

PHOTO OF THE DAY



MTI/Zsolt Czeglédi

North China leopard cub at the Debrecen Zoo

UPCOMING EVENTS

EU defence ministers hold informal meeting in Brussels

Stats office reports on Dec industrial PPI

Events related to the wars in Ukraine, Israel

TOP STORY

PM: EU MEMBERS WITH OWN OPINIONS 'BLACKMAILED'

Prime Minister Viktor Orbán has told French weekly *Le Point* that member states that diverged from the EU on the issues of war, migration and gender, were blackmailed by "imperialist Brussels".

In the interview published on Tuesday, Orbán said Hungary maintained its stance that no military solution to the war in Ukraine was foreseeable and a ceasefire and peace talks were necessary. Other EU member states, however, tended towards a military solution and recommended the EU hand over 50 billion euros to Ukraine over four years, he added. Sovereign Hungary, he said, opposed the related budget amendment, yet the other member states did not recognise this sovereign right, and were attempting to blackmail the government into supporting the financing package. Hungary, he added, was prepared to sign up to the deal if member states could decide unanimously each year whether or not to continue sending the money to Ukraine. This was not about blackmailing the bloc with its veto but about restoring and maintaining EU unity, he said. Asked about how Hungary's position had been received, Orbán said: "If I understand correctly, the *Financial Times* published ... the response, which was hardly positive."

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ORBÁN: BRUSSELS WANTS TO MOUNT FINANCIAL BLOCKADE AGAINST HUNGARY FOR 'ACTING LIKE A SOVEREIGN COUNTRY'

Prime Minister Viktor Orbán told French weekly *Le Point* that the reaction in Brussels to Hungary acting like a sovereign country was to mount a massive financial blockade and link the Ukraine issue to the rule of law, "even though they have nothing to do with each other". Put to him that a senior European Council official had dismissed the information published by the *Financial Times*, Orbán said: "We're not just out of kindergarten". If the document published in the *FT* describes a financial blockade against Hungary in detail, "such a scenario exists for sure", he said. Orbán accused the EU of becoming increasingly imperialist rather than "a community of sovereign states", and he charged the European Commission with waging an ideological war against Hungary. Its complaints about Hungarian migration and gender policies have nothing to do with corruption or the quality of justice, he added. "It's clear that the real bone of contention with Hungary isn't the rule of law." Stripping Hungary of its vote in the European Council would be possible only in the case of a rule-of-law violation, he said, adding that Ukraine was an unrelated issue.

Orbán said European institutions did not take the rule of law seriously but used it as a tool to blackmail countries that wanted to preserve their sovereignty and hold their own opinions. He said the argument of other EU member states that annual financing would prevent Ukraine from planning its spending over four years could be taken seriously but was "unacceptable". It is hard to predict what would happen in the next few months "let alone in another four years", he said, adding that it was unknown what the US' role would be after the November presidential election. Referring to the upcoming European Parliament elections, Orbán said the opinion of Europeans would be bypassed if a decision on funding for Ukraine were made today. The 50 billion euros in question would be "very useful for the people of Europe", he said, adding that the continent was "increasingly suffering due to the poor performance of the economy". Asked about Donald Trump's re-election prospects, Orbán noted that he had said in 2016 that Europe needed Trump since it was usual in international politics that the basis of decision-making was the national interest. Even without the war, "Ukraine is a serious problem for Europe", he said, arguing that closer ties with the EU, or even its accession, could have "a catastrophic effect" on European economies, especially its agriculture.

SZIJJÁRTÓ: HUNGARY-BAHRAIN ECONOMIC COOPERATION ON CUSP OF NEW CHAPTER

Economic cooperation between Hungary and Bahrain is on the cusp of a new chapter, with Hungarian exports and investments there growing apace, Péter Szijjártó, the minister of foreign affairs and trade, said on Tuesday. Closer ties with the Gulf region could give fresh impetus to the European Union, he said after a meeting of the Hungary-Bahrain Joint Economic Committee, adding that the government supports agreements with the region on free trade and visa exemptions. Hungary has already had a partial visa exemption agreement with Bahrain, and talks on investment protection are also under way, Szijjártó told a press conference. The European Commission has approved the text of the investment protection agreement, which can be signed soon, the ministry quoted him as saying.

The minister referred to two important chemical industry projects headed by Hungarian oil and gas company MOL, which "have reached the finishing line in Bahrain". The projects are about raising the efficiency of local natural gas extraction, while rubber bitumen produced by MOL will also be used during construction and infrastructure development. Also, companies in Bahrain are increasingly making use of Hungarian IT solutions, particularly

when it comes to online payment platforms, he added. Meanwhile, he said Bahrain always promoted the cause of peace and could be counted on in the global fight against terrorism. Szijjártó hailed Bahrain's signing of the Abraham Accords on normalising ties between Israel and several Arab states, adding that hopefully it would be possible to return to a path of peaceful coexistence.

In response to a question, Szijjártó said holding a Hungarian-Ukrainian summit would only make sense if it could open a new chapter in bilateral relations, adding that the two sides had "a lot of work to do" before then. "There's a long way to go before a high-level meeting can take place, but we're prepared to do this work together," Szijjártó said. "We took some important steps yesterday," he said. "In the coming days and weeks, the intergovernmental working group on education will have to carry out the work that'll allow the Transcarpathian Hungarian community to regain the rights they enjoyed in 2015." "We're working on making sure that infrastructure developments linking the two countries are successful and that transport developments in the border regions can go ahead," the minister said. "If these are fully completed, it can lead to a new chapter and a new era ... and once this is done, it will make sense to talk about when and where to hold a high-level meeting."

Concerning this week's special EU summit, Szijjártó said Hungary still

believed the war could not be settled on the battlefield, and a ceasefire and peace talks were needed instead of weapons deliveries. "And that's exactly why we don't think spending billions of euros more on allowing the war to continue is a good proposal," he said. "But we understand that most EU member states are in a state of war psychosis, so one compromise could be deciding on the financial aid to Ukraine on a yearly basis with the requirement of unanimity." As regards the ratification of Sweden's NATO accession, the minister said there was no sense in convening a special session of parliament for a vote, because parliament will reconvene for its spring session at the end of February, and lawmakers will be able to schedule a vote on the matter then.

SZIJJÁRTÓ: BYD SIGNS PRELIMINARY LAND PURCHASE DEAL FOR HUNGARY PLANT

Chinese electric car maker BYD has signed a preliminary agreement to purchase 300 hectares of land outside Szeged, in southern Hungary, to build its first plant in Europe, Péter Szijjártó, the foreign minister, said on Tuesday. According to a ministry statement, Szijjártó hailed the project as "one of the most important investments in Hungary's economic history by one of the world's largest electric car makers". The new plant will be the fifth such car factory in Hungary, Szijjártó said, adding that three were

German, while BYD would be "the second company from the East". The project will cost "billions of euros" and create jobs "in the thousands", he said, adding that the Hungarian government would provide a grant to the project after negotiations with the European Commission concerning the magnitude of the sum. The BYD project, the minister said, would ensure that the Hungarian economy stays on a growth path in the long run. "We in Hungary support green energy and the green industry, not on an ideological but on a practical basis ... here environmental protection and boosting competitiveness go hand in hand," Szijjártó said.

He said competition to win the BYD project had been "extremely sharp" and insisted that Hungary could not have won the investment "without cooperation between the government and Szeged". He added that implementation of the project would require further close cooperation. Szijjártó highlighted Hungary as "the primary destination of Chinese investments in central Europe", having received the most FDI from eastern Asia in recent years. "We reject political endeavours to decouple the European economy from China," he said. "In Hungary the interdependence of the Eastern and Western economies is more obvious than anything ... it is also clear that everybody will benefit from a cooperation between Eastern and Western economies," he said. Since 2018, Hungary has been among the 20 largest car exporters in the world,

Szijjártó said, adding that in the past 15 years the sector's production volume had grown 3.5-fold, "exceeding the 10,000 billion forint mark in 2022" and increasing further since.

HUNGARY CBANK CUTS BASE RATE BY 75 BP

Hungarian central bank (NBH) rate-setters cut the base rate by 75 basis points, to 10.00%, at a regular policy meeting on Tuesday. The Council also decided to lower the symmetric interest rate corridor in tandem, bringing the O/N deposit rate to 9.00% and the O/N collateralised loan rate to 11.00%.

In a statement released after the meeting, the Council said Hungary's risk perception improved further despite a "volatile global sentiment" thanks to "the trend-like improvement" in the country's current account balance, and the current account balance-to-GDP ratio improved by more than 8 percentage points in 2023. The Council said "the utilisation of new export capacities built recently and the improving global economic environment" were expected to give new impetus to exports in the coming years. The inflow of EU funds, they added, would contribute to boosting Hungary's net lending and an increase in central bank foreign exchange reserves. Disinflation is expected to continue in the first quarter and inflation "is likely to approach the upper bound of the tolerance band in the spring months", the Council said. "In the coming months, decisions on any further reductions in the base rate and their optimal pace will

be made on the basis of this information, in a data-driven manner," they added.

At a press conference after the meeting, deputy bank governor Barnabás Virág said improvements in macroeconomic fundamentals could have allowed a bigger cut, but said "noise" on money markets that started a week ago Monday had justified the 75 basis point option.

PRESIDENT NOVÁK VISITS SARAJEVO

President Katalin Novák, paying a visit to Sarajevo, on Tuesday met members of the state presidency of Bosnia and Herzegovina before having talks with Borjana Krišto, the country's Chairwoman of the Council of Ministers. The European integration of the Western Balkans, the EUFOR Althea mission, demographic issues, and economic and cultural relations were topics on the agenda of talks, the Sándor Palace said in a statement on Tuesday. Novák noted Hungary's support for the European integration of the Western Balkans and praised the role of Hungarian soldiers in the EUFOR Althea mission. On Wednesday, she will visit the soldiers participating in the mission and lay a wreath on the memorial statue of fallen soldiers and participate in the ceremonial handover of the mission's command. Novák said that while the EU may be experiencing enlargement fatigue, countries of the Western Balkans must also be included in accession talks which now embrace Ukraine, Moldova and Georgia. During its last EU presidency, Hungary made

progress in advancing the region's EU integration, she said, adding that this time round it would be a priority of its presidency in the second half of the year.

Defence Minister Kristóf Szalay-Bobrovniczky, present at the meeting, said Major General László Sticz, among the most experienced members of the Hungarian general staff, will take over the leadership of the Althea mission.

Bosnian leaders said they were keenly interested in Hungarian family-friendly measures. Novák said that a country had no future if no children were born, and Hungary was glad to share its experience in this area. She also highlighted possibilities inherent in the Stipendium Hungaricum programme, which, she said, may contribute to strengthening relations between Bosnia-Herzegovina and Hungary.

SZALAY-BOBROVICZKY: INTERNATIONAL ATTENTION MUST BE MAINTAINED TO PRESERVE W BALKANS STABILITY

"It is especially important in the current era of dangers that international attention is maintained in the Western Balkans in order to preserve stability, and Hungary continues to play a role in this," the defence minister said in Sarajevo on Tuesday after talks with Zukan Helez, his counterpart from Bosnia and Herzegovina. The ministry cited Kristóf Szalay-Bobrovniczky saying that Hungary had a vested interest in

the political and economic stability of south-eastern Europe, including Bosnia and Herzegovina, because it contributes to the security of Hungary and Europe. "We are ready to deepen bilateral military cooperation, including professional meetings and training," he said. "Our defence ministries are continually working together to strengthen relations," he added.

He noted that Hungary was going to fulfil the role of European Union president in the second half of this year. "It is among our most important goals that during Hungary's European Union presidency we highlight the importance of EU enlargement and the strengthening of European defence capabilities," he added. The ministry said Szalay-Bobrovniczky was scheduled to meet on Tuesday the heads of the EUFOR Althea peacekeeping mission set up 20 years ago, its Hungarian commander and Hungarian soldiers serving in Bosnia and Herzegovina.

2024 INTL RELIGIOUS FREEDOM SUMMIT OPENS AT HUNGARIAN EMBASSY IN WASHINGTON

This year's International Religious Freedom Summit opened at Hungary's embassy in Washington, DC late on Monday. Speakers at the event called the fight for religious freedom "the most important human rights fight of the present". Tristan Azbej, Hungary's state secretary in charge of aid to persecuted Christian communities, told MTI on the sidelines of the event that it was "a sign of recognition of the

Hungarian government's work in the field" that the embassy was hosting it. In his opening address, Azbej gave an account of the Hungarian government's recent efforts to provide aid to persecuted Christians through the Hungary Helps programme, focusing on communities in Nigeria, Nicaragua and Iraq.

Katrina Lantos, the daughter of late congressman Tom Lantos and co-president of the summit, said Hungary "is setting the pace" in helping persecuted communities, its efforts "manifested in deeds, not only in words".

Nigerian Bishop Wilfred Anagbe said "every person has to right to exercise their religion and faith," and referred to Hungary as a "spearhead" in the fight for persecuted Christians.

MI HAZÁNK URGES LENDING REFORM

The opposition Mi Hazánk movement has urged the reform of domestic lending rules, arguing that adjustable-rate loans should be reduced drastically since variable repayments imperilled borrowers. An interest cap for loans taken out with bank cards preventing repayments with up to 50% annual interest could be introduced, Zsuzsanna Fiszter, the party's finance spokeswoman, told a press conference on Tuesday. She also said interest rates linked to the Budapest interbank forint lending rate (BUBOR) was problematic given its regular gyrations. Fiszter said her party wanted bank transaction costs to be minimised or even abolished, and the same should apply to fees levied on cash deposits.

OVER 7,700 UKRAINIAN CITIZENS ENTER HUNGARY ON MONDAY

Fully 3,936 Ukrainian citizens entered Hungary at the Ukraine-Hungary border on Monday, while 3,770 came to the country via Romania, according to the national police headquarters (ORFK). Police issued temporary residence permits valid for 30 days to 17 people, ORFK said on Tuesday.

GUEST NIGHTS CLIMB 12.8% IN DECEMBER

Guest nights at commercial and private tourism accommodations in Hungary rose by 12.8% to 2,675,000 in December from the same period a year earlier, data released by the Central Statistical Office (KSH) on Tuesday show.

The number of guest nights spent by domestic travellers increased by 8.3% to 1,188,000, and guest nights spent by foreign visitors rose by 16.6% to 1,487,000. Visitors from the United Kingdom spent 84,600 guest nights at tourism accommodations in Hungary in December, more than any other nationality. Romanian visitors spent 82,200 guest nights and visitors from Italy spent 78,700. The number of guest nights spent by visitors from Asia reached 121,200, falling by 15.8% from the base period. The capital was the most popular destination in December, accounting for 922,000 guest nights. Lake Balaton was runner-up, with 240,000 guest nights. Revenue of commercial accommodations, which include hotels, bed-and-breakfasts, camp sites, resorts and hostels, rose by 15% to 50.5 billion forints (EUR 129.7m).

