

PHOTO OF THE DAY



MTI/Balázs Kralovanszky

Niagara Falls lit in Hungarian national colours in honour of the 66th anniversary of the 1956 revolution

UPCOMING EVENTS

Cbank holds rate-setting meeting

Plenary session of parliament

War in Ukraine

TOP STORY

ORBÁN: GOVT COMPLYING WITH EC REQUESTS

Hungary's government is complying with the European Commission's requests, but it has to assume that "there will always be more and more requests coming", Viktor Orbán has said in an interview.

The prime minister accused his government's political opponents of weaponising the EU institutions. "They're punishing us and clearly blackmailing us with EU funds," he said in the interview published by the German-language *Budapester Zeitung*. "There is no legal basis for any of this; it's simply blackmail." The Hungarian government wants to cooperate rather than argue, Orbán said, adding that the government had no problem with implementing the 17 remedial measures it has agreed to. "We will fulfil them all, but I bet that right after this there will be an 18th [request], and a 19th and so on," Orbán said, adding that "I assume that after this there will always be more and more requests coming." Poland, too, had complied with every request but then "more and more demands were made", Orbán said. "It is obviously about forcing a change of government in Poland," he said, adding that "this could be the ultimate goal in the case of Hungary, too."

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ORBÁN: MONEY MAY BE UNLOCKED, BUT NO GUARANTEES

Prime Minister Viktor Orbán said in the interview published by the German-language Budapest Zeitung that he believed Hungary would be given access to the monies it is entitled to at the end of the year, arguing that “we fully meet all the technical requirements that have been put forward”. “I expect that we will be able to sign the agreements with the EU by the end of the year,” Orbán said. “But I can’t say whether we will actually receive money ... still, Hungary cannot be cornered financially.”

Concerning Hungarian-German ties, Orbán said the two governments’ programmes were “a world apart”, adding that Germany’s ruling Social Democrats (SPD) were “the most anti-Hungarian party in Europe”. Under such circumstances, “serious efforts are needed to bridge the differences between the two countries in an increasing number of areas”, the prime minister said. Asked about the German nationalist Alternative for Germany (AfD) party, Orbán said “interstate relations are more important than any relations between parties”, adding that his party was therefore “forced to sacrifice relations with the AfD on the altar of the best possible intergovernmental relations”. He said it was “a peculiarity of German democracy that if we were to take steps regarding the AfD, it would

affect international relations”. The prime minister added that “from a Hungarian perspective” the CDU and Bavaria’s CSU were now “left-wing” parties. Concerning Hungarian-German relations, Orbán said Germany had “become a multicultural society”, adding that Hungarian society was “significantly more pluralistic, freer and more peaceful than German society”. The prime minister said Germany was characterised by “liberal hegemony”, arguing that “there’s only room for one single narrative in public discourse” and “anyone who deviates from this no longer exists in the eyes of the public”. In Hungary, on the other hand, “public discourse has a pluralistic structure,” he added. Orbán said double standards were applied in Germany and western Europe in general, which Hungarians did not tolerate. At the same time, he said, there was no point in adding to the existing “political tension” with Germany because “cooperation is far more important.” Orbán also said he saw more and more western Europeans moving to Hungary in the next 10-20 years because Hungary was a safe Christian country that was proud of its traditions. He said that throughout European history, countries had benefited greatly from immigration from the West, adding that Hungary welcomed refugees “but only if they come from the West”.

Asked about the war in Ukraine, Orbán said Europe was supporting Ukraine in a way that was forcing the continent into “a spiral of escalation”, adding that “if we don’t

stop this process, we’ll end up at war ourselves...” Orbán said the EU’s present actions were “completely negating its rational and geopolitical interests”, adding that the decisions on the sanctions on Russia had been made “purely on a moral and emotional basis”. He said that during his recent visit to Berlin, he had failed to find the “rational core to German energy and sanctions policy”. Asked what Europe should do, Orbán said that while wars could also be caused by “weak statesmen, strong statesmen are needed to initiate the peace process and end the wars”. He added that hopefully the German government would eventually live up to the role it is supposed to play commensurate with its weight in Europe. Another hope, he said, was that former US president Donald Trump and former Israeli Prime Minister Benjamin Netanyahu would return to power. Orbán said the war would not end with Ukrainian-Russian talks, arguing that talks between the United States and Russia were needed. However, as long as peace was in neither party’s clear interest, the war would continue, he added. Meanwhile, Orbán said it was a conscious decision on the part of his government not to bring up the “attacks” against the ethnic Hungarian minority in Ukraine, adding, however, that this “doesn’t mean we suffer from amnesia”. After the war, a comprehensive agreement on Hungarian-Ukraine cooperation which also guarantees the rights of the Hungarian minority will be needed, he said. Concerning the future role

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of the EU on the international stage, Orbán said “we need more EU” when it comes to security and defence policy, insisting that the bloc needed to do more militarily in the interest of its own sovereignty. Member states should also spend more on armaments and defence, he said, adding that this way the EU “could fill the geopolitical space that would be freed up after a US withdrawal”.

FINMIN: GOVT WORKING TO MAINTAIN GROWTH DESPITE SANCTIONS

The government’s goal is to maintain Hungary’s economic growth despite the negative effects of the war and sanctions, Finance Minister Mihály Varga told a conference of the American Chamber of Commerce (AmCham) and the Hungarian Investment Promotion Agency (HIPA). Cabinet measures to achieve this aim include capping the price of certain food products and petrol, freezing interest rates until the end of the year and introducing a 350 billion forint (EUR 830m) support scheme for SMEs, he noted.

Hungary’s economy expanded by 7.3% in the first half of this year, he said. Annual GDP growth is projected to be 4.5% in 2022; and even though a slowdown is expected in the first half of 2023, favourable trends are projected from the second half of the year, he added. To maintain growth, the government lowered the 2022 deficit target to 4.9% from 5.9%,

deferred government investments where possible, ordered economy at public institutions, and announced a number of consolidation measures to keep the budget balanced, Varga said. As a “great result”, the deficit “barely grew” since May and the central budget posted a surplus in September, an achievement the government is hoping to maintain in October, he said.

Meanwhile, talks with the European Union on unlocking Hungary’s EU funding are in “the final phase”, he said. As a result of “constructive talks”, the parties have set up an “ambitious reconstruction plan” in demographics, green transition, infrastructure and digitalisation, he said. The plans could be partially implemented by mid-November, according to schedule, which would open the way for Hungary to access the EU’s reconstruction and cohesion funds, he said. Hungary has emerged strengthened from past crises, Varga said, adding that hopes were high that this crisis would be no different. “Although we are physically close to the war in Ukraine, our mid-term prospects are better than those of other EU countries further away,” he said, noting that Hungary’s GDP showed one of the largest expansions in the region this year.

Regarding Hungarian-US ties, Varga said the US is one of Hungary’s most important trading partners, with bilateral trade totalling 7.1 billion dollars last year. Of that sum, Hungarian exports made up 4.2 billion dollars, he added.

Over 1,700 American companies created 2,496 jobs in 2020 and another 1,000 last year, amid the coronavirus pandemic, he said. The government has signed a strategic partnership agreement with 92 of them. The finance ministry said in a statement that employment numbers in Hungary, where the number of jobholders went up to 4.7 million from 3.7 million over the past ten years, are a “good baseline” for measures against the fallout of the war. Besides record low unemployment, investments are also in robust shape, it said. The government is financing tax cuts and supporting energy-intensive SMEs while preserving fiscal balance, the statement said. Thanks to those measures, “Hungary’s financing is ensured in spite of deteriorating external environment, and Hungarian bonds are multi-fold oversubscribed at auctions,” the ministry said.

SZIJJÁRTÓ: CYPRUS GAS EXTRACTION COULD HELP EASE ENERGY CRISIS

New resources and transport routes are needed to ease the energy crisis in Europe instead of sanctions and price caps, Foreign Minister Péter Szijjártó has said, adding that extraction from newly discovered gas fields near Cyprus should be supported. Szijjártó said at a press conference with Cypriot counterpart Ioannis Kasoulides in Nicosia that Europe was facing enormous challenges and the “failed punitive measures” introduced

in response to the war in Ukraine only make the situation more difficult. One of the most severe problems is the energy crisis and every move that reduces the amount of natural gas arriving in the European market worsens the situation, he said. "It is a basic rule in economy that the narrowing of supplies results in higher prices and the European Commission should therefore work towards expanding supplies," he added.

Szijjártó said Cyprus offered a significant opportunity and the community should find ways to help the start of gas extraction and the building of a pipeline from the island as soon as possible. The negative effects of the armed conflict have an extremely severe and direct influence on Hungary which is a neighbouring country with Ukraine, he said. He cited inflation and high energy prices, stating that Hungary wanted peace and had been calling for ceasefire and the start of peace talks for a long time. "The longer the war lasts, the more Europe will suffer and the more it will lose," he said.

Szijjártó praised bilateral relations with Cyprus and said that the number of Hungarian tourists to the country was up 70% compared to the period before the coronavirus pandemic. With some three thousand Hungarians living in Cyprus, Hungary has decided to strengthen its diplomatic presence in the country, he said. A newly signed cooperation agreement on higher education and research is expected to result in an increase in the number of Cypriot students studying in Hungary, he added.

PARLT VOTES TO EXTEND EMERGENCY POWERS TO 180 DAYS MAX

Lawmakers on Monday voted to allow the government to request emergency powers in relation to defence and security to be extended from the current 30 days to a maximum of 180 days from Nov. 1. The vote which also authorises such emergency powers to be granted multiple times was carried with 142 in favour, 31 against and 6 abstentions. Prime Minister Viktor Orbán on May 24 declared emergency powers in Hungary in response to the Russia-Ukraine war.

FORMER GOVT OFFICIAL CHARGED IN CORRUPTION CASE

The public prosecution on Monday filed charges against Pál Völner, a former justice ministry state secretary, who is suspected of accepting bribes from the former head of the Hungarian Chamber of Bailiffs, György Schادل. Prosecutors allege that Schادل regularly bribed Völner until July 2021 and used his influence to secure the appointment of seven bailiffs in exchange for kickbacks. Charges have been filed against a total of 22 offenders in the case. Prosecutors have proposed that Völner receive an eight-year prison term and a 25 million forint fine, while it is seeking a ten-year prison

sentence and 200 million fine for Schادل. Völner resigned in late 2021 after being suspected of accepting bribes totalling 83 million forints (EUR 200,000).

JUSTICE MINISTER COMMEMORATES 1956 UPRISING IN US

Hungarians living anywhere in the world are linked by the courage and patriotism of the heroes of 1956 and on October 23, "we also celebrate this belonging together", the justice minister said on Sunday on the occasion of the 66th anniversary of the 1956 revolution and freedom fight. Judit Varga told a commemorative event of ethnic Hungarians at the Saint Stephen's Roman Catholic Magyar Church in Passaic, New Jersey, on Sunday local time, that strong communities remain strong supporters of the nation also in "the storms of our times". She said the Saint Stephen's Roman Catholic Magyar parish in Passaic took in several hundred Hungarians after the 1956 revolution. Varga, Hungarian ambassador in Washington Szabolcs Takács and Consul General in New York István Pásztor laid a wreath at the 1956 freedom fighters' memorial in Passaic. She also addressed an event at the Consulate General in New York ahead of the holiday where she said efforts must be made to preserve the spirit of 1956 in everyday life. The largest group of Hungarian refugees including more than 35,000 people settled in the US after the 1956 revolution.

HUNGARY CENTRALISES OPERATION OF STATE FUNDS FOR SUPPORTING BUSINESSES

The government has decided to centralise the operation of all state funds supporting businesses, Economic Development Minister Márton Nagy has announced. The measure will impact all funds that operate under the umbrellas of the Hungarian Development Bank (MFB) and Magyar Eximbank, Nagy said. The step aims to establish a more efficient, more effective and faster system for getting credit, capital and guarantees to businesses, he added. He noted that the funds have around 1,000 billion forints (EUR 2.4bn) in resources that have not yet been pumped into the economy. In future, any new state funds will be established only through the National Capital Holding Company, Nagy said.

GROSS WAGE UP BY 16.6% IN AUG

The average gross wage in Hungary rose by an annual 16.6% to 497,200 forints (EUR 1,200) in August, the Central Statistical Office (KSH) said. The average net wage of full-timers at businesses with at least five people on payroll rose at the same pace to 330,660 forints. The gross median wage increased by 15.6% to

402,200 forints. Hungary's statutory minimum wage was raised by over 19% from the start of the year, while the salaries of many people employed in the public sector were bumped up, putting wage growth in the double digits from January. Real wage growth was 0.9%, calculating with an August CPI of 15.6%.

NEARLY 12,000 REFUGEES ARRIVE FROM UKRAINE ON SUNDAY

Fully 5,875 people crossed into Hungary directly from Ukraine on Sunday, while another 5,940 crossed from Romania, the National Police Headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 234 people, ORFK told MTI on Monday. 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 138 people, 46 children among them, by train, ORFK said.

GULYÁS EMPHASISES UN'S IMPORTANCE AT COMMEMORATIVE SESSION

The United Nations has a more important role to play today than ever since the second world war, the prime minister's chief of staff said

on Monday, marking United Nations Day. "It has not happened since WWII that a nuclear power would start a war in Europe," Gergely Gulyás told a commemorative event held at the Hungarian Academy of Sciences. In this "unprecedented" situation, the importance of diplomacy is greater than ever before, Gulyás said. By offering a platform for speeches and debates, the UN serves as an institution that "has probably the most important diplomatic tools available for mankind", he said at the event organised in partnership with the UN Association in Hungary and the University of Public Service. "Mankind faces difficult years to come", Gulyás said, adding that "the UN is greatly needed to end the ongoing war as soon as possible". He said that the world owed a lot to the United Nations which helped it become a more liveable place.

Addressing the event, Zsolt Németh, the head of parliament's foreign affairs committee, said "the Russian aggression against Ukraine has brought about one of the most difficult situations since the foundation of the United Nations". Russia, a major pillar of "the UN world order", has attacked its sovereign neighbour, Németh said. "The set of values laid down by the UN is no fiction, but an international agreement written down clearly in a document," he said, adding that Russia "has grossly violated" that agreement. United Nations Day marks the anniversary of the UN Charter's entering into force on this day in 1945.

DEFMIN: TURKEY 'IMPORTANT STRATEGIC PARTNER'

Turkey and Hungary's defence ministers on Monday initialled an agreement on establishing the legal conditions for future military cooperation. The two countries are partners and allies in terms of trade, culture and defence, Kristóf Szalay-Bobrovniczky, Hungary's defence minister, said in Ankara after meeting Turkish counterpart Hulusi Akar. The ministry said in a statement that Szalay-Bobrovniczky praised high-level bilateral ties based on mutual trust. Both countries want peace in Ukraine and promote this position at every possible opportunity, the statement said. "We highly appreciate [Turkish] efforts made towards peace as mediators between the warring parties," Szalay-Bobrovniczky said in Ankara.

He noted Turkey's humanitarian aid to Ukraine and Hungarian efforts to help people fleeing the war. Both ministers emphasised the importance of NATO anticipating threats from all sides, including combatting terrorism. Turkey and Hungary are both committed and respected members

of NATO, the statement said. Both officials also were in agreement on the importance of maintaining stability of the Western Balkans, noting that a Hungarian commander headed KFOR until recently and Turkey will take over the command from Italy in a year's time. The two countries' armed forces cooperate in priority areas: Hungary established a battle group aimed at strengthening NATO's eastern wing after the outbreak of the war in Ukraine, and Turkey is a member.

Hungary is in the process of replacing outdated military technology with NATO-compatible equipment, the minister noted, adding that Turkey's defence industry is also a supplier. Hungary has put 10 Gidrán combat vehicles manufactured in Turkey into service, while another forty will be assembled in Hungary.

During Szalay-Bobrovniczky's two-day visit, a monument commemorating the soldiers of the Austro-Hungarian Monarchial Army will be unveiled, marking the historical relationship between the two countries in the first world war. Also, the countries are celebrating the 100th anniversary of diplomatic relations in 2024 with a series of cultural events.

MICHELIN GUIDE TO EXTEND LIST TO THE WHOLE OF HUNGARY

The Michelin Guide will announce its extended list of restaurants selected from across Hungary on Nov. 3, the Hungarian Tourism Agency (MTÜ) said on Monday. The prestigious French guide until now only listed eateries in Budapest, the agency said in a statement. The guide's inspectors last year returned to Hungary several times incognito to seek out the best restaurants across the country, the agency noted. Hopefully, the National Selection of Hungary Guide "will illustrate the changes Hungarian gastronomy has undergone in the past 10-15 years," it added. "Successful domestic and international shows and high quality ingredients all contributed to putting rural Hungary on the world map of gastronomy," the agency said, adding that the national guide was expected to strengthen Hungary's international appeal as a tourist destination.