

PHOTO OF THE DAY



MTVA / János Vajda

The Boldogkő Castle in NE Hungary inaugurated after reconstruction

UPCOMING EVENTS

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TOP STORY

SZIJJÁRTÓ: EAST-WEST COOPERATION OPPORTUNITY

Hungary regards East-West cooperation as a great opportunity rather than a risk, whereby many can profit, Péter Szijjártó, the minister of foreign affairs and trade, said in Bangkok on Tuesday.

Given the war in Ukraine and the related sanctions, Eurasian cooperation has suffered a big blow, the ministry, quoting Szijjártó, said in a statement. With the collapse of growth based on advanced Western technologies and Russian energy sources, combined with skyrocketing inflation, many countries faced difficulties, even though they were not responsible for the situation, he added. Szijjártó also noted the Middle East conflict which has compromised safe navigation in the Red Sea, resulting in freight having to circumnavigate expensively. All this has negatively affected Hungary, which is among the ten most open economies in the world, he said. The minister referred to rising energy costs and inflation, which jumped from two percent to 27%, "exclusively owing to external influences". He said the European Union then decided to heap pressure on Hungary's "conservative, patriotic" government by freezing Hungary's community funding. "But we've survived," he said, adding that 2024 would be "much easier", with falling energy prices and inflation as well as the partial release of EU funds.

SZIJJÁRTÓ: HUNGARY OPTIMAL FOR INVESTMENT

Speaking to a press conference in Bangkok, Foreign Minister Péter Szijjártó said that there were several reasons why it was worth investing in Hungary amid the fierce competition for investments worldwide, including the stable political system, with a government that commanded a two-thirds parliamentary majority, and significant investment incentives as well as Europe’s lowest tax rates. Thanks to the government’s strategy of opening to the East, Hungary has turned into a major meeting point for Eastern and Western companies, he said, adding that Hungary wanted to see smooth East-West cooperation, while obstacles to trade around the world were undesirable. “Yet when anyone in Europe says something along these lines ... they are classed as a friend of the Russians, Putin’s spy, or a Kremlin propagandist,” he said. Szijjártó said all companies operating in Hungary could do so unhindered, no matter where they came from, all long as they followed the rules.

Szijjártó said Hungary doubled its 2022 investment record last year and 82% of working capital came from the East, mostly from China and South Korea. The minister said Hungary had become one of the world’s largest producers of electric batteries and a large number of suppliers had come from the East,

making the country a meeting point for German car manufacturers and Eastern battery-makers. Szijjártó praised bilateral ties “based on mutual respect”, noting that the Hungarian government “does not interfere in the internal affairs of others”. Hungarian-Thai trade in 2023 worth 730 million dollars was record-breaking, he said, and tourism “has also doubled”. He added that hopefully he would convince AirAsia managers to launch a flight to Budapest.

The minister also announced that AirAsia could launch a direct flight between Bangkok and Budapest in the autumn, noting that in 2023 tourism figures doubled compared with the previous year, with over 10,000 tourists visiting Hungary and Thailand receiving more than 30,000 Hungarians. Szijjártó said preparations had been made and relevant talks “will be concluded today”. “We have a good chance of there being a direct link between Bangkok and Budapest in the near future,” he said. Concerning Hungary’s upcoming European Union presidency, Szijjártó said Hungary would make efforts to reinforce the bloc’s foreign trade relations “in view of a significant deterioration in the continent’s competitiveness in recent years”. The Hungarian presidency will “take rationality and practicality in consideration”, and work to accelerate recently resumed talks with Thailand aimed at a free trade agreement, Szijjártó said.

The Hungarian government, Szijjártó said, would lend momentum

to talks with Thailand aimed at investment protection, “since more and more investors come from Thailand and trade turnover is on the increase”. The Hungarian economy could benefit from the effects of a free trade and investment protection agreement, he added. The minister assured his Thai partners of Hungary’s support for Thailand’s request to join OECD. “It is in our interest that the OECD should become stronger, while Thailand’s entry could clearly strengthen the organisation,” he said. Noting conflicts across the world and world organisations “seriously influenced by ideologies”, he said building relations was becoming difficult, while “it is refreshing to see that in remote parts of the world there are some countries such as Thailand that pursue a rationalistic foreign policy based on mutual respect.” “We see eye to eye that each country has a sovereign right to shape their own foreign strategy, promote their own national interests in foreign policy and resist the pressure exerted by strong players in international politics,” Szijjártó said.

FINMIN: 2025 BUDGET PLANNING UNDER WAY

An amendment to this year’s budget and planning for the 2025 budget are in the pipeline, foreseeing a lower deficit, declining public debt and stronger economic growth, Mihály Varga, the finance minister, said after meeting the head of the Fiscal Council.

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Given the effects of external factors on the Hungarian economy and public finances, this year's deficit target has been raised to 4.5%, according to a ministry statement. The target will be steadily reduced to below 3% in subsequent years, it added. The two officials agreed on the vital importance of improving balance indicators, and Varga said government was committed to reducing the budget deficit and the public debt with a view to ensuring sustainable growth. The budget shortfall will be reduced from 4.5% this year to 3.7% in 2025 before a further reduction to 2.9% in 2026, the statement said.

MINISTRY: NATO TO EXPAND INNOVATION NETWORK IN HUNGARY

NATO's DIANA innovation programme is expanding its network with new sites in Hungary, the defence ministry said on Monday. In a statement, the ministry cited an announcement from the DIANA initiative that it will be linking accelerator and test centres in Hungary to the alliance's innovation network. NATO DIANA was established with the purpose of using defence-based innovation to create value-added that can be useful in both the civilian and defence sectors, the ministry said. Hungary is joining NATO's defence industry innovation network with an accelerator and several test centres with the aim of boosting both domestic and international R+D cooperation within

the alliance, they said. The dual-use nature of the solutions being developed contributes to domestic industrial growth, the ministry said. It added that the acceleration of innovation would allow domestic businesses to establish themselves at a NATO level, leading to job and economic growth. The ministry said the first DIANA accelerator will operate under the name VIKI-NOKIA as part of the partnership between the Defense Innovation Research Institute (VIKI) and Nokia Solutions and Networks. Meanwhile, the accreditation of six DIANA test centres will further strengthen Hungary's role within NATO, the ministry said, noting that the test centres have been established by the University of Pécs, Budapest's Óbuda University, BHE Bonn Hungary Electronics, Alverad Technology Focus, ITSec Area and Nokia Bell Labs. The ministry noted that the ZalaZONE vehicle test track ZalaZONE Research and Technology Centre are also DIANA-accredited sites. Imre Porkoláb, ministerial commissioner for defence innovation, said Hungary's increased presence in the DIANA initiative would advance knowledge transfers and contribute to the success of the applications of domestic innovators. The statement cited Deeph Chana, Managing Director of DIANA, as saying that the broad scale and diversity of DIANA network partners accelerated the development and introduction of innovative solutions for defence, security and peace.

VENICE COMMISSION EXAMINES SOVEREIGNTY PROTECTION LAW

The Venice Commission said on Tuesday that it has examined Hungary's law on sovereignty protection, focusing on provisions related to foreign election financing and the establishment and activities of the sovereignty protection office. The advisory body to the Council of Europe said in a statement that the legal basis of the office as the protector of constitutional identity was questionable.

It said it was usual for state institutions to guarantee fundamental rights through the courts and law enforcement agencies, and the sovereignty protection office must not interfere with the constitutional powers of the courts and those agencies, adding that there was no evident need for such an office. Moreover, guarantees under the law for the office's independence were insufficient, it said, noting that the government was responsible for appointing and dismissing its top officials. Further, the office's powers were "extremely broad and vaguely defined", with the risk that the office could interfere in the lives of private individuals. The body argued that the arrangements may also stifle free and democratic debate in Hungary. It also referred to restrictions on the foreign financing of political parties, arguing that whereas restrictive measures

were in line with international standards in principle, the law's provisions extended beyond electoral campaigns to cover political activity in a broader sense and campaigns for social change. "The reason and need for such a broad approach have not been substantiated by the Hungarian authorities," the body said. The part of the law expanding a ban on accepting foreign financing was compatible with international standards, it said, only on condition that the provisions were amended to provide for certain exceptions of the new restrictions and for more precise definitions. The body recommended repealing the parts of the law concerning the establishment of the sovereignty protection office and, among other things, recommended a more nuanced definition of the concept of "foreign support", as well as a more precise definition of the prohibited activities and their foreign financing in the new provisions of the election law.

VITÉZY CANDIDATE FOR BUDAPEST MAYOR

Dávid Vitézy, an urban development expert and former state secretary in charge of public transport, has announced that he will run in the upcoming municipal elections for the post of Budapest mayor. In a video streamed on Facebook, Vitézy pledged "real development rather than party political fights, empty promises and the shunning of responsibility". Among the problems currently facing

Budapest, Vitézy mentioned a housing shortage, saying "there aren't enough affordable homes for sale and rents are too high". He insisted that suburban public transport services were sub-standard, while health services were deteriorating. Budapest's public areas "are unattractive", he said, citing a dearth of parks and pedestrian areas. "Areas outside the Grand Boulevard have been neglected, with all funds used to develop the tourist-beaten tracks of the Inner City," he said. Those problems, Vitézy said, had been neglected because "Budapest has been made a battlefield of political parties ... with the war between the two sides suffocating all developments: while the government blocks all major projects the city leadership acts as a martyr and falters -- even when they have to opportunity to make progress." "We cannot wait for those to resolve the problems of Budapest who have caused those very problems," Vitézy said, adding that he had comprehensive plans for "further developments, new parks, public spaces, renewal of the local train, new tramlines and affordable housing built on brownfield sites."

SZIJJÁRTÓ: AVENUE NAMED AFTER BUDAPEST IN BANGKOK 'PROOF OF FRIENDSHIP'

The naming of an avenue after Budapest in Bangkok and the inauguration of the statue of Hungarian 19th century ethnologist

János Xantus are proof of the long-standing friendship based on mutual respect between the two countries, the foreign minister said on Tuesday. Péter Szijjártó expressed thanks to the local authorities at the inauguration ceremony, the ministry said in a statement. Hungary and Thailand last year celebrated the 50th anniversary of the establishment of diplomatic relations, he said.

MAYOR LAUNCHES TRAMLINE PROJECT TO LINK SOUTH, NORTH BUDAPEST

Budapest Mayor Gergely Karácsony said on Tuesday that a new tram line linking Budapest's eleventh and fourth districts would be "the most important traffic development project in years to come". Addressing the project launch, the mayor noted that trams were a key plank of Budapest's public transport system compared with other European cities. "We are still not satisfied and want to make further and further developments," he added. The new line and other parts of the project co-financed by the European Union will link parts of the city that already have a metro service, but the route his high-capacity and needs services above ground, he said. Karácsony said the project would involve refurbishing the area in front of Nyugati railway station, including the demolition of a notorious overpass next to the station building.

GOVT TO LAUNCH HUF 200 BN JOB PLACEMENT SCHEME FOR UNDER-30S IN APRIL

The government will launch a 200 billion forint (EUR 507.3m) European Union-funded programme to boost employment among Hungarians under 30 in April, state secretary for employment policy Sándor Czomba said on public television on Tuesday. The scheme, which will include support for wages, rent and commuting costs, as well as for training, could help around 84,000 young Hungarians find work in 2024-2029. Between 60,000 and 70,000 of those could get wage support and 25,000-30,000 could participate in the training pillar of the scheme, he added. The programme will offer to cover half of employers' payroll costs for new hires under 30 for up to six

months. It will make up to 180,000 forints available for rent support for potential hires who live more than 60km away from work. New hires who opt to commute could get 10,000 forints in support for every 10km they need to travel to work. Czomba noted that around 23,500 Hungarians under the age of 25 were registered job-seekers. He added that the activity rate for Hungarians under 30 was around 10 percentage points under the EU average for the age group.

UKRAINIAN AUTHORITIES DETAIN HUNGARIAN SUSPECTED OF FORCING WOMEN TO SEX WORK

Ukrainian authorities have detained a Hungarian national suspected of recruiting women with false promises and forcing them to work as prostitutes in Asian countries, Ukrainian

authorities said on Tuesday. In a coordinated action of the Ukrainian border services, the Transcarpathian police and the prosecutor's office, authorities arrested the 41-year-old man on March 18 and prevented that a presumptive victim, a Ukrainian woman leave the country, the authorities said. In a house search, they seized the man's mobile phones, notes and documents proving illicit activities, as well as the car used to transport the woman, the authorities said on their website. The man is suspected of having lured women with promises of work with a non-existent model agency. He promised women grappling with financial hardships "safe and well-paying jobs in Cambodia", the statement said. In exchange for the women's photos, personal data and copies of travel documents, he promised "plane tickets, decent living conditions and decent clients," the authorities said.