

PHOTO OF THE DAY



Participants in the EU-ASEAN summit in Brussels

MTI/Prime Minister's Press Office/Zoltán Fischer

UPCOMING EVENTS

EU summit begins in Brussels

Stats office reports on Oct construction figures

Events related to the war in Ukraine

TOP STORY

HUNGARY TO START LNG SUPPLY TALKS WITH QATAR

Hungary and Qatar have reached an agreement paving the way for talks on future gas purchases between state-owned energy company MVM and QatarEnergy, the minister of foreign affairs and trade said in Doha.

The aim is for Hungary to be able to take into account deliveries of Qatari liquefied natural gas (LNG) when it comes to guaranteeing the country's gas supply, Péter Szijjártó said after talks with Qatar's energy and foreign ministers, according to a foreign ministry statement. Urging the inclusion of more energy sources, Szijjártó noted that Qatar has the world's third largest gas reserves and is the second biggest LNG exporter. Qatar is also developing its extraction and delivery capacities, he added. Concerning Wednesday's agreement, Szijjártó also highlighted the role of the European Union, saying infrastructure developments will be needed in order to bring large volumes of natural gas to Hungary via the southern and south-eastern European LNG terminals. If Croatia expands the capacity of its LNG terminal as it has promised, there will be a realistic possibility for Hungary to receive gas from Qatar within about three years, he said. Hungary and Qatar also finalised an investment protection agreement, which could be key in attracting Qatari investments to Hungary, he added.

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SZIJJÁRTÓ: HUNGARY-QATAR COOPERATION BASED ON MUTUAL RESPECT

Cooperation between Hungary and Qatar has always been based on mutual respect, and there is no political obstacle to further boosting bilateral ties, Foreign Minister Péter Szijjártó said after talks with Qatar's energy and foreign ministers in Doha on Wednesday. Szijjártó underlined the importance of maintaining good relations with countries that have an impact on the entire global economy amid the current economic difficulties, noting that Qatar was one such country. Bilateral trade turnover reached a record 60 million US dollars last year and has continued to rise this year, he added. Szijjártó welcomed the direct air link between Budapest and Doha, noting that the tourism industry was in great need of increased tourist numbers. He highlighted the economic importance of the EU having strengthened its ties with the Gulf countries, saying this needed to be based on mutual respect. Meanwhile, he said Hungary and Qatar shared the same position on the war in Ukraine, noting that both countries condemned the conflict and wanted peace. And peace can only be achieved through negotiation, for which communication channels must be left open, he added.

ORBÁN ON QATAR WORLD CUP: 'GOOD WHEN CULTURES MEET'

Prime Minister Viktor Orbán has praised the idea of cultures meeting and competing "under the same rules of the game in the same sport". Orbán told Qatari journalists on Tuesday that the World Cup in Qatar had not only been spectacular but exciting too. Qatar, he added, spent money "to host the whole world", and he praised the way the event had been organised. The prime minister noted the significance of the World Cup being held in an Arab country. "If in Rome, do as the Romans do," he said, and it was good that guests were expected to respect the local customs and way of thinking. This, he added, was important both in the context of football and in terms of obtaining a different outlook on life.

Orbán on Tuesday held talks with Khalid bin Khalifa bin Abdulaziz Al Thani, his Qatari counterpart, before attending the World Cup semi-final between Argentina and Croatia at the invitation of FIFA, the PM's press chief told MTI.

ORBÁN HOLDS TALKS WITH LAOTIAN COUNTERPART IN BRUSSELS

Prime Minister Viktor Orbán held talks with Phankham Viphavanh, his Laotian counterpart, in Brussels on Wednesday, the PM's press chief said. Orbán and Phankham

marked the 60th anniversary of the establishment of diplomatic relations between Hungary and Laos and noted that Laos has opened its new embassy in Budapest, while Hungary will raise its diplomatic mission in Vientiane to embassy level next year, Bertalan Havasi told MTI. Orbán expressed pleasure that Hungary and Laos continued to strengthen their economic cooperation "even in these crisis-hit times". The two leaders also discussed the global political situation, agreeing on the need for an immediate ceasefire and peace talks in the Russia-Ukraine war, Havasi said.

GOVT EXTENDS PRICE CAPS ON BASIC FOODSTUFFS UNTIL APRIL 30

Hungary's government has decided to extend the price caps on basic foodstuffs until April 30, the agriculture ministry said in a statement on Tuesday. The government has extended the price caps because of the protracted war in Ukraine and the sanctions-driven inflation caused by "the flawed measures enacted by Brussels", the ministry cited Agriculture Minister István Nagy as saying. Brussels' "flawed sanctions" have led to unprecedented increases in the prices of energy and food throughout Europe, and the recently-introduced oil sanctions "have only aggravated the situation", Nagy said. Because the government remains committed to supporting families, it will keep the food price caps in place, the statement said.

**SZIJJÁRTÓ: SEVERAL
'DANGEROUS PROVISIONS'
REMOVED FROM EU
PROPOSAL ON GAS PRICE CAP**

Though European Union member states have yet to reach a decision on the introduction of a price cap on gas imports, Hungary has succeeded in having two "particularly dangerous" provisions removed from the proposal, the minister of foreign affairs and trade said in Brussels on Tuesday. The Hungarian government maintains its position that introducing a price cap on gas "is a bad idea and it is useless", Péter Szijjártó told a press conference after a meeting of EU energy ministers. He said most EU member states, with the exception of Hungary, would accept the introduction of a price cap, but disagreed on the details of the planned measure. "We think that the price cap is a bad thing, it is unnecessary and it is a dangerous idea raised as a solution to tackle the energy crisis," Szijjártó said. He said the price cap had been designed as a response measure to record high gas prices in the summer, noting however that prices had gone down and stabilised without any intervention in the past couple of months. He warned that the scheme could also allow wide-scale speculation, putting the EU at a disadvantage.

What's even more important is that the proposal would seriously endanger energy security, Szijjártó said, arguing that it was physically impossible to

completely replace Russian natural gas in the medium term, and the price caps would further reduce the volume of gas the bloc would have access to. "The whole proposal is harmful, dangerous and threatens the security of European energy supply," Szijjártó said. He said the plan went against the European Council's guidelines according to which the price cap could not apply to long-term supply agreements and had to take into consideration the specific energy situation of member states. Szijjártó said the price cap interfered with pricing on the Dutch TTF gas hub and would impact long-term gas supply agreements.

At the same time, the minister welcomed that two provisions had been removed from the proposal. One of them concerned the regulation of prices when it came to transactions outside the gas exchange, Szijjártó said, adding that this would have restricted member states' freedom to procure gas as it would have made bilateral agreements without the application of the price cap impossible. The other proposal would have required member states to consult the European Commission prior to amending any long-term gas supply deals, Szijjártó said, adding that this provision "would have totally destroyed the security of Hungarian gas deliveries". As no agreement was reached at Tuesday's meeting, the price cap plan will be back on the agenda next week, the minister said.

Meanwhile, Szijjártó said he had spoken to Russian Deputy Prime Minister Alexander Novak by phone on Monday, who he said had "expressed openness" to amending the long-term gas delivery agreement between the two countries if it became necessary because of the price cap. "What matters most to us is the security of Hungary's natural gas supply; this is what we have to guarantee, this is the top priority," the minister said. Asked about Monday's agreements among EU finance ministers concerning Hungary, Szijjártó said Hungary had fulfilled all of the European Commission's demands and expectations for unblocking funding. He welcomed that the EU had "finally listened to and considered" Hungary's stance when it came to providing aid to Ukraine and that the aid package being provided to the country will now be covered by the EU budget. Concerning the global minimum tax, Szijjártó also welcomed that it had been made clear that the local business tax can be included in the calculation of the minimum tax, allowing Hungary to introduce it without having to raise taxes.

**BUDAPEST ASSEMBLY
ADOPTS 2023 BUDGET**

The Budapest General Assembly adopted the 2023 budget on Wednesday, projecting 407.8 billion forints (EUR 990.3m) in revenues and 465.3 billion in expenditures. The deficit will be covered from loans,



bonds and revenues from bank deposits. The budget has allocated 6.94 billion forints for paying back loans and 773.4 million for domestic financing. The budget was adopted with 17 votes in favour, 11 against and 2 abstentions. The draft pointed to rising government contributions, rising energy and food prices, wage pressure due to inflation and the “consequences of monetary policy” as the main difficulties in 2023. Referring to a 58% raise of the solidarity contribution, the draft said: “Rising government contributions are a product of ... bad government policy and finding a solution is a matter of political will.” Volatile energy prices are the greatest risk in 2023, “the additional expenditures due to energy prices are currently impossible to pay or to calculate,” it said. A preliminary impact study showed next year would be “critical, but public tasks are manageable and public services can be maintained”, the draft said. However, in order to handle the risks inherent in the draft budget, the municipality is counting “on a change in the government policy regarding local authorities” or is anticipating a review of the budget in May 2023, it said.

During the debate, deputy mayor Ambrus Kiss said the budget was not “on a firm footing”. The municipality will not launch new investments in 2023 and defer whatever spending they can to 2024, he said. Mayor Gergely Karácsony said the budget was “hardly a joy, but to have a budget in

an extremely unstable situation means we have the rudder and are trying to navigate”.

Gábor Bagdy of Fidesz-KDNP said the budget had a hole of 120 billion forints, and insisted the municipality would go bankrupt mid-year or would be forced to clip public services. That makes the budget “unacceptable”, he added. “The municipality has been bled dry, its reserves are empty, and the budget before the assembly is basically for the next quarter only,” he said.

Norbert Élő of the Democratic Coalition (DK) said the municipality had no room for manoeuvre, “the city will fight for survival next year”.

DEUTSCH: ‘PRO-WAR VS PRO-PEACE’ POSITIONS IN EU

Two distinct positions have evolved in the European Union regarding the war in Ukraine: “a pro-war position denying reality and a pro-peace camp using facts as a basis”, Tamás Deutsch, MEP of ruling Fidesz, told MTI in Strasbourg on Wednesday. Those striving for war expect the EU to make every effort to increase tension, while the other side considers it a strategic European interest to have “peace in the neighbourhood” because “the later it happens the higher its price will be”, Deutsch said. Those denying reality will say that sanctions are the best mechanism despite “their failure to contribute to ending the war and breaking the Russian economy”. Nor

has the pledge that the sanctions would only cause a minimum of economic difficulties to member states come true, he said. Reality, however, is that the war in itself has seriously impacted Europe, while the sanctions, especially those on energy imports, have but aggravated that impact, he added.

Deutsch noted that the GDP of eight EU members had dropped for the third consecutive quarter, and 14 countries had seen a contraction in September. He added that the energy crisis was not over and noted that the price of gas in Europe was six times the long-term average. He also cited European Commission President Ursula von der Leyen as saying that Europe could have a shortage of 30 billion cubic metres of natural gas next year. On the subject of the recent deal between the Hungarian government and EU institutions on community funding, Deutsch said “a meaningful dialogue leads to a sensible solution”. He said Hungary had been granted actual guarantees in connection with the global minimum tax, and the country’s competitiveness is “no longer in jeopardy”. Referring to the Hungarian government’s support for the EU’s Ukraine aid scheme, he said “it is part of the EU’s decision-making mechanism that member states can rise above their national positions in the interest of supporting unity”.

MINISTRY AGAINST HÓDMEZŐVÁSÁRHELY LAND TAX

The Ministry of Agriculture rejects the introduction of a land tax in Hódmezővásárhely, in southern Hungary, a state secretary of the ministry said on Wednesday. Sándor Farkas called introducing the tax, at the initiative of the city's mayor, Péter Márki-Zay, an "irresponsible" move and said his ministry would take legal steps to prevent "such burdens" from being imposed in future. Farkas insisted that it was an "eighty-year-old leftist tradition to discriminate and look down on farmers" and suggested that similar attitudes were typical of mayors with leftist leanings. The state secretary noted the "historic draughts" that had hit Hungary in summer, and said that soaring energy, fertiliser and seed prices had created a difficult economic situation. Imposing a land tax would result in higher producer prices further increasing inflation, he said. Farkas also said double taxation was prohibited under Hungarian and community law, and as long as farmers were paying the local government for ranger services, further taxes on their land could not be imposed. He added that the Constitutional Court had earlier ruled against such initiatives.

HUNGARIAN JEWS WHO SAVED FELLOW JEWS HONOURED IN ISRAEL

Jews who saved their fellow Jews in Hungary during the Holocaust

have been honoured in Israel. At a ceremony at the Hazorea kibbutz, in northern Israel, on Tuesday evening, 209 members of the underground Zionist youth movements that operated during the second world war in Hungary were honoured, while family members took over posthumous awards. So far, about 580 people have received the award, 127 of whom emigrated to Israel from Hungary. Hungarian Ambassador to Tel Aviv Levente Benkő said the award drew attention to the heroism of "those who risked their own lives to save others in this dark period of history".

SOCIALISTS SEE PRIMARIES AS THE ONLY WAY FORWARD FOR OPPOSITION

The co-leader of the opposition Socialist Party has said it would be difficult to envisage any other way than primaries to select candidates for the 2024 local government elections. The Socialists will initiate dialogue with the other "democratic opposition parties" on conducting primaries early next year, Ágnes Kunhalmi said on Wednesday. Primary votes will not be needed in every constituency, only where a consensus on a candidate has not been reached. Parties should avoid dictating centrally who candidates are, she added at a background briefing of journalists. Each ruling Fidesz candidate should face a single opposition challenger, she emphasised. Meanwhile, Kunhalmi said

the reason for the opposition's election defeat in the spring was not connected with the primaries but rather with the opposition's response to the war in Ukraine.

Co-leader Imre Komjáthi said the Socialists were now building up the party intensively, adding that they were attracting new members and new grassroots organisations were being formed. The Socialists will campaign in the 2024 European parliamentary elections alone, though the party is also open to cooperation with other opposition forces, he said.

HUNGARY WELCOMES EUR 18 BN EU AID PACKAGE FOR UKRAINE

Hungary expressed its solidarity with Ukraine and welcomed the 18 billion euro European Union aid package to be given to its north-eastern neighbour, at an international conference in Paris on Tuesday, a foreign ministry official said. Péter Sztáray, state secretary in charge of security policy, told MTI that 46 countries had offered financial and humanitarian aid to Ukraine at the donor conference. He said Hungary had been providing wide-ranging aid to Ukraine since the start of the war. Hungary plans to continue to help keep Ukraine functioning and ease humanitarian difficulties, he said, noting that the country was providing the country power generators to ensure energy supply, as well as laptops to Ukrainian

schoolchildren. Hungary also provides hospital treatment to wounded Ukrainian soldiers, organises camps for Ukrainian children and provides care for refugees, Sztáray said, adding that the country will also ship 10,000 tonnes of grain worth 3.5 billion US dollars to Africa.

Energy remains the most vulnerable area for Ukraine, the state secretary said, noting that many parts of the neighbouring country had no heating or lights. Ukraine is therefore asking for generators, equipment to repair their energy infrastructure and LED lightbulbs, he said. Concerning the EU's 18 billion euro aid package approved on Monday, Sztáray said a portion of the funds would have to be used to strengthen Ukraine's institutional system and improving the framework of the rule of law. Hungary considers inclusive legislation improvement important, meaning that it should help every part of society, including national minorities, Sztáray said.

ALMOST 8,000 UKRAINE REFUGEES ENTER HUNGARY ON TUESDAY

Fully 4,522 refugees entered Hungary at the Ukraine-Hungary border on Tuesday, while 3,448 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 138 people. Altogether 144 refugees, 45 children among them, arrived in Budapest by train, ORFK said on Wednesday.

HUNGARY RECORDS 5,193 NEW CORONAVIRUS INFECTIONS, 43 DEATHS LAST WEEK

Fully 5,193 new infections were confirmed last week, while there were 43 fatalities in connection with Covid-19, according to the website koronavirus.gov.hu, which published data from last week on Wednesday. The number of active infections stands at 13,735, the website said. Currently, 1,124 coronavirus patients are being treated in hospital, 24 intubated on a ventilator. Altogether 6,420,546 people have been vaccinated against the coronavirus, with 6,206,878 having received a second jab, 3,902,986 a third, and 404,962 a fourth. The number of registered infections since the start of the pandemic has reached 2,176,249 in Hungary, while there have been 48,380 deaths. Fully 2,114,134 people have made a recovery.

HUNGARY INDUSTRY OUTPUT UP 5.9% YR/YR IN OCT

Hungarian industrial output grew by an annual 5.9% in October, the Central Statistical Office (KSH) said in a second reading of data on Wednesday. Adjusted for the number of working days, output increased by 5.1%. Output of the automotive industry, Hungary's biggest manufacturing sector, rose by 32.1%, albeit from a low base hit by the semiconductor shortage, KSH said. Growth of the segment edged higher from 31.6% in the previous month. The

automotive segment accounted for 25% of manufacturing sector output in October. The detailed data show output of the computer, electronics and optical equipment segment, accounting for 11% of manufacturing, rose by an annual 20.1%. Output of the food, drinks and tobacco segment, which made up 13% of manufacturing sector output, was down by 1.1% as domestic and foreign sales both fell.

BUDAPEST TO HOST UKRAINE'S INTL CHILDREN'S CIRCUS FESTIVAL

Budapest's Capital Circus will host the Yaskrava Arena Dnipra international children's circus festival between January 2 and 3, which is usually held in Dnipropetrovsk in Ukraine, organisers said on Wednesday. The festival launched in 2010 will see productions by children from the regions of Kharkiv, Kyiv, Odessa, Donetsk and Zaporizhzhia in Ukraine, and from Hungary, Switzerland, Italy and Mexico, festival director Olga Oblashova said. The winners will go on to compete in other festivals. The event seen as a springboard to prestigious establishments worldwide, she said.

TRIAL OF US-BRITISH- HUNGARIAN CITIZEN CHARGED WITH KILLING FRENCH NATIONAL BEGINS

The trial of a US-British-Hungarian citizen charged with stabbing a

French national to death in February 2020 in Budapest got under way in the Metropolitan Court on Tuesday, the court said. According to the charges, the defendant arrived in Budapest in December 2019, and on the night of February 7, 2020, he drank a large amount of alcohol at several pubs in Budapest. In the small hours of Feb. 8,

he ran up to a 25-year-old Frenchman walking on the pavement near the Károlyi Gardens in central Budapest, punched him in the face twice and stabbed him in the chest with a knife. He then ran away. The victim died on the spot. The 28-year-old defendant has been charged with homicide. The court said earlier that the man had a

clean criminal record but based on the nature of his act including ad hoc violence it can be suspected that he had a mental disorder. He said earlier that he suffered from bipolar disorder and was treated for alcoholism in the United States. The trial is set to continue on March 1 with expert testimonies from psychiatrists.