HUNGARY

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UPCOMING EVENTS

Informal meeting of EU foreign ministers in Brussels

Events related to the wars in Ukraine, Israel

TOP STORY

'HUNGARY'S MONEY WON'T GO TO UKRAINE'

The Hungarian government "has fought for and been given a guarantee" that funds due to Hungary "cannot be sent to Ukraine", Viktor Orbán has said.

After an extraordinary EU summit in Brussels, the prime minister said EU leaders had negotiated for many hours over "whether to support Ukraine and if so, in what way and with how much money". "That's the point when talks broke down last December, when Hungary did not receive answers to the issues," he said in a video posted on Facebook. "We were concerned that EU funds due to Hungary, which the country has not yet received from the European Commission, would sooner or later end up in Ukraine. And we were also afraid that we would provide Ukraine funding for the long run" without any oversight, Orbán said. Leaders at the summit negotiated a control mechanism to ensure "the reasonable use of EU funds", he said, while "Hungary has received a guarantee that funds it is entitled to will not end up in Ukraine," Orbán said, adding that "Hungary accepted this offer after long negotiations". The prime minister also welcomed the positive reaction by the international markets to the agreement.



GOVT OFFICIAL: 'BRUSSELS STRIDING BLINDLY INTO ARMED CONFLICT'

"Brussels is gripped by war fever and its leadership is striding blindly into armed conflict," the prime minister's political director said, reacting to the EU's decision to grant 50 billion euros in aid to Ukraine. "We Hungarians will not give up our pro-peace position, we will not send weapons or take part in the war," Balázs Orbán said on Facebook. "We believe we will be proven right on the matter of the war, as we have been regarding migration. We know the majority of Europeans want peace," he said. On the matter of aid for Ukraine, the political director said there had been a risk that "that funds would be sent without any sort of oversight mechanism ... and that Hungarians' monies would also land in Ukraine." Hungary successfully prevented both at the summit earlier on Thursday, he said.

He said the Ukraine aid would be reviewed after one year and reconsidered after two years in view of the EU's budget for that period. Hungary will retain the resources it is entitled to, and their disbursement will be negotiated with the European Commission in a "fair procedure", according to a European Council guarantee, he said. Balázs Orbán said European citizens would have to weigh in "if pro-war Brussels is to be stopped, so we must achieve change together" at the European parliamentary elections later this year.

ORBÁN MEETS FARMERS PROTESTING IN BRUSSELS

Prime Minister Viktor Orbán met farmers protesting in downtown Brussels, and said European leadership must better heed the voice of the people. Earlier on Wednesday evening, Orbán had talks with Mateusz Morawiecki, the former Polish prime minister, the prime minister's press chief said. Orbán told Belgian journalists that a "new elite" was needed in Europe because "the voice of the people in the street is not being taken seriously, be it on migration or the war in Ukraine ... that is a democratic deficit." The European Union "does not adequately respect" that agriculture is an important component of the European economy, Orbán said. Many countries introduced regulations that made their situation more difficult, he said, adding that much laxer regulations on Ukrainian agriculture had created an "unfair competition".

"We Hungarians, Poles and Slovaks are the first to feel that burden, as we live in Ukraine's neighbourhood. But the danger and loss will sooner or later reach the inside of the continent, and will be felt here, in Brussels, as well as in France and Spain," he said. That trend must be stopped, Orbán said. "The European Commission must represent the interests of European farmers against Ukrainians, not the other way around," he said. The prime minister called for stopping the import

of Ukrainian produce, adding that discrepancies in the circumstances and conditions of agriculture harmed European farmers. Also, Orbán called for a "complete leadership overhaul in Brussels". "These leaders will never make decisions in favour of the farmers." "We need new leaders truly representing the interests of the people," he said, referring to the European parliamentary elections in June.

GULYÁS: MAJORITY IN BRUSSELS 'PRO-WAR'

Hungary has fundamental disagreement with the majority of the European Union's member states, but instead of aiming for a solution, the powerful EU countries are attempting to use "harsh and unacceptable forms of blackmail" against Hungary, the head of the Prime Minister's Office said. Hungary has long said that the war in Ukraine is not a solution, and that a ceasefire and peace talks are needed, Gergely Gulyás told a regular government press briefing. But, he insisted, most EU member states were "pro-war". Gulyás said fundamental change was needed in Brussels to allow for "a change in tone" within the bloc, adding that the European Parliament elections this summer would give EU citizens a chance to express their opinion.

He said Prime Minister Viktor Orbán was busy holding talks on the sidelines of today's EU summit in Brussels, adding that the prime minister



still aimed to reach an agreement while taking national interests into consideration, "but it is not certain that this will happen".

Meanwhile, he said the interior ministry has arranged for 140,000 teachers to receive the documents needed for the pay rise within less than two weeks, Gulyás said, adding that teachers at public schools would receive their increased wages by Monday at the latest. He said the 32.2% wage hike would "help everybody to a rise". The recent pay rise will see teachers' gross average monthly wage rise to 652,000 forints (EUR 1,700), or 71.8% of the average wage of degree holders, Gulyás said. The minister said the pay hike was financed from the central budget, but the European Union had promised to reimburse the government. The cabinet has vowed to increase teachers' salaries to 80% of the average wage of degree holders by 2030, with the EU covering 12% of the pay hikes, he added. Concerning teachers' unions, Gulyás said they had to be "handled carefully" because "it is not easy to determine if they promote teachers' interests or work against them ... they had done everything at international forums to prevent the pay hike."

Concerning press reports suggesting that an Italian defendant in last year's Antifa attacks in Budapest was being held in demeaning conditions in a Budapest prison, Gulyás said all conditions met EU and Hungarian requirements. He added that the reports had been aimed at putting

Hungary in a poor light. He said inmates were given three meals a day, and he dismissed a claim that cells were rat-infested, adding that Hungarian prisons were hygienic, none had been affected by Covid, and foreign inmates were provided with the prison rules in their mother tongue on admission. Gulyás also suggested that the Italian defendant was "untrustworthy", adding that she had lied during the procedures concerning her qualifications, marital status and personal relationships. She complained about not being allowed visits, whereas her family members had visited her seven times since last October, Gulyás said. The defendant, he added, faced a possible sentence of 11 years imprisonment for deliberately causing life-threatening injuries. Prime Minister Viktor Orbán had talks by phone with Italian counterpart Georgia Meloni on Wednesday evening, and gave her a full briefing on the proceedings, Gulyás said. He said the two heads of government had always had a good relationship. "It is not a personal conflict," he added.

Regarding the upcoming EP elections, he said the board of the ruling Fidesz party will finalise the party's EP list before the end of this week.

Concerning farmers' protests in several European countries, Gulyas said: "Europe does not have the wisdom of the Hungarian government," and he noted that Orbán had met protesting farmers in Brussels "spontaneously" on his way to meet

the former Polish prime minister. Orbán was "the only premiere to speak with the protesters," he added.

Gulyás said the government supported Sweden's NATO accession and had submitted the issue to parliament. At the same time, he said it was important that "the vote takes place when the necessary majority is at hand, and that requires strengthening trust." "Since trust was lost due to the Swedes, this is their job," Gulyás said. "Hungary has not engaged in blackmail or set conditions," he added. The Swedish prime minister has been invited to Hungary, he noted. He said the decision was now in the hands of the ruling parties' parliamentary groups, noting that they command a two-thirds majority in parliament. If the government had made a mistake, it was in making a promise on ratification that it could not fulfil on its own authority, he said. Sweden's accession would strengthen NATO but not to a significant degree, he said.

Asked about a town hall meeting in Sóskút, near Budapest, regarding a planned metal recycling plant using cutting-edge technology which would create 160 jobs, Gulyás said it was "unacceptable" that the mayor and the head of the company looking to build the plant nearby had had to be rescued from the room. Issues such as worries over excessive water demand, a usual objection in the case of battery plants, "does not arise in this case", he said. The town hall meeting would have been a way for residents to be fully consulted on the project, he added.



Meanwhile, Gulyás said Fidesz's candidate for Budapest mayor in the local elections this year would be named by March. Fidesz will field its own candidate, but not necessarily a party member, he said.

On another topic, Gulyas said the government hoped the revamped Belgrade-Budapest railway line would be up and running in this government cycle. Also, the government "is hoping to announce" the purchase of Liszt Ferenc International Airport "within weeks", Gulyás said.

Regarding a possible tightening of Hungary's child protection law, Gulyás said that enforcing current legislation "would put Hungary in a very good position in European comparison". At the same time, he said all amendment proposals would be considered.

Commenting on temporary suspension of certain hospital services, he said there were 38 such instances in the whole of Hungary in January, of which 8 only applied for a few hours and 5 for one day. Only three services had been suspended for more than 2 months, he added.

Commenting on Foreign Minister Péter Szijjártó's talks in Qatar, he said that until the final agreement was signed on LNG imports to Hungary he was unable to provide information on the possible routes or volumes. Hungary, he added, was ready to receive LNG but this is more expensive than piped gas. He said the government was dedicated to diversification, but as long as several routes were available, Hungary must purchase the cheapest gas.

Gulyás welcomed Szijjártó's recent talks with his Ukrainian counterpart, noting that the foreign minister had focused on demanding the restoration of the rights of ethnic Hungarians in Transcarpathia. He said opposition Mi Hazánk leader László Toroczkai's comments on the annexation of Transcarpathia were "expressly irresponsible", adding that Hungary would fulfil its international legal obligations. Commenting on the participation of Gáspár Orbán, the son of Prime Minister Viktor Orbán, in a military mission in Chad, he said it was the role of the defence minister to appoint people for certain tasks. In response to a question, he said the fact that a soldier who spoke a foreign language was a member of a negotiating delegation was unproblematic. Commenting on preparations for the day, February 11, when far-right activists mark the failed attempt by Nazi and allied Hungarian soldiers to break out of Budapest in 1945, he said the responsible authorities were working on it. At the same time, he added that the requirement to guarantee the freedom of movement made it difficult to prevent "far-right imports" from western Europe.

Regulations have already been amended to better restrict extremist gatherings, he said, adding that Budapest was "an island of peace in Europe" and the government was making every effort for this to remain the case. He said Hungary was cooperating with European

Union allies concerning action taken against extremists. In response to a question concerning potential plans to introduce caps on the price of fuel, he said the last time this had been done, the price of petrol would have been around 900 forints (EUR 2.4) per litre without the caps, which he said was currently far from being the case. Commenting on a proposal by the Integrity Authority to amend the system of asset declarations, he said the proposal was worth considering. At the same time, he said Hungary's asset declaration system was one of the most comprehensive in Europe.

In response to a question on solar panel tenders, Gulyás said no EU funding had been received so far except one advance payment. The left wing in Hungary, he said, was working to hinder EU payments for this project, adding that certain tenders had slowed down in order to see "if the monies can be acquired despite the efforts of the left wing", he said.

Commenting on a question concerning the grandfather of progovernment publicist Zsolt Bayer, he said it was a reasonable expectation from anyone that if their parents or grandparents had committed crimes, they should make this clear. At the same time, "we must not punish the sons for the crimes of the fathers", he added. Gulyás also said that the grandfather of Klára Dobrev, the potential prime ministerial candidate of the Left, had been a "communist mass murderer". Whereas Bayer has written a sincere article facing up to



his grandfather's actions, "no such thing could be seen from Dobrev", he added. In response to a question about "secret agent files", he said there were no secret agent files, only state security documents, and "the government has done more than anyone else to make them public". Some of these documents were stolen, he said, and others were counterfeit. Whereas some of the people called secret agents indeed deserved contempt, he said, others had been actually forced by blackmail to submit reports, and they would still not report anything, he added.

SZIJJÁRTÓ: WORLD MUST DO EVERYTHING POSSIBLE TO PREVENT MIDDLE EAST ESCALATION

The international community must do everything possible to prevent the escalation of the armed conflict in the Middle East, Foreign Minister Péter Szijjártó said in Beirut, arguing that a war between Israel and Lebanon would mean a regional war. The threat of an escalation of the conflict in the Middle East is "a major concern of ours in Hungary", Szijjártó told a joint press conference with his Lebanese counterpart, Abdallah Bou Habib. "The whole international community has a huge responsibility in this" and it must "do its best" to prevent an escalation, the minister said. He warned of the threat of a regional war or an even wider conflict if just one other country joined the fighting, saying it was therefore vital to avoid a war between Israel and Lebanon. "We all know that Lebanon doesn't want a war, we understand that the Lebanese people don't want war... and we all know that the Lebanese government does not want war, either," Szijjártó said. He said the international community should therefore support Beirut in its efforts to prevent a war. Szijjártó said that hopefully the international community understood the importance of avoiding such a conflict and would mobilise its capacities in the interest of preventing an escalation in the region.

Rather than "blackmailing" Lebanon and "threatening it with sanctions", the international community and the European Union should support it in order to prevent an escalation of the armed conflict in the Middle East, Szijjártó said. The world has entered "an era of dangers" and faces serious security challenges, as evidenced by the ongoing wars in both Hungary's and Lebanon's direct neighbourhoods, Szijjártó told a joint press conference with Gebran Bassil, the head of Lebanon's Free Patriotic Movement, according to a ministry statement. Hungary is growing "increasingly concerned" over the conflict in the Middle East, he said, adding that the country has friendly relations with Lebanon and a friendly and strategic partnership with Israel. "We may not agree on this completely, but for us, it is unacceptable for a terrorist organisation to launch thousands of missiles at another country," Szijjártó said. "That is why we consider the success of counterterrorist operations to be a global interest, not just that of Israel." "At the same time, we also think that civilians should be protected, that the hostages should be released without delay, and ... escalation of the Middle East conflict should be prevented," the minister said.

Szijjártó warned of the risks of a regional or broader conflict, which he said would have "tragic consequences" for global security. He said the Lebanese government played a significant role in preventing the war from escalating, adding that the international community and the EU should support the Middle Eastern country in this role. "Support and help is needed, rather than threats of sanctions and blackmail and condescension," he said. Hungary, he added, was prepared to help prevent another armed conflict. Szijjártó said Hungary had so far done everything it could in this respect, noting that the government was aiding the local Christian community. Hungary has so far provided 5.5 billion forints (EUR 14.3m) worth of aid to the local Christian community, he said, adding that it has renovated 33 churches so far and was renovating another 30. The government is also providing emergency aid to some 800 people in need of medical care for a period of four months, he said. Hungary is also assisting in the operations of Christian hospitals and schools, aiding the rehabilitation of monasteries and orphanages, and offers scholarships to 50 Lebanese university students each year, the minister added.



Meanwhile, he pointed out that Lebanon also had to deal with the burden of caring for 1.5 million to 2 million Syrian refugees. "We know full well that if you didn't provide care for these people, they would set off towards Europe, and then we Europeans would be the ones faced with even more, serious security challenges, which Europe today does not seem as fit to handle," Szijjártó said.

GOVT OFFICIAL: DEVELOPMENT OF DEFENCE INDUSTRY A PRIORITY OF HUNGARIAN EU PRESIDENCY

Less than six months before the start of Hungary's EU presidency, the bloc's defence policy is focused on the development of the defence industry, the war in Ukraine and the security of the Sahel, the state secretary for defence policy and defence industry said after a meeting of EU defence ministers in Brussels. Zsolt Kutnyánszky said participants had watched a video message from Rustem Umerov, the Ukrainian defence minister, asking for further support for Ukraine. Several states' representatives argued for the procurement of more ammunition and handing over "equipment in national reserves" to Ukraine, Kutnyánszky said. At the same time, he said Hungary stood by its stance that it would not hand over or sell weapons or ammunition to Ukraine. The country "constructively abstained" last year, when the matter was voted on in the European Commission, he added.

The meeting focused on the EU's technological and defence industry, and the matter of a joint defence industry strategy, he said. Hungary has already started boosting its defence industry, with a view to supplying its own market as well as entering the European one, he said. The defence industry's development will be one of the focal points of the Hungarian EU presidency in the second half of 2024, he added. Discussing security issues in the Sahel and the Red Sea region, Kutnyánszky noted Hungary's active role in supporting stability there. It is launching a complex defence, agricultural and development programme in Chad, he said.

NAGY: US-HUNGARY ECONOMIC TIES 'FLOURISHING'

Hungary is a good target for investment, and **US-Hungary** economic relations "are flourishing", the minister for the national economy told a business forum of the American Chambers of Commerce (AmCham) on Thursday. The development of US-Hungary economic relations is undimmed and cooperation has been smooth in recent years, he said-The United States is one of Hungary's biggest partners in the trade of goods and the second biggest in the trade of services, Nagy said. American companies account for about 10% of the 100 billion euros of FDI in the country, he added. US-owned companies such as General Electric,

Coca-Cola, Flextronics, Jabil Circuit and Morgan Stanley provide livelihoods for over 21,000 Hungarian households, he said, urging American businesses to reinvest in their local operations. Nagy said the government was open to resolving the matter of double taxation avoidance. The damage caused by the US decision to terminate the double taxation avoidance treaty with Hungary was felt in both countries, even as bilateral economic ties thrive, he added. The cabinet is seeking a solution that would be "mutually beneficial and comply with contemporary rules", he added.

ALL MPS SUBMIT ASSET DECLARATIONS BY DEADLINE

All deputies and representatives of ethnic minorities in Hungary's parliament have submitted their annual asset declarations by the Jan 31 deadline, János Hargitai, head of parliament's immunity committee, said, adding that declarations will be published on parliament's website on Feb 1. The same asset declaration rules applied to leaders of the State Audit Office, the Competition Office, the Budget Council, members of the Competition Council and the council of the Public Procurement Authority, the chief prosecutor and his deputies, the leaders of the National Bank of Hungary, members of the Monetary Council, the central bank's board members, as well as the head and members of the Media Council.



PÁRBESZÉD CO-LEADER TORDAI TO BECOME PARLT GROUP LEADER

Bence Tordai, who has served as co-leader of opposition Párbeszéd-Greens, will replace Tímea Szabó as the party's parliamentary group leader, the party said in a statement on Thursday. Párbeszéd's congress on Jan 20 presented its list of candidates for the upcoming European Parliament elections, headed by former MEP Benedek Jávor. Szabó and Jávor will team up with Gergely Karácsony, the party's co-leader who is also the mayor of Budapest, to oversee the implementation of Párbeszéd's strategy and operations, the party said. The party's board has nominated Richárd Barabás, the party's spokesperson, to fill Tordai's post.

ECONOMY MINISTER, EGYPTIAN COUNTERPART SIGN SUBMARINE DATA CABLE AGREEMENT

The economy ministers of Hungary and Egypt have signed an agreement on behalf of Hungary's 4iG and Telecom Egypt aimed at building a high capacity submarine data cable between Egypt and Albania. Márton Nagy, the Hungarian minister, said at the signing ceremony that a competitive economy required a highly developed telecommunications

sector, adding that the digital economy accounted for at least 25% of GDP. 4iG chief Gellért Jászai said the two companies could obtain a large share of the data communications market between Europe, Asia, and east Africa through the new project.

TRADE SURPLUS EUR 1.6 BN IN NOV

Hungary posted a trade surplus of 1.6 billion euros in November, up 3.0 billion euros year on year, the Central Statistical Office (KSH) said in a second reading of the data. Exports slipped by 3.1% year on year to 13.0 billion euros. Imports dropped by 23% to 11.4 billion euros. In volume terms, exports were down 3.6%, while imports fell by 16%. Adjusted for calendar year effects, export volume was down 3.5% and import volume 16%. In a month-onmonth comparison, adjusted exports were down 2.8% and imports 6.1%.

HUNGARY PMI EDGES UNDER 50-POINT MARK IN JAN

Hungary's seasonally adjusted Purchasing Managers Index (PMI) slipped to 49.9 points in January from 51.0 in December, a hair under the 50-point threshold that signals expansion in the manufacturing sector, the Hungarian Association of Logistics, Purchasing and Inventory Management (Halpim) said. Among the PMI sub-

indices, the new orders index rose and was over the 50-point mark. The production volume index also increased and was over 50. The employment index rose and indicated an expansion again. The delivery times index increased. The gauge of purchased inventories fell but was over the 50-point mark.

NATIONAL MUSEUM OF PHOTOGRAPHY TO OPEN IN 2025

National Museum The Photography will open in 2025 in a villa that formerly belonged to the Klösz family near Budapest's City Park, the minister of culture and innovation said on Thursday. "A new system of logistics, museum technology, restoration and storage will be set up under the arrangements of the Liget Budapest project, allowing the new institution to have the place it deserves," János Csák said at the opening of a photography exhibition at the NEO Contemporary Art Space in the House of the Hungarian Millennium in the City Park. The exhibition offers a selection of the 700,000-piece collection of the National Museum of Photography, he added. László Baán, ministerial commissioner of the Liget Budapest project, said the National Museum of Photography will operate as a member institution of the Museum of Fine Arts with a floor space of 3,000sqm in the former Klösz villa.



