

PHOTO OF THE DAY



MTVA/Attila Kovács

Common buzzards near Budapest

UPCOMING EVENTS

Events related to the war in Ukraine

Events related to Christmas

TOP STORY

EC ADOPTS HUNGARY PARTNERSHIP AGREEMENT

The European Commission on Thursday granted its approval to the partnership agreement with Hungary concerning cohesion funding to the country in the 2021-2027 budgeting period.

The funds, due to Hungary under the agreement, will be used to improve Hungary's administrative capacity, promote transparency and the prevention of graft, as well as environmental purposes and investments aimed at digitalisation, the commission said. The agreement includes a detailed roadmap for Hungary to take measures in terms of administrative capacity and to handle issues around such areas as transparency of public procurement, effectiveness of anti-corruption measures, prevention of fraud and conflicts of interest, as well as improving the capacities of the recipients of cohesion funds, the EC said. It added that "this roadmap has close links with the Recovery and Resilience Plan and Rule of Law Conditionality process". The funds, totalling nearly 22 billion euros, will help Hungary contribute to such common priorities as a balanced rural development, a fair environmental and digital transition, while they will support building an innovative and inclusive welfare market, the commission said.

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EC: HUNGARY COMMITTED TO 'REMEDYING DEFICIENCIES' IN JUDICIAL INDEPENDENCE

Hungary is "committed to remedy the deficiencies" in judicial independence as its recovery and resilience plan includes reforms aimed at strengthening the independence of the judiciary, the European Commission said in a statement on its approval of the partnership agreement with Hungary concerning cohesion funding. The statement added, however, that relevant conditions would be considered fulfilled if Hungary took those measures it had committed to. Concerning Hungary's child protection law, the commission said its provisions, as well as risks around the freedom of science and refugee rights "have a concrete and direct impact on the compliance with the Charter in the implementation of certain specific objectives of three cohesion programmes and of the Asylum Migration and Integration Fund respectively". "For these parts of those programmes Hungary is therefore currently not fulfilling the horizontal enabling condition on the EU Charter of Fundamental Rights," they said, adding that the commission was open to further dialogue and close cooperation with the Hungarian government. Unless relevant conditions are met, the commission "cannot reimburse the related expenditure submitted other

than for technical assistance and for fulfilling the enabling conditions", it warned.

Hungary's minister of regional development, Tibor Navracsics, welcomed that "Hungary has signed all agreements with the European Commission facilitating access to EU funds". In a video message published on Facebook, Navracsics said an advance payment of 130 billion forints (EUR 323m) was expected to arrive, after which public tenders would be announced and actual projects could be launched.

AZBEJ: HUNGARY CONTINUES TO EXCEL IN PROTECTING CHRISTIANS

Hungary continues to excel in protecting Christian culture and the persecuted Christians, the foreign ministry state secretary in charge of the aid programmes helping persecuted Christians said on Thursday. Europe's Christian culture should be protected and "aid should be granted where problems arise rather than bringing the problems over here," Tristan Azbej said in a video posted on Facebook. The state secretary said that over the past six years, the Hungary Helps programme had enabled nearly one million people to stay in their native land rather than leave it. "This year we rushed to help the African faithful attacked by terrorists, and celebrated together with Iraqi Christians that a

new school opened to replace the one destroyed by the Islamic State," he said.

Those persecuted for their Christian faith can continue to rely on Hungary and its people, even under the current difficult circumstances, Azbej said.

SZIJJÁRTÓ: PAKS POWER STATION RECEIVES FUEL RODS SHIPMENT

The Paks Nuclear Power Station has received a shipment of nuclear fuel rods which will guarantee the secure operation of the power plant for several months, Foreign Minister Péter Szijjártó said on Thursday. During the energy crisis, it has become especially important if a country can produce for itself the majority of electricity needed, Szijjártó said on Facebook. In Hungary, the Paks Nuclear Power Station provides half of the electricity produced and covers one-third of the consumption, he added. "The secure and predictable operation of the power station is crucial for our energy security. It requires nuclear fuel, which we import from Russia," he said. Szijjártó added that the fuel had arrived on a new route after train transport through Ukraine and air transport through the northern part of central Europe had become impossible. "Thanks to a fair approach by our Bulgarian and Romanian partners," a mixed solution has been developed, he said. The fuel rods have been transported by boat to Bulgaria, then transferred to a train which transported them through Romania to Hungary.

NBH SEES ‘INCREASINGLY PRONOUNCED’ INFLATION DECLINE IN SECOND HALF OF 2023

Hungary’s central bank has said it expects a decline in inflation to become “increasingly pronounced” in the second half of 2023 owing to both internal and external factors. Further, slowing economic growth is set to see a “quick rebound” from July, central bank director András Balatoni said on Thursday, presenting the National Bank of Hungary’s latest quarterly Inflation Report. The report puts inflation in the 15.0-19.5% range for 2023 following a range of 14.5-14.7% expected this year. Concerning the external factors contributing to the decline in inflation, Balatoni mentioned the decline in the world market prices of energy and raw materials, the easing of difficulties in production chains and a fall in global food prices and freight costs. As regards internal factors, he noted the slowdown of economic growth, a fall in disposable incomes and consumption as well as the fading of the base effects of tax measures.

He attributed Hungary’s inflation rate of more than 20% to energy prices and rising costs. Businesses priced their products well above their costs and corporate profits rose by 34% compared with the previous year, he added. Profits are also up in other regions, Balatoni said, but not to the extent that they are in Hungary. He said inflation

could “no longer be explained by rising costs”, insisting that businesses had “overcompensated”. Hungary saw the highest rises in food prices, Balatoni said, noting that they were significantly higher than elsewhere in the region. “The causes behind this massive price increase across a wide variety of products needs to be looked into,” he added. Processed food prices rose by 25%, while unprocessed food inflation was 18%, Balatoni said. Food imports also pushed CPI up, he said, noting that the weakening of the forint was quickly reflected in consumer prices. Market players compensated for the effects of the food price caps, he said, adding that retail sales had even increased rather than decreased. Balatoni said it was questionable as to whether retailers will immediately lower the prices of goods that they had raised once the price caps are scrapped. He also said that the price caps had increased demand for certain products, which had led to production chain disruptions. He pointed out that as a result of the price caps it had become 25% cheaper to buy cheese from Poland, while chicken cost less when imported from Romania.

Meanwhile, he said the economic rebound projected for the second half of next year was based on continued investments and high employment. Balatoni noted that the central bank puts GDP growth

next year at 0.5-1.5% and at 3-4% in the following years.

ENERGY MINISTER: GOVT WON’T RAISE ‘OVER-CAP’ GAS, ELECTRICITY PRICES

The government is not planning to raise the retail prices of gas and electricity for amounts over the average consumption, Energy Minister Csaba Lantos announced on Thursday. Household utility prices, up to average consumption, have been capped under a government programme in an effort to “protect Hungarian families from sanctions-related surcharges”, the ministry quoted Lantos as saying. According to the statement, Hungarian households will “continue to buy natural gas at the cheapest price and electricity the second cheapest in Europe”. Keeping the “over-cap” prices level, the government will ensure that “the overall burden on some 6 million consumers will not increase,” the statement said. “The government will continue to do everything to maintain its programme, launched 10 years ago, to reduce the price of utilities,” the statement said. It noted that systems fees, to be paid on top of consumption, would not be raised in January, either. The statement also added that Hungary’s recently established energy ministry was to guarantee affordable prices and stable services to consumers.



OVER 12,000 UKRAINE REFUGEES ENTER HUNGARY ON WEDNESDAY

Fully 7,858 refugees entered Hungary at the Ukraine-Hungary border on Wednesday, while 4,342 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 258 people, ORFK said on Thursday.

HUNGARY TRADE DEFICIT EUR 923 M IN OCTOBER

Hungary had a 923 million euro trade deficit in October, a second reading of data released by the Central Statistical Office (KSH) on Thursday shows. The

gap was revised downward from 1.009 billion euros in a first reading of data released on Dec. 8. Exports rose by 22% to 12.5 billion euros, while imports increased by 26% to 13.4 billion euros. Hungary's terms of trade deteriorated by 5.9% during the period as the forint weakened 16% to the euro and 37% to the dollar. Export volume rose by an annual 11%, while import volume was up 7.6%. Adjusted for calendar year effects, export volume was up 10% and import volume 8.8%.

1ST HUNGARIAN BALLET GRAND PRIX TO BE HELD IN CAPITAL OF CULTURE VESZPRÉM IN 2023

An international ballet competition focusing on young talents will be

hosted by Veszprém, Europe's Capital of Culture in 2023, during the summer, the competition organisers said on Wednesday. The competition calls for applications in the 7-18 age group in the pre-competitive, junior and youth categories for professional and amateur dancers in classical ballet and modern dance, Alíz Markovits, the director-general of the Veszprém-Balaton 2023 programmes, told a press conference. The finalists will be selected over the course of three rounds by a panel of eight internationally renowned dance professionals, she said. The winners will be announced on the Grand Prix's last day, on July 1, at a gala event.