law on regulating foreign political influence is not up to this task because, whereas parties are banned from accepting donations from beyond the borders, there is no such restriction for NGOs pursuing political

activities, he said. The aim is not to prevent NGOs from getting funding from abroad but to ensure that such monies are not channelled to parties and politicians, he added.

OPPOSITION MPS FORM LGBTQ INTEREST REPRESENTATION GROUP

Opposition lawmakers have formed an informal parliamentary group with the aim of representing the interests of the LGBTQ community, the deputy group leader of the liberal Momentum Movement said on Tuesday. The group comprising 21 MPs from five parties will work closely with civil society players to ensure people of the LGBTQ community are not discriminated against or oppressed, Dávid Bedő told an online press briefing. In addition to a severe cost-of-living and social crisis raging in Hungary and teachers and their students "fighting for the future", "human rights and freedoms are also under threat," he said. The group aims to have the voices of LGBTQ people heard in parliament, Bedő said. He was joined at the press conference by lawmakers from Párbeszéd, the Socialist Party, LMP and the Democratic Coalition.

LMP LAMENTS PARLT CTTEE'S 'VOTE AGAINST WIND TURBINES'

Parliament's economic committee on Tuesday voted against the opposition LMP's proposal to table a debate in

the chamber on the use of wind energy in Hungary, even though Prime Minister Viktor Orbán recently indicated the government was mulling the same, a party lawmaker has said. László Lóránt Keresztes, who also heads the sustainable development committee, told a press conference that the government was still reluctant to “amend its energy policy that has made the country vulnerable while failing to strengthen our [energy] independence”. Meanwhile, Keresztes insisted the government was using administrative measures to hobble the construction of wind turbines in Hungary. Since the prime minister “recently admitted the government itself is divided on the issue”, it would have been all the more advisable to table it in parliament, an opportunity the committee just thwarted, he said.

CHRISTIAN DEM MP: W BALKANS’ EUROPEAN INTEGRATION MUST BE ACCELERATED

Hungary’s position is that the EU integration of Western Balkan countries must be accelerated, a lawmaker of Hungary’s co-ruling Christian Democrats (KDNP) told the autumn session of the Parliamentary Assembly of the Council of Europe (PACE) in Strasbourg. Lőrinc Nacsa told MTI that the EU would make a mistake by differentiating among aspirant countries, and “under pressure from large member states”,

slowing down enlargement rather than advancing it. He said the Euro-Atlantic integration of the Western Balkans is essential for Europe’s stability and security, and would increase the continent’s economic strength and competitiveness. This is why Hungary has joined PACE’s call to speed up the process, he said.

NEARLY 9,000 REFUGEES ARRIVE FROM UKRAINE ON MONDAY

Fully 4,868 people crossed into Hungary directly from Ukraine on Monday, while another 4,116 crossed from Romania, the National Police Headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 91 people. 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 273 people, 106 children among them, by train, ORFK said.

IMF UPS HUNGARY 2022 GDP GROWTH FORECAST

The IMF has raised its forecast for Hungarian economic growth this year to 5.7%, though it expects growth to slow to 1.8% in 2023. In its latest World Economic Outlook, the International Monetary Fund upped its 2022 projection from its April forecast of 3.7%. Annual inflation is expected to average 13.9% this year

before easing to 13.3% in 2023, the report said, adding that the current-account deficit is projected at 6.7% of GDP this year before narrowing to 3% in 2023.

HUNGARY CPI EDGES OVER 20 % IN SEPT

Consumer prices in Hungary rose by an annual 20.1% in September, accelerating from a 15.6% increase in the previous month, driven by higher food and household energy prices, the Central Statistical Office (KSH) said on Tuesday. Food prices rose by 35.2% as the price of bread jumped 76.2%, pork prices climbed 22.4% and dairy products were 66.3% dearer. The government rolled back prices for a number of staples, including pork, cooking oil and flour, to mid-October levels from February 1 in an effort to dampen inflation. Household energy prices increased by 62.1%, lifted by new consumption restrictions for regulated utilities prices in force from August 1. CPI calculated with a basket of goods and services used by pensioners was 21.9%. Month on month, CPI was 4.1%.

The National Bank of Hungary (NBH) said inflation would continue to climb for the rest of 2022 in its latest quarterly Inflation Report released in September. Central bank director András Balatoni had said the increase would be “front-loaded”, with most showing up in September CPI, followed by increases “at a slower pace” in the following months.

INTL POLICE INVESTIGATION CRACKS DOWN ON FINANCIAL FRAUDSTERS

Police from Hungary, Germany, Netherlands, Malta and Spain have cracked down on a network of financial fraudsters, Hungarian detectives said on police.hu on Tuesday. Starting in December 2021, the gang's members phoned German nationals pretending to represent a US investment house and offered investment opportunities with a high return against advance payment. Once the money was transferred, they disappeared. Law enforcement of the five countries led by German police raided 38 sites simultaneously.

Hungarian police raided five sites in the greater Budapest area associated with a gang member of German nationality living in Hungary, seizing documents and computers, police.hu said.

360 DESIGN BUDAPEST EXHIBITION ATTRACTS 3,500 VISITORS

This year's sell-out 360 Design Budapest exhibition attracted some 3,500 visitors, the Hungarian Fashion and Design Agency (MDDÜ) said. The third iteration of the show featured more than 100 creations by 31 Hungarian designers and more than 10 regional creators from Oct. 3 to 9 in the Bálna cultural centre, the agency said in a press release.

This year's show put story-telling, education and digitalisation in the spotlight to illustrate with a "colourful and exciting selection" the diversity of the design industry, the statement quoted Anita Forintos-Szűcs, MDDÜ's general deputy director, as saying. The exhibition featured a design history section, a digital section using LED projectors to show virtual designer furniture items, among others, and a section presenting industrial architecture and green surfaces in an innovative space. The event's Facebook and Instagram sites have been visited by 300,000 users since the opening, MDDÜ said, adding that the roundtable discussions and presentations can be viewed at the agency's YouTube and Spotify channel.