

PHOTO OF THE DAY



Game Changers – an exhibition on the connections of Hungarian and Israeli sports in Debrecen, E Hungary

UPCOMING EVENTS

Plenary session of parl

Events related to the war in Ukraine

LMP presser on fuel shortage

Stats office publishes industrial, agricultural output figures for Oct

TOP STORY

ORBÁN CALLS FOR EU INTEGRATION OF W BALKANS

Hungarian Prime Minister Viktor Orbán said on Tuesday that Hungary has a vested interest in the accession of the Western Balkan countries to the European Union as soon as possible.

In a video posted on Facebook ahead of an EU-Western Balkans summit in Tirana, Orbán said he would represent a “firm and strong position” as regards the Western Balkan countries’ EU integration. Their integration is for Hungary essential in terms of the country’s security because “we can close off the migration route entirely only with Serbia’s help” and in terms of its energy security because “Hungarian families and businesses receive gas from the south, via the Balkans and Serbia”, he said. “Serbia and the Western Balkans could serve as a gate for cheap energy coming to central Europe from the south, and this could ensure the energy independence of Hungary and the entire region,” said Orbán. “The time has come, and this is what we are going to press for. Let’s not hesitate any longer! It is time for the EU to include Serbia and the other Western Balkan countries among its members,” the Hungarian prime minister said.

FINMIN: LINKING PAYMENT OF EU FUNDS TO UNRELATED ISSUES 'DANGEROUS PRECEDENT'

Certain European Union countries' attempt to link the approval of Hungary's recovery fund to "completely unrelated" issues such as the global minimum corporate tax or an 18 billion euro loan taken out to aid Ukraine is "not fair" and "would create a dangerous precedent", Finance Minister Mihály Varga said in Brussels on Tuesday. Varga told a press conference after a meeting of EU finance and economy ministers (ECOFIN) that the European Commission's recent positive assessment of Hungary's recovery plan "after a year and a half" was a "significant step forward". All member states support the plan's content, and so it could be officially approved before the end of the year, he said.

At the same time, Varga regretted that the EC has maintained its proposal to suspend disbursement of funds for three operative programmes, despite the government's fulfilment of 17 requirements until the November deadline. Since this is the first time the rule-of-law conditionality is being used, several member states have said that the EC "should remain fair, objective and proportionate" and "base its standpoint on facts", he said.

Regarding plans that EU member states would take out a joint loan of 18 billion euros to aid Ukraine, Varga

said Hungary will not give its consent to that plan. Hungary is ready to help Ukraine further but will only disburse its own resources on the basis of a bilateral agreement with concrete goals set in advance, he said, adding that Hungary already had the resources for that aid in its central budget at hand.

Touching on the issue of the global minimum corporate tax, Varga noted that at 9%, Hungary's tax rate was one of the lowest. The international attempt to introduce a global minimum tax would raise that to 15%, he said. Such a step would cost jobs and harm the country's competitiveness, and so Hungary does not support it, he said.

ORBÁN: REPORTS OF HUNGARY VETO OF UKRAINE AID 'FAKE NEWS'

News reports of Hungary vetoing financial aid to Ukraine is "fake news", Prime Minister Viktor Orbán said on Twitter on Tuesday, responding to news reports on the ECOFIN meeting earlier in the day. "Today's news was all about Hungary vetoing financial assistance to Ukraine. This is fake news. Hungary is ready to give financial assistance to Ukraine, on a bilateral basis. No veto, no blackmailing," the tweet said. "We do want to convince EU member states however that common EU debt is not the solution. If we continue to go down the road towards a debt community, we will

not be able to turn back. We envision a different future for Europe. One built on strong member states, instead of huge piles of common debt," Orbán said.

SZIJJÁRTÓ: VISEGRAD COOPERATION BENEFICIAL FOR ALL MEMBER STATES

The four member states of the Visegrad Group have all reaped tangible benefits from cooperation, which has a positive impact on the everyday life of their citizens, Foreign Minister Péter Szijjártó said in Bratislava on Tuesday. Szijjártó told a press conference after a meeting with Visegrad Group counterparts that cooperation between the Czech Republic, Hungary, Poland and Slovakia was a "labour of love" for Hungarian foreign policy. Since its inception, member states "could achieve more than what they would have achieved alone," he said. The partnership had important results in economic and security policy, he said, pointing to the fact that trade between Hungary and the other three countries hit a record 35 billion euros last year. Trade is up by 30% again this year, he added.

But the greatest achievement of the group so far was to thwart the introduction of mandatory resettlement quotas for asylum seekers in the European Union, "amid sharp debates and against a strong headwind", he said. "Had we failed to achieve that, tens of thousands of

illegal migrants would arrive and live in central Europe," he said.

Migration continues to pose a challenge, and Hungary continues to protect the EU's external borders, with some 255,000 thwarted attempts of illegal entry under its belt this year only, Szijjártó said. He thanked the Visegrad countries regularly sending border guards and police officers to help defend Hungary's southern border.

Responding to a question on the Slovak foreign minister's criticism of his meeting with Robert Fico, the former Slovak prime minister and the leader of the opposition Smer-SD party, Szijjártó said the criticism was "hard to fathom". "I have seen many things during my over eight years as foreign minister, but being lambasted for meeting opposition leaders, not only those of the ruling parties, is not among them," he said.

PRESIDENT AT WSF: 'WITHOUT PEACE, SCIENCE CANNOT FULFIL ROLE'

Without peace, science cannot fulfil its role in society; science must serve peace, Hungarian President Katalin Novák said in her address to the 10th World Science Forum (WSF) that opened in Cape Town on Tuesday. In the address, read out at the forum by Hungarian Ambassador György Attila Horváth, Novák, a chief patron of the event, praised the forum established two decades ago for its role to serve as a platform for dialogue between politicians and scientists. She said

she was proud that Hungary and the Hungarian Academy of Sciences (MTA) played a key role in initiating and launching the event.

Novák noted that the 2020 WSF had to be postponed due to the coronavirus pandemic, adding that the pandemic had shown how essential the work of scientists and researchers was. She pointed to Hungarian-born biochemist Katalin Karikó as an example, "whose persevering scientific work allowed her to make a significant contribution in reducing the threats of the pandemic rapidly and significantly". She said that global challenges and injustice affected countries in the African continent more and "it is our responsibility to help as much as we can".

"All who are present today at the World Science Forum, politicians and scientists, are working to make the future a better one. Eventually, the mission of politics and science is the same: to work for the public good, to eradicate - or at least to mitigate - the inequalities in society which lead to tensions," Novák said. She said that state leaders had a responsibility to support scientific work. "We must act today to help our children and grandchildren have an easier life tomorrow," Novák added.

NAGY: INTEREST PAYMENT CAP TO COVER STUDENT LOANS

The government has decided to broaden the cap on interest payments

to cover student loans, the minister of economic development said on Tuesday. With the aim of protecting families and employees amid the current crises affecting Europe, the government previously capped interest payments on household loans and loans for small and medium-sized firms, Márton Nagy noted on the government's Facebook page. Now one type of student loan will be capped at 4.99% from January 2023, while another will be still available interest-free for students in higher education, he said. Almost 500,000 people have taken advantage of student loans which have aided them to obtain of 250,000 diplomas, he said, adding that without government action the interest rate on a student loan would double, putting 100,000 people into a position of hardship.

JUSTICE MIN PRAISES EFFECTIVENESS OF CRIME VICTIM MANAGEMENT

Hungary's system of providing aid to the victims of crimes is becoming increasingly effective, the justice minister told a conference on the subject on Tuesday, adding that while the number of crimes has dipped, the number of people helped through the system has increased. Judit Varga said the system followed a Dutch pattern, in which victims would start receiving services automatically, from the time they file a criminal complaint, without having to apply for assistance separately, unless they refuse their

personal data to be forwarded to the support centre.

In 2022, the system handled 21,000 clients, compared with 18,000 last year, the minister said. The system runs a 24 hour hotline, while victims can also seek help at the centres personally; the number of such visits has exceeded 10,500 since the beginning of the year, twice as many as last year, she said. Concerning compensation paid to crime victims from state coffers, Varga said a total 47 million forints (EUR 113,000) was paid out in 2020, 68 million last year, and 100 million forints in the first 11 months of 2022.

The minister spoke highly of the centres' staff members "going above and beyond to do their jobs throughout the year, seeing so much trauma and learning so many stories and doing their best in every case." Despite economic hardships, five new facilities have been opened in Hungary in 2022, Varga said, adding that Hungary now has 11 centres and 4 contact points for crime victims. By 2025, there will be a help facility in each of Hungary's 19 counties, she added.

MI HAZÁNK: 'CENTRAL BANK GOVERNOR RECITED OUR ELECTION PROGRAMME'

Central bank governor György Matolcsy 'recited, repeated' the election programme of the opposition Mi Hazánk when he spoke about the situation of Hungary's economy in parliament's economic committee

earlier this week, party leader László Toroczkai said on Tuesday. Mi Hazánk kept saying that the high 2021 budget deficit generated major problems and that inflation in Hungary was caused, among other factors, by the low productivity of the monopoly-hit food industry, he told a press conference.

Toroczkai criticised the government for what he called the country's disastrous situation and its failure to put the food industry back on its feet over the past 12 years. Nor has the government done anything to change its energy policy since 2010, he added. Mi Hazánk opposes the government raising "giga loans" from China or the IMF, he said. Should it still take such loans, the hundreds of billions of forints should be used for economic transformation, Toroczkai said.

LMP: GOVT NEGLECTING PEOPLE IN HOMES FOR ELDERLY, DISABLED

The government is failing to "guarantee the security of people having to rely on welfare services" and those living in homes for the elderly, the disabled and other similar institutions, the opposition LMP party said on Tuesday. Krisztina Hohn, LMP's welfare spokesperson, told a press conference that people living in communal facilities "cannot be certain that they will continue to have a home" as those facilities may not be able to pay their utility bills. Rather than helping those people, the government has "put a decree

in their stockings" under which such facilities are no longer required to ensure minimum conditions for their dwellers, she added. All necessary welfare services could be financed "if Prime Minister Viktor Orbán at last consented to the necessity of a global minimum tax," Hohn said, proposing that the corporate tax should have two brackets, with companies earning less than 500 million forints (EUR 1.2m) in annual revenues continuing to pay the current 9%, while firms that earn more should pay 25%.

MOL RESTARTS DUNAI REFINERY, SUPPLY CATCH-UP TO TAKE WEEKS

Oil and gas company MOL has restarted its Dunai refinery in Százhalombatta after a period of maintenance, but it will take several weeks to reach full capacity, and supply glitches "won't be resolved overnight", MOL's managing director, György Bacsá, told public radio on Tuesday. MOL's total capacity is not sufficient to satisfy Hungarian market demand, 30% of which must be imported, he said. If current logistical overload is to be successfully tackled, he added, MOL's retail and wholesale partners must do more to help resolve current shortages. Demand for petrol in the past week was double last year's level, while for diesel it was 1.5 times as much, Bacsá said. Demand for delivery topped daily capacity to deliver by 30%, while at the same time imports have dropped heavily. "We're

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.



struggling to catch up," the company's managing director said. "About 70 of our stations -- a quarter of the entire network -- are totally dry," he added.

ESTATE AGENTS EXPECT VALUE OF EXISTING PROPERTIES TO DIP

Most estate agents in a recent survey said they expect the price of existing properties to fall, according to a report released on Tuesday. In the quarterly survey conducted jointly by economic research firm GKI and Masterplast in November, 48% of 91 estate agents said price of properties in Budapest would stagnate and 33 said they would drop by 1%, while only 19% said they expect prices to increase. Property prices in western parts of the country could decrease by 4% and in the east by as much as 6%, the report said. Nationwide, 33% of agents expect the price of new builds will increase while two-thirds see prices stagnating. New builds in Budapest are seen as rising by 5% while increasing by 3% elsewhere in the country. Rents are likely to increase by 4% in Budapest and by 2% in western parts, while they could drop by 6% in the eastern regions, the survey found.

HUNGARY GUEST NIGHTS DOWN 0.2 % IN OCT

Guest nights spent in commercial accommodations in Hungary eased by an annual 0.2% to 2.1 million in October, the Central Statistical Office (KSH) said on Monday. The number of guest nights spent by domestic travellers fell by 16.7%, while the number of guest nights spent by foreign visitors rose by 26.6%, KSH said. Revenue of commercial accommodations rose by 23.8% to 42 billion forints (EUR 104.2m) in October.

OVER 7,000 REFUGEES ARRIVE FROM UKRAINE ON MONDAY

Fully 4,431 people crossed into Hungary directly from Ukraine on Monday, while another 2,941 crossed from Romania, the National Police Headquarters (ORFK) said. Police issued 30-day residency permits to 186 people, ORFK told MTI on Tuesday. Budapest received 88 people, 29 children among them, who travelled by train, ORFK said.

UNICEF SUPPORTS UKRAINE REFUGEES IN DEBRECEN

The Hungarian office of UNICEF's Regional Ukrainian Refugee Programme will provide 480 million forints (EUR 1.2m) support to the city of Debrecen, in eastern Hungary, for services to refugees fleeing the Ukraine-Russia war. The agreement was signed by programme coordinator Pilar Gonzalez Rams and Debrecen mayor László Papp of ruling Fidesz-KDNP in the city's family and child welfare centre on Monday. Thanks to the agreement refugee services can be improved in the city, he said. Some 200 million forints will be paid to the local basic health services and development institute, which also offers mental-welfare support, health screening and exercise programmes, he added. The institute's doctor surgery in Szent Anna street will be modernised, offering its services to Ukrainian refugees as well as local children, Papp said. The city's family protection centre will offer its mobile services to those in need and the EU-Roma National Alliance will provide food.