# HUNGARY

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#### **UPCOMING EVENTS**

EU summit scheduled to end in Brussels

Events related to the wars in Ukraine, Israel

Stats office publishes construction industry figures for Oct 2023

**TOP STORY** 

### **ORBÁN: UKRAINE'S EU MEMBERSHIP'BAD DECISION'**

Prime Minister Viktor Orbán has said that the European Union membership of Ukraine "is a bad decision which Hungary wants no part in".

In a video recorded in the break of the EU summit in Brussels, Orbán said Hungary's stance was that Ukraine was not ready to start accession talks with the EU. "The decision to start talks with Ukraine in these circumstances is senseless, irrational and wrong, and Hungary will not change its stance," he said. At the same time, "the other 26 states insisted on making that decision. Hungary decided that ... they should go their own way," he said. Hungary stayed away from the decision-making, he said, adding that talks would resume with amendments of the budget.

Earlier, Orbán said Hungary would not yield to pressure and had a very firm position on enlargement, "no matter what the offer is". Ahead of the summit, the prime minister said Hungary's position was crystal clear. "If we talk about enlargement, that is a merit-based, sophisticated, legal procedure," he said, adding that enlargement carried conditions and these had not been fulfilled in Ukraine's case. "We will not budge on this, no matter what the offer is", Orbán said.



#### ORBÁN: ENLARGEMENT LEGALLY DEFINED PROCESS

Prime Minister Viktor Orbán said enlargement of the community was "a legally defined process including preconditions". Speaking ahead of the Brussels EU summit, he said that whereas the European Commission may say that Ukraine so far has met four out of a total seven preconditions "the time is not yet ripe to talk about Ukraine's membership". "Hungarians ... cannot be pressured," he said. Concerning a planned, 50 billion euro fund for Ukraine, Orbán said the EU had already approved granting it as shortterm aid from its budget, but longer term aid must come from outside the EU budget ... which Hungary may support," he said.

## NAVRACSICS WELCOMES EC UNLOCKING FUNDING

Regional Development Minister Tibor Navracsics has welcomed the European Commission's announcement on unlocking some of Hungary's cohesion funds, saying that Hungary could now start implementing several of its goals. He reacted to the announcement that "Hungary has adopted reforms related to judicial independence which means that part of the Cohesion Policy funding would no longer be blocked, and therefore Hungary may start

claiming reimbursements of up to around 10.2 billion euros".

"We can be proud that after tough talks over another one year, the European Commission has acknowledged the fulfilment of the horizontal enabling condition which allows Hungary to access some 4,000 billion forints in EU resources," Navracsics said on Facebook. He said the EC's decision would allow Hungary to use cohesion and the recovery funding for purposes that would strengthen the Hungarian economy and "make Hungarian people happier".

#### FINMIN: GOVT ASKS EU FOR REIMBURSEMENT OF BORDER PROTECTION COSTS

Finance Minister Mihály Varga has asked the European Union to reimburse Hungary for the money it has spent on protecting the external border. In a letter to European commissioner for budget and administration, Johannes Hahn, Varga said the protection of the EU borders was based on a consensus dating back many decades, and the original intent was for member states to ensure protection using common funding. He said the migration crisis had now led to a situation in which the original legislative intent had not been fully fulfilled.

In the letter posted on Facebook on Thursday, he said Hungary had prevented one million illegal border crossings on its southern border since

2015, adding that migration pressure was increasing, and this year alone Hungarian border guards had taken action against 100,000 illegal migrants. Hungary has spent more than 1.6 billion euros on border protection since 2015, he said, adding that EU contributions had barely exceeded 1% of the costs. In response to the increase in illegal migration, Hungary adapted to the changed situation, he said, successfully preventing illegal migration. "We would consider it fair" if the European Commission recognised this effort and took an appropriate share in financing the increased Schengen border protection costs, Varga said in the letter.

#### FIDESZ MEPS: UKRAINE'S EU INTEGRATION COULD LEAD TO EUROPE'S 'COLLAPSE'

Ahead of an EU summit set to discuss the issue of Ukraine's EU integration, MEPs of ruling Fidesz said in a joint video that "a forged accession" could lead to Europe's "collapse". In the video posted on Fidesz' Facebook page, Tamás Deutsch said "it is absolutely clear that neither Ukraine nor the European Union are ready to start accession talks". "We want a successful Europe, not its destruction," he said. Balázs Hidvéghi said that if Ukraine became an EU member, at least nine EU member states, including Hungary, would no longer be eligible for funding and would become a net contributor to the common budget. "Ukraine has



received 40 billion euros in total in EUI subsidies, loans and guarantees since the outbreak of the war. This is more than the amount Hungary, Croatia and Slovenia have received combined over the past seven years," he said. Kinga Gál said Brussels' current proposal on integration failed to ensure minorities equal rights and the free use of their mother tongue.

#### MENCZER: HUNGARY, EUROPE INTERESTS NOT ALIGNED WITH UKRAINE EU MEMBERSHIP TALKS

Neither the interests of Hungary nor Europe would be served by EU membership talks with Ukraine, Tamás Menczer, the state secretary of foreign affairs in charge of bilateral relations, said on Facebook on Thursday. He referred to multiple questions regarding Ukraine's EU bid for which there was "no answer" or answers that were "frightening". Menczer said Brussels and the left wing not only wanted accession talks to start but also wanted Ukraine's membership fast-tracked.

A country at war should not be brought into the bloc, he added. Regarding the "state of democracy and corruption in Ukraine", Menczer said the accession question was a "matter of strategic and historical importance", and questions must be answered first before the way forward was decided.

He said the recent adoption of a Kyiv law did not fully restore the rights of

minorities prior to 2015 and the law itself was not yet being enforced. "A few weeks ago, the education ministry sent a letter telling students they must not speak Hungarian even during classroom breaks," he said.

The state secreatary said Austrian Chancellor Karl Nehammer had made similar remarks to Hungary on the poor state of Ukraine's readiness to start accession talks. Whereas many in Brussels would start negotiations with Ukraine immediately and fast-track its membership, "Orbán and the Hungarian government have gone it alone or almost alone when it comes to most key issues, and then life proved that Hungary's position was right all along," he said.

#### FIDESZ MEP: EP PROPOSAL ON RECOGNITION OF PARENTHOOD 'IDEOLOGICAL AND POLITICAL OVERREACH'

European parliamentary draft legislation that would ensure recognition by all EU member states of parental legal status if a particular EU country establishes it, irrespective of how a child was conceived, born or the type of their family, "is ideological and political overreach", an MEP of ruling Fidesz said in Strasbourg.

When parenthood is established by an EU country, all other member states would have to recognise it to ensure that children enjoyed the same rights under national law, the EP said in a press release on Thursday.

MEP Ernő Schaller-Boros said in his speech during the debate that plans to introduce a European Certificate of Parenthood went against European treaties that placed the definition of family in the hands of member states. Schaller-Boros said the draft legislation went against the constitutions of many member states, including Hungary's Fundamental Law. "You insist time and again that you have no intention of undermining the traditional Christian family model, but then always prove the opposite," he said, adding that the Fidesz EP delegation would not vote for the proposal.

#### SZIJJÁRTÓ HAILS 'HIGH POINT' OF SERBIA-HUNGARY TIES

Relations between Serbia and Hungary are at their zenith, Péter Szijjártó, the foreign minister, said in Ada, in Serbia, on Thursday, adding that excellent ties benefited both countries, especially the Hungarian minority in Vojvodina, which could continue to count on the support of the Hungarian government. Speaking after his talks with Bálint Pásztor, acting chairman of the Alliance of Vojvodina Hungarians, Szijjártó said the late leader of the party, István Pásztor, been key to ensuring good ties, the ministry said in a statement. Szijjártó cited milestones such as the re-establishment of a rail link between Szeged in Hungary and Subotica in Serbia, the fact that the border crossing between Röszke and Horgos is open 24 hours a day, and investment support



by the Hungarian government for more than 14,000 entrepreneurs in Vojvodina, creating 170 billion forints worth of investments there.

He assured Hungarians in Vojvodina of the government's continued support, adding that the business development programme continue with two tenders for 4 billion forints of support for small businesses and agricultural producers. Szijjártó said the VMSZ leader was striving to realise the strong representation of Hungarian interests in Belgrade and to promote the development of the Baja-Subotica rail line as well as to divert part of cross-border freight traffic to the Hercegszántó-Santovo border crossing. He emphasised that a strong representation of Hungarian interests in Belgrade was also needed to maintain peace in the region near the border and to keep out illegal migrants who made "life a misery" for the Hungarians living here.

#### FIRST LEOPARD 2A7, LEGUAN 2HU TANKS INAUGURATED AT TATA BASE

Hungary took delivery of the first Leopard 2A7HU tank, Leguan 2HU bridge-laying tank and a Wisent 2HU armoured support vehicle in a ceremony at the Tata military base on Thursday. Addressing the event, Defence Minister Kristóf Szalay-Bobrovniczky said the armoured vehicles were the world's most advanced military vehicles, "more advanced than those of the German army's". Hungary has ordered 44 "top-notch-technology" Leopard tanks to be delivered by 2028, he said, adding that altogether 3 Leguan tanks and 5 Wisents had been ordered along with other special military vehicles, simulators and spare-parts. "The Leopards form the basic fleet of the military forces of 20 countries and the type developed for Hungary will serve as a basic model for developing the new, A8 configuration," the minister said.

# DEVELOPMENT FINANCE ORG MCDF HOLDS MEETING IN HUNGARY

The governing committee of the Multilateral Cooperation Centre for Development Finance (MCDF) held a regular meeting in Budapest on Thursday, the economic development ministry said in a statement. The members of the governing committee are Cambodia, China, Egypt, Hungary, Laos, the Philippines and Saudi Arabia. Máté Lóga, the state secretary for economic development and financial services, hosted the meeting in which four development projects were approved and the professional programme for the financial donor fund and next year's budget were finalised. Hungary, as a MCDF donor country, wants to help link Hungarian businesses and financial institutions to businesses in Asia, Africa and South America, the statement said, adding that MCDF supports infrastructure and cross-border investments in developing countries through partnerships.

# HUNGARY LINKS TRANSMISSION TARIFF DISCOUNTS TO BATTERY STORAGE INVESTMENTS

The Hungarian Energy and Public Utility Regulatory Authority (MEKH) has amended a decree on transmission tariffs to allow non-household consumers electricity discounts for installing battery storage, the regulator said. Non-household consumers that install at least 0.5 MW of battery storage capacity after Jan 1 will be eligible for the transmission tariff discounts in effect until the end of 2026, MEKH said. MEKH will publish the scale of the discounts annually in a resolution on transmission tariffs. The amendment aims to promote investments which contribute to increasing the flexibility of the electricity system and thereby to the integration of renewable producers by expanding electricity storage capacities, the authority said.

#### SZIJJÁRTÓ: VOJVODINA ECONOMIC DEVELOPMENT PROGRAMME 'SUCCESS STORY'

The Hungarian government's economic development scheme for Serbia's Vojvodina region "is a great success story", Péter Szijjártó, the minister of foreign affairs and trade, said in Ada, in northern Serbia, on Thursday.



Speaking at the inauguration of a development of Eurotextil, Szijjártó said Hungary's government is supporting the investment with a 51 million forint (EUR 134,000) grant. The plant will now be able to cover all phases of production, and the investment has created 25 new jobs, he added. The economic development programme has disbursed 80 billion forints to 14,263 companies in the region over the past years, fostering investments worth some 170 billion, he said.

# MAYOR: BUDAPEST TO CONTINUE RAISING WAGES IN MUNICIPAL SECTOR

Budapest's budget will cover salary increases for municipal employees in 2024, Mayor Gergely Karácsony said on Facebook. City representatives and 16 trade unions have agreed on an average wage hike of 13.5%, the mayor said, adding that talks with municipal companies were under way to ensure that employees receive their increased wages in January. According to the mayor, the sides were in agreement that a labour shortage should be addressed by "identifying domestic reserves, accommodation subsidies, training programmes, and pay hikes rather than borrowing labour from third countries."

## LMP: HUNGARY GMO-FREE STATUS AT RISK

Hungary's GMO-free status continues to be at risk despite a recent vote in the EU's Agriculture and Fisheries Council rejecting draft legislation which would exempt new genomic techniques (NGTs) from strict GMO regulations, the co-leader of green opposition LMP said on Thursday. The proposal backed by chemical industry lobbyists failed in a first round of voting on Monday, Erzsébet Schmuck told an online press briefing. "But that lobby is aggressively pushing its agenda and wants to have another round of voting held on the exemption before Christmas, and it has found several politicians as allies in those efforts," she said. If passed with a qualified majority, the legislation would scrap the labelling requirement of products, Schmuck said. As a result, farmers, traders and consumers would no longer be able to choose GMO-free products, she said. "Control over seed production would also end up in the hands of agribusiness players, which would seriously jeopardise the autonomy of farmers and agricultural biodiversity," Schmuck said. She called on all Hungarian MEPs and decision-makers to stand up for maintaining a strict and comprehensive GMO regulation, regardless of their party affiliation.

#### OVER 8,600 UKRAINIAN CITIZENS ENTER HUNGARY ON WEDNESDAY

Fully 4,397 Ukrainian citizens entered Hungary at the Ukraine-Hungary border on Wednesday, while 4,263 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 75 people, ORFK said on Thursday.

# WING, ACCOR OPEN IBIS + TRIBE BUDAPEST STADIUM HOTEL

Hungarian property developer WING and French-owned hospitality group Accor opened the dual-branded ibis + TRIBE Budapest Stadium hotel on Thursday. WING owns the hotel, which is part of its Liberty office project located on a ring road around the city centre, and Accor will operate it. WING deputy-CEO for hotels Ernő Takács said the ibis + TRIBE Budapest Stadium was expected to draw sports fans -- with its proximity to Groupama Arena and MVM Dome -- as well as city sightseers.

### BUX RALLIES TO RECORD HIGH

The Budapest BUX share index finished Thursday up 2.71% at 60,475.92, extending gains after an early-session advance. The rally followed a decision late Wednesday by the European Commission to unlock a little more than 10 billion forints of European Union funding for Hungary. OTP Bank advanced by 4.57% to 15,690 forints,

oil and gas company MOL climbed by 0.72% to 2,816, pharma share Richter gained 2.13% to 8,870, while Magyar Telekom jumped 3.41% to 667.

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