

## PHOTO OF THE DAY



Speaker of Parliament László Kövér meets his South Korean counterpart Kim Jin-pyo in Seoul

## UPCOMING EVENTS

**Stats office reports on April CPI**

**Events related to the war in Ukraine**

**European Parliament holds plenary session**

## TOP STORY

# DEMOGRAPHY TO BE A PRIORITY IN EU PRESIDENCY

Addressing demographic challenges will be a priority of Hungary's presidency of the Council of the European Union in the second half of 2024, Justice Minister Judit Varga said in Strasbourg on Tuesday.

Hungary believes that the solution to demographic challenges lies in family policy rather than migration, Varga told Hungarian reporters after talks with European Parliament President Roberta Metsola. The minister said she and Metsola discussed the priorities of Hungary's future EU presidency, among other matters. During its presidency, Hungary will propose that the EU treaties cover family policy and that the EU allocate funding to the issue, Varga said. She also highlighted enlargement policy as a key focus of the Hungarian presidency, saying that "Serbia must definitely be integrated with the European community." Hungary will also give increased attention to cohesion policy, Varga said, adding that by addressing imbalances among member states' economies, the policy made the entire bloc more successful.

Meanwhile, Varga said she had also met Council of Europe Secretary General Marija Pejčinović Burić to discuss the situation of ethnic Hungarians in western Ukraine's Transcarpathia region, and held talks with Síofra O'Leary, president of the European Court of Human Rights.

## **CHINA'S EVE POWER BUILDING FIRST EUROPEAN BATTERY PLANT IN HUNGARY**

China's battery producer Eve Power will build its first European plant in Debrecen, in eastern Hungary, Péter Szijjártó, the minister of foreign affairs and trade, said on Tuesday. Eve Power, the ninth-biggest battery maker in the world, will invest around 400 billion forints (EUR 3.7bn) in the plant which will create over 1,000 jobs, Szijjártó said, adding that the government was providing 14 billion forints to support the project. He added that German car maker BMW had asked Eve Power to supply a car plant it is building in Debrecen with next-generation batteries from a local production facility. The foreign minister said the plant would be environment-friendly, covering 95% of the water used from purified waste water and ground waters. He added that the government would finance new developments in Debrecen, such as modernisation of its water supply and sewerage system, using a budget of 108 billion forints. "I think those rightfully worried about water will be satisfied," he said.

"It is a clear governmental objective to make Hungary a global forerunner of environmental protection ... we want to make Hungary one of the countries doing the most to protect the

environment and save the planet," he said. "Without electric cars Europe's green objectives cannot be met, and electric cars cannot be used without batteries," he said. Without electromobility "the cause of environment protection would be lost, and we would lose the fight against global climate change," he insisted.

Demand for batteries will increase tenfold by 2030, Szijjártó said, adding that "the question is where those plants will be built and who is going to profit out of those". "Countries successfully attracting battery plant projects will receive a long-term guarantee of economic growth," he insisted, adding that there was fierce competition for such investments. Szijjártó said some countries "would do everything to win those projects, including fair and unfair means alike", adding that unfair means included "misleading people and fear-mongering". "Obviously, for people the safety of their home is most important ... but abusing those concerns is not right and is not to be tolerated," the minister said. Residents in Debrecen "have nothing to fear about as regards the battery plant projects", he said, adding that "Hungary applies a lot more stringent environmental criteria than the European rules". "Those that won't meet those criteria will simply not be permitted to build a plant in Hungary," Szijjártó said.

## **CHIEF OF STAFF PLEDGES TO BOOST COMBAT READINESS OF HUNGARIAN ARMY**

The new chief of staff of the Hungarian Armed Forces has said he is working to boost the military's training and combat readiness. Gábor Böröndi told public broadcaster M1 on Tuesday that the armed forces must be fit to "wage a war in the country's interest if necessary". "The average person may hope for the absence of war, but an army cannot be built on hope ... the military must be prepared to fight and win a war," he said, adding that "all developments should serve peace to prevent an escalation." Böröndi said drawing the lessons of the war in Ukraine was a factor in future development planning. "Hungarian troops stood their ground in Afghanistan, Iraq, and Kosovo, but the kind of air defence involving drones as seen in the Russia-Ukraine war was not a factor then," he said, adding that the military's skills had "become somewhat obsolete". Deficiencies should be remedied and coordination within the military increased so that the army is "capable of performing tasks of national defence ... and protecting the country's territory within NATO." Referring to his earlier remarks to a parliamentary committee about nuclear deterrence, Böröndi said he had been widely misunderstood. "I did not mean that Hungary should be involved, but pointed out the logic

behind European security. Russia is a nuclear power and NATO has nuclear powers among its members. European security rests on nuclear deterrence, as both sides are aware that escalation would lead to a zero game without winners." On the subject of Hungary's reserve corps, the chief of staff said: "They are our ambassadors in a given area or settlement; through them we can reach out to residents". He added that reserve officers would get "the best of training", including shooting drills at weekends. He said he was planning to increase the number of participants in such exercises from the current 300-400 to 2,000-3,000. Speaking to public radio, Böröndi said the military should be prepared to face security challenges, "even if an escalation of the war does not directly affect Hungary". "We must revive a war culture within the Hungarian Army, precisely in the interest of peace," he said.

## **SZIJJÁRTÓ HOLDS ENERGY TALKS IN UAE**

Foreign Minister Péter Szijjártó held energy talks with representatives of several countries during a visit to the United Arab Emirates on Monday. The ministry said that after visiting Abu Dhabi, Szijjártó met counterpart Sheikh Abdullah bin Zayed Al Nahyan who had personally done much to ensure the stability of the region while settling relations with Israel. Following failures in recent decades, he achieved the first successful move

towards peace in the Middle East, he added. "In the current state of affairs in the world, such pro-peace politicians as the UAE's foreign minister are much needed," he said.

Szjijártó said he had also held talks with UAE Minister of Energy Suhail Mohammed Faraj Al Mazroui, and added that similarly to Hungary, the UAE was also dedicated to the use of nuclear energy. "We were in agreement that nuclear power stations are able to contribute to energy supplies in our respective countries in a cheap, safe, predictably and environmentally friendly way," he said. During the day, Szijjártó also met Mohamed Shaker El-Markabi, the energy minister of Egypt where nuclear reactors are being built with the same technology and same main contractor as in Hungary. Szijjártó also met Mika Lintila, Finland's economy minister. "Finland and Hungary are linked not only by their shared Finno-Ugric heritage but also by both countries representing a clear position: Europe needs nuclear energy because without building nuclear power stations, it is impossible to bring the green transition to fruition and protect the environment for the future".

## **SZIJJÁRTÓ: HUNGARY, ROMANIA TO LAUNCH JOINT DEVELOPMENT SCHEME**

Hungary and Romania are launching a joint economic development programme with a view to enabling

Romania to benefit from auto industry investments in eastern Hungary, Péter Szijjártó, the minister of foreign affairs and trade, said in Oradea (Nagyvárad) on Tuesday. A significant share of investments in the electric vehicle industry are carried out in eastern Hungary, which is good news for those living on the Romanian side of the border, including ethnic Hungarians, Szijjártó told a business conference, according to a ministry statement. "We would like Romania's Bihor, Arad, Satu Mare and Sălaj counties, as well as those living there to benefit from the major investment success stories in eastern Hungary," the minister said. To this end, Hungary and Romania are launching a joint programme to promote the cross-border development of supply chains, he said.

Szjijártó said the development of bilateral economic cooperation was of strategic interest, and welcomed that bilateral trade turnover increased by 29% to a record 12 billion euros last year. Romania is Hungary's third biggest export market, he said, adding that Romanian imports also reached a new record in 2022. Because the policy for Hungarians beyond the border lies at the heart of Hungarian foreign policy, support for ethnic Hungarian communities will remain key in the future, Szijjártó said. Hungary will continue its economic development programme in Transylvania which has so far yielded 174 billion forints (EUR 467.1m) worth of investments with 88.5

billion forints in government support, he said.

Meanwhile, Szijjártó said that despite recent challenges such as the war in Ukraine and the sanctions imposed by Brussels in response, Hungary had emerged stronger from every crisis. And the Hungarian economy did not just survive the recent difficult period, but saw record investments, exports and employment in 2022, he said.

### **SZIJJÁRTÓ: ALL BATTERY PLANTS BUILT IN HUNGARY ADHERE TO STRICT REGULATIONS**

Hungary will not give up its position as the meeting point of investments from East and West, Foreign Minister Péter Szijjártó said on Tuesday, adding that despite "attempts to abuse people's certainties", it was important to understand that all battery plants built in Hungary adhered to strict regulations. Szijjártó told a conference on the vehicle industry organised by the Hungarian Investment Promotion Agency (HIPA) that out of the world's ten electric battery makers that cover around 95% of the global market, six are Chinese, three are South Korean, one is Japanese, and none are European. It is clear that "the East has taken over this industry", he added. For the first time in European economic history, large western European companies operating in a field that has a basic influence on the success of the European economy are nearly 100%

dependent on suppliers from the East, he said. This situation is difficult to accept, which might explain why the representatives of "large and strong" member states at European Union foreign affairs council meetings "beat on the table, not only in a symbolic sense", demanding to reduce the economic influence of Chinese companies on the continent. "At the same time, when I meet large western European company leaders, they regularly ask me to convince suppliers from the East to come to Hungary," he added. Szijjártó said that outside of Germany and China, it was only in Hungary that all three premium carmakers from Germany have factories. Additionally, three of the world's ten largest electric battery makers are present and a new investment will be announced soon, so the number will increase, he added.

Commenting on the attacks against electromobility investments, he said that the construction of new plants always triggered a sense of uncertainty in local communities. "While it's easy to abuse people's natural concerns for health in their living environment, we must still ask all political players to act responsibly and not mislead people and not to abuse people's legitimate concerns," he said. He underlined the government's intention to continue supporting investments required for electromobility, "because these can keep the economy on a growth track".

### **PARLT SPEAKER HOLDS TALKS WITH S KOREAN COUNTERPART**

László Kövér, the speaker of Hungary's parliament, met Kim Jin-pyo, his South Korean counterpart, for talks in Seoul, the press office of parliament told MTI on Tuesday. At the talks, Kövér called Hungary's partnership with South Korea "a success story" in terms of building international relations. Hungarian-South Korean relations have steadily developed since 1989, the year when the two countries' leaders made "a wise decision" to establish diplomatic relations, he said, adding that relations had by now been elevated to a strategic level. The government's foreign policy decision of opening to the east in 2010 has also been vindicated by the fact that South Korea has been the most active investor in Hungary over the past three years, Kövér said.

The Hungarian speaker underlined the important role South Korea plays in connecting Hungary, central Europe and the whole of Europe with the eastern part of the Euro-Asian region. He said that in addition to regular cooperation between committees, friendship chapters and offices, Hungary's parliament was ready to cooperate with South Korea in international organisations on promoting the protection of common values and interests. Kövér welcomed the launch of direct flights between Budapest and Seoul in the summer

which he said would hopefully help return bilateral business and tourism ties to a pre-pandemic level. He underlined the importance of education cooperation, noting state grants offered under the Stipendium Hungaricum scheme to 100 South Korean students in 2024.

At the talks, Kim Jin-pyo said that South Korean investments in Hungary had boosted not only bilateral ties but the economic growth of his country as well. South Korea seeks to strengthen cooperation with Hungary also in the areas of education, science, culture and tourism, he said. Kim thanked the Hungarian government for supporting Pusan's candidacy to host the 2030 world expo.

## **MINISTERIAL COMMISSIONER: ETHNIC HUNGARIANS IN FOCUS OF HUNGARIAN DIPLOMACY**

Hungarians live as "indigenous minorities" in several countries, and "one of the pillars" of Hungary's diplomacy is to ensure the protection of ethnic minorities, a government official told a conference on Tuesday, noting that its efforts in this area operated at a European level too. Ferenc Kalmár, special ministerial commissioner for Hungary's neighbourhood policy development, told the conference marking Council of Europe Day that it was regrettable that no progress had been made for the cause of ethnic minorities worldwide. "The Russia-Ukraine war has further

escalated that situation, and in many countries ethnic minorities are now considered a security risk ... It is not minorities that pose a risk, however, but a lack of democratic rights: where minorities feel safe there are no problems."

Péter Sztáray, state secretary at the foreign ministry, said ensuring protection for minorities was an international responsibility, adding that "promoting the right of ethnic minorities to their national identity is crucial for preserving diversity and peace in Europe". While Hungary urges collective rights for ethnic Hungarian communities, it has already granted those rights to the country's 13 ethnic minorities, Sztáray noted. Ethnic communities in Hungary, some 6.5% of the total population, are an asset to the country, he added.

Sztáray praised Croatia, Slovenia, and Serbia for granting ethnic Hungarians collective rights in education, and called cooperation with those countries concerning minorities as exemplary. He criticised Ukraine, however, for curbing ethnic Hungarians' rights. The Hungarian government will not support Ukraine's EU and NATO aspirations as long as the country "fails to grant ethnic Hungarians the rights they were stripped of in 2015," he added.

Zsolt Németh, the head of parliament's foreign affairs committee, said "Russia has seriously thwarted the cause of minority protection by trying to use minority

policy issues as an excuse to attack Ukraine". The war situation has demonstrated that "minorities often fall victim to power politics, he said, "though it would be important to speak about minorities without topical political interests, and build protection systems for them."

## **MOMENTUM AGAIN REMOVES FENCE AT PM'S OFFICE**

Politicians and supporters of opposition Momentum on Tuesday removed the metal fence in front of the prime minister's office, with the action being the sixth time they have done so. Momentum said in a statement that despite "the police overreactions and tear gas attacks" of recent days, the party has once again removed the "unlawfully erected fence" in front of the former Carmelite Monastery, which houses the prime minister's office, in the Castle District. Tuesday's action was held to mark Europe Day, they said. "Removing the fence is removing the regime," Momentum said. "There is no place for a fence in a European country, and on May 9, on Europe Day, we removed the fence," it added. The party's lawmakers and politicians arrived in the company of around 50 activists at the prime minister's office at 7am in the morning, and they planned to guard over the removed fence for several hours, Momentum said. "We will keep removing the fence as long as this is necessary," it said. "It stands unlawfully, separating the government



from the people and from reality," it added. "In reality, Hungary has European record-high inflation at 25%, health care and education have been destroyed and the government keeps misleading people with constant lies," Momentum said.

### **MINISTER: HUNGARY EMBARKS ON NEW ERA IN ENERGY, HYDROGEN ECONOMY**

Hungary has embarked on a new era in its energy and hydrogen economy, Csaba Lantos, the energy minister, said on Tuesday at the inauguration of Hungary's first hydrogen production plant. Speaking in Kardoskút, in southern Hungary, Lantos said the plant was the first rung on the ladder of Hungary's hydrogen industry and a further step towards reducing its energy dependence, with the possibility of storing renewable energy. A 2.5 megawatt electrolysis system and hydrogen gas preparation technology will operate at the Kardoskút underground gas storage facility, Kriston Ákos, chief executive of Magyar Földgáztároló, said. Excess current generated by renewable energy sources such as solar can be stored in the hundreds of megawatts in the form of hydrogen for a period of several months, and can be returned to the grid as needed, he said. The R&D project cost 5.6 billion forints (EUR 15m), and the state provided support of 2.5 billion.

### **MAJORITY OF HUNGARIANS REJECT EU'S SANCTIONS POLICY**

The majority of Hungarians reject the European Union's current policy of sanctions, according to a fresh survey by the Szent István Institute commissioned by the Nézőpont Institute. Fully 54% of the survey's respondents completely disagreed and 17% somewhat disagreed with the European Union's response to the war in Ukraine, its sanctions and weapons deliveries. Meanwhile, 9% said they strongly agreed and 13% said they somewhat agreed with the EU's responses. In a breakdown of responses by age group, the Szent István Institute found that the economically active respondents in the 40-49 and 50-59 age brackets were the most strongly opposed to the EU's responses. Altogether 35% of Budapest respondents rejected sanctions and weapons deliveries, compared with 55% of respondents based in other cities and 62% of those living in villages.

Meanwhile, the survey found that 51% of Budapest residents trusted that the EU was capable of protecting its citizens, compared with 43% of those living in other cities and 44% of those who live in villages. In terms of age, trust in the EU was highest among 18-29-year-olds (56%) and lowest among 50-59-year-olds (37%). Altogether 11% of respondents did not or could not answer the question.

Fully 36% said they were completely or somewhat satisfied with the EU's current leadership as against 54% who were dissatisfied, among whom 26% were completely dissatisfied. Altogether 10% of respondents did not or could not answer the question.

The survey also found that some 40% of Hungarians believe Christianity is vitally important to the future of Europe, while another 40% consider it somewhat or very important. Altogether 10% said Christianity was not at all important to the future of Europe, while 8% said it was of little importance.

The Szent István Institute conducted its representative survey on the occasion of Europe Day.

### **DOBREV: HUNGARY HAS HIGHEST INFLATION, AMONG LOWEST WAGES IN EUROPE**

Hungary has the highest inflation in Europe, and when it comes to wages, it trails near the bottom, opposition DK's MEP and shadow prime minister Klára Dobrev said on Monday. Dobrev told a public forum in Szombathely that wages were higher even in neighbouring countries like Slovakia and Romania, which, she insisted, was the fault of Prime Minister Viktor Orbán and his government.

She said that over a decade, when European Union funding would have allowed the revamping of all hospitals and schools -- making education competitive and bringing wages up to a fair level in order to close the gap

with the rest of Europe -- the money instead went to the oligarchs of the Orbán government. The majority of Hungarians still want Hungary to belong to the EU and NATO, and they want a European standard of living, she added. Dobrev said the reason that Hungarians faced food prices that many of them could not afford and people's living standards had dropped was not the sanctions and the war but the ill-fated economic policies of the Orbán government.

### **MORE THAN 9,500 UKRAINE REFUGEES ENTER HUNGARY ON MONDAY**

Fully 5,006 refugees entered Hungary at the Ukraine-Hungary border on Monday, while 4,506 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 54 people, ORFK said on Tuesday. Budapest received 27 people, 16 children among them, by train.

### **BUDGET DEFICIT HUF 2,710 BN IN APRIL**

Hungary's cash-flow-based budget deficit was 2,709.7 billion forints (EUR 7.3bn) at the end of April, up from 2,089.7 billion at the end of March, the Finance Ministry said in a preliminary release of data on Tuesday. The central budget posted a deficit of 2,671.6 billion forints at the end of April, while the social security funds were 77.4

billion in the red. Separate state funds showed a 39.3 billion forint surplus. The ministry noted that expenditures related to the regulated utilities price scheme for households came to 848.5 billion forints by the end of April.

### **HUNGARY TRADE SURPLUS EUR 899 M IN MARCH**

Hungary's trade balance posted a surplus of 899 million euros in March, up from 581 million in February, the Central Statistical Office (KSH) said in a first reading of the data on Tuesday. Exports grew by an annual 16.5% to 14.111 billion euros, while imports increased by 2.1% to 13.212 billion.

Trade with other European Union member states accounted for 78% of Hungary's exports and 69% of its imports during the month.

### **SZIGET AIMS TO RECOVER LEADING ROLE IN EUROPEAN FESTIVAL CIRCUIT**

Sziget Festival is the largest cultural product that Hungary has introduced over the past thirty years, and it is rolling out a number of novelties this year in an effort to recover its leading position in the European festival circuit, main organiser Tamás Kádár said on Tuesday. Between August 10 and 15, the festival line-up will include performers from 62 countries on forty stages. The headliners will include Billie Eilish, who will perform in Hungary for the first time, as well as Florence and

the Machine, Imagine Dragons, David Guetta, Mumford and Sons, Lorde and Macklemore. The two-year hiatus caused by Covid resulted in losses of 2.2 billion forints (EUR 5.9m) for Sziget, which could be slightly made up for thanks to last year's profits of 400 million forints, Kádár said.

Provisional ticket sales figures are highly encouraging, he said, adding that organisers were expecting the number of foreign visitors to "easily reach 100,000", while the number of Hungarian festival-goers should be even higher. Kádár said there was a good chance that the days featuring Imagine Dragons, David Guetta and Billie Eilish would all be sell-outs. This year several new features will be introduced in terms of spectacle, catering services, sustainability and amenities, he added. In response to a question from MTI, Kádár said that though he could not disclose specific figures, Sziget's spending on headliners was constantly rising. "Unlike elsewhere, booking fees in the music industry didn't stop rising during Covid," he said. Meanwhile, he said the festival's second largest concert venue, the Freedom Tent, will see performances by Bonobo, Loyle Carner, Moderat, SG Lewis, and others. The Colosseum will feature a host of DJs, including Jeff Mills, Sven Väth and Dixon, he added.

Programme director József Kardos said in the Cirque du Soleil tent, visitors will be able to see Ukrainian circus students who have fled the war perform with Prague-based troupe Cirk La Putyka.