

## PHOTO OF THE DAY



Altamira Cave Drawings exhibition opens at National Museum

## UPCOMING EVENTS

**EU ministers of interior, justice meet in Brussels**

**Events related to the wars in Ukraine, Israel**

## TOP STORY

# SZIJJÁRTÓ: INTERNATIONAL COMMUNITY SHOULD ENSURE FREE NAVIGATION AND TRADE AT SEA

An "important task" for the international community "is to maintain order at sea across the world, such as ensuring free navigation and trade", Foreign Minister Péter Szijjártó said in Brussels.

The minister added, however, that steps by the international community should not lead to "an escalation of the security threat ... or else it could result in a vicious cycle." Speaking at a press conference held on the sidelines of a meeting of trade ministers of the EU on Tuesday, Szijjártó said freedom in global trade and "undisturbed procedures" were especially important for Hungary. "Security threats impact the freedom of trade in the first place, while political-ideological threats could impede the free flow of investments," the minister said. The freedom of trade is impacted at the Red Sea, he said, adding that "it demonstrates the vulnerability of global supply chains, which could be compromised by armed conflicts at any part of the world."

The situation at the Red Sea and the resulting delays in shipments of goods from the East to Europe "demonstrates this interdependence because it impacts the European economy, leading to the temporary closure of businesses while jeopardising jobs," he said.

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.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340  
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



## **SZIJJÁRTÓ: W EUROPEANS WANT TO UNDERMINE CEE'S COMPETITIVE EDGE**

Western Europeans are mounting legal and political attacks in an attempt to undermine central Europe's competitive edge, Péter Szijjártó, the foreign minister, said in Brussels on Tuesday, insisting they were envious of CEE countries' ability to attract investments from the East. "Security threats largely undermine free trade, while political and ideological attacks threaten the free flow of investments", affecting export economies like Hungary's, Szijjártó told a press conference after a European Union Council meeting on trade affairs.

He said Hungary supported a global investment facilitation agreement to be adopted by the World Trade Organisation at its next meeting. This would undercut political and ideological obstacles in the way of the free flow of investments, he added. Szijjártó reiterated Hungary's objection to de-risking -- essentially separating the Chinese and European economies -- saying this was "an artificial political intervention" which went against Europe's economic interests. Dressed up in bureaucratic language, "they want to ... security screen investments from ... China," he said. The minister said Hungary did not want to be forced to return to artificial interventions in the

economy redolent of the communist era.

The next decade, he said, would be "a decade of Eastern investments in Europe". Most investments in Hungary in the past four years came from South Korea and China, respectively, nudging Germany and the US out of first place, he added. He said central Europe was more competitive than Western Europe in attracting investments, "and we Hungarians are the main driver of central Europe's success". "The global automotive revolution is essentially based on German-Chinese cooperation, and Hungary has become the European hub for all this," he said. Hungary, Szijjártó added, did not take the nationality of a company's owners into consideration, only that it should comply with Hungarian laws.

## **SZIJJÁRTÓ: ECONOMIC COOPERATION SHOULD NOT BE IDEOLOGICALLY TAINTED**

Economic cooperation amid the massive challenges facing global trade should not be ideologically and politically tainted, Péter Szijjártó, the minister of foreign affairs and trade, said in Brussels on Tuesday, arguing that a plan to screen investments was politically motivated. Arriving at the European Union Council meeting on trade affairs, Szijjártó told journalists that numerous "unfounded hostile statements" had been made recently

regarding Chinese investments. He said EU member states that were uncompetitive when it came to attracting investments resorted to such statements. Hungary, he added, was not in favour of de-risking. Hungary, the minister said, believed that rational East-West economic cooperation based on mutual respect could be rekindled. This, he added, would be a crucial basis for global economic development, and he noted that Hungary had become a hub for Eastern and Western investors.

Despite not being among the world's largest economies, Hungary has one of the most open economies, with exports worth 80-85% of GDP, he noted, arguing that the government therefore fully stood behind global free trade.

Given current security and political challenges in this area, freedom of navigation must be maintained worldwide, he said. Asked about the government's ban of Ukrainian grain imports, Szijjártó said Hungary would maintain it so as to protect its domestic market. "We should return to the original agreement on keeping transport routes of Ukrainian grain open," he said, noting that Ukrainian agricultural produce had flooded central European markets, which, he said, had flouted the agreement. Still, he said Hungary even made consequential investments to ensure that Ukrainian grain reached the states where it is really needed via Hungary. "Transit is fine; imports are not," he said.

## **ORBÁN INVITES SWEDISH PM TO VISIT HUNGARY TO DISCUSS NATO**

Prime Minister Viktor Orbán has invited Ulf Kristersson, his Swedish counterpart, to visit to Hungary, the PM's press office said on Tuesday. The talks will focus on Sweden's NATO integration and strengthening bilateral relations "through a deepening of mutual trust", the statement said.

## **ORBÁN HAS TALKS WITH UK'S CAMERON**

Prime Minister Viktor Orbán has talked by phone with British foreign secretary of state, David Cameron, the prime minister's press chief said on Tuesday.

Concerning the talks, Cameron said on social media that they had focused on Sweden's NATO integration and aid for Ukraine.

## **SZIJJÁRTÓ HITS BACK AT TUSK'S CRITICISM OF HUNGARY'S POSITION ON UKRAINE WAR**

Hungary is a sovereign country, "regardless of whether [Polish Prime Minister] Donald Tusk likes it or not", Foreign Minister Péter Szijjártó said on Monday, criticising Tusk's recent remarks on the Hungarian government's stance on the war in Ukraine. According to a ministry statement, Szijjártó said that during his visit to Kyiv, Tusk had shown "a

complete lack of respect by attacking" the Hungarian government's position. Tusk, Szijjártó said, had "accused our country of betraying Europe, being un-European, talking about the darkest place of political hell". "We have now, of course, seen and are seeing the developments of the last few weeks in Poland, and we can see the Polish prime minister's concept of democracy," Szijjártó said. "We see that they don't tolerate views that differ from those ... of the government in any way." "But as it stands, we really do have to ask: what sort of behaviour is this in Europe?" the minister said. "What kind of behaviour is it to only accept the existence of a single opinion? What kind of behaviour is it to be intolerant ... of other opinions on a given issue?" Szijjártó said the principle that people cannot be sanctioned for having different opinions was a fundamental European value. In a message to Tusk, Szijjártó said that in Europe everyone had a right to their opinion and to represent their position, for which they could not be sanctioned, labelled "un-European" or imprisoned. Meanwhile, he said it was clear that the war could not be resolved on the battlefield. He added that Hungary therefore would remain in favour of peace, and he called for an urgent ceasefire and peace talks. "Hungary is a sovereign country that has a right to represent its opinion," the minister said. "We insist on the need for peace in Ukraine as soon as possible, even if Donald Tusk holds a different opinion and represents a pro-war stance."

## **TRÓCSÁNYI: 'EP LEFT-LIBERAL MAJORITY PASSES JUDGMENT WITHOUT EVIDENCE'**

The left-liberal majority in the European Parliament acts as if it were a court and passes political judgment without evidence, without giving real reasons, ruling Fidesz MEP László Trócsányi said on Tuesday. Trócsányi told an event organised by The European Conservative that Hungary's judicial system was in line with European standards from all aspects. On the EU Justice Scoreboard, Hungary's justice system and its administration have been granted excellent scores, he added. Commenting on a report approved last week at the EP plenary session in Strasbourg concerning the 2021-2027 implementation of the Erasmus and Horizon EU student programmes, he said the EP had "robbed Hungarian researchers and young people" of the opportunity to participate, "without explanation of any kind or citing false arguments". Trócsányi said that the EP decision was "outrageous and unacceptable" considering that neither Erasmus nor Horizon affect the EU budget. "Hungary's participation would not endanger the EU's financial interests under any circumstances," he said. He added that it was "shameful" that the EP plenary had made such a decision ahead of the June EP elections. "The decision was motivated by fear that centrist-right political parties would gain strength not only in Hungary but throughout Europe," he said.

## **MINISTER CALLS CULTURE KEY FOR IDENTITY, MARKING DAY OF HUNGARIAN CULTURE**

Marking the Day of Hungarian Culture, the culture minister said "Hungarians have a rich tradition in reflecting what happens in the spheres of religion, the arts and sciences in the world," in an interview on Monday. In this spirit, János Csák called it important "to move all the tangible, intellectual, musical and literary treasures of Hungarian culture to the world's digital network", which he said was of as great significance for the existence and survival of the Hungarian nation as the conversion to Christianity had been 1,100 years ago. "With ten million Hungarians living here, and altogether 15 million around the world, the task for the state and the minister in charge can be nothing other than giving backing to those who want to preserve this culture," he told public cultural TV channel M5. The minister said "the woke and cancel culture of the Western world" was aimed at "eradicating traditions", adding that without "cultural spaces", religion, philosophy, the arts and science, "culture will be lost". He noted that the government had spent over 1.5 billion euros on "building cultural infrastructure" between 2015 and 2023 and had supported cultural projects for Hungarian communities in the Carpathian Basin and in the diaspora. Hungary this year will celebrate the 145th birth anniversary of writer

Zsigmond Móricz, the 50th anniversary of the Rubik's Cube and the 30th anniversary of great piano virtuoso György Cziffra's death, said the minister.

A state award named after jazz legend Béla Szakcsi Lakatos will be established to recognise outstanding achievements in Hungarian jazz and to support young talents, Csák said, adding that it would be presented first in 2025. January 22 was declared the Day of Hungarian Culture in 1989, marking the day when poet Ferenc Kölcsey finalised the text that later became Hungary's national anthem in 1823.

## **GOVT OFFICIAL: 'PRESERVING OUR HUNGARIAN IDENTITY, CULTURE VITALLY IMPORTANT'**

"Preserving our Hungarian identity and our culture is not a minor detail, but something that is vitally important, because only a community that is proud of its nation and culture can survive," the state secretary for Hungarian communities abroad said in Dunajská Streda (Dunaszerdahely), in southern Slovakia, marking the Day of Hungarian Culture on Monday. "The easiest way we can preserve our culture ... is by making it a part of our everyday lives by enrolling our children in Hungarian schools ... and observing our customs," Árpád János Potápi said at the event. "This is all the more important today because we are seeing a worrisome process in Europe," he said. "They want to settle foreign people [here],

they're tearing down millennium-old treasures and churches and they reject Christianity, the set of values that is a part of our Europeanness." If Hungarian cultural life stays strong, then the Hungarian community will be able "to accomplish big things in other areas, too," the state secretary said. "Respecting and passing on our culture from generation to generation is about respecting our ancestors and ourselves."

## **SOCIALISTS URGE OPPOSITION TO UNITE**

The Fidesz party could "recapture" Budapest unless parties of the opposition field joint candidates in the June municipal elections, the Socialist Party's co-leader, Ágnes Kunhalmi, said on Tuesday. The Socialists will launch a signature drive to gather support for the opposition to cooperate in the municipal and European parliamentary elections held on the same day, she said, adding that the goal was to collect 100,000 signatures before March 15. The initiative could send a message to the opposition parties that "it is their hard and fast duty to cooperate with each other," she said. "In an anti-democratic authoritarian system, opposition parties should not compete with each other," Kunhalmi said, adding that Fidesz could be defeated in both elections if the opposition united. She also proposed "systematic cooperation in periods between elections", adding that this was "the one method the opposition has not tried yet".

Socialist group leader Bertalan Tóth cited a recent survey indicating that 80% of voters supported the opposition fielding joint candidates and 94% would support joint opposition lists. "Opposition voters do not blame cooperation itself for the election fiasco of 2022, but the quality of that cooperation," Tóth added. Also, he said that separate opposition parties would receive fewer votes than if they stumped together for the EP election, insisting that a united opposition could win ten EP mandates against nine for Fidesz.

### **DK CALLS FOR EUROPEAN MINIMUM WAGE TO BE ADJUSTED TO 60% OF MEDIAN WAGE**

If Hungary introduces the European minimum wage, it should be set at either 60% of the median wage or 50% of the gross average wage, depending on which is the higher amount, the opposition Democratic Coalition (DK) said on Tuesday. Csaba Molnár, the party's deputy leader, told a press conference that the national minimum wage or the wage specified in the collective contract should never be lower than the European minimum wage. Commenting on the raise in teachers' wages, he said "tricks and misleading communication" concerning teachers' wages had been used for a decade. He added that contrary to the 32-33% increase that had been announced, DK and professional organisations were in agreement that

teachers also carrying out research and senior teachers with higher qualification would get less than last year's inflation rate. He called for teachers fired "unlawfully" in the recent period to be reinstated, and maximising teachers' working hours spent in the classroom at weekly 22 hours. Molnár also said that instead of "attempts beyond reason to attract eastern capital", competitive areas of the economy characterised by high value added should be developed. In response to a question, he said Sweden's NATO accession was an "elementary interest" of Hungary, the European Union and NATO. In response to another question, Molnár said DK would continue to propose that the opposition parties that form the current coalition in the capital should run on a joint Budapest list at the upcoming local elections.

### **MINISTRY CONFIRMS BUDGET DEFICIT AT HUF 4,593.4 BN IN 2023**

Hungary's cash-flow-based budget deficit came to 4,593.4 billion forints at the end of December, the Finance Ministry confirmed in a detailed reading of data published Monday. The central budget deficit was 4,293.3 billion forints at the end of the month and the social security funds were 412.3 billion in the red. Separate state funds posted a 112.3 billion surplus. The budget deficit widened from 4,074.3 billion forints at the end of November, but the ministry noted that the full-year gap was below 4,672.1 billion forints the previous year.

The ministry said the war, the energy crisis resulting from sanctions policies, and the high-risk global economic environment had put the budget under "significant pressure". In spite of the unfavourable circumstances, the budget ensured the preservation of the value of pensions, and the continuation of family subsidies and the regulated utilities price scheme for households, it added. The ministry noted that expenditures related to the regulated utilities price scheme for households came to 1,373.5 billion forints in the full year, close to double the 699.2 billion in 2022. Spending on EU funded programmes came to 2,812.2 billion forints in the full year, while transfers from Brussels were worth 2,229.2 billion. The ministry said revenue from taxes and contributions was up 15.2% from the base period. The finance ministry earlier estimated the accrual-based ESA general government deficit reached 5.9% of GDP last year.

### **HUNGARY NOV GROSS WAGES UP 14.1% YR/YR**

The gross average wage in Hungary amounted to 621,200 forints (EUR 1,622) in November, increasing by an annual 14.1%, while net pay came to 413,100 forints, the Central Statistical Office (KSH) said on Tuesday. Net wages were up by 14.0% year on year, while real wages, calculated with a November inflation rate of 7.9%, rose by an annual 5.7%. Taking supplementary payments into account, the average net salary was 427,700 forints. The gross median wage rose by



16.0% to 489,400 forints. Sándor Czomba, the state secretary for employment policy, said the government's successful measures to push down inflation had resulted in renewed growth in real wages from September. As well as encouraging future wage rises, the government also wants to boost the activity rate of people aged 15-64 from 78% to 85% as part of a new labour market scheme aimed at stimulating economic growth, with a target of 4%, he said in a statement. The state secretary also noted that from Dec 1 last year, the basic minimum wage grew by 15% and the one for skilled employees by 10%.

### **SZIJJÁRTÓ MEETS BAVARIA ECON MINISTER, BMW BOARD MEMBER IN MUNICH**

Péter Szijjártó, the minister of foreign affairs and trade, met Hubert Aiwanger, the economy minister of Bavaria, in Munich on Tuesday. Bavaria is one of Hungary's most important economic partners with the largest volume of bilateral trade, the foreign ministry said in a statement. Péter Szijjártó welcomed economic cooperation which he said "has a

bright future" as it is built on the cooperation of companies. He also met Milan Nedeljkovic, the management board member in charge of production at German car maker BMW, and said that the company's investment in Hungary "will significantly contribute to the country's economic performance". Szijjártó welcomed that the construction of the BMW plant in Debrecen, in eastern Hungary, was "progressing well", adding that recruitment was underway. He said that Debrecen and eastern Hungary had become a "new hub" for the European automotive industry "thanks in large part also to Bavarian companies". BMW laid the cornerstone of the vehicle manufacturing plant in Debrecen in the summer of 2022. Production of the fully electric Neue Klasse is set to start there in 2025.

### **NATL ECONOMY MINISTRY ADDRESSES HUNGARIAN- FRENCH CHAMBER OF COMMERCE AND INDUSTRY**

National Economy Minister Márton Nagy spoke at the year-opener event of the Hungarian-

French Chamber of Commerce and Industry on Tuesday. French companies in the automotive, pharmaceutical, food, retail and energy sectors provide livelihoods for 41,000 households in Hungary and generate annual revenue of more than 3,700 billion forints (EUR 9.7bn), Nagy said at the event. French-owned companies form the fifth-biggest group of investors in Hungary, accounting for about 6% of FDI arriving in the country, he added. French ambassador to Hungary Claire Legras as well as executives from the local units of Auchan, Cofidis and Sanofi attended the event, the National Economy Ministry said.

### **OVER 7,000 UKRAINIAN CITIZENS ENTER HUNGARY ON MONDAY**

Fully 3,898 Ukrainian citizens entered Hungary at the Ukraine-Hungary border on Monday, while 3,495 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 34 people, ORFK said on Tuesday.