### THUNGARY MATTERS

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#### **UPCOMING EVENTS**

**EU defence ministers meet in Brussels** 

Stats office releases December tourism figures

Events related to the wars in Ukraine, Israel

**TOP STORY** 

#### SZIJJÁRTÓ: 'LONG WAY AHEAD'

Encouraging steps have been made to restore an atmosphere of trust between Hungary and Ukraine, though the road ahead "is long and much work will need to be done", the foreign minister said after talks in Uzhorod.

Hungary is ready for this, Péter Szijjártó told a joint press conference after talks in Uzhorod (Ungvár) with Ukrainian counterpart Dmitro Kuleba and Andrij Yermak, the head of the presidential office. Bilateral ties, he said, had deteriorated "because the rights of Transcarpathian Hungarians have been curbed again and again since 2015", He added that ties had been dominated by unresolved issues rather than good relations. He said the law adopted by the Ukrainian parliament last December "undoubtedly stopped this negative spiral" but the government expected the rights afforded to the Transcarpathian Hungarian community to be restored to what they were in 2015. "I want to emphasise ... that Hungary wants no special treatment; we want nothing we didn't have before..." Szijjártó said. Hungary, he added, has prepared an 11-point list of requests, including restoring the status of schools for ethnic minorities, the opportunity to sit school-leaving exams in Hungarian, as well as the unrestrained use of Hungarian in higher education, culture, public services and community life.

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#### SZIJJÁRTÓ: STEPS TAKEN TO REBUILD TIES

"We came here to rebuild trust in bilateral ties. I think we agree that we have taken steps in that direction," Péter Szijjártó told a joint press conference after talks in Uzhorod (Ungvár) with Ukrainian counterpart Dmitro Kuleba and Andrij Yermak, the head of the presidential office. "We still have a long way ahead of us, and a lot of work to do, but we Hungarians are ready to undertake it," he said. Hungary's position regarding Ukraine was clear and consistent in the past two years, Szijjártó said. "We stand for Ukraine's territorial integrity and sovereignty. We condemn the war and want peace in our neighbourhood," he said. The minister called for renewed efforts to restore peace in Ukraine. "Hungary is ready to continue making such efforts, because we know that lives can only be saved when there is peace," he said. He said that since 2022 Hungary had been carrying out the biggest humanitarian operation in its history, and some one million refugees had entered Hungary. Fully 5,442 Ukrainian children are attending 1,558 schools and kindergartens in the country, he added. Meanwhile, Hungarian aid has reached some 500,000 families in 20 Ukrainian counties, including summer camps for 14,000 Ukrainian children, Szijjártó said, pledging to continue restoring hospitals, schools and doctors' surgeries in various parts of Ukraine.

also touched on the He development of cross-border infrastructure, saying that the talks "have yielded results" in that area. A 120 million euro logistics centre has been built on the Hungarian side of the border and a new border crossing will soon open between Nagyhódos and Velyka Palad (Nagypalád), he added. They also agreed to expand road and rail crossings near Beregsurány and Záhony, and to explore the construction of a new bridge across the River Tisza, he said.

Szijjártó said he had also asked Kuleba to maintain reliable oil transit, and "to create a fair environment" for Hungarian companies in Ukraine. He thanked Transcarpathia governor Viktor Mikita for ensuring "that Hungarians and Ukrainians can live peacefully side by side", adding that Mikita was "instrumental in dealing with attempts to artificially stoke tensions" in the region. "Certain segments of the international media have made a sport of misconstruing and misrepresenting Hungary's stance. Such activities could create tensions in everyday life as well as in politics." Szijjártó said he had assured Mikita within days of the start of the war that the Hungarian government "will consider all his requests immediately and fulfill them whenever possible". Hungary has fulfilled that promise in the past two years and would continue to do so, he said.

#### EU COMMISSIONER: IF SITUATION IN HUNGARY WORSENS, EC COULD BLOCK FUNDS AGAIN

If the situation regarding the rule of law worsens in Hungary, the European Commission could block funds to the country again, European Commissioner for Values and Transparency Vera Jourová said in Brussels, adding that "this is a dynamic process". "Blockage of money always comes when the country does not fulfil something," Jourová said, arriving at a meeting of the General Affairs Council. "And in the case of Hungary, it was the lack of certainty that the corruption and fraud has been prosecuted sufficiently. So, once Hungary started to reform the justice system, we started to release the money."

The Financial Times on Monday said that under a secret plan drawn up by Brussels, if EU leaders failed to reach an agreement on a 50 billion euro aid package to Ukraine at this week's special summit, EU member states would publicly declare that "they cannot imagine" that Hungary would receive the funds it is owed.

#### BÓKA: HUNGARY WON'T GIVE IN TO 'BLACKMAIL'

The Hungarian government "will not give in to blackmail", the minister of European affairs said on Facebook in reaction to press reports suggesting that EU members could try and

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withhold community funding from Hungary "unless the EU summit on February 1 passes a decision on aid to Ukraine". János Bóka said the reports "support the Hungarian government's assertion that Brussels uses access to funding for exerting political pressure". "Hungary does not link aid to Ukraine with its accessing EU funds and rejects others' doing so ... Hungary has been a constructive participant in negotiations and will not give in to blackmail," the minister said.

#### JOBBIK PROTESTS AGAINST IMPORT OF GUEST WORKERS

The parliamentary group of the opposition Jobbik-Conservatives party on Monday held a protest against the import of foreign guest workers to Hungary in front of the prime minister's office in Budapest's Castle District. László György Lukács, the party's group leader, said the import of "cheap Asian migrant workers" had picked up lately as the government was letting tens of thousands of guest workers into the country, where they carried out lowwage labour.

He said the government itself was partly responsible for financing the guest workers since its policies supported factories from the East setting up in Hungary, and such companies preferred to employ cheap labour from abroad instead of "valuing the well-trained Hungarian workforce". In effect, he added, the government was sponsoring a population

exchange given that people struggling to find work in Hungary were forced to emigrate.

Meanwhile, the opposition Democratic Coalition party on Monday also expressed its support for paying Hungarian workers a proper wage rather than importing underpaid guest workers. Under a draft bill drawn up by the prime minister's cabinet office, companies that employ at least 60% non-EU guest workers would reap generous tax breaks, Ferenc Varga, a DK politician who sits as an independent, told an online press briefing, adding that the measure was a "betrayal of Hungarians". He said sacking a Hungarian employee to make way for a non-EU guest worker instead should be prohibited.

## HUNGARY AGREES VOLUNTARY PLAN WITH BANKS TO BOOST CORPORATE LENDING

The economy ministry has said domestic banks have agreed on a voluntary scheme to boost lending to companies, using the BUBOR rate as the benchmark for lending rather than the earlier planned Treasury bill yields. The deal aims to reduce borrowing costs with a view to restoring economic growth. Banks will voluntarily reduce their spreads on corporate credit over the BUBOR to 0 percent on a temporary basis, the ministry said in a statement on Monday. The agreement covers the three-month period from Feb 1, and

will remain in effect for six months after disbursal, it added.

The voluntary measure followed "intensive and constructive" talks held in the interest of encouraging market lending and to address the recent divergence of the three-month BUBOR and the three-month T-bill yield -- unprecedented for a period of 20 years -- which had disrupted the pricing of loans, the ministry added. The official three-month BUBOR fixing of the central bank (NBH) was 9.30% on Monday, while the threemonth Treasury bill benchmark was 6.84%. The ministry estimated that the voluntary measure would reduce rates for overdraft, working capital and investment credit by 2-4 percentage points.

# PUBLIC TRANSPORT PASSES WILL REMAIN VALID THROUGHOUT CAPITAL, AGGLOMERATION

Commuters will continue to benefit from cheap and user-friendly public transport as monthly passes covering Budapest and other parts of the country will be accepted on routes operated by Budapest transport companies, Gergely Karácsony, the mayor of Budapest, and János Lázár, the transport and construction minister, agreed on Monday. The dispute over the mechanism for how various authorities spread the costs to ensure that passengers' passes are accepted in different zones has

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been resolved in principle, while the technical details are being worked out by the ministry, the municipality and transport companies so that the agreement enters into force on March 1, the mayor's office said in a statement.

Instead of the central government subsidising the capital with a lump sum of 12 billion forints (EUR 31m) each year, a mechanism will ensure reimbursements of the costs of public transport in Budapest and its agglomeration that are not covered by revenue. Income from the Budapest, Pest County and nationwide passes and fare supplements will be divided "in proportion to performance", it said. As part of the deal, the metropolitan council will also reimburse national rail company MÁV 5.57 billion forints to cover public transport agglomeration costs it accrued in 2022-2023.

Lázár hailed the deal as ensuring a "simpler, better and fairer" system than the previous one. While the Budapest pass will remain valid throughout the capital, BKK will also accept the Pest County pass and the national pass, he said on Facebook after the agreement was signed. He added that

the agreement also served as a model for all rural settlements and paved the way for a "national tariff community".

## DEFENDANT IN FEB 2023 BUDAPEST VIOLENT ATTACKS SENTENCED TO 3 YEARS IN PRISON

A Budapest court has sentenced a foreign man who carried out armed organised attacks Budapest last February as part of the Antifa movement, to three years in a maximum security prison for attempted battery. The Budapest Municipal Court's first-instance ruling also ordered the man to be expelled from Hungary for a period of five years on completion of his prison sentence, the court's press department said in a statement on Monday, adding that another man and a woman are codefendants in the case.

According to the indictment, the defendants, all foreign nationals, were members of "an organisation of young adults sympathising with far-left ideologies" who had planned on "taking the ideological fight to

militant far-right sympathisers who espoused fascist views" by carrying out violent attacks and taking part in demonstrations and protests. The court determined that the defendants had planned to assault their victims with deadly weapons "so that the humiliation they felt" over the unexpected attacks would cause them "mental anguish" and act as a deterrent to representatives of far-right movements. They said the defendants had travelled to Hungary to take part in coordinated attacks.

At Monday's preparatory hearing, the secondary co-defendant pleaded guilty to the charges and waived his right to a trial. The court accepted the plea and sentenced the man to three years in a maximum security prison and expelled him from Hungary for five years. Prosecutors had sought an 11-year prison sentence for the primary defendant and 3.5-year sentences for the two co-defendants. They also wanted the primary defendant expelled from Hungary for 10 years and the other defendants for 5 years each. Both the prosecution and the defence are appealing the verdict.

